

**Matthew Boulton College of Further and Higher Education
Reinspection of Management: February 2000
Report from the Inspectorate
The Further Education Funding Council**

THE FURTHER EDUCATION FUNDING COUNCIL{PRIVATE }

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.

*Cheylesmore House
Quinton Road
Coventry CV1 2WT
Telephone 02476 863000
Fax 02476 862100
website: <http://www.fefc.ac.uk>*

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Matthew Boulton College of Further and Higher Education West Midlands Region

Reinspection of management: February 2000

Background

Matthew Boulton College of Further and Higher Education was inspected in November 1998. The inspection findings were published in inspection report 18/99. A grade 5 was awarded in management.

Inspectors identified only one strength, the effective liaison with external bodies. There were many weaknesses. The college had failed to achieve its funding targets by a significant amount in the two preceding years. There had been poor value for money in the use of public funds. The college's financial management was weak. It had incurred substantial deficits and had prepared a recovery plan approved by the corporation but not yet agreed by the FEFC. There was a failure to account for public funds caused by serious delays in the submission of audited final funding claims and audited financial statements to the FEFC. Strategic and operational plans were of very poor quality. Systems for setting and monitoring management targets were underdeveloped. The management information system and procedures were inadequate. The report acknowledged some significant changes that had taken place since the appointment of a new principal in April 1998 but it was too early to judge whether they would prove fully effective.

Management was reinspected over five days in February 2000. Inspectors held meetings with managers, students, governors and other staff, inspected documentation and reviewed progress made against the action plan.

Assessment

The college has made rapid progress in addressing the weaknesses identified in the last inspection report and in implementing its recovery plan. It has made good use of standards funding to upgrade the college environment and to improve the quality of its data and communications systems. Some improvements, noted in the last report, have proved to be strengths. For example the new management structure is now working well. In other cases, in spite of significant progress, there is still room for further improvement.

There is an effective and well-led management structure. Staff at all levels clearly understand their roles and responsibilities. The style of leadership is open and democratic. Communications are good and staff are well informed. There is a clear strategic planning cycle, and all staff contribute to the planning process. Corporate objectives are precise and measurable but not all operational business plans contain clear performance measures and success criteria. The deployment of resources, including staff utilisation and accommodation, has improved significantly. The management of staff utilisation is particularly effective. At the time of inspection the college's final funding unit return for 1998-99 had not been finalised by external auditors. New management information systems enable closer monitoring of the college's performance but there is scope for further development. Over the three years, 1997 to 1999, there has been an improvement in retention and achievement rates on short courses and on level 1 long courses, but in some other areas there is no sustained trend of improvement. The college has not been sufficiently effective in addressing some weaknesses in curriculum areas since the last inspection. The effective liaison with external

bodies has been consolidated. The college now has an active equal opportunities committee that has reported to the corporation.

The FEFC's audit service concludes that, within the scope of its review, the financial management of the college is adequate. The college has submitted the financial statements and student data returns overdue from earlier years to the FEFC. At the time of the reinspection, the college's draft annual accounts for 1998-99 indicate that the college should generate its first operating surplus in four years. The finance department has appropriate experience and expertise. Although management accounts were not issued for August or September 1999, thereafter, monthly management accounts, including the recent addition of student numbers information, were issued to senior managers and governors. The college's systems of internal control have improved; the internal auditors, in their 1998-99 annual report, provided an overall positive report whilst still identifying weaknesses in the recording and monitoring of franchised provision. The college entered into a significant franchise contract after the previous inspection but before the publication of the report. The eligibility of this provision is uncertain. The college has recognised the need to upgrade its accounting system once its future position within the sector becomes clear.

The college should: continue to improve retention and achievement rates in some areas; remedy weaknesses in some key curriculum areas; ensure that there are clear performance indicators and success measures in all operational plans; develop further its management information systems; and improve the organisation of franchised provision.

Revised grade: management 3.