Ludlow College
Reinspection of Management: February 2001
Report from the Inspectorate
The Further Education Funding Council

THE FURTHER EDUCATION FUNDING COUNCIL

The Further Education Funding Council (FEFC) 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 according to a four-year cycle. It also assesses and reports nationally on the curriculum, disseminates good practice and advises the FEFC's quality assessment committee.

REINSPECTION

The FEFC has agreed that colleges with provision judged by the inspectorate to be less than satisfactory or poor (grade 4 or 5) should be reinspected. In these circumstances, a college may have its funding agreement with the FEFC qualified to prevent it increasing the number of new students in an unsatisfactory curriculum area until the FEFC is satisfied that weaknesses have been addressed.

Satisfactory provision may also be reinspected if actions have been taken to improve quality and the college's existing inspection grade is the only factor which prevents it from meeting the criteria for FEFC accreditation.

Reinspections are carried out in accordance with the framework and guidelines described in Council Circulars 97/12, 97/13 and 97/22. Reinspections seek to validate the data and judgements provided by colleges in self-assessment reports and confirm that actions taken as a result of previous inspection have improved the quality of provision. They involve full-time inspectors and registered part-time inspectors who have knowledge of, and experience in, the work they inspect. The opinion of the FEFC's audit service contributes to inspectorate judgements about governance and management.

GRADE DESCRIPTORS

Assessments use grades on a five-point scale to summarise the balance between strengths and weaknesses. The descriptors for the grades are:

- *grade 1 - outstanding provision which has many strengths and few weaknesses*
- *grade 2 - good provision in which the strengths clearly outweigh the weaknesses*
- *grade 3 - satisfactory provision with strengths but also some weaknesses*
- *grade 4 - less than satisfactory provision in which weaknesses clearly outweigh the strengths*
- *grade 5 - poor provision which has few strengths and many weaknesses.*

Audit conclusions are expressed as good, adequate or weak.

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Background

Ludlow College was inspected in March 1998. The inspection findings were published in inspection report 78/98. Management received a grade 4. Management was reinspected in December 1999 and again received a grade 4.

In the 1998 inspection the key strengths of management were strong links with local organisations, good communications and a wide curriculum and community programme. However, these strengths were outweighed by weaknesses: insufficient use of clear and coherent objectives and targets; the lack of an operating statement; inadequately defined management roles and responsibilities; underdeveloped use of management information; and inadequate financial monitoring by the senior management team. The audit service considered financial management to be weak.

The reinspection in 1999 found that some progress had been made in weak areas. The changes in the management structure had been well managed and the new management team had made a good start. Staff costs had declined significantly as a proportion of the budget. The college had further strengthened its partnership links with a large and diverse number of organisations. The college had effectively widened participation. However, inspectors judged that many weaknesses remained. Overall levels of student retention and achievement had declined since the previous inspection. Weaknesses remained in management information systems. Funding forecasts had not been accurate. The college's financial position remained a concern. Although some progress had been made in planning, weak aspects remained. Enrolments had continued to decline and over-ambitious target-setting had hindered effective planning. The equal opportunities policy had not been reviewed and monitored.

A further reinspection took place over three days in February 2001. Inspectors and auditors examined a range of documents and held meetings with managers and staff.

Assessment

The college has made good progress in addressing many of the weaknesses that were identified in the previous reinspection. However, it has been unable to address successfully the continuing low recruitment of full-time students.

The principal carries a broad and diverse range of responsibilities and maintains an open and supportive management style. The FEFC standards fund has been used effectively to finance the temporary appointment of a director of curriculum who has relieved the principal of much of the operational responsibility for the curriculum. It is not clear how this post will be replaced. The college has invested significantly in staff development and training for its middle managers. They are now confident in their roles and provide effective curriculum leadership. The introduction of curriculum 2000 has been well managed.

A high priority is attached to improving students' retention and achievements. Changes to the tutorial system, the provision of centralised student services, a programme of lesson observations and the introduction of new vocational programmes at foundation and intermediate levels have all led to improvements. Retention rates for all levels of course have increased. For example, the retention rate for level 3 courses increased from 77% in 1999 to 88% in 2000, well above the national average for sixth form colleges. The decline in achievement rates has been arrested. Pass rates on most courses are now broadly in line with national averages. Value-added scores indicate that students are achieving the grades expected of them. However, there has been a decline over the last three years in the number of high grades that students have achieved. Some courses continue to record poor achievements. Attendance is rigorously monitored and is high. Class sizes have improved to 11.5, but are still slightly below the national average.

College planning has been hampered by the inaccuracy of its management information. The college has recently installed a new management information system to improve the accessibility and accuracy of reports for managers. It is too early to judge its effectiveness. Training of staff in the use of the new system has begun. The college's strategic objectives have been updated. The current operating statement and operating plans in all functional areas of the college are clearly linked to the strategic objectives. The monitoring and review of the annual operating statement is thorough. However, the review of some of the divisional operational plans is insufficiently rigorous. Target-setting has been strengthened and targets for attendance and retention have been met. The college has yet to produce a review cycle of its quality assurance operations to help managers gain full benefit from its planning arrangements.

Improvements to accommodation have been well managed. The college has opened an attractive new learning centre since the last reinspection. The college's partnership links have been further improved and it continues to broaden its curriculum to encourage different groups of students to attend. The equal opportunities policy has been revised recently but it is still not monitored.

The FEFC's audit service concludes that, within the scope of its review, the financial management of the college is weak. The college's financial position remains a concern. The college is forecasting operating losses for 2001-02 and 2002-03 and has not met its unit targets. Improvements have been made to the content of the management accounts. Expenditure levels and cashflows are scrutinised closely. The financial regulations are currently being revised. Course costing is underdeveloped. The finance manager is full time and a member of the college management team. Neither the internal nor the external auditors raised any issues of concern in their annual reports. The internal auditors have not reviewed the standards fund expenditure.

The college should improve: students' achievements in some areas; the distribution of the responsibilities of the senior management team; monitoring and review of operational plans; and the monitoring of equal opportunities. It should also continue the efforts to address its financial situation.

Revised grade: management 3.