

**DEL Circular:
No. FE12/13**

Subject:

COLLEGE DEVELOPMENT PLANS – 2014/2015 TO 2016/2017

**Date of issue:
3 December 2013**

Audience:

- Chairs of Governing Bodies
- Principals of FE Colleges
- FE College Finance Officers
- FE College Curriculum Managers

Summary of contents:

Guidance to the further education colleges on the format, content and timing requirements of the College Development Plan (CDP) process for the period 2014/2015 to 2016/2017

Enquiries:

Any enquiries about the contents of this circular should be addressed to:

Mr Marc Macpherson
Further Education Division
Adelaide House
39-49 Adelaide Street
BELFAST
BT2 8FD
Tel: (028) 9025 7853
E-mail: marc.macpherson@delni.gov.uk

The information requested at paragraph 11 and 13 of this circular should be forwarded by e-mail to:

Andy Cole
E-mail: andy.cole@delni.gov.uk

Status of Contents:
Information

Related Documents:
None

Superseded Documents:
None

Expiry Date: N/A

DEL Website:
www.delni.gov.uk

College Development Plan (CDP) 2014/15 to 2016/17

Purpose

1. The purpose of this circular is to provide guidance on the college development plan (CDP) process for the period 2014/15 to 2016/17. This guidance takes into account the outcomes of the review of the CDP process that was agreed during 2010/11 and the content of Daryl Young's letter to the sector in October 2012 which advised of the decision to remove the submission of Quality Improvement Plan and Self Evaluation Reports from the CDP process.

Background

2. Article 20 of the Further Education (Northern Ireland) Order 1997 ('the Order') requires that each college should prepare a college development plan for submission to the Department which should contain a statement of:
 - the number of persons the governing body estimates will be students of the institution;
 - the courses of further and higher education which the governing body proposes to provide or secure the provision of;
 - the capital expenditure proposed by the governing body and estimate of the recurrent expenditure and income of the governing body; and
 - such other matters as may be determined by the Department regarding each financial year to which the plan relates.
3. The Order also requires a governing body, when drawing up a development plan, to take into account any guidance issued to it by the Department and that it should be in such form as the Department may determine. In addition, under the Order, the Department determines the date by which the CDP has to be produced. Finally, the Order states that the CDP "shall be prepared in respect of the next following financial year and the succeeding two financial years."

Content and Format of the CDP

4. This circular sets out the format and content of the CDP required by the Department for the period 2014/15 to 2016/2017. Based on the issues referred to at paragraph 1 above, the CDP process will have four separate, but related, elements. These are:
- (i) the Funded Learning Unit (FLU) element, through which colleges' budgets are now established;
 - (ii) the written element of the CDP process;
 - (iii) financial information; and
 - (iv) monitoring of colleges' learner retention, achievement and success.

The Department's requirements, in respect of each of these elements of the process, are outlined in the paragraphs below.

The Funded Learning Unit (FLU) Element

5. The FLU element of the CDP process will remain the same as in previous years in terms of both content and timing. As already indicated to the sector, in advance of the current academic year, 2013/14 data extracts from the Data Centre were taken on 15 November 2013, and will be taken on 24 January 2014. These will inform the bid templates which colleges will be asked to submit to the Department by 14 February 2014. This will allow bi-lateral discussions between each college and the Department to take place during March 2013.
6. As previously, the FLU projections will be built around the Department's curriculum policy for the FE sector. In particular, in terms of the proportion of provision that is:
- below Level 1, Level 1, Level 2 and Level 3;
 - on the regulated qualification frameworks;
 - professional and technical in nature;
 - Essential Skills provision; and

- HE provision.

Summary of HE provision

7. In addition, colleges will be required to provide specified information on the types of courses, student numbers and level of qualification in relation to their HE in FE provision. This information, which should be provided along with the bid templates to be submitted to the Department by 14 February 2013, should include the following:
 - a list of current and proposed HE courses, by course title (full-time and part-time) and level of study;
 - a list of any HE courses that are to be discontinued, by title and level of study;
 - projected enrolments in each course/year for each of the next 3 years;
 - an assessment of the college's performance in attracting part-time enrolments in 2013/14 and the potential for growth in part-time higher education provision in 2014/15. A short summary of how the college intends to engage with employers in order to realise this potential should be included; and
 - an assessment of the college's contribution towards the Minister's key policies to promote Foundation Degrees, STEM and Priority Skills in Higher Education.

8. In respect of priority skill areas, DEL circular, FE 18/12 Priority Sectors, highlighted those key economic sectors that the Minister has identified as being the main focus for the Department's employment and skills provision within the wider context of the Northern Ireland Economic Strategy. These related to "re-balancing" the economy, but the Minister has also identified key sectors for "re-building" the economy, and these are aspects of retail, and hotel and catering. The Department has undertaken an initial analysis of the proportion of FLU that is spent by colleges in the re-balancing and re-building sectors identified by the Minister. The analysis shows that in the 2012/13 academic year around 81% of FLU was in these sectors, with a range of 69% to 92% at an

individual college level. However, it has to be emphasised that this is an initial analysis that requires some refinement – in particular, there is a need to consider the extent to which the provision being delivered by colleges focuses on meeting the needs of employers in the sectors concerned. From this perspective, the Department asked the UK Commission for Employment and Skills (UKCES) and SSCs to consider the type of provision delivered by colleges in the 2011/12 academic year, and the Department hopes to discuss the findings with colleges' curriculum managers during December. While the analyses in this area are this at the developmental stage, the early indications are encouraging. In the context of the coming CDP process, the Department currently has no plans to introduce a new weighting into the FE funding model in respect of the priority sectors. However, the Department will continue to monitor this important aspect of colleges' provision through FLU spend very carefully.

9. The Department, with the sector, has also been reviewing the economic (i.e. approximate cost of delivery) weightings within the FE FLU funding model. The outcome of that review is that the existing economic weightings remain relevant in terms of resource required to support delivery, therefore the economic weightings will remain at the same level as before.
10. The Department will write to colleges in due course commissioning the FLU element of the CDP process. As in previous years, the Department's overall intention is to be in a position to confirm budget allocations to colleges as soon as is possible, ideally by April. This will give colleges more time to plan and publicise their course provision. However, as before, this timing is subject to Ministerial approval of proposed funding budgets. It is worth confirming that, as indicated in Mary McIlvor's letter of 31 May 2013, the Jobs and Economy budget will be allocated as part of the overall FLU allocation, but will have to be used in respect of additional provision at Level 2 and above. This will

be clarified further in the commissioning letter for the FLU element of the CDP process.

The Written Element of the CDP process

11. In line with last year's process, the Department is not asking colleges to submit a formal narrative element to the CDP. However, as recipients of significant amounts of public funds, colleges will be required to produce annual business or strategic plans which should be made widely available to stakeholders by, for example, publishing them on their web sites as public documents. In line with similar documents that are produced by other publicly funded organisations, they should include sections such as an introduction, vision and values, strategic context, stakeholder involvement, main customers and the services provided to those customers, learner access, key performance targets, quality, corporate commitments and governance, staff development, equality, etc. As part of this exercise, the business or strategic plans should identify clearly how the college will meet the Department's strategic objectives for the FE sector - for example, in terms of curriculum provision, support for business and engagement with key partners. Although they are produced annually, the plans should cover a three year period.
12. While the Department requires colleges to produce such planning documents, it will not be prescriptive in terms of their content and format and will have no approval role in their production. In addition, colleges will be free to determine the timing of the production of such documents to fit in with their wider business planning cycles.
13. However, colleges are reminded that they are required to advise the Department when they intend to produce their business or strategic plans and to provide the Department with a copy once they have been produced. This is particularly important now, given colleges' NDPB status.

Financial Information

14. As in previous years, colleges will be required to provide details of the projected financial position of the college over the course of the next three years. Provision of this information will be required by the end of June 2014.
15. As set out in the financial memorandum, colleges are permitted to retain an amount of up to 10% of their prior year income as uncommitted reserves for the purposes of contingency and working capital. Any amounts in excess of this threshold must be subject to Departmental approval. Where colleges are forecasting reserves in excess of the 10% threshold, a detailed explanation must be provided as to the reasons for retaining the reserves at those levels, along with a formal request for permission to retain them, as the financial memorandum also allows the Department to reduce recurrent grant if it considers excessive cash balances or reserves are held.

Learner Retention, Achievement and Success

16. The Department continues to monitor colleges' rates of learner retention, achievement and success as part of the CDP process. The Department's Analytical Services has produced detailed 'data performance packs' based on NICIS data which sets out each college's performance in these areas; these packs were issued to colleges at the end of November 2013.
17. These reports are now an integral part of the CDP process and facilitate detailed discussions on these areas during the bi-lateral meetings.

Bi-Lateral Meetings

18. In line with previous years, the CDP bi-lateral meetings will focus on the following:
 - a review of colleges' performance against the various FE funded curriculum targets;

- the establishment of curriculum targets, and associated budgets, for future years; and
- a review of colleges' rates of learner retention, achievement and success.

Given their association with the FLU and budget setting elements of the CDP process, these meetings are scheduled to take place during March 2014.

Timescale for Responses

19. The following timescales and contact details for submission of documents will apply to the various elements of the CDP process outlined above:

- a) *The Funded Learning Unit Element*: This element of the CDP should be returned to Marc Macpherson at marc.macpherson@delni.gov.uk by 14 February 2014. Marc will be writing to colleges in due course to commission this FLU element of the CDP process.
- b) *The Higher Education information* requested in paragraph 7 should be sent to Pat Morrison at pat.morrison@delni.gov.uk. Failure to provide the information requested may result in a college not receiving the full allocation of MaSN higher education places to which it may be entitled.
- c) *The Written Element*: It is for individual colleges to determine the timing of the production of the business or strategic plans that will form this part of the CDP. When available, a copy of the documents should be sent to Andy Cole.
- d) *The Financial Element*: This element of the CDP should be sent to Andy Cole by the end of June 2014.

- e) Learner Retention, Achievement and Success: This element of the CDP bi lateral discussions will be based on the detailed data packs produced by the Department which were circulated to colleges.

Further Information

20. Any general queries on the contents of this Circular should be addressed to Marc Macpherson in the first instance.

Department for Employment and Learning

3 December 2013