

Urgent Update

FE Buildings, 16 -18 & Train to Gain Funding for FE Colleges in England

This bulletin provides an update for branches on actions already taken and those planned by UCU and the other FE Unions on the emerging funding crises in FE England.

College Capital (Buildings) Funding Programme

The FE unions recently met with the Learning and Skills Council (LSC) to discuss college capital funding. We requested this meeting following media reports that 79 colleges in England may not now get the funding they had been expecting from the LSC due to budget problems at the funding body. This could leave some colleges facing financial losses as a result of expenditure they had already committed in the justified expectation that LSC funding would be forthcoming.

The LSC made it clear in our meeting that the capital funding budget has already been 100% committed. This means that there is currently no money in the LSC budget to fund either the 79 college projects (attached as Appendix 1) that have already received Approval in Principle (AIP) or the 65 colleges awaiting AIP status.

The LSC is currently consulting on new criteria for prioritising future capital projects (including the 79 colleges that have already had AIP). UCU and the joint FE Unions are clear that the first priority must be to get the Government to provide additional funding in the budget on 22 April to help restart the College Capital Building Programme.

These projects are a fantastic opportunity for the Government to help stimulate the economy. Many of the 79 colleges with AIP already have planning permission in place and have engaged contractors. This means Government funding would have an immediate impact, keep construction workers in jobs and stimulate local economies.

The Association of Colleges (AoC) claims that if additional money cannot be found to save the 79 capital buildings projects then colleges would have to write off up to £187 million in costs. Colleges must not lose out financially through no fault of their own as a result of overspend at the LSC.

16 – 18 Funding Allocations

On the 31 March 2009 the Learning and Skills Council sent out the funding allocations to schools and colleges for 16 – 18 year olds for 2009/2010.

The number of young people who wish to study in school sixth forms and colleges this year is higher than the growth originally forecast in the LSC Annual Statement of Priorities published in 2008. The result is that the funding allocations sent to colleges on 31 March will not be enough to fund the actual number of 16 – 18 students that want to go to college.

The LSC has now issued a statement confirming that the funding allocations issued on the 31 March were only provisional and not final. The LSC is in discussions with the Government and are looking for additional funding in the forthcoming budget (www.lsc.gov.uk/news/latestnews/news03apr09.htm).

However, we need to ensure that this additional funding materialises. We have included this issue in the joint FE Unions letter to the Chancellor of the Exchequer and we are raising this issue urgently with Ministers and MP's. We will cover the issue in the model letter to MP's.

Reps should speak to the other local unions and college management about submitting a joint letter to both Ed Balls, the Secretary of State for Children, Schools and Families, and the Chancellor of the Exchequer Alistair Darling. In this letter you should spell out the impact the current 16 – 18 allocations would have on the college and the urgent need for additional money in the budget.

Train to Gain

We are also concerned at what appears to be a potential crisis with Train to Gain funding following warnings from the LSC that growth might exceed budget allocations. We understand that many colleges have already had their Train to Gain funding frozen or reduced. We are extremely concerned that cuts in this training programme will create severe financial difficulties for many colleges.

What UCU have done

- Requested an urgent meeting (before the budget) with the FE Minister Sion Simon
- Sent a letter to Alistair Darling, Chancellor of the Exchequer, putting the case for additional funding in the budget

What UCU will be doing

- Producing a model letter for members to send to their local MP's (will be sent out week beginning 20 April)
- Launching an online petition (will be ready week beginning 20 April)
- Meeting groups of MP's in the run up to the budget

What you can do

- Write to your local MP - you can find their contact details at www.theyworkforyou.com
- Write a letter to your local paper making clear the potential impact on your college and community if the Government doesn't provide additional funding
- Meet with the other local unions and your college principal to discuss how you can campaign together on these issues

UCU will keep you fully updated on all developments in the FE funding crises in the coming days.

Appendix 1 - CAPITAL PROJECT LIST

Capital projects with Approval in Principle according to Learning and Skills Council (LSC), 13 March 2009. This list was provided to Association of Colleges (AoC) by LSC officers.

Abingdon & Witney	Gateshead College
Alton College	Great Yarmouth College
Barnsley College	Grimsby Institute of F and HE
Barrow SFC	Harrow College
Boston College	Hartlepool FE
Bournemouth & Poole College	Havering SFC
Bournville College	Hertford Regional College
Brighton and Hove SFC	Hopwood Hall
Brooklands College	Isle of Wight College
Calderdale College	Itchen College
Canterbury College	John Leggott College
Cardinal Newman College	King George V SFC
Carlisle College	Kirklees College
Carmel College	Lewisham College
Colchester Institute	Leyton SFC
College of North West London	Loughborough College
Darlington College	Manchester College
Dunstable College	Manchester College
East Riding College	Merton College
Easton College	Mid-Cheshire College
Franklin College	National Star College

New College Stamford	St Helens College
North Devon College	Stafford College
North Hertfordshire College	Stockport College
North Warwickshire and Hinckley	Stockton SFC
North West Kent College	Stoke on Trent College
Northampton College	Stourbridge
Northbrook College	Strode College
Norton Radstock College	Taunton's College
Oaklands College	The Sixth Form College, Colchester
Oldham College	Uxbridge College
Queen Marys College, Basingstoke	Wakefield College
Reaseheath College	West Cheshire College
Regent College	West Nottinghamshire College
Rotherham College of Art & Technology	West Suffolk College
Shrewsbury College of Arts & Technology	Westminster Adult Education Serv
Shrewsbury SFC	Westminster Kingsway College
South Devon College	Wiltshire College
South Thames College	Working Mens
South Tyneside College	Worthing College

Appendix 2 – Public Statement from Learning and Skills Council on 16 – 18 Funding Allocation

06.04.09

Update: 16-18 learner allocations

It is clear that our letter of 2 March to schools has caused them confusion and concern, for which we apologise. The letter set out that there were ongoing discussions with the Department and that further checks needed to be done; however, it was misleading to say that these were final rather than provisional allocations.

The number of young people who wish to study in school sixth forms and colleges this year is even higher than the growth we originally forecast in our Annual Statement of Priorities. Whilst that is good news, we continue to work with the Department to make sure we are able to fund the additional growth.

We have a statutory requirement to give schools an allocation by the end of March. Discussions across Government are continuing on what extra support is needed for these young learners, and in the meantime we have made an interim allocation based on the increased funding set out in the Annual Statement of Priorities. This was in our 31 March letter.

We also said in our 31 March letter that we would write again to schools and colleges when cross Government discussions have concluded. We can confirm that we will be writing to schools and colleges by the end of April.