

Stafford College
Reinspection of Management: October 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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**Stafford College
West Midlands Region**

Reinspection of management: October 2000

Background

Stafford College was inspected during November 1999 and the findings were published in inspection report 28/00. Provision in management was awarded a grade 4.

The key strengths were: the open, consultative management style; management actions to address some of the major weaknesses; effective widening of participation; and promotion of equal opportunities. The main weaknesses were: ineffective management information systems; weaknesses in the control of franchised provision; some inadequate target-setting; long delays in making financial and other returns to the FEFC; insufficiently developed contingency planning; and weak financial management. The FEFC's audit service concluded that, within the scope of its review, the college's financial management was weak.

Reinspection took place in October 2000. Inspectors and auditors held meetings with senior and middle managers, teachers, support staff, students and governors, including the chair of governors. They also examined a range of college documents.

Assessment

The strengths identified in the previous inspection continue to characterise management. In particular, inspectors noted the positive influence of the open and consultative style of management on the process of strategic planning. Some progress has been made in areas of weakness, particularly improvements in the timeliness of returns to the FEFC and the control of franchised provision. However, significant weaknesses still remain in financial management, students' retention, management information and target-setting and monitoring.

Inspectors and auditors agreed with the college that there are still weaknesses in management information. The college has improved its management information systems since the last inspection. It has received substantial allocations from the standards fund, much of these have been used to replace the college's inadequate student record system. At the time of the reinspection a new software system had recently been installed. Student data for 1999-2000 was transferred to it to make the most recent student return to the FEFC. It was also used to record the college's initial 2000-01 enrolments. However, there has not been time to realise the full potential of the new software. Although new computers and a network were in place at the time of the reinspection, key data reports were still not available to managers and staff.

Target-setting and monitoring are hampered by the difficulties with the management information system. Course teams are setting targets and monitoring these against national benchmarks. The outcomes of this activity form an important part of reports made by heads of schools to the academic standards and performance committee of the corporation.

At the time of the last inspection, the college had taken steps to improve controls on its franchised provision, but it was too early to determine their effectiveness. The college's 'collaborative provision unit' now handles all franchised activity. Three key managers implement robust checking procedures. The close and effective working relationships with franchise partners have been an essential element in securing this improvement.

Inspectors agreed with the college's self-assessment that students' retention in many areas is low and has declined over the period 1996-97 to 1998-99. In most cases it is below the national average for general further education colleges. The college has implemented an 'improving teaching and learning' staff development programme, as part of the strategy to improve retention.

The FEFC's audit service concludes that, within the scope of its review, the college's financial management is weak. The college is currently assessed, against the FEFC's criteria, to be in poor financial health and this is expected to remain the case for at least the next three years. Current significant cash reserves are forecast to be largely applied during 2000-01 to repay most of FEFC over-funding in previous years. Both the three-year and longer-term financial forecasts make a number of very challenging assumptions. In particular, the college is continuing to forecast significant income from franchising and from provision through IT centres. The college's arrangements for contingency planning are not well developed.

The college has started to make improvements to the format of the management accounts, which now include the actual income and expenditure. During 2000, the college has not produced timely monthly management accounts, missing its own targets. The detailed budget was not presented to the resources committee until September 2000. It is not profiled and financial reports have yet to be produced this financial year for college budget holders. They depend on their own financial records to monitor their budgets. The college has improved its financial regulations since the last inspection but these still do not cover key issues.

At the last inspection, long delays in making financial and other returns to the FEFC was a significant weakness. This is no longer the case. Financial accounts for the last three years have now been finalised. The college has now submitted all overdue student number returns for the last three years. The latest student number return and three-year financial forecast were submitted to the FEFC in good time.

Revised grade: management 4.