

**Manchester College of Arts and Technology
Reinspection of Governance: January 2000
Report from the Inspectorate
The Further Education Funding Council**

THE FURTHER EDUCATION FUNDING COUNCIL

The Further Education Funding Council (FEFC) has a legal duty to make sure further education in England is properly assessed. The FEFC's inspectorate inspects and reports on each college of further education according to a four-year cycle. It also assesses and reports nationally on the curriculum, disseminates good practice and advises the FEFC's quality assessment committee.

REINSPECTION

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

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

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

GRADE DESCRIPTORS

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

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

Audit conclusions are expressed as good, adequate or weak.

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Manchester College of Arts and Technology North West Region

Reinspection of governance: January 2000

Background

Manchester College of Arts and Technology in Greater Manchester was inspected in January 1999 and the findings were published in inspection report 47/99. Provision in governance was graded 4 and the audit service opinion was that governance was weak.

The two strengths of the college were open and transparent working and regular assessment of the corporation's strategic role. The major weaknesses identified in the inspection were: the corporation's failure to ensure the financial health of the college; insufficient statistical data in non-financial reports; and failure to establish appropriate benchmarks and targets for college performance.

Following the inspection, the college prepared an action plan to address the weaknesses. It evaluated its progress against the action plan and updated its self-assessment report.

The reinspection was carried out in January 2000 by one inspector working for four days and an auditor working for two days. They held meetings with governors, managers and the clerk and examined a wide range of documents including information provided for governors on students' achievements and retention.

Assessment

Inspectors judged that the college has made good progress in addressing the key weaknesses in governance identified at the last inspection. They agreed with most of the strengths and weaknesses identified in the revised self-assessment report, but found that a few strengths had been overstated.

The FEFC's audit service concludes that, within the scope of its assessment, the governance of the college is adequate. The corporation substantially conducts its business in accordance with the instrument and articles of government. It also substantially fulfils its responsibilities under the financial memorandum with the FEFC. The corporation has agreed effective action to improve the college's financial health. The latest three-year financial forecast estimates the college will achieve historic cost surpluses in each year. The last internal audit annual report and external audit management letter identified significant weaknesses in the college's system of internal control. The audit committee is monitoring effectively the actions taken by managers in response to audit recommendations. Inspectors agreed with the judgement in the self-assessment report that the college does not yet fully comply with FEFC requirements for college companies and joint ventures.

Clerking is generally of a high standard. Comprehensive papers for the corporation and its committees provide a good basis for decision-making. The standing orders and code of conduct have been updated to incorporate changes to the instrument and articles of government. The governors have revised their membership in accordance with these. The register of interests is not yet adequate, since it is not updated at least annually, some governors have not completed returns and other returns are incomplete. The corporation needs to review the procedures in its the code of conduct, for the declaration of interests at meetings.

An effective induction programme is provided for new governors. Good use is made of further opportunities for training in governance issues. Vacancies are filled through a careful analysis of the skills needed and a clear and open appointments procedure. Governors currently possess a wide range of relevant skills and experience. They are well informed about strategic developments in the college and monitor them closely. They have overseen the development of a far-reaching accommodation strategy linked to the college's curriculum plan.

Governors have considered how benchmarks and targets may be used to monitor the performance of the corporation and the college. They have identified targets to assess their own performance and are starting to use these. They have also approved a wide range of quality standards as part of a college-wide learning policy. An active curriculum and quality committee of the corporation now monitors closely how well these standards are being achieved. This committee has requested and has begun to receive regular, detailed reports, including information on students' achievements and retention in a form which governors have specified. However, since a full cycle of this new process has not yet been completed, it is too early to judge its overall effectiveness.

Revised grade: governance 3.