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# CIRCULAR

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**STRATEGIC PLANS, INCLUDING  
FINANCIAL FORECASTS,  
1997-98 TO 1999-2000**

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To

Principals of colleges  
Heads of external institutions  
Chief education officers  
Heads of higher education  
institutions receiving Council funds

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Circular type

Information

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Summary

Provides information derived from  
an analysis of strategic planning  
information provided to the  
Council by institutions in July 1997

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98/06



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# **STRATEGIC PLANS, INCLUDING FINANCIAL FORECASTS, 1997-98 TO 1999-2000**

## **INTRODUCTION**

1 This circular presents summarised information derived from an analysis of the strategic planning and financial forecast information for the period 1997-98 to 1999-2000 which institutions sent to the Council in July 1997. This information informed the Council, at its December 1997 meeting, about the sufficiency and adequacy of further education (FE) provision.

## **BACKGROUND**

2 Colleges and higher education (HE) institutions were asked to provide full three-year strategic plans for the period 1997-98 to 1999-2000. Colleges were also asked to provide three-year financial forecasts. External institutions were asked to provide updates to the three-year plans provided in July 1995.

3 For the first time, the analysis of college financial forecasts has been included in the analysis of strategic planning information. The Council does not receive similar financial information from HE institutions or most external institutions (the exception being financial accounts which are received from non-LEA maintained external institutions).

## **STRATEGIC PLANNING INFORMATION**

4 The strategic planning information requested from institutions each year is used by the Council both in aggregate and in relation to individual institutions.

5 The information is aggregated nationally to inform the Council about the sufficiency and adequacy of FE provision. The analysis published in this circular highlights major trends and identifies the risks which institutions believe might jeopardise their plans. This analysis informs the Council's annual advice to the secretary of state on the funding needs of the sector for the public expenditure survey.

6 Information from institutions' plans is used in the funding round in the following ways: the student number information provided in those plans is used when the Council considers applications for funding for all institutions; information in individual plans is used as a basis for assessing the consistency of funding applications; strategic planning information may also be used when the Council considers whether to attach a funding condition to an individual college, for instance to ensure that particular programmes are delivered in the light of the Council's statutory duty to secure sufficient and adequate FE provision.

7 For colleges, the strategic plan is also the basis for financial forecasts and accommodation strategies, European social fund (ESF) objective 3 applications, and applications for specific capital funds. College strategic plans are also important documents in setting the context for inspection.

8 The strategic planning information requested from institutions in July 1998 will be similar to that requested in previous years. External institutions will be expected to provide a full three-year strategic plan. Colleges and HE institutions will be expected to provide updates to their July 1997 plans, where necessary. Further details of the information requested from institutions by the end of July 1998 will be published in a spring circular.

## **KEY FINDINGS**

9 A detailed national analysis of the strategic planning and financial forecast information is provided at annex A to this circular. The key findings are:

- a. Council-funded provision is projected to increase at a more modest rate (3 per cent a year) than in recent years. This reflects the loss of demand-led element (DLE) funding;
- b. provision funded from other sources is projected to grow at a faster rate, perhaps reflecting college plans to diversify their sources of funding, following the loss of DLE funding;
- c. between 1995-96 and 1996-97, the number of full-time Council-funded students remained broadly constant, and part-time numbers increased by 21 per cent;

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- d. colleges have tended to overestimate projections for full-time student numbers and underestimate projections for part-time numbers;
  - e. the overall pattern of provision by Council-funded institutions remains largely unchanged;
  - f. the proportion of provision delivered through outward collaborative arrangements is projected to fall slightly from 21 per cent of student numbers in 1996-97 to 19 per cent in 1997-98;
  - g. institutions are planning to withdraw a number of courses, but this is unlikely to lead to significant gaps in provision;
  - h. inability to secure growth funding from the Council featured prominently in colleges' and external institutions' risk analyses;
  - i. more colleges are considering mergers to cope with declining financial health (this information was provided before the government's policy to encourage mergers was announced by the secretary of state).

## **SUFFICIENCY AND ADEQUACY**

10 Strategic planning information plays a key part in the process by which the Council assesses whether it is meeting its statutory duty to ensure that sufficient and adequate facilities for FE are available. It is also used to assess whether that provision is responsive to the needs of the labour market and employers. Following the publication of the white paper *Competitiveness: Helping Business to Win* in 1994, procedures were established for assessing strategic planning and labour market information (LMI) at local, regional and national levels. Training and enterprise councils (TECs) take part in these procedures at regional and national level. At a local level, TECs approve individual college plans.

## **Subregional and Regional Analysis**

11 Each of the 14 subregional and regional groupings (made up of representatives of TECs, the Council's regional committees and government offices) received, during autumn 1997, an analysis for its area of:

- LMI provided by TECs
- current provision (from individualised student record returns) and projected provision (from strategic plans) provided by the Council from institutions' plans.

12 The groupings considered the LMI and analysis of institutions' provision and advised the Council's regional committees that there were no significant gaps in provision. These latter advised the Council that there was sufficient and adequate FE provision in each region. However, some groupings and regional committees raised concerns about specific aspects of provision, particularly in the construction and engineering programme areas. These are set out in annex B.

## **National Analysis**

13 At its December 1997 meeting, the Council received:

- a national analysis of institutions' strategic planning and financial forecast information (similar to that contained in this circular)
- the advice of its nine regional committees (as set out in annex B of this circular).

14 In addition, the Council also received an update of the work of the tripartite statistics working group on estimated demand for skilled employees and on skills supply from the FE sector and other providers. The tripartite statistics working group comprised representatives of the Department for Education and Employment (DfEE), the Council and the TEC National Council. Information on the demand for skilled employees was not updated by the DfEE in 1997 because there had not been any significant national changes. Information on the skills supply from FE was updated by Council staff. The key findings of this analysis are set out at annex C.

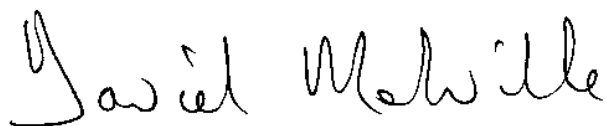
15 As in 1996, the analysis highlighted a few occupational areas where the supply of skills may be lower than potential demand: junior managers, clerical occupations, textiles and sales occupations. These are areas where employer commitment to training has been relatively low and where the FE sector has not been the major supplier of skills. Colleges will need to take account of the role they can play in meeting skill demand when considering the possible under-supply of skills in the four identified areas.

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## Council's Conclusions

16 Based on the analysis of institutions' strategic plans and the advice of its regional committees, the Council concluded that there is currently sufficient and adequate FE provision. It noted that some colleges may have to further rationalise their provision to cope with efficiency pressures. This may include an increase in collaboration and mergers.

17 The Council also noted that some subregional and regional groupings and regional committees had raised questions about potential shortfalls arising in the future in construction, engineering, catering, and health and community care. These are being investigated further. In addition, the Council noted the concerns expressed by some regional committees about the financial health of some specialist agriculture and horticulture colleges.



# ANALYSIS OF STRATEGIC PLANS AND FINANCIAL FORECASTS

## INTRODUCTION

1 This annex contains analyses of strategic planning and financial forecast information supplied by institutions in July 1997. Comparisons are made with the information provided in previous years. This annex has four parts:

- institutions' provision – actual and projected (paragraphs 2 to 37)
- planned withdrawal of provision (paragraphs 38 to 41)
- factors seen as risks to the achievement of strategic plans (paragraphs 42 to 45)
- college financial health (paragraphs 46 to 63).

Figures and tables appear at annex D.

## INSTITUTIONS' PROVISION

### Coverage

2 Strategic planning information requested from institutions at the end of July each year includes student numbers for the year just completed and projections for a three-year planning period. The information contained in this annex relates to all provision in further education (FE) sector colleges and Council-funded provision in higher education (HE) institutions and external institutions. It excludes provision made by specialist designated institutions and also excludes franchised-in provision delivered by Council-funded institutions on behalf of others.

3 Student numbers for 1996-97 and projections to 1999-2000 exclude two HE institutions and 22 external institutions where data were not available at the time of analysis. Comparative data for 1995-96 exclude two colleges, four HE institutions and 18 external institutions for the same reason; and for 1994-95 exclude one college and one external institution.

4 Provision in external institutions in 1994-95 was measured in enrolments rather than student numbers. Some students may have been enrolled on more than one course of study, so comparisons between 1994-95 and 1995-96 should be treated with caution.

5 Student numbers in tables 1 to 11 may not add up exactly to totals because of rounding. Numbers are rounded to the nearest hundred and shown in thousands. Percentages in the tables are calculated on the unrounded figures.

6 Since the establishment of the sector on 1 April 1993, there have been: 16 mergers between FE colleges; four mergers of FE colleges with HE institutions; three new colleges incorporated into the sector and four colleges transferring to the HE sector. At incorporation there were 550 external institutions. This has reduced to 265 mainly as a result of external institutions entering into consortia arrangements or merging with colleges. The data for the individual institutions in question have been included in the appropriate table for each year. For example, in the case of a merger between a general FE college and a sixth form college, operative from 1 August 1997, the tables would reflect data for individual colleges up to 1995-96 but from 1996-97 reflects the merged college. References to such changes have only been made in this annex where they may have had an impact on the trends reported.

7 There are some differences between the student numbers in this circular and information previously published from the individualised student record (ISR) in Council press notices because:

- Council-funded provision in HE institutions is not recorded on the ISR
- where mergers have taken place, institutions return ISR data relating to their situation in the year in question (for example, in the situation described in paragraph 6, the ISR for the college for 1996-97 would be for the pre-merger situation)
- student numbers in institutions' strategic plans are an aggregate return; institutions may have interpreted the guidance on how to allocate student numbers between categories on the forms in slightly different ways, which may be different from the way the Council analyses the ISR.

### Changes in Actual Student Numbers 1995-96 and 1996-97

8 Between 1995-96 and 1996-97, the overall number of full-time Council-funded students was

**Council-funded provision 1996-97 and projections for 1999-2000**

<i>Mode of attendance</i>	<i>Council-funded provision</i>						<i>Provision funded by other sources</i>		
	<i>Sector colleges</i>			<i>External institutions/ HE institutions</i>			<i>Sector colleges</i>		
	96-97 No.	99-2000 No.	change %	96-97 No.	99-2000 No.	change %	96-97 No.	99-2000 No.	change %
Full-time	720	777	8	15	15	0	74	88	19
Part-time	2,450	2,703	10	364	401	10	723	791	9
Total	3,170	3,480	10	379	416	10	797	879	10

*Note: student numbers in 000s; percentages are calculated using unrounded figures; figures exclude specialist designated institutions, two HE institutions and 22 external institutions where data were not available*

*Source: institutions' strategic plans, July 1997*

broadly constant (table 1). Growth in six programme areas balanced declines in the remaining four: engineering (7 per cent), business (1 per cent), hotel and catering (11 per cent) and humanities (3 per cent). Over the same time period, overall part-time student numbers increased by 21 per cent. Part-time student numbers increased in all programme areas with the largest percentage increases in health and community care (48 per cent), sciences (44 per cent), hotel and catering (31 per cent) and art and design (31 per cent).

9 There was an overall decrease of 4 per cent (some 35,000 students) in sector college provision funded from other sources. There were larger decreases in individual programme areas, particularly in part-time hotel and catering (27 per cent) and part-time art and design (13 per cent). In contrast, there was a large increase in part-time construction provision (14 per cent).

### Summary of Projections

10 Council-funded provision is projected to increase over the planning period at the same rate as that funded from other sources (approximately 3 per cent a year in student numbers), as shown in the table above. This reflects the end of demand-led element (DLE) funding which had generated high rates of growth in recent years (15 per cent between 1994-95 and 1995-96 and 16 per cent between 1995-96 and 1996-97).

11 Growth in Council-funded provision over the planning period is lower than that projected in July 1996. Sector colleges are projecting increases in Council-funded student numbers over the planning period (table 2) of: 57,300 full-time students to a total of 777,500 in 1999-2000 (8 per cent); and 253,000 part-time students to a total of 2,702,900 in

1999-2000 (10 per cent). Larger growth than in 1996 is projected in sector colleges for provision funded from other sources, particularly full-time provision (table 3).

12 Overall growth of 10 per cent is projected by external institutions and HE institutions (details are given in tables 4 and 5 respectively). Nearly all of the growth for these institutions is in part-time student numbers.

### Comparison of Actual and Projected Student Numbers

13 College projections (made one year earlier) have been compared with actual Council-funded student numbers (table 6). This shows that since 1995, colleges have tended to overestimate full-time student number projections and underestimate part-time student number projections. Comparison by individual programme area shows greater variations.

14 Changes in the amount of collaborative provision undertaken by colleges (which accounted for nearly 740,000 students in 1996-97) may have affected their ability to achieve their July 1996 projections. In addition, the loss of DLE funding in 1996-97 led many colleges to revise their student number projections in July 1997. A comparison of projections made in February 1997 (before the withdrawal of DLE) with those made in July 1997 shows that colleges revised their projections for Council-funded students numbers in 1999-2000 downwards by:

- 2 per cent for full-time students (from an original increase of 10 per cent over the planning period to a revised increase of 8 per cent)

- 5 per cent for part-time students (from an original projected increase of 15 per cent over the planning period to a revised increase of 10 per cent).

15 A comparison of institutions' projected student numbers and actual student numbers from strategic plans received in 1995, 1996 and 1997 is shown in figure 1 (full-time) and figure 2 (part-time). The projections for full-time student numbers have decreased from year to year while the projections for part-time provision have increased.

### **Responsiveness**

16 Some 54 per cent of colleges indicated in their plans that they intended to introduce new provision during the three-year projection period. Some 44 per cent of colleges indicated that their new provision would be aimed at offering new levels of qualifications while 42 per cent indicated that new provision would be arranged to cater for new client groups.

### **Pattern of Council-funded Provision**

17 The overall pattern of provision made by institutions funded by the Council remained largely unchanged between 1995-96 and 1996-97. The programme areas in which the largest amount of provision was made in 1996-97 were humanities, business, sciences and health and community care (each with more than 500,000 students). The changes in student numbers across each programme area are illustrated in figure 3 (full-time) and figure 4 (part-time).

#### **Colleges**

18 The majority of Council-funded provision is made by general FE and tertiary colleges (table 7). These colleges account for 92 per cent of Council-funded college students and over 90 per cent of all part-time provision delivered by colleges in all programme areas except agriculture.

19 Agriculture and horticulture colleges are diversifying their provision (table 8). The percentage of part-time provision delivered in the agriculture programme area has fallen from 59 per cent in 1995-96 to 51 per cent in 1996-97 (16,500 students out of 32,400). Provision of agriculture has over the same period increased in general FE and tertiary colleges. This was in part due to a merger between an agriculture college and general FE college which took effect between these two years.

20 The number of full-time students in art and design colleges has fallen by 13 per cent between 1995-96 and 1996-97 (table 9). This decrease was mostly due to a merger between an art and design college and a general FE college which took effect between these two years. This decline is not projected to continue. Art and design colleges form a small proportion of the programme area provision for the sector (4 per cent in 1996-97 for full-time provision).

21 There has been a large increase (from a relatively small base) in the number of part-time students in sixth form colleges. There has been a smaller increase in full-time numbers (table 10). The most significant increases in part-time provision have occurred in the sciences (173 per cent), engineering (177 per cent) and health and community care (85 per cent) programme areas. Part-time student numbers are projected to decline between 1996-97 and 1997-98 (by 21 per cent). This is largely due to the effect of the withdrawal of DLE funding at one particular college, leading to a reduction in first-aid courses (delivered through collaborative provision) and distance learning activity.

#### **External institutions**

22 The number of students on Council-funded provision in external institutions increased by 13 per cent between 1995-96 and 1996-97 (the number of full-time students fell by 12 per cent over this period).

23 Of the part-time provision delivered by external institutions, 80 per cent is in four programme areas: sciences, business, humanities and basic education. These four programme areas all show an expected increase in student numbers over the planning period in line with the overall projected increase in numbers at external institutions.

#### **Higher education institutions**

24 The overall number of students on Council-funded provision in HE institutions has declined slightly between 1995-96 and 1996-97, due to a decrease in the number of full-time students. This is not projected to continue.

25 The number of part-time students is projected to increase by 13 per cent between 1996-97 and 1997-98. The main increase is expected in the sciences and humanities programme areas.



## Provision Funded from other Sources

### Student numbers

26 In 1996-97, 20 per cent of provision in sector colleges was wholly funded from sources other than the Council. This was a decrease from 24 per cent in 1995-96 and was expected from the predictions made by colleges in July 1996.

27 There has been a decline of 4 per cent in the overall number of students funded from other sources between 1995-96 and 1996-97, but an increase is projected for each year of the planning period.

28 The biggest falls in student numbers between 1995-96 and 1996-97 occurred in part-time hotel and catering and part-time art and design. Investigation into the fall in part-time hotel and catering indicated that a large part of this may have been due to a change in the way colleges recorded their LEA funded non-schedule 2 adult education provision.

### Other funding sources

29 Over a third of colleges (39 per cent) indicated in their plans that they had received money from the European social fund (ESF) to help them achieve their previous plan and a further 36 per cent indicated that they were in the process of applying for ESF money.

30 Around a third (32 per cent) of colleges had received money from the competitiveness fund, but there was no clear indication of how many were planning to apply in the future. This is probably due to uncertainty over the form this fund will take in 1998 and beyond.

31 Only 4 per cent of colleges indicated that they had received money from the National Lottery in the past year and 32 per cent stated that they had bids awaiting consideration for lottery funding. The number of colleges applying for lottery funding may be higher than this, but it was not highlighted in their plans.

## Collaborative Provision

32 A summary of outward collaborative provision (CP) made by colleges within and outside the Council region in which they are located is provided in table 11 (where CP is expressed as a proportion of total Council-funded provision). This shows that:

- in 1996-97, CP accounted for 739,800 students, over 95 per cent of whom were part time; this represents a 50 per cent increase on the level of CP in 1995-96 and increases the proportion it forms of total Council-funded students from 16 per cent to 21 per cent (in terms of Council funding units, CP represents a much smaller proportion of the total – an estimated 10 per cent in 1996-97)
- colleges are making CP in all programme areas, but predominantly in part-time health and community care and business programme areas
- the proportion of CP taking place outside the Council region in which the college is located has remained fairly constant.

33 Almost a third (32 per cent) of colleges indicated that they were planning to enter into new collaborative partnerships. Around a quarter stated that the planned partnership may introduce collaborative provision in a different geographical area. By comparison, 16 per cent of HE institutions indicated plans to enter into new collaborative partnerships and 34 per cent indicated intent to enter into partnerships with colleges.

34 An analysis of projected student numbers for 1997-98 shows a decrease of 52,500 students (a decline of 7 per cent); the proportion this represents of Council-funded provision is therefore projected to fall from 21 to 19 per cent. The largest projected decline in students on CP is in the health and community care programme area with a projected decline of 22,500 students (9 per cent). This comes in the programme area which showed the largest increase between 1995-96 and 1996-97. A large proportion of this growth was in short courses, such as first aid. Revision of the funding tariff for 1997-98 for such courses may account for some of the reduction in student numbers.

## Needs Analysis

35 Council staff carried out an analysis of the organisations that were consulted by institutions producing their needs analysis (figure 5). This shows the high level of communication between colleges and other bodies such as local education authorities, training and enterprise councils, schools and local employers, as well as many other relevant organisations. HE institutions also had a high

degree of contact with colleges, training and enterprise councils and local employers, but did not have as much communication with other organisations as their college counterparts (figure 6).

### **Response to the Council's Committees**

36 The majority of colleges (83 per cent) referred in their plans to how the Kennedy report may influence their planned provision. With the extra funding that will be associated with this work, it is anticipated that this aspect of strategic planning will be expanded further in the updates of their strategic plans which colleges will submit to the Council in July 1998. Around a third (34 per cent) of HE institutions referred to the outcome of the Kennedy report in their strategic plan.

37 Some 77 per cent of colleges responded to the Higginson committee in their plans and 76 per cent of colleges referred to their intentions following the outcomes of the Tomlinson report. These two items of work received much less coverage in the plans received from HE institutions with 13 per cent responding to Tomlinson and 5 per cent referring to Higginson.

### **PLANNED WITHDRAWAL OF PROVISION**

38 Information was requested from institutions in February and July 1997 on significant withdrawals of provision. Where institutions identified withdrawals, detailed information was sought such as: the reason for withdrawals; the nearest provider making equivalent provision; and the estimated number of students in the last year of provision.

39 The total number of courses planned for withdrawal increased from 192 (at 64 institutions) in February, to 474 (at 117 institutions) in July. This is an increase of 53 per cent on July 1996, when 309 courses were identified for withdrawal. It was anticipated that many institutions might withdraw planned courses because of reduced funding and the loss of DLE funding.

40 The most common types of courses being withdrawn were GCSEs (22 per cent), GCE A levels (16 per cent) and NVQs (11 per cent) mainly at levels 2 and 3 (figure 7). Nearly a third of all courses that institutions planned to withdraw were in the humanities programme area (figure 8). Institutions planned to withdraw most of these courses (87 per cent) at the end of 1996-97.

41 In the majority of cases, equivalent provision to that being withdrawn was identified at an alternative institution within reasonable travelling distance. In many of the remaining cases, there was little or no demand for the courses concerned, or they were likely to be available at more than one local institution (for example, GCSE maths, history or physics).

## **STRATEGIC PLANS AND RISK FACTORS**

### **Risk Factors**

42 The Council asks institutions to review annually the factors which may put at risk the achievement of the objectives set out in their strategic plans.

#### **Colleges**

43 The inability to secure growth funding from the Council has become the most common factor identified by colleges as a risk to their strategic plans (figure 9). Most of the leading 10 factors have remained the same as in 1996, but two new factors were measured for the first time in 1997 and have featured in many colleges' plans. These are the loss of DLE funding (identified by 45 per cent of colleges) and concerns over short-term convergence (35 per cent).

#### **External institutions**

44 Competition from colleges and reductions in local authority funds have emerged as the two most common risk factors to be identified by external institutions in 1997 (figure 10). As with colleges, the withdrawal of DLE funding was identified as a major factor (30 per cent) and concerns over convergence were identified by 34 per cent of external institutions (these were fairly evenly split between those concerned that the Council is aiming for convergence too quickly and those who feel that convergence is coming about too slowly).

#### **Higher education institutions**

45 The three risk factors most commonly identified by HE institutions were the outcome of the Dearing review, competition from colleges, and changes in HE funding.

## COLLEGE FINANCIAL HEALTH

46 A college's financial forecast is an integral part of its strategic plan. In order to identify potential risks to the Council's ability to secure sufficient and adequate provision, the Council monitors the financial health of colleges. The review and comparison of the strategic plan and financial forecast is a major element of this monitoring. The key points arising from the financial forecasts which may have an impact on sufficiency and adequacy of provision are set out below.

### Other Funding Sources

47 Colleges are looking at ways of reducing their dependency on Council funding. Some additional £30 million is anticipated from other income-generating activities in 1999-2000 over that in 1996-97. This would include work charged on a commercial basis and would often be activities carried out through a subsidiary company. Some additional £60 million in tuition fees is forecast. Many colleges are reviewing their fee policies. These estimates may prove to be over optimistic.

### Financial Health Groups

48 Colleges are asked to assess their financial health and determine which of three groups they fall in. The definition of these groups is set out in the appendix to this annex. The Council's accountants review each financial forecast independently to determine whether they concur with the college's view and provide feedback on the forecast to the college. The forecasts were prepared before the announcements of additional funding for the sector.

49 The movement of colleges between financial health groups since incorporation is shown in table 12. In each case, the group recorded is the Council's assessment after the analysis of the college strategic plans sent to the Council in July.

50 The financial health of the sector has continued to decline. A significant proportion of colleges in group C have been in that group for over 24 months. However, there is also some movement out of this group.

51 Those colleges in group C experiencing severe cashflow problems or recording successive accumulated deficits have been asked to prepare recovery plans. Council staff from the regional offices and property services as well as the accountants assist colleges in preparing the recovery

plans and work with colleges until the plans are considered robust. It is encouraging that the colleges now falling in group C have, in the main, recognised this position and are preparing recovery plans.

52 To improve their financial position the majority of colleges have carried out staff restructuring exercises. Colleges were able to call on the Council's restructuring fund to assist with such exercises. As redundancy and early retirement costs are met in early years this has resulted in an initial deterioration in position. The payback is seen in the forecasts for later years.

53 Colleges have also sought to dispose of premises where they operate from more than one site, hence saving costs of duplicating services and travel between sites. In most of these cases considerable sums of expenditure on essential repairs and maintenance have been saved.

54 A number of colleges in group C are actively seeking merger partners.

### Areas of Concern

55 Some 63 per cent of land-based colleges fall into groups A and B. Many of the land-based colleges are small and there is concern as to whether some will remain viable. Some are actively seeking merger partners, either with other land-based colleges or with general FE colleges. Since incorporation three agriculture and horticulture colleges have merged with other institutions and one has transferred to the HE sector.

56 There is no correlation between colleges in financial difficulty and the average level of funding or size of college. In general, sixth form colleges tend to be in a stronger financial position than the sector as a whole.

### Solvency

57 The Council considers that a key concern for a college is solvency. A significant number of colleges plan to improve their solvency by disposing of surplus assets. For the four years 1996-97 to 1999-2000, the sector is forecasting to receive some £130 million in disposal proceeds. Savings are forecast in premises costs and in elimination of duplicated provision. Colleges are required to seek the Council's consent for disposal of significant assets and any potential effect on sufficiency and adequacy of provision is considered before that consent is given.

58 The forecast trend for the sector is set out in table 13. A college in financial health group A would normally have at least 25 cash days in hand. The sector, in total, continues to have favourable levels of cash days in hand. However, the range of cash days in hand for individual colleges is very wide, from 94 days overdrawn to 252 days in hand at 31 July 1997.

59 Colleges are advised to set target levels of solvency as part of their strategic objectives. Only 40 per cent of colleges have set such a target.

60 Over the forecast period, colleges expect Council funding to fall by some £75 million. This is due to the indicative public expenditure survey (PES) settlements in place at the time of preparing the forecasts. The sector has still forecast to receive £30 million more in the year 2000 than indicated in the 1996 PES settlement. This situation will be alleviated by the additional £63 million awarded to the sector this November, if this higher level of funding is also rolled forward into 1999-2000.

### **Reserves**

61 The trend on balance of general reserves for the sector is set out in table 14. Colleges tend to be over-optimistic in later years of the forecast period. The figures forecast for 2000 shown in the table should therefore be regarded with some caution.

62 Under the terms of the financial memorandum between individual colleges and the Council, colleges should clear an accumulated deficit within three years of the period in which it started to accumulate. A number of colleges have requested an extension of that period. This has been given in 19 cases. In all of those cases the request was supported by a recovery plan setting out how the college proposed to return to a surplus.

### **Implications**

63 In aggregate, college plans indicate the declining financial health of the sector. This may have implications for sufficiency and adequacy of provision. In particular a number of colleges have indicated in their strategic plans that should their financial position decline further, then more mergers may take place. An increasing number of colleges may require exceptional support and guidance in terms of changes to the funding profile and guidance on possible actions.

## DEFINITION OF FINANCIAL HEALTH GROUPS

### Group A

- 1 Colleges which appear to have sufficiently robust finances to implement their strategic plan and to deal with the circumstances which are most likely to occur during the planning period.
- 2 These colleges will normally have:
  - a positive cashflow from operations each year
  - more than 25 cash days in hand
  - net working capital of at least 2 per cent of income
  - a positive balance on their general reserve (income and expenditure account).
- 3 These colleges will have carried out a rigorous sensitivity analysis and modelled the issues which are most critical to their success. They will also have identified contingency plans to deal with the most likely adverse variances.

### Group B

- 4 Colleges that show signs of financial weakness which might limit their ability to implement their strategic plan if they encounter adverse circumstances during the planning period.
- 5 Colleges in this group are likely to have weaker solvency than those in group A but should still have:
  - more than 15 cash days in hand
  - a positive balance on their general reserve (income and expenditure account)
  - positive net working capital.
- 6 In addition, this group also covers those colleges which may appear to have features similar to those for group A but whose assumptions appear either unrealistically ambitious or optimistic.

### Group C

- 7 Colleges that are financially weak and which are, or may become, dependent on the goodwill of others. This might involve, for example, a loan from their bank for revenue purposes. Colleges in this position are likely to have an accumulated deficit on their general reserve account and/or negative net working capital and are likely to have difficulty in meeting the requirements of the model financial memorandum (Circular 93/23).

## REPORT OF REGIONAL AND SUBREGIONAL GROUPINGS AND REGIONAL COMMITTEES

### EAST MIDLANDS

#### Subregional Groupings

1 No significant gaps in provision were identified by the northern and southern subregional groupings in comparing predicted further education (FE) supply and labour market demand. However, the following concerns were raised:

- the analysis comparing the supply of FE with demand is incomplete as it does not take account of private providers. The training and enterprise councils (TECs) have difficulty supplying reliable data regarding labour market demand that is comparable with the supply information
- the northern subregional grouping expressed concerns about the levels of provision delivered by colleges in high cost programme areas such as construction, engineering and catering, a significant proportion of which is being delivered via collaborative provision. The situation is exacerbated by the withdrawal of super DLE funding. There was a fear that a gap is likely and that steps need to be taken now, rather than after it occurs, to make sure that colleges can continue to deliver those programme areas
- there is a fear that if this trend continues the expensive areas of provision taken up by private providers, who have no statutory duty for sufficiency and adequacy, would be closed when funding decreases making the provision too costly. This would leave a situation where the colleges would not have the appropriate up-to-date equipment to resume delivery
- the southern subregional grouping expressed concern about the use of occupational classifications in labour market statistics, which members considered to be too aggregated to be of use and do not reflect modern-day occupations

- the cap on college funding gave rise to concerns regarding the provision for students with learning difficulties and/or disabilities and the response to the Tomlinson and Kennedy recommendations.

#### Regional Committee

2 The committee noted the concerns expressed by some colleges about their ability to maintain expensive provision in the engineering and construction programme areas. The intention of the subregional groups to monitor the situation in these programme areas was noted but the committee did make the following comments:

- the Council's benchmark for sufficiency and adequacy only focused on identifying gaps in provision. The committee considered that more attention should be given to the achievement of national targets and the rate of progress towards these targets as a measure
- although TECs were unable to provide data which clearly identified skill shortages this did not mean that none existed. There was already anecdotal evidence from employers of shortages and the committee considered that in view of the changes in the labour market and with unemployment still falling it was not surprising that statistical evidence of shortages was not yet emerging. If TECs and the Council waited for this statistical evidence to become conclusive it would be too late to address the problem
- concern that some areas of provision (for example, motor vehicle maintenance provision) had closed in colleges and was being subcontracted to private providers. As no statutory responsibility is placed on the private providers any changes to funding rates could lead to provision being reduced or closed at short notice. This would leave gaps in provision and colleges without trained staff or specialist equipment to meet demand
- concerns about the type of education and training offered by private providers which members considered was either narrowly task focused or only up to NVQ 2

standard. This was in contrast to the option of progression to NVQ 3 available in colleges.

Subject to these comments, the committee concluded that, on the evidence available, there is currently sufficient and adequate provision of FE facilities in the region.

## **EASTERN REGION**

### **Subregional Groupings**

3 The northern and southern subregional groupings concluded that, in comparing predicted FE supply and labour market demand, no significant gaps in provision were identified. The regional committee was also asked to note the following comments:

- the analysis comparing supply of FE with demand is incomplete as it does not take account of private providers (southern subregional grouping)
- the northern subregional grouping expressed concerns about the possible effects of the withdrawal of demand-led element (DLE) funding on high capital cost programmes, provision for students with learning difficulties and/or disabilities, and the implementation of the Tomlinson and Kennedy reports
- the southern subregional grouping expressed concern about the use of occupational classifications in labour market statistics, which members felt are too broad to be of use and do not reflect modern-day occupations.

### **Regional Committee**

4 The committee noted that no gaps in provision had been identified by either of the subregional groupings. They also expressed concern that the financial projections submitted by colleges may be over-optimistic. The committee concluded that, on the basis of analysis derived from strategic plans together with the findings of subregional groupings, there is no evidence of serious decline in provision.

## **GREATER LONDON**

### **Regional Grouping**

5 The London regional grouping (LRG) expressed concerns over:

- whether the projected increase in construction supply was sufficient to meet future demand (particularly in the light of millennium projects)
- the projected decline in engineering provision (particularly in relation to the need for re-skilling in this area)
- the projected decline in health and community care provision which is being investigated further by the regional office
- the continued trend for employers to seek a high level of 'basic skills' when recruiting new employees, such as numeracy, literacy, responsible attitude to work and problem-solving skills.

6 On the basis of the evidence available, the LRG agreed to advise the regional committee that there were no overriding gaps in provision, but expressed concern that the format and availability of data made it difficult to identify specific skills shortages.

### **Regional Committee**

7 The regional committee endorsed the concerns of the LRG. In particular, it noted that all major employer organisations had asserted that important skill shortages were developing in London. There is, as yet, only some evidence available of the quantities, actual skills and sectors in which the skill shortages exist. The extent of the impact of these shortages, if any, on the sufficiency and adequacy of provision cannot as yet be measured but it could be serious. Therefore, with this major proviso the committee agreed to advise the Council that there appears to be sufficient and adequate provision in the region.

## **NORTHERN REGION**

### **Regional Grouping**

8 The regional grouping advised that there was no evidence of insufficiencies or inadequacies in the FE facilities in the region. The grouping had, however, highlighted that the level of qualification being offered by colleges in engineering and

construction may need to be addressed as there was some evidence that colleges needed to be offering more qualifications at NVQ level 3 in these programme areas.

### **Regional Committee**

9 The committee noted that the self-assessed financial health of regional colleges did not appear to pose a danger to the Council's duty to ensure sufficient and adequate provision of FE facilities. It was concerned, however, that the specialist colleges and sixth form colleges in the region appeared to face particular challenges from convergence.

### **NORTH WEST**

#### **Regional Grouping**

10 The regional grouping's advice was that there are no significant gaps in the supply of FE provision which responds to labour market demand. The grouping noted that the supply might be enhanced by:

- a continued emphasis on key skills provision
- an extension of flexible modes of delivery of provision
- greater collaboration, rather than competition, between colleges.

11 The grouping also wished to draw the committee's attention to some short-term skill shortages in some areas of engineering. In the grouping's view, additional provision in FE colleges may not necessarily be the best response to this shortfall.

### **Regional Committee**

12 The committee commented on the large increase in part-time students in sciences and engineering compared with previous years and projections from 1997-98 onwards. The regional office agreed to investigate this.

13 The committee noted the regional grouping's advice and comments on how supply might be enhanced. It agreed, that on the basis of the information available, there were sufficient and adequate facilities for FE in the region.

### **SOUTH EAST**

#### **Regional Grouping**

14 The advice of the regional grouping was that, on the limited evidence available, provision in the South East region remains sufficient and adequate.

### **Regional Committee**

15 The committee noted that a high proportion of colleges in the region will face significant challenges in meeting the convergence objective. It believed the Council should consider taking a more proactive role.

16 The committee noted that colleges do not provide data about the demand for courses which they are unable to provide due to lack of sufficient funds. The lack of this information distorts the sufficiency aspect of provision within the sector.

17 The committee concluded that although there currently appears to be sufficient and adequate provision, it has serious concerns about the financial weakness of the colleges in the region as convergence is approached.

### **SOUTH WEST**

#### **Subregional Groupings**

18 The two subregional groups both agreed to advise the committee that there was broadly sufficient and adequate provision in the subregions and that no significant gaps or decline in provision could be identified from the combined analysis of the institutions' strategic plans and the assessment of TEC labour market information.

### **Regional Committee**

19 The regional committee took account of the advice of the subregional groupings and the analysis of the figures derived from the strategic planning information for 1997-98 to 1999-2000. It agreed that projected FE provision in the region appeared to be sufficient and adequate with no significant gaps in provision.

20 The committee asked for more detailed work in the programme areas of construction and health and community care to determine local accessibility to suitable courses for consideration at a future meeting.



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**WEST MIDLANDS**
**Regional Grouping**

21 The regional grouping was concerned at the apparent skills deficit in metal machining, fitting and instrument making trades, and catering occupations. The grouping advised the committee:

- that the quantitative analysis identified a crude deficit between the demand for levels 2 and 3 qualified entrants to catering occupations from full-time catering courses and the supply of such from FE programmes in the region
- of its concern over the supply of qualified entrants to specific engineering occupations. While recognising the current limitations of the supply side information it noted the serious consequences of any deficit on the regional economy
- that the supply figures for the catering and engineering occupations be revisited in order to better determine any potential deficits.

22 Council staff reviewed the numbers of students taking qualifications in metal machining and in catering occupations and found that many of these qualifications appear under groups which were not included in the original analysis. When these are taken into account they indicate that there is no shortfall in the supply for this occupational area. Similarly, many of the qualifications in engineering appear in unspecified skilled engineering trades.

**Regional Committee**

23 The committee noted that an apparent skills deficit was the result of the way information on qualification aims, as recorded by the individualised student record, was matched with broad skills categories. It was suggested that employers knew the skills they needed but not necessarily the appropriate qualifications for these.

24 The committee agreed to advise the Council that facilities for FE provision in the region were sufficient and adequate.

**YORKSHIRE AND HUMBERSIDE****Subregional Groupings**

25 The three subregional groupings (South Yorkshire, West Yorkshire and North Yorkshire and Humberside) agreed to advise the committee that no significant gaps or declines in provision had been identified at this stage. There were no obvious concerns with regard to adequacy and sufficiency of FE provision in the region.

**Regional Committee**

26 The committee agreed to advise the Council that, on the basis of the evidence available, FE provision in the region is sufficient and adequate. The committee welcomed a proposal to explore how information gaps relating to the adequacy, sufficiency and relevance of provision might be closed in order to assist subregional groupings in advising the committee in future.

## COMPARISON OF DEMAND AND SKILL SUPPLY

### SUMMARY OF KEY FINDINGS FROM TRIPARTITE STATISTICS WORKING GROUP

1 The tripartite statistics working group comprised representatives of the Department for Education and Employment (DfEE), the Council and the TEC National Council. In 1996, it completed a piece of work which estimated the demand for skilled employees and the skills supply from the FE sector and other providers. Information on the demand for skilled employees was not updated by the DfEE in 1997 because there had not been any significant national changes. Information on the skills supply from FE was updated by Council staff. The key findings are:

#### Demand

- a. the total number of jobs in the UK economy are forecast to grow by 1.3 million (5.2 per cent) between 1996 and 2003. Much of the growth is likely to be in part-time and self-employment;
- b. the occupational structure of employment is expected to continue to shift toward white collar jobs and jobs in personal services, but at a slower rate than in the past. Skilled, semi-skilled and unskilled manual jobs are expected to continue to decline;
- c. within the range of occupations covered by vocational courses in FE, employment growth is likely to continue to be strongest amongst junior managers, in technical supporting jobs in industry and services and in personal service jobs;
- d. amongst the skilled manual trades, falls in employment are expected for engineering, printing and food preparation trades, with the decline being greatest in engineering. A significant decline in agricultural employment below manager level is also forecast;
- e. despite the decline in the number of jobs in these occupations, there may be substantial demand for new skilled recruits to replace existing workers. For example, while the number of skilled engineering jobs is forecast to fall by 77,000 between 1996 and 2003, annual recruitment demand may still run at 80,000 a year;
- f. skills shortages, where employers have problems recruiting people to their vacancies or where existing employees lack the skills needed by business, have for a long time been recognised but not always dealt with. Currently skill shortages are at a fairly low level but there are some signs that they may be beginning to develop;
- g. the sectors currently most affected by skill shortages are construction and IT. In both cases there are special factors at work; for instance, in the case of IT the year 2000 problem, and in the case of construction a general upturn in the housing market.

#### Supply

- a. between 1994-95 and 1996-97, student numbers in FE increased by some 24 per cent. Detailed analysis of the growth between 1994-95 and 1995-96 shows that the biggest areas of growth have been level 1 computing qualifications and level 1 first-aid qualifications. Enrolments in all programme areas increased over the period but there was some variation within each programme area (for example, there were declines in the numbers of enrolments on construction level 2 crafts qualifications and mechanical, electrical and electronic engineering qualifications at level 3);
- b. institutions' strategic plans imply that the number of full- and part-time students in FE will increase by 402,000 (10 per cent) between 1996-97 and 1999-2000. The annual rate of increase is lower than that estimated to have taken place over the past three years;
- c. applying retention and achievement rates to the numbers of students in each occupational group provides an estimated number of qualified leavers from FE each year.

#### Comparison of Supply and Demand

- a. the balance between the supply of qualified leavers and the demand for skilled employees appears to be approximately in balance, when allowance is made for the uncertainty of the analysis, except for the occupational groups outlined below;
- b. the anticipated output of people with vocational qualifications relevant to junior manager and clerical occupations looks very low in relation

to the forecast number of job openings in these fields and the number of existing job holders with low qualification levels. Some of the 'gap' may be filled through students acquiring relevant general skills through non-vocational courses in FE and schools and by graduates from HE;

- c. a similar picture holds for trades in textiles and sales occupations. However, the latter include a number of relatively low skill jobs (mainly check-out assistants). In textiles occupations (particularly sewing) there is no strong tradition of formal training.



## **TABLES AND FIGURES**

**Table 1. Students in colleges, higher education institutions and external institutions on Council-funded provision**

<i>programme area</i>	<i>actual student numbers (000s)</i>			<i>projected student numbers (000s)</i>			<i>actual % change</i>		<i>projected % change</i>		
							<i>94-95</i>	<i>95-96</i>	<i>96-97</i>	<i>97-98</i>	<i>98-99</i>
	<i>94-95</i>	<i>95-96</i>	<i>96-97</i>	<i>97-98</i>	<i>98-99</i>	<i>99-2000</i>	<i>to</i> <i>95-96</i>	<i>to</i> <i>96-97</i>	<i>to</i> <i>97-98</i>	<i>to</i> <i>98-99</i>	<i>to</i> <i>99-2000</i>
<b>Full time</b>											
Sciences	95.5	105.9	107.7	110.1	112.6	114.5	11	2	2	2	2
Agriculture	11.9	14.3	18.1	19.3	19.9	20.4	20	27	7	3	2
Construction	23.4	25.8	25.8	25.7	26.7	27.3	10	0	0	4	2
Engineering	57.9	60.6	56.4	56.7	57.8	58.6	5	-7	1	2	1
Business	93.1	97.3	96.3	98.9	102.2	105.0	5	-1	3	3	3
Hotel & catering	57.3	58.3	52.1	54.9	56.7	58.2	2	-11	5	3	3
Health & community care	89.9	98.7	100.8	104.1	107.1	109.8	10	2	3	3	2
Art & design	80.2	90.6	96.4	100.9	103.6	105.6	13	6	5	3	2
Humanities	161.5	152.5	148.0	152.3	155.0	157.7	-6	-3	3	2	2
Basic education	26.6	29.9	33.7	33.2	34.4	35.6	12	12	-1	4	3
<b>Subtotal (full time)</b>	<b>697.3</b>	<b>733.9</b>	<b>735.2</b>	<b>756.0</b>	<b>775.9</b>	<b>792.6</b>	<b>5</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>2</b>
<b>Part time</b>											
Sciences	211.9	316.2	455.1	463.6	478.6	489.0	49	44	2	3	2
Agriculture	29.6	29.7	33.0	35.3	37.5	39.2	0	11	7	6	5
Construction	64.7	63.7	71.8	80.1	79.0	81.8	-2	13	11	-1	4
Engineering	172.2	184.0	202.0	205.8	204.5	210.0	7	10	2	-1	3
Business	418.1	497.9	556.7	595.0	611.0	627.2	19	12	7	3	3
Hotel & catering	53.0	76.1	99.5	108.8	107.4	108.4	44	31	9	-1	1
Health & community care	182.3	297.7	441.5	446.6	437.1	447.8	63	48	1	-2	2
Art & design	97.6	116.6	152.7	168.7	179.4	190.4	20	31	10	6	6
Humanities	523.6	535.6	573.6	599.1	617.4	638.5	2	7	4	3	3
Basic education	199.0	198.8	228.2	248.4	262.4	271.9	0	15	9	6	4
<b>Subtotal (part time)</b>	<b>1,952.1</b>	<b>2,316.3</b>	<b>2,814.1</b>	<b>2,951.2</b>	<b>3,014.3</b>	<b>3,104.2</b>	<b>19</b>	<b>21</b>	<b>5</b>	<b>2</b>	<b>3</b>
<b>Total</b>	<b>2,649.3</b>	<b>3,050.1</b>	<b>3,549.4</b>	<b>3,707.3</b>	<b>3,790.2</b>	<b>3,896.8</b>	<b>15</b>	<b>16</b>	<b>4</b>	<b>2</b>	<b>3</b>

*Note: includes students on outward collaborative provision (delivered within and outside the region); data exclude specialist designated institutions*

*Source: institutions' strategic plans, July 1994 to July 1997*

Table 2. Students in colleges on Council-funded provision

programme area	actual student numbers (000s)			projected student numbers (000s)			actual % change		projected % change		
							94-95	95-96	96-97	97-98	98-99
							to 95-96	to 96-97	to 97-98	to 98-99	to 99-2000
	94-95	95-96	96-97	97-98	98-99	99-2000					
<b>Full time</b>											
Sciences	94.5	105.3	106.9	109.3	111.8	113.6	11	2	2	2	2
Agriculture	10.9	13.4	17.3	18.6	19.2	19.7	23	29	8	3	3
Construction	23.2	25.7	25.6	25.6	26.5	27.1	11	0	0	4	2
Engineering	57.1	59.8	55.7	56.0	57.1	57.9	5	-7	1	2	1
Business	91.8	96.5	95.4	97.9	101.2	104.1	5	-1	3	3	3
Hotel & catering	56.8	57.8	51.5	54.4	56.2	57.7	2	-11	6	3	3
Health & community care	89.1	97.9	100.2	103.4	106.4	109.1	10	2	3	3	3
Art & design	71.8	82.3	88.4	92.7	95.4	97.4	15	7	5	3	2
Humanities	160.8	151.0	147.5	151.9	154.5	157.2	-6	-2	3	2	2
Basic education	25.3	28.2	31.7	31.2	32.5	33.7	11	12	-2	4	4
<b>Subtotal (full time)</b>	<b>681.4</b>	<b>718.0</b>	<b>720.2</b>	<b>741.1</b>	<b>760.8</b>	<b>777.5</b>	<b>5</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>2</b>
<b>Part time</b>											
Sciences	171.1	271.8	396.8	405.2	418.5	427.4	59	46	2	3	2
Agriculture	27.3	27.7	30.0	32.3	34.4	36.1	1	8	8	6	5
Construction	63.2	63.2	71.0	79.1	78.0	80.9	0	12	12	-1	4
Engineering	162.0	172.1	190.8	194.4	192.7	197.9	6	11	2	-1	3
Business	334.0	431.7	490.9	526.2	539.7	554.4	29	14	7	3	3
Hotel & catering	48.2	72.0	93.2	102.6	100.9	101.6	49	30	10	-2	1
Health & community care	156.4	268.8	409.0	411.3	401.0	410.7	72	52	1	-3	2
Art & design	71.4	93.2	125.6	138.1	148.0	158.3	31	35	10	7	7
Humanities	424.3	456.6	484.4	506.2	522.3	542.3	8	6	4	3	4
Basic education	118.5	132.6	158.1	174.6	185.6	193.3	12	19	10	6	4
<b>Subtotal (part time)</b>	<b>1,576.4</b>	<b>1,989.7</b>	<b>2,449.9</b>	<b>2,570.1</b>	<b>2,621.0</b>	<b>2,702.9</b>	<b>26</b>	<b>23</b>	<b>5</b>	<b>2</b>	<b>3</b>
<b>Total</b>	<b>2,257.8</b>	<b>2,707.7</b>	<b>3,170.1</b>	<b>3,311.1</b>	<b>3,381.8</b>	<b>3,480.4</b>	<b>20</b>	<b>17</b>	<b>4</b>	<b>2</b>	<b>3</b>

Note: includes students on outward collaborative provision (delivered within and outside the region); data exclude specialist designated institutions

Source: institutions' strategic plans, July 1994 to July 1997

Table 3. Students in colleges funded from sources other than the Council

programme area	actual student numbers (000s)			projected student numbers (000s)			actual % change		projected % change		
							94-95	95-96	96-97	97-98	98-99
							to 95-96	to 96-97	to 97-98	to 98-99	to 99-2000
	94-95	95-96	96-97	97-98	98-99	99-2000					
<b>Full time</b>											
Sciences	7.3	7.9	8.0	9.2	10.2	10.8	8	2	15	11	5
Agriculture	2.1	2.3	2.3	2.7	3.3	3.8	10	1	18	22	13
Construction	3.4	3.8	3.3	3.4	3.5	3.7	13	-13	2	4	4
Engineering	9.6	9.1	8.2	9.5	10.2	10.7	-4	-10	16	7	5
Business	15.8	14.7	13.7	14.7	15.5	16.2	-7	-6	7	6	4
Hotel & catering	7.9	8.7	7.8	8.6	8.9	9.2	10	-10	10	4	3
Health & community care	4.6	4.6	4.6	4.9	5.3	5.6	0	0	6	8	7
Art & design	10.7	13.9	13.3	14.1	14.9	15.5	30	-5	6	6	3
Humanities	10.5	9.9	9.9	9.0	9.5	10.0	-6	1	-9	6	5
Basic education	2.6	3.6	2.8	2.7	2.8	2.8	37	-23	-3	3	3
<b>Subtotal (full time)</b>	<b>74.5</b>	<b>78.5</b>	<b>74.1</b>	<b>78.8</b>	<b>84.2</b>	<b>88.3</b>	<b>5</b>	<b>-6</b>	<b>6</b>	<b>7</b>	<b>5</b>
<b>Part time</b>											
Sciences	34.4	32.6	32.8	36.0	39.2	42.1	-5	1	9	9	8
Agriculture	18.9	19.5	19.7	21.2	21.6	22.4	3	1	7	2	3
Construction	25.2	23.2	26.5	29.0	30.4	31.7	-8	14	9	5	4
Engineering	49.9	50.8	50.2	52.1	55.0	56.7	2	-1	4	6	3
Business	80.3	78.9	76.8	85.5	91.4	97.9	-2	-3	11	7	7
Hotel & catering	117.5	80.6	58.9	59.5	61.4	63.2	-31	-27	1	3	3
Health & community care	59.1	60.6	62.0	63.0	65.5	68.2	2	2	2	4	4
Art & design	158.6	139.9	121.7	118.8	122.1	124.8	-12	-13	-2	3	2
Humanities	230.9	227.2	235.6	232.2	236.5	241.9	-2	4	-1	2	2
Basic education	42.6	40.8	39.0	38.9	40.1	42.3	-4	-4	0	3	6
<b>Subtotal (part time)</b>	<b>817.4</b>	<b>754.2</b>	<b>723.4</b>	<b>736.1</b>	<b>763.2</b>	<b>791.3</b>	<b>-8</b>	<b>-4</b>	<b>2</b>	<b>4</b>	<b>4</b>
<b>Total</b>	<b>891.9</b>	<b>832.7</b>	<b>797.4</b>	<b>814.9</b>	<b>847.5</b>	<b>879.5</b>	<b>-7</b>	<b>-4</b>	<b>2</b>	<b>4</b>	<b>4</b>

Note: data exclude specialist designated institutions

Source: institutions' strategic plans, July 1994 to July 1997



Table 4. Students in external institutions on Council-funded provision

programme area	actual student numbers (000s)			projected student numbers (000s)			actual % change		projected % change		
							94-95	95-96	96-97	97-98	98-99
	94-95*	95-96	96-97	97-98	98-99	99-2000	to 95-96	to 96-97	to 97-98	to 98-99	to 99-2000
<b>Full time</b>											
Sciences	0.8	0.4	0.6	0.6	0.6	0.6	-45	30	4	7	0
Agriculture	0.1	0.0	0.0	0.0	0.0	0.0	-25	-40	38	0	0
Construction	0.2	0.1	0.1	0.1	0.1	0.1	-46	9	5	9	8
Engineering	0.1	0.0	0.1	0.1	0.1	0.1	-69	63	-2	16	1
Business	0.8	0.3	0.6	0.6	0.6	0.5	-67	112	1	5	-7
Hotel & catering	0.1	0.0	0.1	0.1	0.1	0.1	-83	521	0	25	9
Health & community care	0.2	0.3	0.2	0.3	0.3	0.3	49	-30	11	7	0
Art & design	0.3	0.4	0.2	0.2	0.2	0.2	42	-63	7	-2	9
Humanities	0.6	1.3	0.3	0.3	0.3	0.3	113	-74	-13	1	9
Basic education	1.0	1.6	1.8	1.8	1.8	1.8	50	18	0	-3	0
<b>Subtotal (full time)</b>	<b>4.2</b>	<b>4.5</b>	<b>4.0</b>	<b>4.0</b>	<b>4.1</b>	<b>4.1</b>	<b>7</b>	<b>-12</b>	<b>1</b>	<b>2</b>	<b>1</b>
<b>Part time</b>											
Sciences	38.6	40.9	54.8	52.7	54.0	55.0	6	34	-4	2	2
Agriculture	1.5	1.2	2.1	1.9	2.0	2.1	-19	75	-7	4	3
Construction	1.5	0.5	0.7	0.7	0.7	0.7	-65	27	9	4	-3
Engineering	7.5	6.0	5.6	6.0	6.2	6.5	-21	-6	7	5	4
Business	81.7	63.8	62.6	66.0	68.2	69.6	-22	-2	5	3	2
Hotel & catering	3.8	3.2	4.7	4.5	4.8	5.0	-15	45	-4	6	5
Health & community care	24.6	26.2	29.5	31.4	32.3	33.1	6	13	6	3	3
Art & design	20.1	17.2	22.4	25.6	26.4	26.9	-14	30	14	3	2
Humanities	93.3	70.5	81.1	83.5	85.2	86.0	-24	15	3	2	1
Basic education	79.2	65.0	68.7	72.4	75.2	77.1	-18	6	5	4	3
<b>Subtotal (part time)</b>	<b>351.9</b>	<b>294.4</b>	<b>332.1</b>	<b>344.8</b>	<b>355.1</b>	<b>362.0</b>	<b>-16</b>	<b>13</b>	<b>4</b>	<b>3</b>	<b>2</b>
<b>Total</b>	<b>356.1</b>	<b>298.9</b>	<b>336.1</b>	<b>348.8</b>	<b>359.2</b>	<b>366.1</b>	<b>-16</b>	<b>12</b>	<b>4</b>	<b>3</b>	<b>2</b>

Note: includes students on outward collaborative provision (delivered within and outside the region); \* student enrolments rather than student numbers

Source: institutions' strategic plans, July 1994 to July 1997

Table 5. Students in higher education institutions on Council-funded provision

programme area	actual student numbers (000s)			projected student numbers (000s)			actual % change		projected % change		
							94-95	95-96	96-97	97-98	98-99
							to 95-96	to 96-97	to 97-98	to 98-99	to 99-2000
	94-95	95-96	96-97	97-98	98-99	99-2000					
<b>Full time</b>											
Sciences	0.2	0.2	0.2	0.2	0.2	0.2	9	-24	31	4	-4
Agriculture	0.9	0.8	0.7	0.7	0.6	0.6	-12	-6	-11	-3	-1
Construction	0.0	0.0	0.1	0.1	0.1	0.1	53	177	-24	9	0
Engineering	0.7	0.7	0.6	0.6	0.6	0.6	12	-20	0	4	-1
Business	0.5	0.5	0.4	0.4	0.4	0.4	5	-20	-3	0	0
Hotel & catering	0.4	0.5	0.5	0.4	0.4	0.4	20	13	-22	1	1
Health & community care	0.5	0.4	0.4	0.4	0.4	0.4	-16	-2	-10	0	0
Art & design	8.1	7.9	7.9	8.0	8.0	8.0	-3	0	2	0	0
Humanities	0.1	0.2	0.2	0.2	0.2	0.2	73	-5	9	2	3
Basic education	0.3	0.2	0.1	0.1	0.1	0.1	-38	-39	6	0	0
<b>Subtotal (full time)</b>	<b>11.6</b>	<b>11.4</b>	<b>11.1</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>	<b>-2</b>	<b>-3</b>	<b>-1</b>	<b>0</b>	<b>0</b>
<b>Part time</b>											
Sciences	2.2	3.5	3.5	5.6	6.1	6.6	63	-2	63	8	8
Agriculture	0.8	0.8	0.9	1.1	1.1	1.1	2	14	16	3	2
Construction	0.1	0.1	0.2	0.2	0.2	0.2	-49	316	11	6	0
Engineering	2.7	5.9	5.5	5.5	5.5	5.6	119	-6	-2	1	1
Business	2.4	2.4	3.2	2.8	3.1	3.2	1	31	-13	13	2
Hotel & catering	1.0	0.9	1.6	1.7	1.7	1.8	-2	67	7	3	2
Health & community care	1.2	2.7	3.0	3.8	3.9	3.9	117	12	27	1	1
Art & design	6.1	6.2	4.7	4.9	5.0	5.2	1	-24	5	2	2
Humanities	6.0	8.4	8.1	9.5	9.9	10.2	41	-4	17	5	3
Basic education	1.3	1.1	1.4	1.4	1.5	1.5	-16	26	-4	7	5
<b>Subtotal (part time)</b>	<b>23.8</b>	<b>32.2</b>	<b>32.2</b>	<b>36.4</b>	<b>38.2</b>	<b>39.3</b>	<b>35</b>	<b>0</b>	<b>13</b>	<b>5</b>	<b>3</b>
<b>Total</b>	<b>35.5</b>	<b>43.5</b>	<b>43.2</b>	<b>47.4</b>	<b>49.2</b>	<b>50.3</b>	<b>23</b>	<b>-1</b>	<b>10</b>	<b>4</b>	<b>2</b>

Note: includes students on outward collaborative provision (delivered within and outside the region)

Source: institutions' strategic plans, July 1994 to July 1997

Table 6. Comparison of actual and projected student numbers for 1995-96 and 1996-97: colleges

**Council-funded provision**

<i>programme area</i>	<i>projected student numbers (000s) 96-97</i>		<i>actual student numbers (000s) 96-97</i>		<i>% projected student numbers achieved 96-97</i>		<i>% projected student numbers achieved 95-96</i>	
	<i>full-time</i>	<i>part-time</i>	<i>full-time</i>	<i>part-time</i>	<i>full-time</i>	<i>part-time</i>	<i>full-time</i>	<i>part-time</i>
<b>Full time</b>								
Sciences	113.5	318.6	106.9	396.8	94	125	101	136
Agriculture	16.2	31.5	17.3	30.0	107	95	104	95
Construction	27.3	65.8	25.6	71.0	94	108	102	83
Engineering	63.2	193.9	55.7	190.8	88	98	95	98
Business	101.1	495.6	95.4	490.9	94	99	92	111
Hotel & catering	59.7	92.0	51.5	93.2	86	101	90	108
Health & community care	103.6	332.0	100.2	409.0	97	123	97	142
Art & design	91.1	108.9	88.4	125.6	97	115	99	108
Humanities	159.0	503.4	147.5	484.4	93	96	89	97
Basic education	30.5	148.8	31.7	158.1	104	106	105	93
<b>Subtotal (Council-funded)</b>	<b>765.3</b>	<b>2,290.3</b>	<b>720.2</b>	<b>2,449.9</b>	<b>94</b>	<b>107</b>	<b>95</b>	<b>109</b>

**Other-funded provision**

<i>programme area</i>	<i>projected student numbers (000s) 96-97</i>		<i>actual student numbers (000s) 96-97</i>		<i>% difference between projections and actuals 96-97</i>		<i>% difference between projections and actuals 95-96</i>	
	<i>full-time</i>	<i>part-time</i>	<i>full-time</i>	<i>part-time</i>	<i>full-time</i>	<i>part-time</i>	<i>full-time</i>	<i>part-time</i>
<b>Full time</b>								
Sciences	8.7	33.5	8.0	32.8	92	98	89	87
Agriculture	2.8	23.2	2.3	19.7	84	85	94	95
Construction	4.1	26.8	3.3	26.5	82	99	89	80
Engineering	9.7	53.9	8.2	50.2	84	93	80	85
Business	15.4	83.1	13.7	76.8	89	92	93	87
Hotel & catering	9.3	80.8	7.8	58.9	84	73	96	66
Health & community care	4.6	63.1	4.6	62.0	100	98	101	97
Art & design	14.7	135.5	13.3	121.7	91	90	109	90
Humanities	10.2	223.0	9.9	235.6	97	106	94	100
Basic education	3.6	40.9	2.8	39.0	76	95	131	89
<b>Subtotal (other-funded)</b>	<b>83.1</b>	<b>763.7</b>	<b>74.1</b>	<b>723.4</b>	<b>89</b>	<b>95</b>	<b>95</b>	<b>89</b>
<b>Total</b>	<b>848.4</b>	<b>3,054.0</b>	<b>794.3</b>	<b>3,173.3</b>	<b>94</b>	<b>104</b>	<b>95</b>	<b>102</b>

Note: includes students on collaborative provision (delivered within and outside the region)

Source: college strategic plans, July 1995, 1996, 1997

Table 7. Students in general further education and tertiary colleges on Council-funded provision

programme area	actual student numbers (000s)			projected student numbers (000s)			actual % change		projected % change		% of all students on Council-funded courses	
							94-95 to 95-96	95-96 to 96-97	96-97 to 97-98	97-98 to 98-99	98-99 to 99-2000	96-97
	94-95	95-96	96-97	97-98	98-99	99-2000	95-96	96-97	97-98	98-99	99-2000	96-97
<b>Full time</b>												
Sciences	64.4	74.1	75.4	76.6	78.4	79.8	15	2	2	2	2	71
Agriculture	2.1	3.5	6.2	6.5	6.7	6.9	64	75	6	2	2	36
Construction	22.9	25.4	25.3	25.3	26.1	26.7	11	0	0	3	2	99
Engineering	55.6	58.1	53.9	54.2	55.2	55.9	4	-7	1	2	1	97
Business	80.8	84.0	82.3	84.4	87.1	89.6	4	-2	2	3	3	86
Hotel & catering	53.9	53.8	47.3	49.8	51.4	52.8	0	-12	5	3	3	92
Health & community care	85.6	93.8	95.6	98.5	101.2	103.8	10	2	3	3	3	95
Art & design	59.2	67.9	73.3	77.0	79.4	81.1	15	8	5	3	2	83
Humanities	111.2	100.9	94.4	98.2	100.4	102.5	-9	-6	4	2	2	64
Basic education	24.4	27.1	30.5	29.9	31.1	32.2	11	13	-2	4	4	96
<b>Subtotal (full time)</b>	<b>560.2</b>	<b>588.7</b>	<b>584.2</b>	<b>600.4</b>	<b>617.2</b>	<b>631.4</b>	<b>5</b>	<b>-1</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>81</b>
<b>Part time</b>												
Sciences	163.3	260.7	368.9	384.9	396.6	403.7	60	41	4	3	2	93
Agriculture	8.9	9.7	13.3	14.5	15.5	16.3	8	38	9	7	6	44
Construction	62.8	62.7	70.6	78.8	77.6	80.5	0	13	12	-1	4	99
Engineering	160.3	169.4	184.9	190.6	189.3	194.5	6	9	3	-1	3	97
Business	327.0	418.1	471.3	510.6	522.2	535.4	28	13	8	2	3	96
Hotel & catering	47.5	69.4	91.0	100.6	98.7	99.2	46	31	11	-2	0	98
Health & community care	148.7	259.8	392.7	397.4	387.0	396.4	75	51	1	-3	2	96
Art & design	66.8	86.6	118.8	130.8	140.2	150.1	30	37	10	7	7	95
Humanities	415.4	440.5	464.8	487.0	501.6	520.2	6	6	5	3	4	96
Basic education	117.0	130.7	156.1	172.1	182.8	190.0	12	19	10	6	4	99
<b>Subtotal (part time)</b>	<b>1,517.7</b>	<b>1,907.6</b>	<b>2,332.4</b>	<b>2,467.5</b>	<b>2,511.5</b>	<b>2,586.2</b>	<b>26</b>	<b>22</b>	<b>6</b>	<b>2</b>	<b>3</b>	<b>95</b>
<b>Total</b>	<b>2,077.9</b>	<b>2,496.3</b>	<b>2,916.6</b>	<b>3,067.9</b>	<b>3,128.7</b>	<b>3,217.6</b>	<b>20</b>	<b>17</b>	<b>5</b>	<b>2</b>	<b>3</b>	<b>92</b>

Note: includes students on outward collaborative provision (delivered within and outside the region)

Source: institutions' strategic plans, July 1994 to July 1997

Table 8. Students in agriculture and horticulture colleges on Council-funded provision

programme area	actual student numbers (000s)			projected student numbers (000s)			actual % change		projected % change			% of all students on Council-funded courses
							94-95 to 95-96	95-96 to 96-97	96-97 to 97-98	97-98 to 98-99	98-99 to 99-2000	
	94-95	95-96	96-97	97-98	98-99	99-2000	95-96	96-97	97-98	98-99	99-2000	
Full time												
Sciences	1.0	1.6	1.0	1.0	1.1	1.1	56	-39	1	9	6	1
Agriculture	8.7	9.8	10.9	11.9	12.3	12.6	13	10	9	4	3	63
Construction	0.2	0.2	0.3	0.3	0.3	0.3	-21	85	-2	11	7	1
Engineering	0.5	0.6	0.6	0.7	0.8	0.8	6	6	14	8	6	1
Business	0.5	0.5	0.6	0.6	0.7	0.7	0	20	7	6	4	1
Hotel & catering	0.4	0.6	0.5	0.6	0.6	0.6	58	-13	13	-4	6	1
Health & community care	0.0	0.0	0.0	0.1	0.1	0.1	143	3	117	13	9	0
Art & design	0.0	0.1	0.1	0.0	0.1	0.1	18	6	-18	17	22	0
Humanities	0.1	0.1	0.1	0.0	0.1	0.1	19	-38	-16	33	26	0
Basic education	0.0	0.0	0.0	0.0	0.0	0.0	-100	n/a	67	0	0	0
Subtotal (full time)	11.5	13.4	14.0	15.2	15.8	16.4	17	4	9	4	3	2
Part time												
Sciences	2.7	2.4	4.0	4.1	4.2	4.3	-12	67	2	3	3	1
Agriculture	18.3	17.9	16.5	17.5	18.6	19.4	-2	-8	6	6	4	55
Construction	0.4	0.4	0.4	0.3	0.3	0.4	14	-17	-13	8	5	1
Engineering	1.0	1.0	1.6	1.6	1.6	1.7	8	54	2	1	4	1
Business	2.0	3.7	3.6	3.7	3.9	4.1	83	-2	2	6	5	1
Hotel & catering	0.5	1.0	1.1	1.1	1.2	1.2	124	10	-4	10	5	1
Health & community care	0.4	1.7	2.7	3.0	2.6	2.8	321	57	12	-12	5	1
Art & design	1.2	1.3	1.3	1.6	1.7	1.7	7	-1	23	5	2	1
Humanities	0.4	0.4	1.0	1.1	1.2	1.2	3	131	14	4	2	0
Basic education	0.1	0.2	0.3	0.2	0.3	0.3	39	46	-15	5	21	0
Subtotal (part time)	27.0	30.1	32.4	34.2	35.6	37.1	11	8	5	4	4	1
Total	38.5	43.5	46.4	49.4	51.4	53.5	13	7	6	4	4	1

Note: includes students on outward collaborative provision (delivered within and outside the region)

Source: institutions' strategic plans, July 1994 to July 1997

Table 9. Students in art and design colleges on Council-funded provision

programme area	actual student numbers (000s)			projected student numbers (000s)			actual % change		projected % change			% of all students on Council-funded courses
							94-95	95-96	96-97	97-98	98-99	
	94-95	95-96	96-97	97-98	98-99	99-2000	to 95-96	to 96-97	to 97-98	to 98-99	to 99-2000	
<b>Full time</b>												
Sciences	0.0	0.0	0.0	0.0	0.0	0.0	7	-25	50	39	20	0
Agriculture	0.0	0.0	0.0	0.0	0.0	0.0	n/a	n/a	n/a	n/a	n/a	0
Construction	0.1	0.1	0.0	0.0	0.0	0.0	7	-68	0	0	0	0
Engineering	0.2	0.3	0.3	0.3	0.3	0.3	5	2	1	5	0	0
Business	0.0	0.0	0.0	0.0	0.0	0.0	n/a	n/a	n/a	n/a	50	0
Hotel & catering	0.0	0.0	0.0	0.0	0.0	0.0	n/a	n/a	n/a	n/a	n/a	0
Health & community care	0.0	0.0	0.0	0.0	0.0	0.0	n/a	n/a	n/a	n/a	n/a	0
Art & design	3.7	3.7	3.2	3.4	3.4	3.5	0	-14	4	2	1	4
Humanities	0.0	0.0	0.0	0.0	0.0	0.0	n/a	120	82	50	33	0
Basic education	0.0	0.0	0.0	0.0	0.0	0.0	n/a	44	0	0	0	0
<b>Subtotal (full time)</b>	<b>4.0</b>	<b>4.1</b>	<b>3.5</b>	<b>3.7</b>	<b>3.8</b>	<b>3.9</b>	<b>1</b>	<b>-13</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>0</b>
<b>Part time</b>												
Sciences	0.1	0.1	0.5	0.5	0.5	0.5	37	403	-1	0	6	0
Agriculture	0.1	0.0	0.0	0.0	0.0	0.0	-20	-13	-3	0	0	0
Construction	0.0	0.0	0.0	0.0	0.0	0.0	-49	74	15	0	0	0
Engineering	0.2	0.3	0.5	0.5	0.5	0.5	8	88	3	1	2	0
Business	0.0	0.1	0.0	0.0	0.1	0.1	n/a	-45	23	29	32	0
Hotel & catering	0.0	0.0	0.0	0.0	0.0	0.0	n/a	n/a	n/a	n/a	n/a	0
Health & community care	0.0	0.0	0.0	0.0	0.1	0.1	n/a	900	125	33	80	0
Art & design	1.9	3.0	2.8	2.7	2.7	2.8	56	-9	-3	1	2	2
Humanities	0.0	0.1	0.3	0.3	0.3	0.3	110	415	-16	0	0	0
Basic education	0.0	0.0	0.0	0.0	0.0	0.0	-69	0	33	0	0	0
<b>Subtotal (part time)</b>	<b>2.4</b>	<b>3.6</b>	<b>4.3</b>	<b>4.2</b>	<b>4.2</b>	<b>4.4</b>	<b>48</b>	<b>18</b>	<b>-2</b>	<b>2</b>	<b>4</b>	<b>0</b>
<b>Total</b>	<b>6.5</b>	<b>7.7</b>	<b>7.8</b>	<b>7.9</b>	<b>7.9</b>	<b>8.3</b>	<b>19</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>0</b>

Note: includes students on outward collaborative provision (delivered within and outside the region)

Source: institutions' strategic plans, July 1994 to July 1997

Table 10. Students in sixth form colleges on Council-funded provision

programme area	actual student numbers (000s)			projected student numbers (000s)			actual % change		projected % change		% of all students on Council-funded courses	
							94-95 to 95-96	95-96 to 96-97	96-97 to 97-98	97-98 to 98-99	98-99 to 99-2000	96-97
	94-95	95-96	96-97	97-98	98-99	99-2000	95-96	96-97	97-98	98-99	99-2000	96-97
<b>Full time</b>												
Sciences	29.1	29.6	30.5	31.7	32.3	32.6	2	3	4	2	1	29
Agriculture	0.0	0.1	0.3	0.2	0.2	0.2	240	301	-22	2	1	2
Construction	0.0	0.0	0.0	0.0	0.0	0.0	-13	0	0	0	0	0
Engineering	0.7	0.9	0.9	0.8	0.9	0.9	26	-3	-3	3	3	2
Business	10.5	12.0	12.5	12.9	13.4	13.8	14	4	4	3	3	13
Hotel & catering	2.5	3.4	3.7	4.0	4.2	4.3	36	11	8	4	3	7
Health & community care	3.6	4.0	4.5	4.9	5.1	5.2	14	12	8	4	3	5
Art & design	8.8	10.7	11.8	12.3	12.5	12.8	21	11	4	2	2	13
Humanities	49.5	50.1	53.0	53.6	54.0	54.6	1	6	1	1	1	36
Basic education	0.8	1.1	1.2	1.4	1.4	1.4	28	11	14	3	2	4
<b>Subtotal (full time)</b>	<b>105.7</b>	<b>111.8</b>	<b>118.5</b>	<b>121.8</b>	<b>124.0</b>	<b>125.9</b>	<b>6</b>	<b>6</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>16</b>
<b>Part time</b>												
Sciences	5.0	8.6	23.4	15.8	17.2	18.9	71	173	-33	9	9	6
Agriculture	0.0	0.1	0.1	0.3	0.3	0.3	277	59	102	7	4	0
Construction	0.0	0.0	0.0	0.0	0.0	0.0	n/a	-45	145	-100	n/a	0
Engineering	0.5	1.4	3.9	1.6	1.2	1.3	173	177	-58	-26	3	2
Business	5.0	9.8	16.0	11.9	13.5	14.8	97	63	-26	14	10	3
Hotel & catering	0.3	1.6	1.1	0.9	1.0	1.2	507	-31	-21	17	20	1
Health & community care	7.3	7.3	13.6	10.9	11.3	11.5	1	85	-20	3	2	3
Art & design	1.4	2.2	2.7	3.0	3.4	3.8	55	20	13	13	10	2
Humanities	8.4	15.7	18.2	17.7	19.2	20.7	86	16	-3	9	8	4
Basic education	1.3	1.7	1.8	2.2	2.5	2.9	30	6	21	18	13	1
<b>Subtotal (part time)</b>	<b>29.2</b>	<b>48.4</b>	<b>80.8</b>	<b>64.2</b>	<b>69.7</b>	<b>75.2</b>	<b>66</b>	<b>67</b>	<b>-21</b>	<b>9</b>	<b>8</b>	<b>3</b>
<b>Total</b>	<b>134.9</b>	<b>160.2</b>	<b>199.2</b>	<b>186.0</b>	<b>193.7</b>	<b>201.1</b>	<b>19</b>	<b>24</b>	<b>-7</b>	<b>4</b>	<b>4</b>	<b>6</b>

Note: includes students on outward collaborative provision (delivered within and outside the region)

Source: institutions' strategic plans, July 1994 to July 1997

**Table 11. Students on outward collaborative provision in 1995-96, 1996-97 and 1997-98 (numbers in 000s)**

<i>programme area</i>	<i>total</i>	<i>collaborative provision</i>						<i>total</i>	<i>collaborative provision</i>						<i>total</i>	<i>collaborative provision</i>					
	<i>Council-</i>	<i>within</i>		<i>outside</i>		<i>total</i>		<i>Council-</i>	<i>within</i>		<i>outside</i>		<i>total</i>		<i>Council-</i>	<i>within</i>		<i>outside</i>		<i>total</i>	
	<i>funded</i>	<i>region</i>		<i>region</i>		<i>95-96</i>		<i>funded</i>	<i>region</i>		<i>region</i>		<i>96-97</i>		<i>funded</i>	<i>region</i>		<i>region</i>		<i>97-98</i>	
	<i>provision</i>	<i>95-96</i>		<i>95-96</i>		<i>95-96</i>		<i>provision</i>	<i>96-97</i>		<i>96-97</i>		<i>96-97</i>		<i>provision</i>	<i>97-98</i>		<i>97-98</i>		<i>97-98</i>	
	<i>No.*</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.*</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.*</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>
<b>Full time</b>																					
Sciences	105.9	2.8	3	0.8	1	3.7	3	107.7	3.0	3	1.2	1	4.2	4	110.1	2.3	2	0.6	1	2.9	3
Agriculture	14.3	0.8	6	0.3	2	1.1	8	18.1	1.1	6	0.9	5	2.0	11	19.3	1.1	6	0.6	3	1.7	9
Construction	25.8	1.0	4	0.2	1	1.2	4	25.8	1.6	6	0.1	0	1.7	7	25.7	1.5	6	0.1	0	1.6	6
Engineering	60.6	2.9	5	0.4	1	3.3	5	56.4	2.5	5	0.5	1	3.1	5	56.7	2.6	5	0.5	1	3.0	5
Business	97.3	4.3	4	2.0	2	6.3	6	96.3	3.0	3	3.0	3	5.9	6	98.9	2.3	2	0.9	1	3.2	3
Hotel & catering	58.3	1.0	2	0.8	1	1.8	3	52.1	0.7	1	0.2	0	0.9	2	54.9	0.8	1	0.1	0	1.0	2
Health & community care	98.7	2.6	3	0.7	1	3.3	3	100.8	3.5	3	0.3	0	3.8	4	104.1	2.9	3	0.2	0	3.1	3
Art & design	90.6	1.4	2	0.5	1	1.9	2	96.4	1.9	2	0.2	0	2.2	2	100.9	1.6	2	0.4	0	1.9	2
Humanities	152.5	3.2	2	2.1	1	5.3	3	148.0	3.0	2	0.6	0	3.7	2	152.3	3.0	2	0.2	0	3.2	2
Basic education	29.9	3.0	10	0.3	1	3.3	11	33.7	3.8	11	0.4	1	4.1	12	33.2	3.6	11	0.3	1	3.9	12
<b>Subtotal (full-time)</b>	<b>733.9</b>	<b>22.9</b>	<b>3</b>	<b>8.1</b>	<b>1</b>	<b>31.0</b>	<b>4</b>	<b>735.2</b>	<b>24.1</b>	<b>3</b>	<b>7.5</b>	<b>1</b>	<b>31.6</b>	<b>4</b>	<b>756.0</b>	<b>21.7</b>	<b>3</b>	<b>3.8</b>	<b>0</b>	<b>25.4</b>	<b>3</b>
<b>Part time</b>																					
Sciences	316.2	36.3	11	16.3	5	52.6	17	455.1	70.0	15	15.8	3	85.8	19	463.6	67.9	15	11.8	3	79.8	17
Agriculture	29.7	0.9	3	0.1	0	0.9	3	33.0	1.8	5	0.3	1	2.0	6	35.3	2.3	6	0.7	2	3.0	8
Construction	63.7	3.9	6	1.9	3	5.7	9	71.8	6.2	9	3.0	4	9.1	13	80.1	11.0	14	2.9	4	13.9	17
Engineering	184.0	24.0	13	12.6	7	36.6	20	202.0	26.0	13	20.2	10	46.2	23	205.8	29.9	15	13.0	6	42.9	21
Business	497.9	56.3	11	37.2	7	93.5	19	556.7	72.1	13	54.8	10	126.9	23	595.0	76.5	13	37.7	6	114.2	19
Hotel & catering	76.1	16.4	22	17.1	22	33.6	44	99.5	27.7	28	32.3	32	60.0	60	108.8	29.6	27	24.2	22	53.8	49
Health & community care	297.7	112.9	38	33.1	11	145.9	49	441.5	200.9	46	47.0	11	247.9	56	446.6	198.6	44	26.8	6	225.4	50
Art & design	116.6	4.8	4	3.7	3	8.5	7	152.7	10.7	7	7.9	5	18.6	12	168.7	9.9	6	7.3	4	17.2	10
Humanities	535.6	38.2	7	34.9	7	73.1	14	573.6	54.4	9	30.1	5	84.4	15	599.1	55.9	9	25.5	4	81.4	14
Basic education	198.8	8.5	4	2.3	1	10.8	5	228.2	13.8	6	13.3	6	27.1	12	248.4	15.0	6	15.3	6	30.3	12
<b>Subtotal (part-time)</b>	<b>2,316.3</b>	<b>302.1</b>	<b>13</b>	<b>159.1</b>	<b>7</b>	<b>461.2</b>	<b>20</b>	<b>2,814.1</b>	<b>483.6</b>	<b>17</b>	<b>224.6</b>	<b>8</b>	<b>708.2</b>	<b>25</b>	<b>2,951.2</b>	<b>496.6</b>	<b>17</b>	<b>165.2</b>	<b>6</b>	<b>661.9</b>	<b>22</b>
<b>Total</b>	<b>3,050.1</b>	<b>325.0</b>	<b>11</b>	<b>167.2</b>	<b>5</b>	<b>492.2</b>	<b>16</b>	<b>3,549.4</b>	<b>507.7</b>	<b>14</b>	<b>232.1</b>	<b>7</b>	<b>739.8</b>	<b>21</b>	<b>3,707.3</b>	<b>518.3</b>	<b>14</b>	<b>169.0</b>	<b>5</b>	<b>687.3</b>	<b>19</b>

Notes: excludes specialist designated institutions; \* includes outward collaborative provision

Source: institutions' strategic plans, July 1994 to July 1997



**Table 12. Financial health groups**

<b>Group</b>	<b>Colleges</b>			
	<b>%</b>			
	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>
A	70	62	47	42
B	24	27	34	37
C	6	11	19	21

*Note: excludes specialist designated institutions*

*Source: Council's assessment of college financial forecasts*

**Table 13. Cash days in hand**

<b>Cash days in hand</b>	<b>1994 actual</b>	<b>1995 actual</b>	<b>1996 actual</b>	<b>1997 estimated out-turn</b>	<b>2000 forecast out-turn</b>
Cash days in hand for sector	38	46	41	46	57
Number of colleges with fewer than 25 days in hand	98	109	156	137	71

*Note: colleges tend to be over-optimistic in later years of their forecasts, therefore figures for 2000 should be regarded with caution*

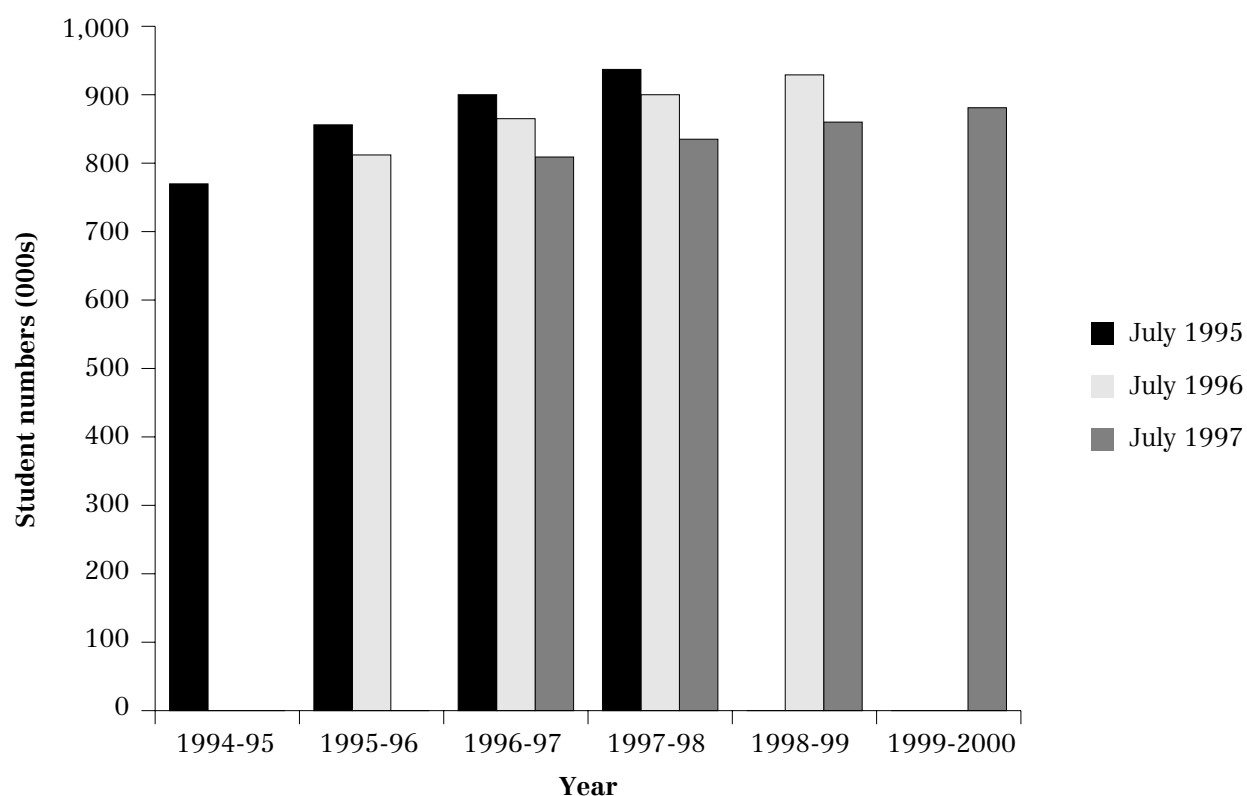
*Source: Council's assessment of college financial forecasts*

**Table 14. General reserves**

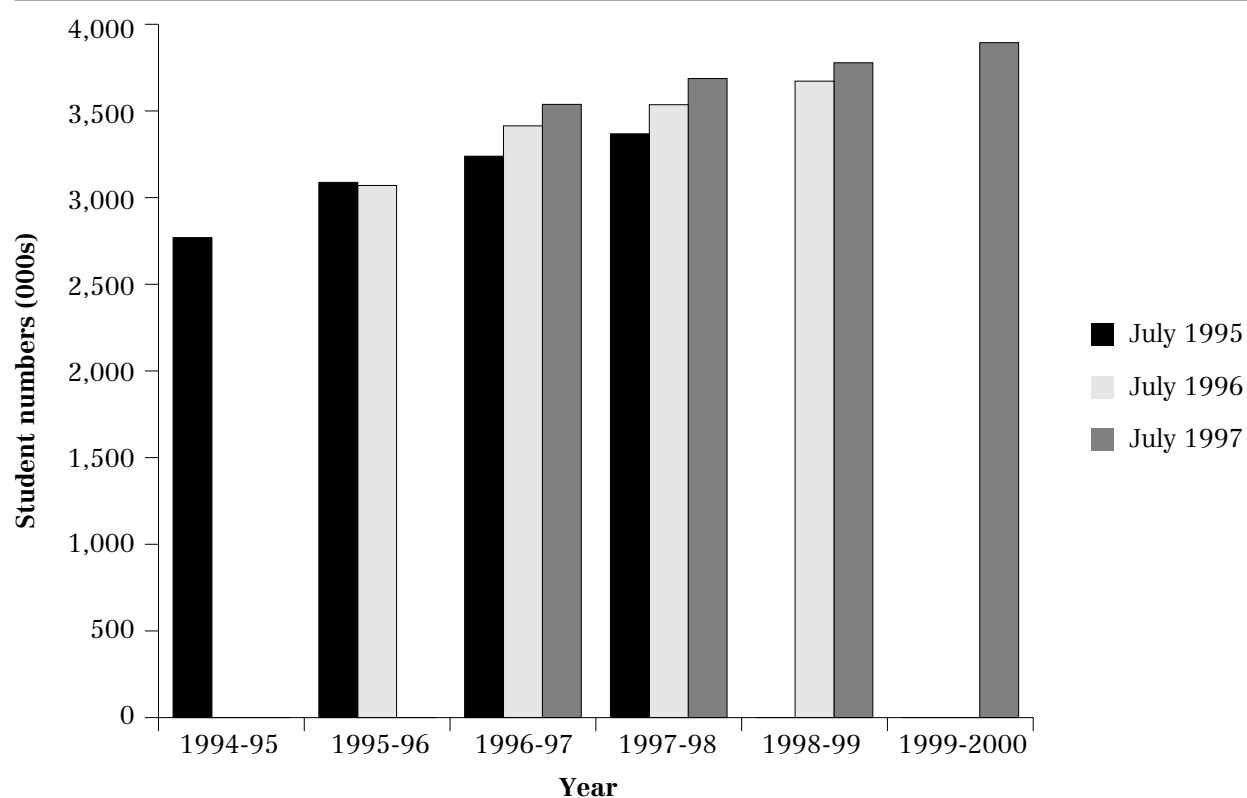
	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997 estimated out-turn</b>	<b>2000 forecast out-turn</b>
Accumulated net balances	£249.8m	£277.9m	£323.7m	£376.8m	£686.3m
Value of accumulated deficits	£24.6m	£54.3m	£61.3m	£73.1m	£21.1m
Accumulated balance as a percentage of income	7.34%	7.71%	8.36%	9.84%	17.9%
Number of colleges with negative reserves	55	70	80	63	37

*Note: colleges tend to be over-optimistic in later years of their forecasts, therefore, figures for 2000 should be regarded with caution*

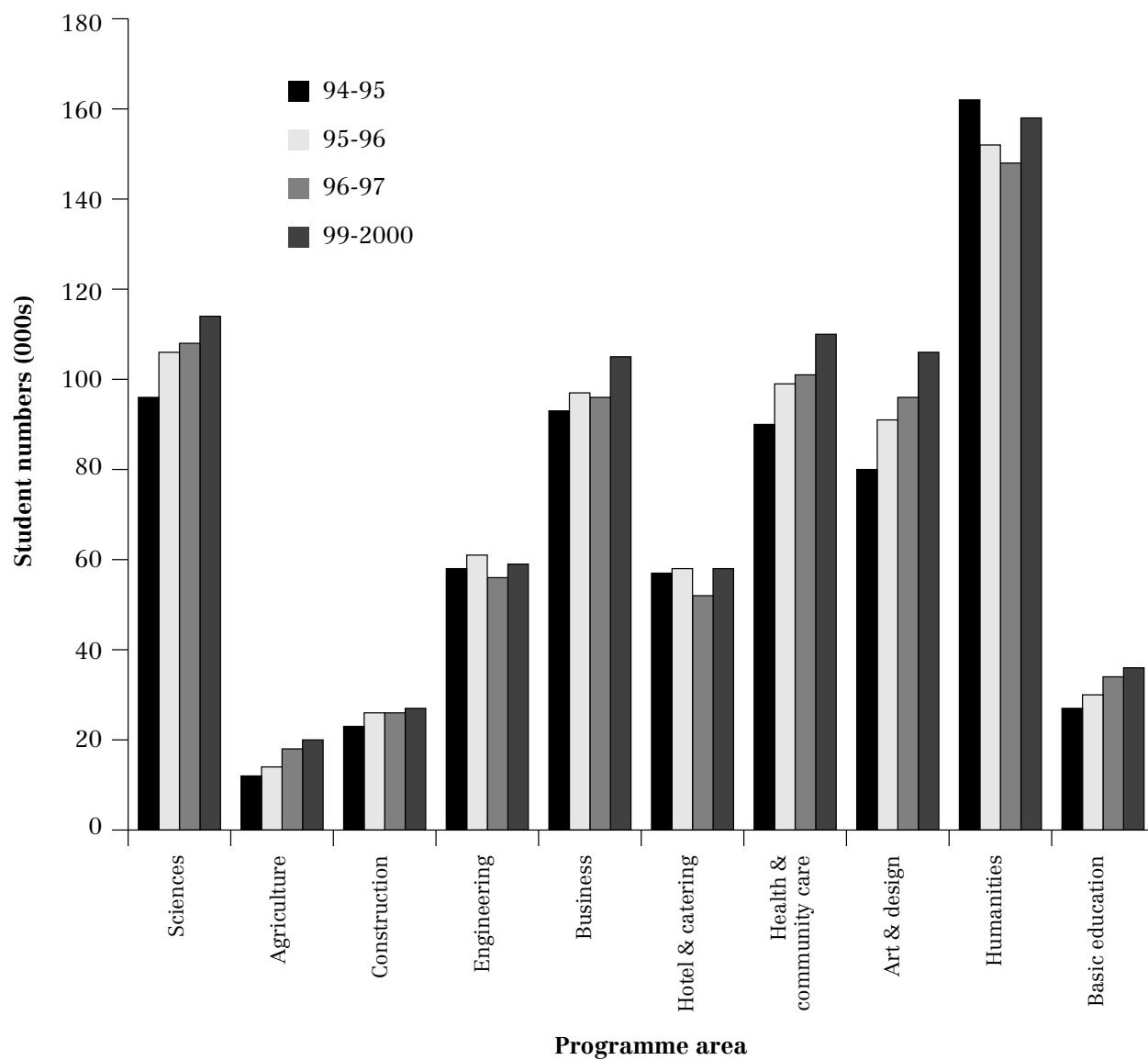
*Source: Council's assessment of college financial forecasts*

**Figure 1. Comparison of projections for full-time provision**

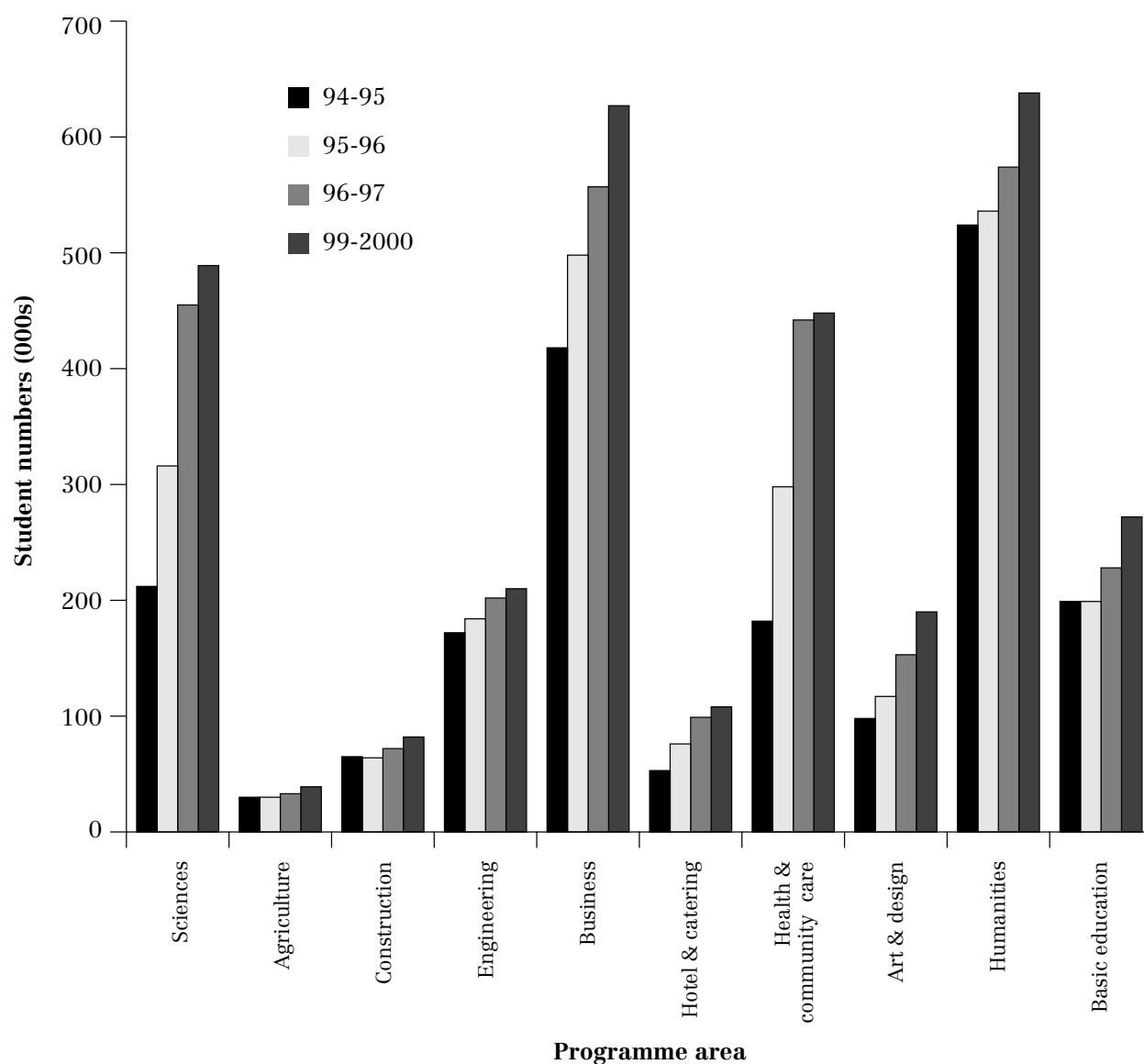
Source: institutions' strategic plans, July 1995, July 1996, July 1997

**Figure 2. Comparison of projections for part-time provision**

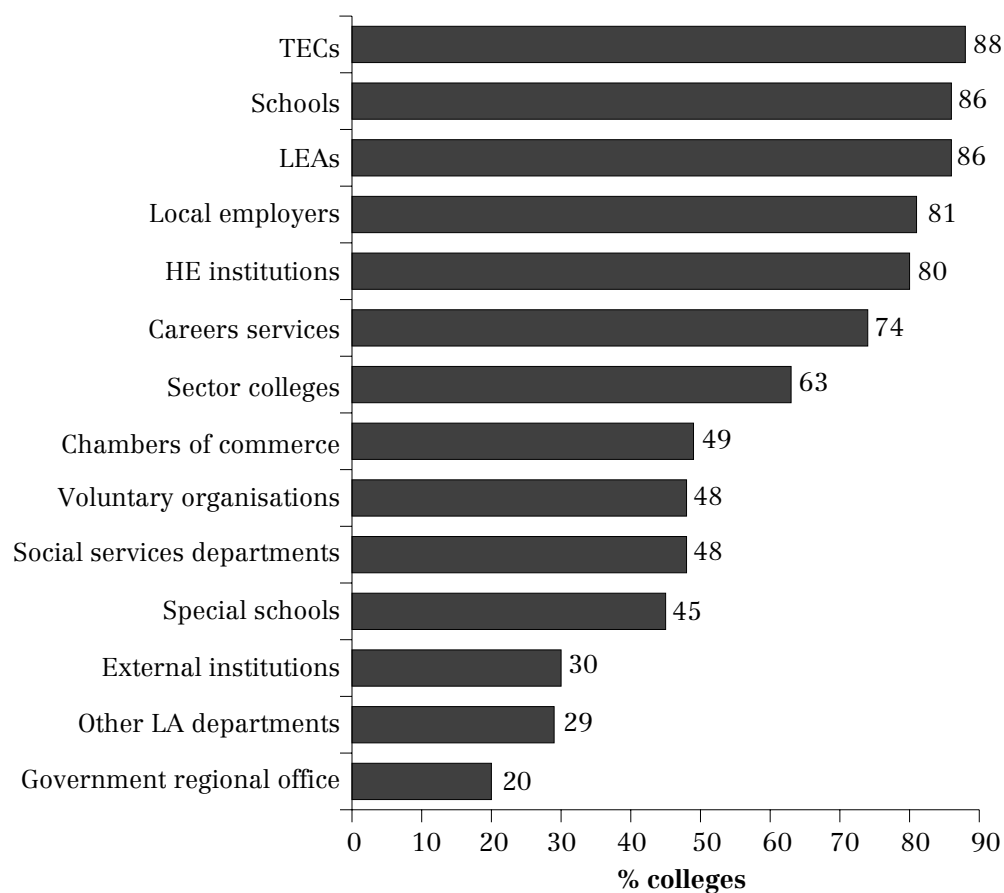
Source: institutions' strategic plans, July 1995, July 1996, July 1997

**Figure 3. Council-funded provision: full-time**

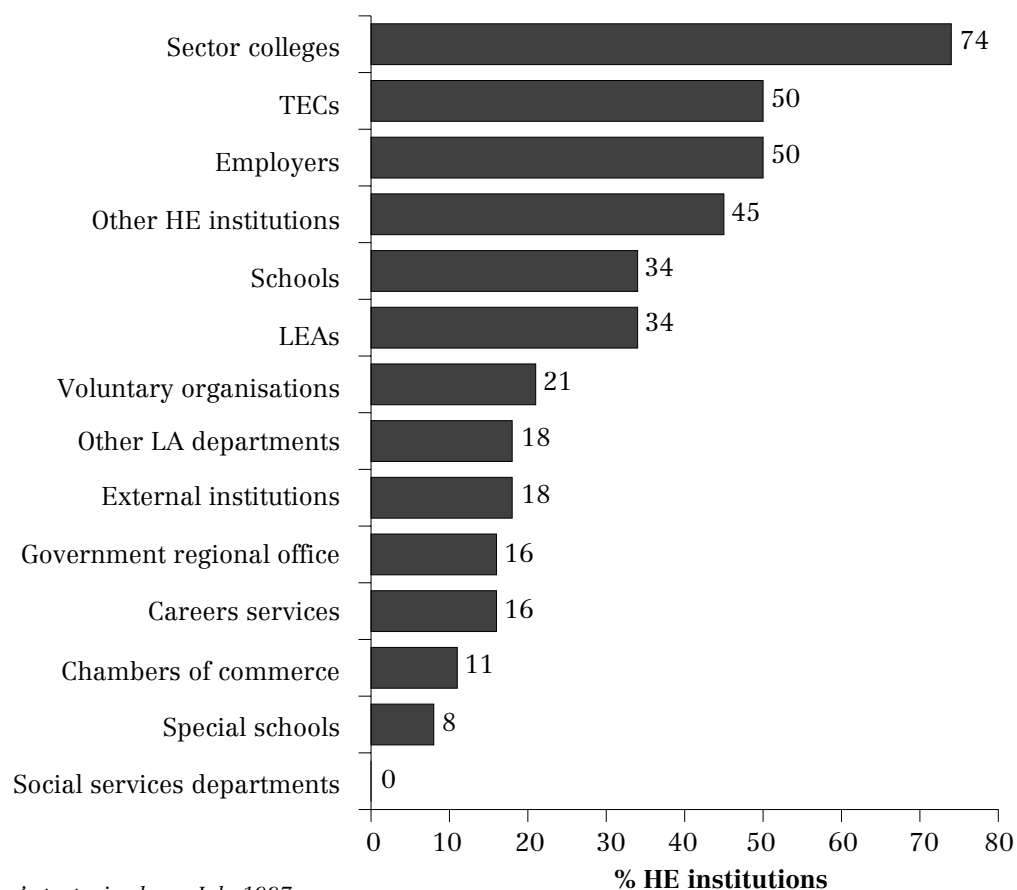
Source: institutions' strategic plans, July 1995, July 1996, July 1997

**Figure 4. Council-funded provision: part-time**

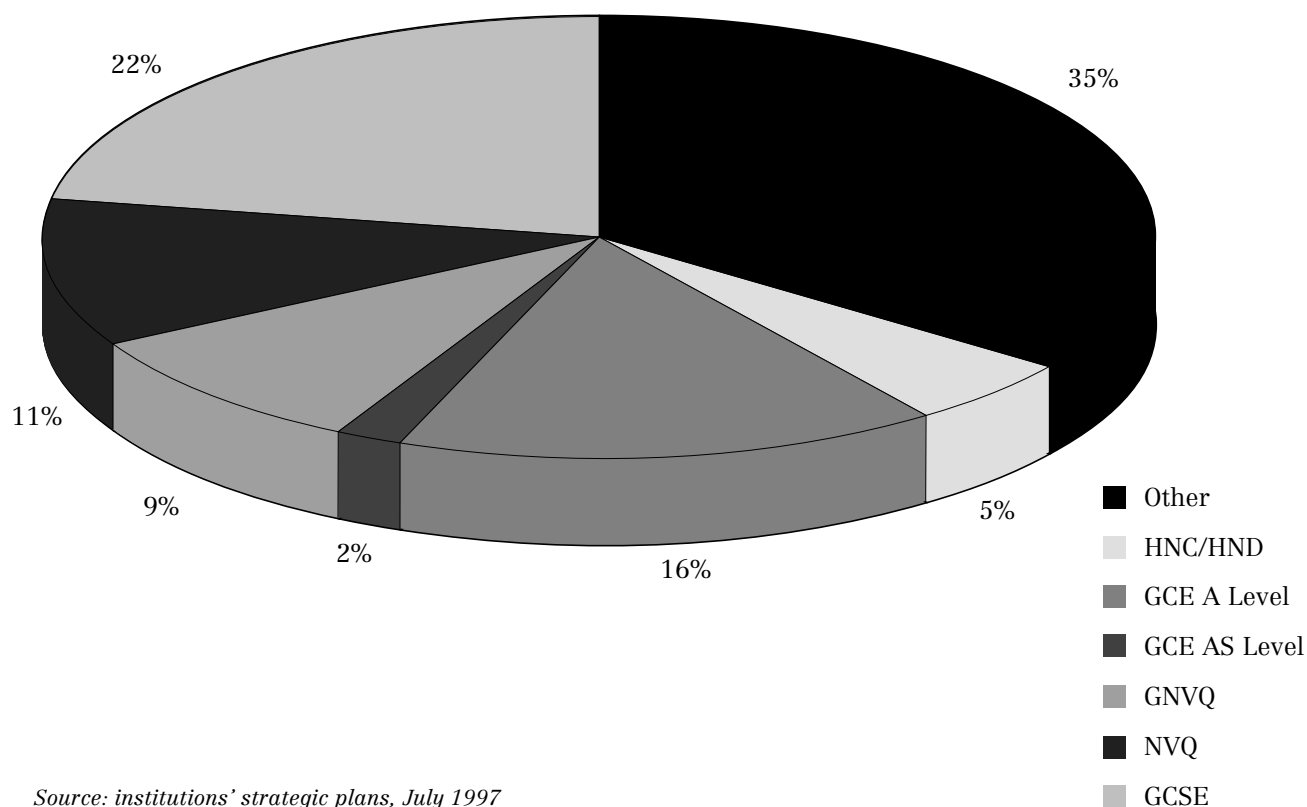
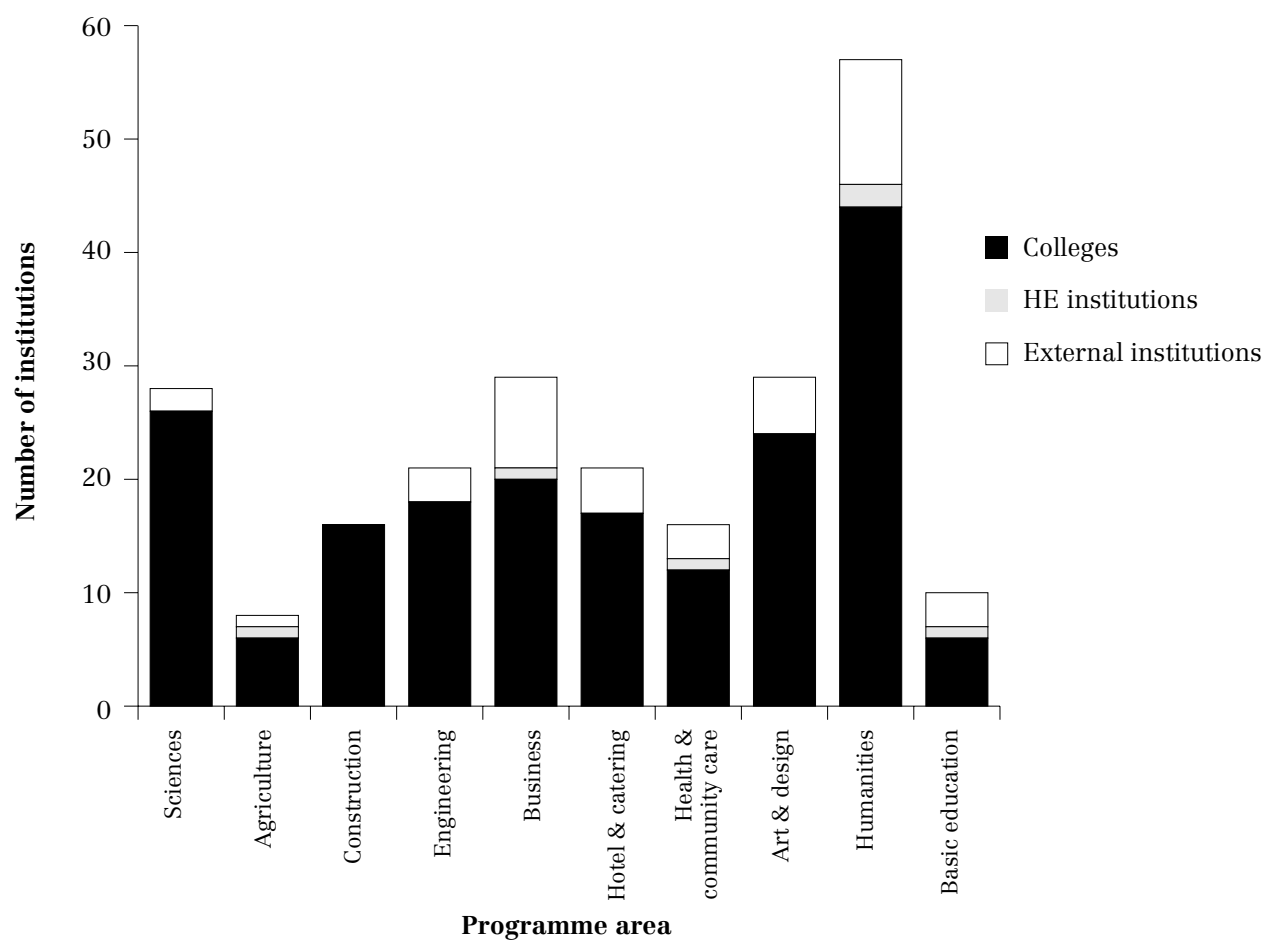
Source: institutions' strategic plans, July 1995, July 1996, July 1997

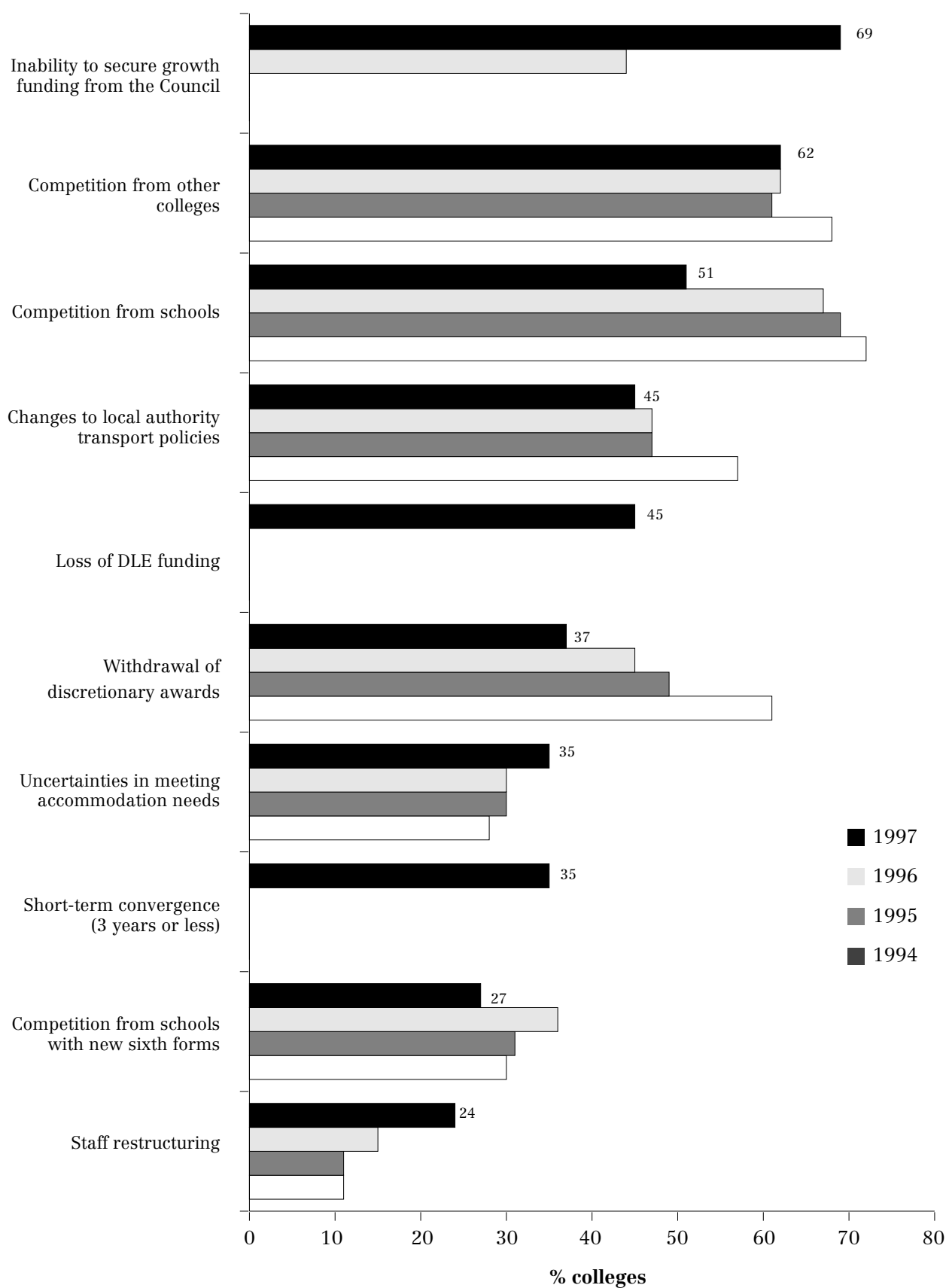
**Figure 5. Organisations consulted by colleges in needs analysis**

Source: college strategic plans (20% sample), July 1997

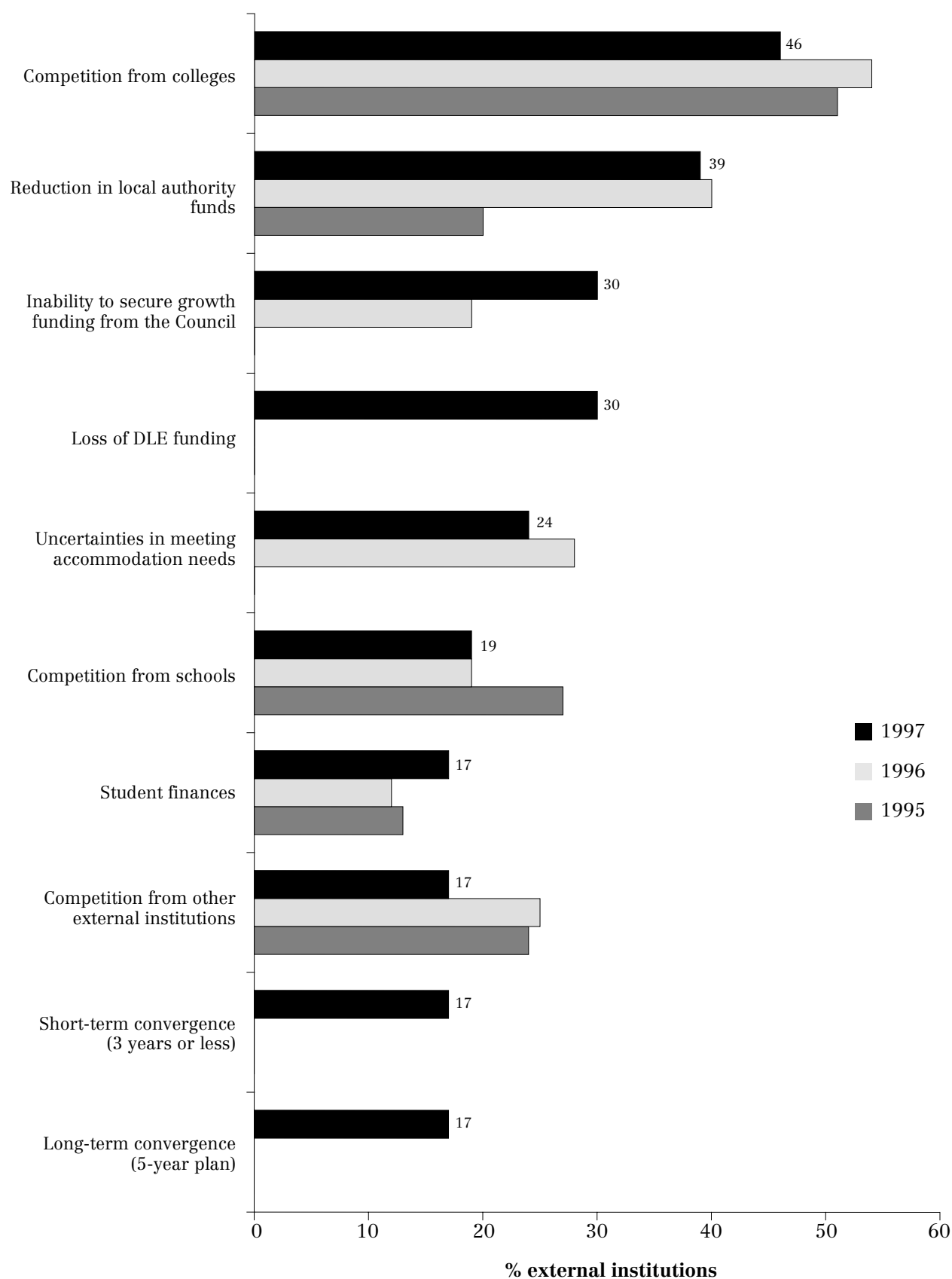
**Figure 6. Organisations consulted by HE institutions in needs analysis**

Source: HE institutions' strategic plans, July 1997

**Figure 7. Withdrawn qualifications by type****Figure 8. Institutions withdrawing provision by programme area**

**Figure 9. Top 10 risk factors likely to affect strategic plans of colleges**

Source: college strategic plans, July 1994 (20% sample), July 1995 (all colleges), July 1996 (all colleges), July 1997 (20% sample)

**Figure 10. Top 10 risk factors likely to affect strategic plans of external institutions**

Source: external institutions' strategic plans, July 1995, 1996 and 1997



