

25 March 2021

Gillian Keegan MP
Minister for Apprenticeships and Skills
20 Great Smith Street
LONDON
SW1P 3BT

Dear Minister Keegan

I am writing to convey the deep concern of the University and College Union (UCU) at the Education and Skills Funding Agency's decision to set the threshold rate for adult education 'under-delivery' at 90%.

This wholly unnecessary decision puts tens of millions of pounds of funding for adult education at risk, and will damage a key area of FE provision at a moment when it is more important than ever. Colleges are already underfunded. They should not have to hand funding back to the government at the best of times. But during a pandemic in which colleges are facing soaring costs of delivery and staff are overstretched, such clawbacks are inexcusable.

Adult education already runs on a shoestring and ESFA's £450 million allocation makes up a small proportion of wider national budgets. Forcing colleges who do not reach the 90% threshold to return a portion of their funds is particularly self-defeating.

It will deliver little in savings for ESFA, while further squeezing an area of provision that is absolutely central to recovering from the pandemic, closing the post-Brexit skills gap, and tackling climate change by building a green economy. Adult education is not only crucial in terms of retraining for economic recovery and transition, but important for mental health and wellbeing in society more widely. This is the very worst time to making any form of cuts to FE provision.

Funding for adult education, as for FE more widely, needs to be massively increased on a stable, long-term basis. In the immediate absence of this support, however, the decision to lower the adult education budget threshold rate to 68% last year was sensible.

If the government were serious about the value of our colleges, 'building back better' after the pandemic, and reskilling the workforce for the jobs of the future, it would be committing to the necessary long-term investment, not making stealth cuts.

We urge you to intervene to ensure ESFA reverse their decision and lower the threshold significantly.

Yours sincerely



Dr Jo Grady
General Secretary