

REPORT
FROM THE
INSPECTORATE

**Further
Education
Development
Agency**

November 1997

**THE
FURTHER
EDUCATION
FUNDING
COUNCIL**

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FUNDING COUNCIL***

The Further Education Funding Council has a legal duty to make sure further education in England is properly assessed. The FEFC's inspectorate inspects and reports on each college of further education every four years. The inspectorate also assesses and reports nationally on the curriculum and gives advice to the FEFC's quality assessment committee.

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FEFC INSPECTION REPORT

FURTHER EDUCATION DEVELOPMENT AGENCY

Inspected March–May 1997

Summary

After a slow start, the Further Education Development Agency has made substantial progress in bringing together the work of the two organisations it replaces. The agency offers an extensive range of services and expertise to the sector. It has recognised the potential of its unique position; it is in the process of developing closer links between its publications, training and consultancy work and its research activities. Many further education staff and college managers regard the agency as the major provider of these services for the sector. The decision to group its diverse activities into broad strategic areas is a positive development. The strengthening of the agency's regional presence has been welcomed by colleges and has helped to reinforce its national role. Managers and staff remain energetic and committed to ensuring the agency's success. Internal communications within the organisation have been problematic but are now improving. The agency's self-assessment report is robust, comprehensive and accurate, giving evidence of the self-critical culture emerging across the organisation. If the agency is to capitalise on the progress it has made, it needs to: articulate more clearly its strategic objectives; strengthen its planning and the way it sets targets; find ways of accessing a wider range of experience to guide its board's strategic decisions; adapt its management structures to meet current needs; integrate and improve its management information systems; implement effective quality assurance arrangements; take strategic decisions in relation to accommodation options and the role of publications within its services; and continue to seek ways of achieving a more consistent level of customer satisfaction with the services it provides.

INTRODUCTION

1 The Further Education Development Agency (FEDA) was inspected between March and the beginning of May 1997. Inspectors attended 13 training events and sampled a number of other activities, including regional network meetings and meetings of advisory groups. In addition, inspectors obtained the views of staff and managers in 48 colleges, including principals, senior curriculum managers and staff development officers. During a week at the beginning of May, a team of five inspectors visited all the main sites and met a range of FEDA staff. They attended a board meeting and talked to members of the board including the chairman. They examined documentation, and obtained the views of other interested organisations such as the Association of Colleges.

2 With the agreement of FEDA, the inspection was based on the self-assessment report which FEDA produced using the framework of the Further Education Funding Council (FEFC). This inspection framework came into operation in September 1997. In other respects, the inspection followed, as far as possible, the processes and structures used in the first cycle of college inspections, as described in Council Circular 93/28, *Assessing Achievement*. Modifications were made to take account of the distinctive nature of the organisation. For example, there is no separate section in the report on the recruitment, guidance and support of students, and grades have not been awarded to the areas inspected. The report does, however, conclude with a summary of the main strengths and areas for improvement.

FEDA: CONTEXT AND AIMS

3 FEDA is an agency with a remit from the government to support and develop teaching and learning and institutional and curriculum management for further education in England and Wales. It does this primarily by undertaking strategic research and development work, and by offering training, consultancy and other services to sector colleges. The agency supersedes two national organisations which were involved in the development and support of the further education sector before the incorporation of colleges in 1993. These were the Staff College at Blagdon, near Bristol, a national centre for management development, and the Further Education Unit, based largely in London, which had a remit for curriculum development and the management of learning.

4 The agency was established in 1994 following the recommendation of a review group which was set up by the FEFC in 1993 at the request of the secretaries of state for education and employment and the secretary of state for Wales. After consulting the further education sector and other interested bodies the review group concluded that a new and more cost-effective agency, with a broader remit than its predecessors and a stronger market orientation, should be established. A substantial majority of respondents to the consultation exercise supported its recommendation

that a new agency be established 'to play a lead role in supporting and developing the management of learning across the whole sector'.

5 FEDA's first chairman was appointed in April 1994 for a period of three years, and the board held its first meeting in September of that year. The chief executive was appointed in November, and the process of appointing three directors, for research and information, training and consultancy, and finance and resources, was completed by June 1995. The agency started its work in April 1995, and now employs over 150 staff. It has two centres in London; a centre in Blagdon, Bristol which includes residential facilities; four regional offices and an office in Wales. Its services are offered at a number of venues around the country, and increasingly in colleges. FEDA's mission, published in October 1995 after further consultation with the sector, is 'to provide services to further education which promote quality, lead curriculum design and development, and enhance effective governance and management'. This is supported by statements of aims and values which reflect its role, constitution, strategic aims, business principles and commitment to ethical practices.

6 FEDA increasingly offers its services through programmes which focus on national initiatives; for example, the general national vocational qualification (GNVQ) support programme and the programme on quality in information and learning technology (QUILT). It seeks to inform national policy on issues such as funding, quality, relations between further and higher education, the curriculum and qualifications, access, and widening participation. It also aims to respond rapidly with services that address specific issues of concern as they arise in the sector.

7 FEDA's turnover in 1995-96 was approximately £9.1 million. Revenue consists of block grants from public bodies and income from customers for services provided. In 1995-96, 70 per cent of the agency's funding came from the FEFC. In line with the recommendations of the review group, the FEFC looks to FEDA to seek a progressive reduction in its dependence on block funding over time in favour of specific contracts and earmarked funds. By 1997-98, the percentage of the agency's funding from the FEFC has fallen to 50 per cent of the agency's income. The remainder comes from contracts with the Department for Education and Employment (DfEE) and other bodies, and from fees and lettings.

8 FEDA operates in a competitive environment in each of its areas of activity. Independent market research commissioned by FEDA shows that it has three major competitors for training nationally. It also competes with other training providers, including individual colleges, training agencies, other government agencies and a number of charitable bodies. Research and consultancy contracts are pursued through competitive tender. FEDA sets out to work collaboratively where it considers that to be in the interests of the sector, and it pursues a partnership approach where it can.

9 In 1995-96, FEDA's research team worked on 124 projects involving collaboration with over 280 colleges in the sector. Its staff development and training activities were attended by 7,136 participants from 521 organisations spread throughout England and Wales. Seventy-three colleges took part in its international programme.

GOVERNANCE AND MANAGEMENT

10 FEDA was incorporated as a company limited by guarantee and as a registered charity in August 1994. The new agency inherited many of the functions, assets and liabilities of its predecessor bodies, including staff and buildings. Several members of the review group which had recommended the establishment of the agency became members of its board, including the chairman. FEDA has taken time to establish its new role and identity against a background of strong continuity with the policies and practices of the two bodies which it replaced.

11 The FEDA board has a membership of 15, of whom 14 were in place at the time of inspection. The chairman is remunerated as a director of FEDA's wholly-owned trading subsidiary; he spends some time each week working in the agency. Twelve members of the FEDA board are associated with colleges or other educational bodies, including six who are further education college principals. Some of the board's members are drawn from colleges or organisations that are customers or competitors of FEDA. The current membership represents one interpretation of the agency's articles of incorporation. Other interpretations would allow the board to recruit more widely, strengthening its expertise in industry and professional disciplines such as finance, the law and estates management. Inspectors observed exchanges during board meetings in which members failed to make sufficient distinction between their roles as board members and as customers of the agency's services. The term of office of the first chairman ended during 1997 and those of all the other members of the board end simultaneously in April 1998. There is scope to review arrangements for board membership. Attendance at the five board meetings held last year averaged 69 per cent.

12 The board has four main committees: finance and general purposes; personnel; audit; and the remuneration of senior staff. In addition, working groups are established occasionally to make recommendations on particular issues, such as the future of the agency's estate. Standards of clerking have been inadequate in some respects and a new head of secretariat has been appointed recently. He has taken steps to regularise several constitutional and procedural matters, including the board retrospectively recording its approval of the agency's strategic plan, which was published in 1995. Board and committee members comment that it is only recently that they have been satisfied with the quality of the financial information they receive. They are anxious to begin developing performance indicators to help them to assess the quality of the agency's services.

13 The chief executive is not a member of the board, although he attends its meetings. There is no settled view among members as to whether the board is an executive body. FEDA's directorate consists of the chief executive and three directors. They meet every week to consider both strategic and operational issues, sometimes with the chairman of the board or other staff in attendance. Their meetings are well organised and productive. The senior management team, dealing primarily with operational matters, consists of the directorate, the head of human resources and the heads of the various business and programme areas. It meets monthly. Whilst these meetings are well conducted and supporting papers are of good quality, some senior managers consider them too formal to be fully effective.

14 The agency's self-assessment report concludes, accurately, that its preoccupation with operational issues in the early days of the new body has delayed the development of a clear strategic vision. FEDA sets out to play two main roles. First, it undertakes strategic research and development for the whole further education sector, which is a role unique to the agency. Secondly, it offers training and other services to colleges that are often similar in character to those available from other providers, including the colleges. The agency has not made clear to the sector the extent to which its standard training courses are subsidised by FEFC income. Some sector criticism of the agency arises from the assumption that this training is already publicly subsidised, and that it should therefore be less expensive than training available from other providers.

15 FEDA is organised as a matrix of four business areas and five programme areas. The business areas are: consultancy; information and publications; research and development; and training. The programme areas are: curriculum and qualifications; institutional development and performance; learning at work; participation and achievement; and technology and the management of learning. Programme areas provide a base for FEDA's education staff, who make up about a third of the agency and who are largely responsible for delivering the agency's training, research and consultancy activities. They are attached to particular programme areas primarily according to their specialist contributions. Programme area heads meet regularly to consider systems and progress, and to share good practice. Programme area teams have also begun to meet regularly, and this has provided a useful focus and sense of identity for education staff.

16 The business areas are primarily cost centres, providing the focus for relations with clients, and setting standards and targets for the programme areas to meet. Targets include the number of events, projects or publications which each programme area should achieve. Because programme areas to date have had little involvement in setting their targets, objectives are often set arbitrarily and there is no real requirement to meet them. Where negotiation does take place between business and

programme areas, as was originally envisaged, the process can be cumbersome. Recently, large specialist programmes have developed which have their own budgets and which lie outside the main organisational pattern. These include initiatives important to the agency's future such as QUILT and the GNVQ support scheme. The original matrix structure is becoming blurred. The directorate already sees it as obsolescent, and the need for change was signalled in the self-assessment report. Some senior managers, however, appear unaware of this.

17 FEDA's current strategic plan, 'Leading to Success', consists of sets of programme area priorities which are aligned broadly under business area themes. Its mission and statement of values are expressed in general terms. It is not clear how the separate programme area priorities relate one to another or whether they are consistent. Currently, although there is a budgetary framework, FEDA has no overall operating plan setting out the ways in which it will meet its strategic objectives. The individual plans produced by each area vary considerably in quality and rigour. The agency has recognised the need to update its objectives and a revised strategic plan is due to be prepared for autumn 1997. A new strategic planning cycle which is integrated with quality assurance processes is scheduled to begin at the same time.

18 When the assets and liabilities of the predecessor organisations transferred to FEDA, a condition of transfer was a constraint on FEDA's ability to dispose of the Staff College assets for a period of two years. In addition, FEDA has retained the London site it inherited as well as acquiring a new head office. The dispersed nature of its activities, with many functions located as they were before the establishment of the new agency, has hindered efficient resource management and the formation of a new corporate ethos. Progress has been made in rectifying this, though staff have yet to see the benefit of new arrangements. A director has been attached to each site and initiatives to foster good communication have included: general meetings of staff, some of which have been residential; an internal newsletter; video-conferencing and electronic mail. The agency has 10 established regional representatives in England and Wales who play an increasingly important part in establishing its national role. The plethora of sites, and particularly of major locations, complicates communications and is costly to administer. It is not yet clear whether all sites are essential to the agency's efficient operation.

19 FEDA has no integrated management information system. There are many different databases which are largely incompatible. Senior managers regard the assembly of an up-to-date customer database as a priority and consultants have been retained to bring this about. However, there is no general management information strategy, and it is not clear to staff who has overall responsibility for developing a coherent approach to management information.

RANGE AND RESPONSIVENESS

20 The range of publications, services and events offered by FEDA is very wide. Training events held since January 1996 include information technology, quality assurance, governance, management, curriculum design, student support services, marketing, retention of students, key skills development, careers education, modern apprenticeships and the new FEFC inspection framework. Research topics and publications are similarly diverse. The agency has published newsletters and bulletins; established telephone helplines, for example on GNVQ issues; and set up an Internet site where information can be exchanged. Colleges can commission training to suit their own requirements. FEDA's consultancy services have provided advice on a wide range of issues, sometimes at short notice; for example, advice to colleges on finance.

21 Many further education staff regard the agency as the major provider of training, publications, information and research for the sector. Most colleges of general further education in the sample of 48 colleges surveyed by inspectors had some involvement in FEDA projects, had sent staff to training events, had purchased some publications and were members of several regional networks. Between April 1995 and July 1996 some 2,900 participants took part in residential training courses at Blagdon and 4,220 in various regional events in England and Wales. However, FEDA's services are not equally valued or understood across the sector. Colleges of general further education make the most use of its services; specialist colleges the least. There are indications that sixth form colleges are making increasing use of FEDA, though the survey identified considerable variation in the views of sixth form college staff about the range and quality of provision. An advisory group of staff from sixth form colleges has yet to prove effective in helping FEDA to respond to sixth form college needs.

22 Whilst the majority of colleges in the survey considered that FEDA was dealing with the major issues facing the sector, there was less agreement on the quality of its contribution. Participants felt that the strengths of FEDA's provision lay in areas such as key skills, self-assessment and GNVQs. During its first year of operation, the helpline for the GNVQ support programme attracted over 1,000 telephone calls, and events connected with the programme attracted approximately 5,000 participants. Areas considered less satisfactory included aspects of resource management, and strategies for teaching and learning. FEDA has addressed a number of these issues. For example, it has launched a new series of guides to good practice in teaching specific subjects; and last year more than 100 people attended meetings of a network for finance managers.

23 Approximately three-quarters of the colleges consulted by inspectors had taken part in one of FEDA's research activities. Recent projects attracting the greatest interest were those dealing with student retention, key skills and GNVQ issues. Staff in approximately one-third of those

colleges surveyed considered that the research projects had benefited the college's operations. FEDA is well placed to involve colleges in research projects, to publish the results and offer related training events. Where this cycle of related activities is effective, the sector and individual colleges benefit from timely information and training on important issues. One concern expressed by colleges related to the lack of information concerning criteria and feedback on project bids.

24 FEDA's self-assessment report describes the range of its activities as 'diffuse'. A positive development is its recent decision to group activities into broad strategic areas such as inclusive learning and widening participation. An example of this approach which has already earned a positive response from the sector is the GNVQ support programme.

25 A marketing analysis was part of the preparation for drawing up FEDA's strategic plan in 1995, and staff across the organisation now contribute to its marketing activities. Demand is assessed informally through the work of regional representatives, visits made by members of the directorate to colleges, meetings of regional networks and advisory groups, and individual contacts from staff in the programme areas. However, the information gathered is not co-ordinated centrally, and middle managers and staff have found this a source of frustration. For example, there is no convenient way for staff to see the overall use made of FEDA's services by an individual college. There is no easily accessible information about precisely who in the sector might be interested in the various services available from FEDA. Much of the marketing information which exists is held in separate databases and staff are not aware of the full range of data available. In addition, some of the information is out of date. The lack of effectively co-ordinated marketing information has made it difficult for the agency to identify accurately the sector's needs and to target its resources effectively.

26 Sometimes the lack of detail made available in promoting events causes difficulties even for events which are well attended. The recent launch of the QUILT programme, offered in conjunction with the National Council for Educational Technology, was not well received by some college managers. They found that the event was more concerned with consulting the sector on the form of training which should take place under the initiative than with providing information about QUILT, as they had anticipated. Where the distinction between consultation and training is more clearly established, responses have been more positive. A recent residential event at Blagdon focusing on the Dearing report, *Review of Qualifications for 16-19 Year Olds*, was clearly promoted as an opportunity for delegates to improve their knowledge about recent developments and for FEDA, in turn, to draw on their expertise and experience. To reflect these mixed objectives, the event was marketed at a discounted rate and was oversubscribed. Participants were very satisfied with the nature of the event and its outcomes.

27 Amongst the most highly valued of FEDA's services are the various regional networks, such as those for senior curriculum managers and for staff development officers. These networks enable college staff and managers to exchange information and discuss important topics such as developments in information and learning technology, and the Dearing review. A number of colleges, particularly in the north of England, consider that FEDA focuses too many of its activities in the south of the country, at Blagdon in particular, and that they incur unfairly high travel costs. An increased emphasis on organising training events in the regions is beginning to address this issue, and the regional representatives are working hard to improve the regional relevance and accessibility of FEDA's services.

28 In addition to its links with colleges, FEDA seeks to establish working relationships with other agencies, some of which are competitors. Agreements have been reached with regional further education organisations which supply information and training to colleges. Specific collaborative agreements have been established with the major vocational examining bodies. FEDA has formed advisory committees to enable the agency's staff to keep abreast of developments in important areas, such as provision for students with learning difficulties and/or disabilities, provision for adult learners, and information technology. It has also collaborated with the Association of Colleges in a number of areas; for example, it has a continuing involvement in the management of the Fairbairn Fellowships which aim to promote access to further education.

29 A less visible aspect of FEDA's work lies in its responses to the consultation processes associated with a range of major national policy initiatives. For example, it prepared a detailed response to the Tomlinson committee's work on students with learning difficulties and/or disabilities, and to the government white paper on lifelong learning. One of FEDA's senior staff was seconded to take part in the Dearing review of qualifications for 16 to 19 year olds.

30 FEDA organises a number of international activities, with the aim of informing the sector about good practice in other countries. It arranges international study visits, and educationalists from abroad are invited to this country. The volume of activity and the interest shown by the sector has fallen over the last three years and there has been little effective dissemination of the findings of international study visits. FEDA's managers have recognised that the activity lacks coherence and a clearer European focus is being developed. FEDA now offers assistance to colleges in preparing bids for European funding; a network of college European co-ordinators has been set up; and a European newsletter is to be published.

31 The agency has a high profile in the area of equal opportunities. Some training events deal specifically with equal opportunities; others have an equal opportunities component. There are also research projects

and publications; for example, on the career patterns of women principals and on access to further education for people with learning difficulties and/or disabilities. A network of equal opportunities officers in colleges has been set up. FEDA's own personnel procedures are designed to enhance equality of opportunity. An equal opportunities policy reflecting and codifying good practice has only recently been drawn up.

BUSINESS AREAS

Research and Development

32 The head of the research and development business area had been in post for only a few months at the time of the inspection, and many of the business area's systems and procedures had been carried forward from the Further Education Unit. At the time of inspection, 109 research projects were in progress, using staff drawn from all of FEDA's programme areas. These included commissioned and contract research projects. On average, FEDA has completed 75 projects a year, covering a wide range of issues. For example, there was a six-week investigation commissioned by a college into the suicides of two of its students, and long-term research supporting strategic programmes for the sector, such as QUILT.

33 A central research body which publicises its findings widely and which is easily accessible is unusual in the education world. The public funds devoted to FEDA's research and development activities are relatively modest but there is evidence that they produce important results and that colleges value their involvement. A third of the colleges surveyed considered that working with FEDA had contributed significantly to their effectiveness and two-thirds thought that the research projects were well managed. The most frequent complaints from those colleges expressing dissatisfaction were: the lack of clarity about the criteria against which colleges could bid for development funding, for example under the QUILT initiative; inadequate support from FEDA staff; and delays in analysing research data. Overall, there is scope for FEDA to strengthen its links with the colleges with which it is involved in research.

34 The agency is striving to develop new formats for its research activities which are relevant to the needs of the sector. Traditionally, research activities led to the publication of research findings from which flowed appropriate training events. This model sometimes led to protracted delays in disseminating findings or no outcomes at all. FEDA is addressing this by introducing a more interactive approach where workshops for college staff both contribute to the research and disseminate results as they emerge. Where appropriate, these workshops are offered on a subsidised basis. Early indications are that this is a productive approach, particularly for matters relating to the curriculum. For example, the new *Spotlight* series has used this approach to help FEDA research and disseminate good practice in the teaching and learning of specific subjects.

35 Efficient dissemination of research findings through publications and conferences is central to the success of FEDA's research and development activities. A research journal, *College Research*, was launched in July 1997. Each edition is to include three or four major articles and a number of brief accounts of interim research findings, together with requests for data or other contributions. A research conference is scheduled for December 1997. FEDA also plans to use its Internet site to make the research material from *College Research* available to a wider audience.

36 FEDA's self-assessment report notes that there has been a history of research projects which have produced no visible results. To address this problem, projects will be more tightly managed than they were previously. The requirement to publish interim research findings in the journal is part of that tighter discipline. It is too early to judge whether the improved management of research projects will see a higher proportion reaching a successful conclusion.

Training

37 Over 50 per cent of colleges in the survey reported that FEDA's training events had contributed positively to the college's development. College staff saw as particularly productive the events supporting the development of GNVQ programmes, key skills and self-assessment. In some cases, participants felt training events had been useful, not so much because of the quality of the event itself, but because of the opportunities offered by such events to establish useful contacts or because of the internal debate which the event prompted in the college.

38 The use colleges make of FEDA's training events varies considerably. Since FEDA was formed, levels of participation in one-day regional events have been in proportion to the number of colleges in the region. In 1995-96, there was a significant increase in the numbers attending its regional events, and no increase in its residential courses. This pattern has continued in 1996-97. College staff consulted in the survey expressed a range of views on the quality of the training events, although FEDA's own evaluations indicated a broad level of satisfaction. Staff said that the most effective events were those which were sharply focused on a particular topic or for a particular group of staff. Some considered that other organisations provided training which was more focused, more current and more locally based than was the case with much of FEDA's training.

39 As part of the inspection, 13 training events were observed by inspectors. These, and the teaching sessions within them, varied in quality; some were outstanding and a few had significant weaknesses. Events were well prepared and well managed. The most effective aimed to meet participants' needs and succeeded in doing so. The overall atmosphere was friendly and productive, and the individual speakers were lively and confident in their areas of expertise. There were ample opportunities for participants to debate issues and make use of their own experience and

expertise. Attention was given, towards the end of the event, to developing plans for using the knowledge gained, back at college. In contrast, the less effective events had unclear targets or the organisers and teachers were overambitious in their aims. Time was poorly managed. Presentations lacked focus or lasted too long, evoking little response from participants. There was evidence to suggest that the more successful individual sessions were those delivered by FEDA's full-time staff.

40 Staff from the training business area have worked with programme area staff to extend the range of events offered against the backcloth of existing programmes and staff expertise. However, proposed events are not always based on good market information. For these and other reasons, over 70 per cent of events organised between April 1996 and March 1997 did not recruit to their maximum. In addition, 27 per cent of events due to take place over the same period failed to materialise because of insufficient demand. FEDA's own evaluation of training events indicates that participants are recruited to events which do not satisfactorily address their needs. Steps have and are being taken to improve the quality of marketing information and the use made of it in planning training events. These have not yet had a significant impact.

41 Training events are evaluated mainly through evaluation forms which are distributed at the end of each event. However, historically, only about 40 per cent of participants returned these forms to FEDA. With a few notable exceptions, participants do not receive a summation of their responses. FEDA staff now routinely investigate instances where participants express dissatisfaction with a training event, but they do not analyse the reasons why many people who enquire about events do not subsequently enrol. A contributory factor to the low take-up rate may be that FEDA's promotional and course materials are sometimes too vague in describing the event and in identifying the target audience and planned outcomes.

Consultancy and Commissioned Training

42 The activities undertaken by this business area fall into three categories: consultancy, commissioned training, and lettings. Just over half of its income comes from lettings, primarily at Blagdon for conferences and weddings. Commissioned training forms the next most significant aspect of the area's activities. Earnings from consultancy comprise as yet only 15 per cent of the business area's total earnings. FEDA states that this is in line with its strategic intention to achieve only a low level of activity and a modest growth in these areas of its work.

43 Since the appointment of the head of consultancy and commissioned training in May 1996, the business area has made good progress in broadening its client base. Clients now include local education authorities (LEAs) and training and enterprise councils (TECs) which have purchased customised training courses. Much of the current consultancy work is focused on three main customers: the DfEE, the former Schools Curriculum

and Assessment Authority, and the City of Westminster. It is in the field of consultancy and commissioned training where the business area faces its greatest challenge and perhaps its greatest opportunity. Colleges in the sector offer considerable scope for the expansion of consultancy services, particularly those who have already made use of the business area's commissioned training services. The lettings business has been useful in allowing FEDA to make better use of its accommodation in Blagdon at times when it would otherwise have been empty.

44 Approximately one-quarter of the colleges surveyed had made use of the business area's services, mainly for customised training in areas such as management, student retention, employment law, stress management, and information and learning technology. The majority of those commenting on their use of the service considered the training had been good and had accurately addressed specific issues affecting their institution. Others had reservations about the service they had received, in the main because their specific needs had not been assessed accurately. The business area has begun to address the need for staff to develop their consultancy skills by offering training internally. It has yet to develop adequate systems for managing or supporting the external consultants it uses.

45 Until now, unsophisticated marketing and promotion have hindered the expansion of consultancy services and, to a lesser extent, commissioned training. This is fully recognised by the business area in its self-assessment report. To date, the marketing effort has been largely reactive, relying on FEDA's reputation as a training organisation to attract new customers. The head of the business area has recognised that this on its own will not be sufficient to produce substantial amounts of new business. She has concluded that links between the business area and individual colleges which have already benefited from FEDA's services have to be strengthened significantly to allow training and consultancy needs to be targeted accurately. A more active marketing stance such as this will make substantial demands on FEDA's information database, on existing links with customers and on the marketing intelligence provided by programme area staff.

46 The business area is developing more effective procedures to evaluate the quality of its activities. The area's self-assessment report identified a lack of measurable performance indicators and targets as a significant weakness. This is now being addressed with the adoption of performance indicators, such as the time taken to respond to enquiries and requests about services on offer, the number of enquiries received over a period of time, and the level of customer satisfaction achieved.

Information and Publications

47 The information and publications business area commissions, edits and publishes all FEDA's publications, which range from books produced as a result of research projects to the staff newsletter. The business area

is also responsible for services such as press relations, the library at Blagdon, FEDA's web site and telephone enquiry lines set up to provide information and advice on specific topics, such as the QUILT initiative.

48 FEDA's publications provide a major source of information about issues and developments affecting the sector. Approximately 70 per cent of colleges subscribe to FEDA's fortnightly publication which summarises newspaper and journal articles about further education. Two regular newsletters, soon to be amalgamated, carry information about the sector and an account of FEDA's current activities. They are issued free of charge, as is *Viewpoints*, a series of occasional short papers offering contributions to the national debate on key issues. This information is also published on FEDA's Internet site along with any comments received from subscribers. Information centres at the Vauxhall site and the Mendip Centre at Blagdon provide information on FEDA's activities and on the sector in general. Despite the wide range of information available, awareness and use of FEDA's information services amongst the colleges surveyed was relatively low, with the exception of specific services such as the GNVQ helpline.

49 Three of FEDA's regular publications are available on subscription. The *FEDA Bulletin* series summarises outcomes of research or developments in relation to topics such as modern apprenticeships, or the recording of student achievements. The *Developing FE* and *FE Matters* series contain lengthier studies of major themes in further education, such as the needs of adult learners and the effective use of information and learning technology. Just over 50 per cent of colleges subscribe to *Developing FE*, and 33 per cent to *FE Matters*. Many larger colleges purchase most of FEDA's major publications. Smaller colleges tend to buy fewer, either because they regard the publications as too expensive or because they consider many of the publications are not relevant to their particular interests.

50 FEDA's other publications cover a wide variety of subjects. Some result from the agency's long-term strategic research. Others reflect research carried out collaboratively with colleges into specific issues, such as the tracking the progress of students. Some publications take the form of practical manuals for teachers, or good practice guides. A recent example of this is the *Spotlight* series, the first of which focuses on teaching and learning in psychology and sociology.

51 Little attempt is made to assess with accuracy the likely demand for publications, although it is inevitable given the size of the sector that most publications will have a relatively small market. Promotional activities are usually directed at the sector in general rather than at specific interest groups and individuals. Despite the uncertainty of demand, the usual print run is 1,000 copies. It is not surprising that many copies remain unsold and that FEDA's publication costs far exceed income from sales. Efforts are being made to assess the costs of publication more accurately and to reduce production costs. In addition, a more sensitive approach to

the pricing of publications is emerging, with price reductions to subscribers.

52 FEDA has continued to publish materials broadly similar to those produced previously by the Further Education Unit and the Staff College. There is not yet a clear view on the strategic role of publications for FEDA and for the sector; for example, the appropriateness of charging for all publications, in contrast to the Further Education Unit's practice of providing its publications free of charge. There are no clear guidelines that help determine whether a publication should be produced or not. FEDA's unique research output is often recorded in uneconomic publications. This tendency is clearly at odds with FEDA's desire to conduct its affairs in a business-like fashion and with the requirement to reduce its dependency on grant income from the FEFC.

53 There are occasions when publication schedules have slipped due to delays in completing and editing manuscripts. The situation is improving following recent appointments to the business area, training sessions, and the issuing of helpful guidelines on writing, editing and publishing. Although programme areas are now set publication targets by the business area, these take no account of the varying size and nature of programme areas and have proved ineffective in monitoring production.

QUALITY ASSURANCE

54 Responsibility for quality assurance lies with the director of research and information who has been supported in this role since November 1996 by a quality co-ordinator. The quality co-ordinator's role is to develop, implement and monitor FEDA's quality assurance processes. The two organisations from which FEDA was formed employed very different quality assurance processes. A quality assurance policy for the new organisation was published in 1995, committing FEDA to the concept of constructive self-criticism and continuous improvement. At the same time, a quality assurance and review committee was established to provide an organisation-wide overview of FEDA's services and activities. The committee has met twice only and has had little impact in establishing robust, effective procedures to monitor and promote quality across the organisation.

55 Senior managers have recognised that the continuing development of managerial systems and procedures and the establishment of a planning cycle have made aspects of the original quality assurance policy redundant. They have also concluded that the quality assurance and review committee needs to be reconstituted so that it is better able to draw on the views and expertise of staff from all areas in the organisation. A revised quality assurance policy had just been prepared at the time of the inspection, together with new terms of reference for the quality assurance and review committee and proposals for a broader membership. The functions proposed for the committee are to assess planned programmes of work, to

advise programme area and business area heads on actions to improve quality, and to review business and programme areas on a three-year cycle. One of its primary tasks will be to oversee the production of FEDA's annual self-assessment process. Its cycle of meetings is arranged to complement FEDA's planning cycle. Although a member of the board will sit on the committee, it is not yet clear how the committee will report formally to the board.

56 Some progress has been made in establishing detailed quality assurance procedures. Each of the four business areas has defined the quality standards which programme areas will need to meet. What has not yet been established is how these standards will be reviewed. FEDA's charter was published in March 1997 in English and Welsh. The charter contains clear commitments for each business area and outlines the ways in which FEDA will monitor these areas of activity. It also encourages users of the services to provide FEDA with feedback through any appropriate medium, including electronic mail. It is not clear how FEDA's performance in meeting its charter commitments will be reviewed.

57 The procedure for evaluating training events is well established. The evaluation forms for each event are analysed and summarised by the relevant business area head, and then considered by the programme area head. There are a number of instances where the evaluation process has produced substantial improvements in training events. A course on strategic financial management attracted a substantial amount of well-founded criticism from delegates. Following analysis, it was discovered that the problem stemmed from poorly delivered sessions. Corrective action was taken, which focused on improving the teaching and presentation skills of the external consultants who had contributed to the event. Evaluations received for a subsequent event demonstrated that this process had been effective in improving quality. Recently the evaluation procedure has been strengthened further. If critical feedback is received, the client concerned is contacted to discuss the issues raised and to agree the action to be taken. A form is completed, recording the nature of the complaint and the action agreed. This goes to the relevant programme and business area heads and to the quality co-ordinator, so that they can take further action if necessary. A number of colleges have commented favourably on this more active response.

58 Although individual training events are evaluated, until recently there has been no formal drawing together of the evaluations to produce a composite picture of the quality of training events which is then used to effect improvements. Direct observation of events by FEDA's staff has not been a feature of the quality assurance process. However, in preparation for the inspection of FEDA's activities by the FEFC inspectorate, a small number of events were observed and evaluated by FEDA staff who were trained inspectors. Evaluation procedures for consultancy and commissioned training are broadly similar to those adopted in the training

business area. However, the evaluation of the activities of the other two business areas is less extensive and less formal. There is as yet little attempt to assess the long-term value of FEDA's activities to participants and to colleges.

59 In anticipation of the inspection, FEDA prepared a self-assessment report on its operations under each of the relevant headings in Council Circular 93/28, *Assessing Achievement*. The report included individual self-assessment reports from all the business and programme areas. In many respects, the report was a model of good practice. It was comprehensive, and strengths and weaknesses were clearly identified and supported by robust evidence. The analysis of strengths and weaknesses was related to action plans designed to improve the quality of FEDA's provision. Overall, the self-assessment report accurately reflected FEDA's strengths and weaknesses and by the time the inspection took place much had been done to address weaknesses identified in the report. Although it had been prepared in a relatively short period of time, staff in business and programme areas were fully consulted about what it should contain. The report and the process by which it was produced have reinforced the climate of constructive self-criticism throughout the organisation.

60 FEDA's internal staff development activities are strongly supported by the chief executive and the directors. Its staff development policy recognises the need for FEDA to lead, innovate and be responsive to changes and challenges in further education. It recognises also that staff development activities need to be in line with FEDA's strategic objectives. A staff development panel of six members, drawn from across the organisation, oversees the policy and its implementation. All staff development activities with resource implications have to be approved by the panel. Current priorities for staff development include improving the project management skills of staff, training in the use of information and learning technology, ensuring that performance management systems are well established, and focusing the attention of staff on the 'customer care' aspects of their activities. Induction for new staff is well planned and usually customised to meet individual staff needs. Approximately 1 per cent of FEDA's annual budget is spent on staff development activities. Although there is a commitment to acquire Investor in People status, there is no timetable yet for achieving this objective.

61 FEDA's newly-introduced performance management system is intended to strengthen the systematic identification of staff development needs. It will revolve around an annual performance review of individual staff leading to the identification of development needs. The early stages of the process have been completed. Staff have commented favourably on the system's emphasis on the setting of personal objectives and the identification of related staff development.

RESOURCES

Staffing

62 Of the 153 staff employed by FEDA at the time of the inspection, 104 are women and 49 are men. Thirteen are from minority ethnic groups. Half of the 14 senior managers are women, one from a minority ethnic background. There are 39 education staff working in the programme and business areas, and 100 support staff. Eleven of the 153 staff have permanent fractional posts, working part time as consultants, trainers or project workers. Staff are well qualified for their roles; managers and education staff all have degrees and the majority have higher degrees. Involvement in national committees and working groups, and close working with sector colleges are effective in keeping education staff informed of current developments in post-16 education. However, responses to the survey of colleges include a number of comments on the lack of direct or current experience of some FEDA staff. Business and support staff work closely with education staff; they are well qualified and experienced, and provide a range of valuable support services ranging from record-keeping and organising events to dealing with queries and liaising with colleges.

63 In addition to the staff employed directly by FEDA, substantial use is made of external consultants and associates, including college staff and staff from national organisations, in particular for training events. In many cases, these staff are well suited to the roles allocated to them and often they bring valuable, up-to-date experience of working in colleges. However, support for these staff and quality systems to ensure their effectiveness are not always adequate.

64 Comprehensive staffing policies and procedures are in place, including clear guidance on the selection and recruitment of staff. Care is taken to apply and monitor the equal opportunities procedures as part of recruitment. Staff gender and ethnicity profiles are reported to the senior management team and to the board. Personnel officers are based at the two largest sites and they have designated responsibilities for regional staff.

65 Education staff time is structured through a newly introduced system of 'payload days', which is intended to identify and manage the productivity of individual members of staff. Payload days are those spent in the preparation and delivery of services to external customers, and the remaining days are for management and administrative matters. The number of payload days to be delivered by individuals depends on their roles and responsibilities. All managers apart from the chief executive also have some payload days to deliver. The total payload days for individuals and the number of days allocated to specific tasks are monitored by line managers. Although the system is useful in providing a framework for workloads, it is not always tightly defined or monitored;

there is still variation in the productivity of education staff, and some staff are overloaded. FEDA is continuing to explore ways of ensuring the effective planning and deployment of staff time.

Equipment

66 FEDA has an agreed strategy to develop the use of information technology in the administration and delivery of its services. Progress has been made in implementing the strategy since it was approved by the board in May 1996. A wide area network covering the main centres has been installed. All but a few staff have easy access to the network. Staff welcome these developments and, through training, most have become adept at using the facilities to support their work. Video-conferencing facilities at the main centres are being used increasingly, improving communications and reducing travel costs. FEDA intends to link all its regional offices to the network and provide them with video-conferencing facilities by the end of 1997.

67 A programme is in place for renewing and updating equipment across all the agency's centres. Computing facilities are, in general, good and there has been a substantial investment in computing equipment to support the QUILT programme. The quality of audio-visual teaching aids used at training events is satisfactory.

68 The library at the Mendip Centre in Blagdon is a unique source of information about the sector. It is used by delegates at residential conferences, by FEDA staff and by people working in the sector. Although the library can be accessed from a distance, through inter-library loans, it is underused. It has been slower than many college libraries to develop a multimedia capacity. Computers which provide access to the Internet have been installed recently.

Accommodation

69 FEDA has four main centres, two in Blagdon near Bristol, the Mendip Centre and Coombe Lodge, and two in London, on Oxford Street and at Vauxhall. All the centres, except Oxford Street, were inherited from the Further Education Unit and Staff College. Non-residential training events are held at the London sites, and increasingly at various hotels and colleges throughout the country. Residential courses take place at Coombe Lodge and the Mendip Centre in Blagdon. The Mendip Centre is the only building owned by FEDA. Coombe Lodge is on a long-term lease and the Vauxhall Centre is leased until 2002. The centre at Oxford Street, London is FEDA's head office and was taken on a short lease in August 1995. In addition, FEDA leases offices for regional representatives, one of them on college premises.

70 Overall, the accommodation is of a variable standard. Although course evaluations indicate that participants value the facilities and environment provided by the centres at Blagdon, some of the residential

accommodation at Coombe Lodge is inadequate. A general programme of maintenance and refurbishment of the centres has kept them in good condition. Well-equipped general teaching rooms are furnished to a high standard and provide a comfortable working environment. The amenities include an outdoor swimming pool and tennis courts. The continuing shift, in 1996 and 1997, away from residential training has reduced the use of the centres. The Vauxhall centre provides modern, well-decorated and flexible accommodation appropriate for a range of training events, though some of its teaching rooms are too small for the size of group. Travel to Vauxhall is comparatively easy from most regions but the centre's operating costs are high. FEDA is in the process of establishing a database for its external venues.

71 FEDA is well aware of the inadequacies in its inherited buildings. An accommodation review group has been established and has developed an accommodation strategy which is based on the projected demand for courses. The directorate has considered the financial implications of the options within the strategy, the cost of terminating leases and the opportunities for commercial use of underused centres. At the time of inspection, no decision had been made on which option to adopt.

CONCLUSIONS AND ISSUES

72 The agency's main strengths are:

- the substantial progress in bringing together the work and cultures of its two predecessor organisations
- the continuing commitment of its staff and managers to the new agency
- the extensive range of services and expertise which it offers the sector, and the new emphasis on strategic programmes
- the increasingly important contribution made by regional representatives and regional networks
- the introduction of a more interactive process bringing together FEDA's research and development roles
- increasingly effective internal communications
- a strong commitment to staff development and equal opportunities
- a robust and accurate self-assessment report providing evidence of a self-critical culture.

73 In order to improve its position, the agency should:

- establish clearer strategic objectives, and strengthen its planning and the processes it uses to set its targets
- consider structural ways of obtaining access to a wider range of professional expertise
- review its management structure to reflect its current requirements

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- integrate and strengthen its management information systems
 - improve its approach to marketing and capitalise more effectively on its unique position in the sector
 - ensure the effective and speedy implementation of its revised quality assurance policy and procedures
 - continue to seek ways of increasing customer satisfaction.

