



Department  
for Education

# **Annual report of the Further Education Commissioner**

**1 August 2018 to 31 July 2019**

**February 2020**



# Contents

<b>Introduction</b>	4
<b>Further Education Commissioner activity and impact</b>	
Formal Intervention	6
Diagnostic Assessments	7
Structural Reviews	8
<b>Quality improvement</b>	
National Leaders of Further Education, National Leaders of Governance and the Strategic College Improvement Fund	10

# Introduction

There is a much more positive perception of Further Education colleges<sup>1</sup> today than was the case some time ago. The increases in funding announced in August 2019, together with the success of the “Love our Colleges” campaign have increased awareness of the sector and helped to create a more optimistic climate within institutions. This is good news for everyone, especially learners, employers and wider stakeholders. The fact that the Secretary of State for Education has taken personal responsibility for FE in his brief, together with his clear passion and support for the sector, underlines the critical importance of colleges to the country’s skills agenda and the opportunities which will exist for successful colleges in the future. Michelle Donelan, Minister for Children and Families has been supporting the Secretary of State in this work and I am also delighted to be working closely with Lord Agnew, Minister with responsibility for the FE provider market.



The common factor in all of our best colleges is that they depend upon excellent governance and leadership to be successful. My role as FE Commissioner and that of my team is to support, challenge and develop the capabilities of individual colleges’ governance and leadership. As recent practitioners in the sector, we want to ensure that England has a high quality and financially sustainable network of FE colleges.

Through the Diagnostic Assessments my team carries out, we are able to support more colleges earlier, addressing issues before they have become entrenched. I am very pleased that colleges that have seen the early signs of problems arising have been increasingly coming forward to request a Diagnostic Assessment from us. I would encourage more to do so in the future. Diagnostic Assessments can support colleges in acting early and avoid the need for formal intervention – only one college required escalation to intervention from a Diagnostic Assessment in the 2018/19 academic year.

I and members of my FE Commissioner team have continued to formally intervene and make recommendations for the best way forward where problems have become serious at a number of colleges. The team has worked closely with colleagues from the Education and Skills Funding Agency (ESFA) on the serious financial cases we saw in

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<sup>1</sup> This report covers FE colleges and Sixth Form Colleges

2018/19. These cases are frequently the result of poor governance and leadership over a number of years, resulting in weak decision-making. The evidence shows we are making progress. 17 colleges moved out of formal FE Commissioner intervention last year and that included many of the most challenging cases – where the restructuring facility has resolved problems that were previously very entrenched.

My team has also continued to support structural changes within the sector. A number of colleges have come forward to invite the FE Commissioner team to lead a structure and prospects appraisal for them and again, this is something I would encourage. While the Restructuring Facility has completed – I, my team, and the ESFA territorial and Provider Market Oversight teams regularly work with colleges who have identified challenges, and want to review options. Creating a successful college is not straightforward, and asking for support is sensible, not a sign of weakness.

I have been pleased to see the impact that our National Leaders of Further Education (NLFs) and National Leaders of Governance (NLGs) made in 2018/19. NLFs, who are serving college leaders with a strong track record of delivering improvement, and NLGs, who are experienced governors and clerks, aid good governance by providing peer to peer support and sharing best practice. We have received very positive feedback on their work, and examples are featured in this report.

As a sector, it is essential that we share best practice and learn from each other. The Strategic College Improvement Fund (SCIF) has encouraged meaningful collaboration at colleges across the country, including projects for improving teaching and learning, raising aspirations, and supporting college-wide improvements in culture and leadership.

The Principals' Reference Group (PRG) has again played a key role during the past year in bringing the knowledge and experience of serving principals into the Department for Education. The group has supported and challenged me in my role as FE Commissioner and has increasingly contributed to FE college policy developments.

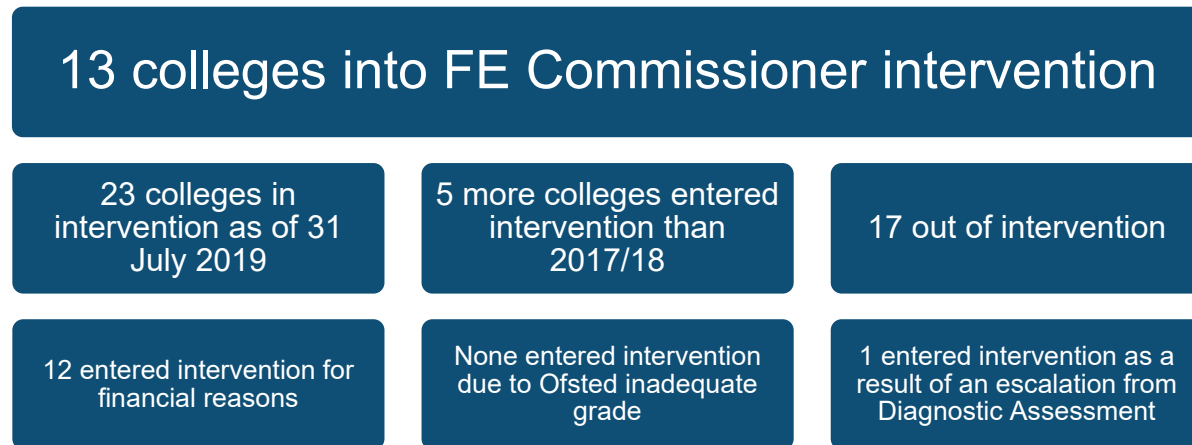
The FE Commissioner team now offers a range of support services for colleges which might face strategic challenges. The case studies in this report illustrate how we, as well as NLFs and NLGs can help individual colleges. Please contact us if you feel that we can offer advice and support.

A handwritten signature in black ink, appearing to read 'Richard Atkins', written in a cursive style.

**Richard Atkins, CBE**  
**FE Commissioner**

# Further Education Commissioner Team activity and impact

## FE Commissioner intervention<sup>2</sup>



In the last reporting period, the FE Commissioner and his team has maintained a continued focus on supporting and monitoring cases of colleges in FE Commissioner intervention. In this period, 13 colleges entered FE Commissioner intervention, meaning we have seen an increase in colleges entering intervention from the FE Commissioner and his team overall, since the last reporting period.<sup>3</sup> However, as a result of 17 colleges leaving FE Commissioner intervention (11 as a result of mergers), the overall number of colleges in FE Commissioner intervention has dropped from 27 to 23 in the last reporting period.

Of the 13 colleges that have been put into FE Commissioner intervention, seven have either been through or are going through some form of FE Commissioner-led structural review.

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<sup>2</sup> This report covers instances where the FE Commissioner and his team formally intervene at a college. The triggers that may lead to intervention by the FE Commissioner and his team are set out in the [College Oversight Support and Intervention policy document](#).

<sup>3</sup> Colleges are included if the intervention assessment visit falls within the date range of the report. Colleges which received a second FEC team intervention assessment whilst still in intervention are excluded. For colleges leaving intervention, the relevant date is either the date of dissolution for a merger, or the date of the letter from ESFA releasing the college from the conditions of funding.

# Diagnostic Assessments

## 33 Diagnostic Assessments

26 strengthened plans

1 escalated to Formal Intervention

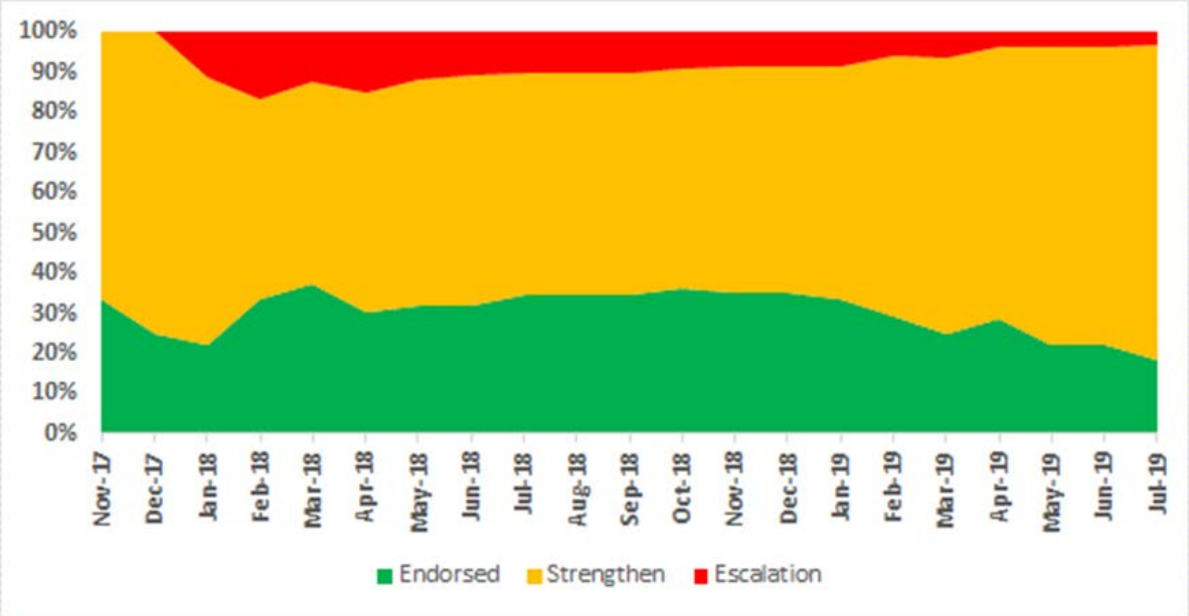
6 approaches endorsed

6 colleges undertaking Structure and Prospects Appraisals (SPAs) after Diagnostic Assessments

The focus of FE Commissioner activity has increasingly shifted to Diagnostic Assessments over the last two years following the end of the Area Reviews. In carrying out a Diagnostic Assessment, members of the FE Commissioner team will visit a college to help strengthen improvement plans and then work with the college to ensure it is on the path to a strong and sustainable future.

The FE Commissioner’s team conducted 33 Diagnostic Assessments in 2018/19, four more than 2017/18. Action has been taken or recommendations made in over 80% of the colleges visited. This means that 27 colleges have been supported earlier than would have been the case previously, helping to save money and protect learners.

The graph below details outcomes for Diagnostic Assessments from when the policy was introduced. It shows that the percentage of colleges where the situation was found to be serious enough to require escalation has been reducing. During this reporting year, in one case the situation in a college was found to be serious enough to require escalation to Formal Intervention.



# Structural Reviews

## 13 Structural Reviews started

10 outcomes agreed to date

9 Structure and Prospects Appraisals conducted

2 local provision reviews

Because the Restructuring Fund was no longer available, the number of Structural Reviews reduced from 20 to 13 in this reporting year. These include 9 Structure and Prospects Appraisals (SPAs) and 2 Local Provision Reviews. The cases that have been managed, however, are more complex and have required more support from the FE Commissioner's team and wider stakeholder engagement.

This year saw the first college insolvency cases, with Hadlow College and West Kent and Ashford College both entering education administration. The FE Commissioner's team conducted Options Reviews for both colleges to help them find partners to enable continuation of provision as they come out of insolvency. They were supported by an NLG to help minimise impact on students. The case study below shows how the college has been supported to continue to operate effectively while in administration as it moves to a long term solution to secure provision.

While the Restructuring Fund is no longer available, colleges should still consider whether they have the right structure for the future. Many colleges that elected to stand alone despite Area Review recommendations now find themselves in a position where a merger is necessary, and can more securely deliver high quality provision. The FE Commissioner can still lead SPAs for colleges that want to assess options for structural change, and pursue mergers.<sup>4</sup>

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<sup>4</sup>[Guidance on FE CFE Commissioner-led structure and prospects appraisals \(SPA\)](#)



### **Case study: Working with the FE Commissioner team to support students through insolvency**

Hadlow College in Kent was the first college to go into education administration. Supporting its 3,400 learners was a key priority. The Further Education Commissioner's team helped to recruit an interim principal and a finance director to the college, and secured a National Leader of Governance (NLG) as an interim chair. The FEC team and colleagues in the ESFA also worked closely together to inform the Department for Education's response to the college's request for exceptional financial support. The new interim leadership introduced a series of rapid changes to ensure that the college continued to operate and that the impact on students was minimal.

Having ensured that the college had the necessary interim infrastructure to continue to operate, the FEC team conducted a detailed Options Review which recommended a number of structural solutions for the college. These were subsequently adopted by the college's education administrators and are being implemented. The FEC team continue to provide support and meet regularly with the interim management teams and with staff to ensure that any impact on learners is minimised and that they can go on to achieve the outcomes that they deserve.

# Quality improvement

## National Leaders of Further Education, National Leaders of Governance and the Strategic College Improvement Fund

11 National Leaders of Further  
Education and 9 National  
Leaders of Governance in place

Over 40 colleges supported by  
NLFEs and NLGs

80 Strategic College Improvement  
Fund (SCIF) grants awarded

The work of the National Leaders of Further Education (NLFEs) has meant that more colleges have been able to engage in improvement projects, receiving support from some of the best leaders in their field. NLFEs have helped colleges to improve across a range of areas, including quality of provision and leadership and management.

In this reporting period, five National Leaders of Governance (NLGs) were recruited to join the NLFEs and extend the support of the FE Commissioner's team to college governing bodies. Experienced college governors and clerks, the NLGs provide mentorship, peer-to-peer support, and help to share best practice. NLFEs and NLGs have worked with over 40 colleges.

During the 2019/2020 academic year, an additional 5 NLFEs and 4 NLGs were recruited.

### **Strategic College Improvement Fund (SCIF)**

The £15 million SCIF programme has given colleges the opportunity to improve the quality of their provision and develop peer-to-peer collaboration. The programme has

helped 80 colleges<sup>5</sup> to undertake a focused quality improvement programme with a higher performing partner – something that many of these college’s report<sup>6</sup> might not have happened without the SCIF.

The main phase of the programme had high rates of participation and success. Around 74% of eligible colleges applied, and 91% of applicants secured grants ranging from £60,000 to almost £500,000. Applicants which passed the first stage of the application process have benefitted from support from the FE Commissioner’s team in developing a detailed second stage application.

The process evaluation of the SCIF pilot shows overwhelming support for the peer-to-peer model from applicant colleges, partners and wider stakeholders.

### **Principals’ Reference Group (PRG)**

The PRG met 4 times in the reporting year, providing input into policy making as well as supporting and challenging the FE Commissioner. Members of the PRG are all serving colleges principals/CEOs and have contributed on a range of topics, including apprenticeships, T-Levels and the training for mental health leads in colleges.

#### **Case study: Working with a NLG to enhance leadership and governance**

Colchester Institute received a Requires Improvement judgement from Ofsted in late 2018, with only two areas being rated good. Subsequently, the FE Commissioner’s team visited, making six recommendations, some of which focused on quality and some of which related to financial matters.

As a result of the assessment, an NLG started working with the chair of governors in January 2019. The NLG’s remit was to support the newly-appointed chair, helping him and the board to support and challenge senior managers to deal with the difficulties facing the college.

The NLG, in consultation with the principal, established the focus of the work, and worked through a number of issues with the chair, including how the board could add value through challenge, how to challenge constructively and how to hold the senior management team to account. The NLG and the chair also discussed the balance of skills on the board and how to ensure everyone’s experience was used in the best possible way. As a result, the chair strengthened and reorganised the finance skills on the board to respond to the challenges facing the college.

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<sup>5</sup> [The list of successful applicants and their lead improvement partners.](#)

<sup>6</sup> [Strategic college improvement fund pilot: process evaluation](#)

### **Case study: Working with a NLFE and utilising SCIF to bring about change and improvement**

After receiving a Requires Improvement judgement from Ofsted and embarking on a complicated three way merger programme, Havering Sixth Form College engaged the support of a NLFE. The NLFE, who already had experience of a number of college mergers, provided time and space for the principal of Havering Sixth Form College to discuss plans for the merger, think through priorities, and reflect on the challenges and changes that the merger might generate. This meant the college was able to maximise the positive outcomes of the merger, which had multiple beneficiaries and helped to stabilise local FE provision.

Alongside their involvement in the NLFE programme, Havering Sixth Form College has partnered up with Luton Sixth Form College via the SCIF. Luton, as the quality improvement partner, helped identify areas for improvement in English, Sociology, and History A level, and the need for better consistency in achievement across subjects.

The college's involvement in the SCIF programme has, in the principal's opinion, helped the college in the areas identified for improvement, where student retention rates have improved and progress is now good.

Havering Sixth Form College was awarded a Good judgement by Ofsted in 2018. They also echo overall perceptions by colleges that were involved in the programme – namely, that the SCIF is an excellent opportunity to accelerate improvement in the quality of teaching and learning.<sup>7</sup>

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<sup>7</sup> [Strategic college improvement fund pilot: process evaluation](#) page 7

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