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Rt Hon Robert Halfon MP

Minister of State for Apprenticeships and Skills

Sanctuary Buildings Great Smith Street Westminster London SW1P 3BT
tel: 0370 000 2288 www.education.gov.uk/help/contactus

Rt Hon George Howarth MP
House of Commons
London
SW1A 0AA

4 October 2016

Dear the Rt Hon George Howarth MP,

Thank you for your letter of 18 August, on behalf of a number of your constituents, about funding for further education (FE) and sixth form colleges. I am sorry for the delay in sending you a response.

The financial health of FE colleges is in decline and, therefore, the current structure of the post-16 education and training sector is unsustainable. The government took immediate action because some colleges were deemed to be financially unmanageable. We are conducting area reviews to ensure that all colleges are financially sustainable while at the same time able to deliver the highest quality of education and training in each local area.

Your constituents ask about funding for transport in the context of newly merged colleges. The recommendations from the reviews will take into account possible changes to travel. We recognise the need to maintain access to local provision for learners, especially those studying at Levels 1, 2 and 3. In addition, where a review recommends structural change such as a merger or closure, the affected institution will be required to consult with the local community about those changes in line with existing statutory requirements. We are keen to hear from young people and have made arrangements with the National Union of Students (NUS) to ensure that learners can offer their own opinions. The NUS is also a member of the national advisory group that is informing the reviews.

Your constituents also raise the issue of how the area reviews will save money for the FE sector, when a similar process failed in Scotland. Firstly, it is important to recognise that these area reviews are distinct from the process in Scotland. The Scottish government took a decision to merge FE colleges into a regional college model. The area review process in England provides a way of looking at how colleges can achieve greater efficiencies to create a financially sustainable and stable college sector for the long term, with a focus on recognising what provision is needed in the area to meet the needs of learners

and employers, and refocusing resources to deliver this.

As part of this process, we have established some benchmarks which are helping to shape options. The updated area review guidance provides further details, and can be accessed at: <http://tinyurl.com/pp28fdh>.

Your constituents ask why the reviews do not include school sixth-forms or universities. The reviews are predominantly focused on general FE and sixth-form colleges to ensure that there is a high-quality and financially resilient set of colleges across the whole of England. It would be difficult to include more than 2,000 school sixth-forms and the relevant universities in the review. As the updated guidance makes clear, however, the regional schools commissioners and local authorities sit on local steering groups, and they will both take into account the analysis in their future considerations around schools.

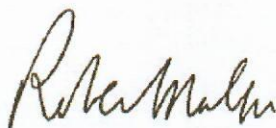
With regard to delivering numeracy, literacy and English for speakers of other languages (ESOL), the area reviews include analysis of learner and employer needs and how that is currently being met by providers, including the quality of provision at all levels, including numeracy, literacy and ESOL. One of the core principles of the reviews is a strong focus on quality improvement across the area.

In 2018-19 we will be devolving the Adult Education Budget (AEB) to combined authorities that have signed devolution deals. We will be devolving duties relating to the current statutory entitlements so access to free English and maths funding for those who do not have a Level 2 qualification will be retained. Combined authorities will be responsible for commissioning funding, working with local partners to ensure that skills provision is tailored to the needs of the local population.

With regard to equality impact assessments, we will produce an evaluation of the area review programme and assess whether the reviews impact groups that are protected by the Equality Act 2010. Reviews will also take into account the needs of protected groups. It will be for colleges themselves to decide whether or not to take forward the evaluation's recommendations. Each college's governing body will, therefore, assess the potential impact on groups protected by the Act.

Thank you for writing on this important matter.

Yours sincerely,



Rt Hon Robert Halfon MP
Minister of State for Apprenticeships and Skills