
29 April 1998

CIRCULAR

**THE
FURTHER
EDUCATION
FUNDING
COUNCIL**

**THE COUNCIL'S APPROACH TO
IDENTIFYING COLLEGES
REQUIRING ADDITIONAL
SUPPORT**

Cheylesmore House
Quinton Road
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To

Principals of colleges
Chairmen of college governing
bodies

Circular type

Information and consultation

Summary

Explains the Council's approach to
identifying colleges requiring
additional support and guidance.
Responses are requested by
29 May 1998

Reference number: 98/12

Enquiries:
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Education and institutions
01203 863345

98/12

THE COUNCIL'S APPROACH TO IDENTIFYING COLLEGES REQUIRING ADDITIONAL SUPPORT

INTRODUCTION

1 This circular explains the Council's approach to identifying and working with colleges requiring additional support; that is, support which is additional to that provided by Council staff through normal working procedures. Colleges are invited to comment on the approach.

2 The Council's approach has been developed in the light of its experience of working with the sector and is intended to enable the Council and colleges to work together in as open and transparent a manner as possible to ensure that concerns, either on the part of the Council or colleges, are shared and addressed at an early stage. The approach is not intended to operate within a rigid process but instead to serve as a means of ensuring an ongoing dialogue with colleges. By working in this way it is anticipated that the majority of colleges will be able to resolve their difficulties before they become of a more serious nature.

3 The overarching purpose of the approach is to safeguard the highest standards in the sector in the provision of further education and in the governance and management of further education colleges.

4 The Council's regional directors are responsible, on behalf of the director of education and institutions, for overseeing this approach in each region.

BACKGROUND

5 The Council has a number of responsibilities which it must fulfil under the *Further and Higher Education Act 1992*. In summary these are: to ensure that there are sufficient further education opportunities for young people and adults in every part of England; to ensure that the needs of students with learning difficulties and/or disabilities are met; and to make arrangements to assess the quality of further education funded by the Council.

6 In undertaking these duties, the Council must be able to identify those colleges experiencing difficulties and which require additional support and guidance from Council staff. Equally, colleges will

wish to know when the Council has concerns about aspects of their work and what action the Council proposes to take.

7 In *Council News* No. 40, published in July 1997, the Council provided the sector with an outline of its approach to supporting colleges experiencing significant difficulties and agreed that it would share further details of its approach with the sector.

APPROACH

Objectives

8 The approach is designed to ensure that the following objectives are achieved:

- colleges which require the minimum of additional support from the Council, and therefore a 'lighter touch', are identified
- issues of concern, identified either by the Council or by colleges, are identified at an early stage and in a consistent way
- information is shared with colleges at an early stage
- Council staff are working collaboratively to support colleges
- appropriate and timely action is taken by the Council staff and colleges
- for colleges requiring exceptional support, that consideration of appropriate action to be taken is agreed by the Council's executive team (that is, the chief executive; and the directors of: education and institutions, funding and strategy, finance and corporate services, and the chief inspector and director of audit).

Regional Teams

9 The Council has recently undertaken an internal organisational review which has placed greater emphasis on the Council's 'regional dimension' and, in particular, on the role of its regional teams. This has involved bringing both the regional property advisers and the regional finance directors into the education and institutions directorate. The regional teams are led by the regional directors (formerly known as heads of regional offices) and comprise the regional property advisers, regional finance directors and the regionally based education and institutions staff, augmented as appropriate by the Council's

inspectors and auditors. The regional teams bring together a wealth of information about each college in the sector and by sharing information and data regularly, the Council is able to gain the best possible indication of each college's position.

10 Regional teams meet regularly to share information and to ensure that colleges requiring additional support and guidance are identified at the earliest opportunity. Team members discuss possible options for action by both the college and the Council, and make recommendations which are subsequently discussed with the principal, and possibly other colleagues, of the college.

11 In addition to regular meetings, regional teams hold more formal meetings, referred to as 'regional review' meetings. These are held twice a year, when all colleges in the region are discussed.

Regional review meetings take place:

- in May/June following funding allocations, and
- in November/December following strategic plan, financial forecast and accommodation strategy analyses.

Identification of Concerns

12 Underpinning the Council's approach is the guidance which it has published in circulars and other publications. Much of this guidance sets out what the Council expects of colleges in respect of data and information sharing and the quality of the provision they offer. Two circulars describe a new, supportive relationship between the Council and the colleges, in relation to self-assessment (97/12, *Validating Self-assessment*) and accreditation (97/25, *College Accreditation*).

13 Council staff are able, through their experience of working with the sector, to identify some key 'early warning' signs that colleges may require additional support. These early warning signs may be identified through any of the following sources of information available to the Council:

- strategic planning
 - strategic plans
 - financial forecasts
 - self-assessments of financial health
 - college accounts
 - accommodation strategies
- funding
 - funding claims

- inspection
 - self-assessment reports
 - inspection reports
 - responses to inspection action plans
- audit
 - audit reports
 - external audit reports
- data
 - performance indicators
 - ISR returns
- other
 - complaints.

14 To illustrate this approach, the following are examples of circumstances in which regional teams are likely to identify concerns at colleges:

- data management – where a college's data returns are outstanding significantly beyond the due date, this might lead to concerns that the college may have over-estimated/over-claimed income from the Council
- financial position – where a college's financial returns and/or forecasts show a weakening financial health or are inconsistent, this would lead to concerns about the long-term viability/solvency of the college
- strategic planning – where a college is planning a withdrawal of qualification aims in a situation in which it is the sole local provider, this would lead to concerns that the withdrawal may impact on the Council's ability to secure sufficient and adequate provision in the area
- education provision – where a college has received a grade 4 or 5 in governance, management, quality assurance or any curriculum area following inspection, or where the college's performance indicators displayed low retention or achievement rates, this would lead to concerns about the standards at the college, in particular in teaching and learning.

Levels of Concern

15 In identifying those colleges requiring additional support, the Council's regional teams, at their twice yearly regional review meetings, seek to determine for each college whether there are:

- no known concerns
- concerns which can be dealt with under normal working procedures, that is, through the normal work of the regional team
- concerns which give rise to colleges requiring additional support, that is, where a collaborative approach by staff across the Council is required, possibly including support from inspectors, auditors and Coventry-based staff
- concerns which give rise to colleges requiring exceptional support from the Council's executive team as well as from the regional team.

16 Any concerns identified are the subject of ongoing discussions between members of the Council's regional team, led by the regional director, and colleges. The aim of discussions is to develop a programme of action to deal with these concerns. The Council is committed to working with colleges to resolve concerns at as early a stage as possible.

Colleges Requiring Exceptional Support

17 For those colleges which the Council's regional teams have identified as requiring exceptional support, the Council's executive team will:

- appoint a member of the executive team as the lead director responsible for any action the Council takes in respect of the college
- consider what further support might be offered to the college by the regional team and whether a meeting between a member of the executive team and the principal, and where appropriate the chairman of governors, of the college would be beneficial
- consider what action the executive team should take to try to resolve matters at the college
- consider the impact of continuing difficulties at the college on the Council's duty to provide sufficient and adequate facilities for further education.

18 In these cases, the Council's approach features the following:

- colleges may be asked to prepare and implement an action plan

- the Council may agree to alter its payment profile on a temporary basis to allow colleges time to consider their future and/or secure external funding support
- the Council may ask for the advice of its regional committee on the extent to which the college's provision is required in order for the Council to fulfil its statutory duty to ensure adequate and sufficient facilities
- the Council may make it a condition of funding that a college take specific measures to overcome its problems
- the Council may set out for the college its view of the options which are open to the governing body
- the Council does not deviate from its published criteria for making funding allocations and providing other forms of financial support.

Informing Colleges

19 The Council will not routinely contact colleges following each regional team meeting. Regional teams are committed to maintaining an ongoing dialogue with colleges and will continue to bring principals' attention to specific concerns as and when they arise.

Review of the Approach

20 The Council intends to review the effectiveness of this approach in one year's time and will take into account the experiences of colleges which have required additional support and have been working alongside Council staff to resolve matters.

CONSULTATION

21 Colleges are invited to comment on the approach outlined in this circular, using the form in the annex. Responses, which should be returned no later than 29 May 1998, should be sent to:

Elaine Carabok
Education and Institutions
The Further Education Funding Council
Cheylesmore House
Quinton Road
Coventry CV1 2WT.



RESPONSES TO CONSULTATION

(Reference Circular 98/12)

Please photocopy, complete and return this form to Elaine Carabok at the Council's Coventry office no later than 29 May 1998.

Institution name

Contact (*please print*)

Signature

Telephone no.

THE FURTHER EDUCATION FUNDING COUNCIL

Cheylesmore House
Quinton Road
Coventry CV1 2WT

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COMMENTS

Please provide your comments in the space provided below on the approach described in this circular, making reference if appropriate to your college's experience of working with the Council.

Published by the
Further Education Funding Council
April 1998