

No escape from cuts as FE and skills MPs see their own colleges hit

@FCOWHITTAKER
FWHITTAKER@FEWEEK.CO.UK

The impact of cuts to adult skills funding on colleges across England is increasingly being raised by MPs concerned about providers in their constituencies, with even those represented by front-bench politicians reporting problems.

An *FE Week* investigation has revealed that colleges in the constituencies of six of the most high-profile FE and skills portfolio-holders have reported concerns about the impact of funding cuts.

It follows a heated exchange in Parliament sparked by concerns over £450m of in-year cuts to the Department for Business, Innovation and Skills (BIS) budget and the prospect of more savings expected in the budget due to be delivered by Chancellor George Osborne on Wednesday (July 8).

Last Tuesday, Business Secretary Sajid Javid clashed with Shadow Business Secretary Chuka Umunna in the House of Commons after Mr Umunna raised the prospect of college closures.

Mr Umunna said: "Britain has the worst productivity in the G7, bar Japan. Proper adult skills provision, not just apprenticeships, plays a vital role in addressing that, but the adult skills budget has been cut by 35 per cent in the past five years."

"Now the Chancellor tells us that a further £450m is to be taken out of the department's budget, which could lead to the end of further education as we know it. In light of these very real concerns, what assessment has the business secretary undertaken on the risks posed for the sector?"

"Will he now guarantee that no college will close as a result of what he and the chancellor are going to do?"

Instead of issuing such a guarantee, Mr Javid attacked Labour's economic record, but did accept college resources needed to be preserved when Mr Umunna raised the prospect of 70 job losses at South Gloucestershire and Stroud College, which the Business Secretary attended as a teenager when it was Filton College.

Mr Javid said: "It was an excellent college. And it still is. I know many people who attend the college and they speak of it very highly."

"The important point is that all colleges, not just that college, have the resources they need to do their jobs."

"We will not put that at risk, especially as they continue to invest in apprenticeships, which are one of the surest ways to give people the training they want and to ensure they have skills that are wanted in the marketplace."

Skills Minister Nick Boles also pledged to make the argument for "long-term certainty" for colleges after concerns raised by Harrow East MP Bob Blackman (pictured right) about in-year funding cuts, which will also see the Department for Education target £450m of savings.

Mr Blackman said: "I have been contacted by further education colleges in my constituency that are concerned about the decisions being made in-year to reduce funding."

SHADOW EDUCATION SECRETARY — TRISTRAM HUNT

STOKE-ON-TRENT CENTRAL

Stoke on Trent College will reportedly lose 27 per cent of its adult skills funding next year, amounting to £2.5m, putting 27 members of teaching staff and 90 others at risk of redundancy.

The college, which has had its financial health labelled as inadequate by the Skills Funding Agency and has been visited by the FE commissioner, blamed government cuts for the staffing situation, with chief executive Sarah Robinson telling the *Stoke Sentinel* they came as a "huge blow".

She said: "Without this crucial funding, like many education and training providers, we simply cannot deliver the adult

education provision we desire to, despite this being a key priority in Stoke-on-Trent and one we feel is pivotal to the future up-skilling of the city's workforce."

Mr Hunt told *FE Week*: "I am very concerned about the impact of the government's war on FE in Stoke-on-Trent."

"We have already seen the closure of the trade union studies course, numerous redundancies and the narrowing of options."

"I am deeply concerned about the long term finances of the college under such a regime. Exactly when we should be working with the FE sector to boost productivity and skills across the British economy, the Conservative Party is rapidly undermining its capacity."



SARAH ROBINSON



LINDA HOUTBY

SKILLS MINISTER — NICK BOLES

GRANTHAM AND STAMFORD

Up to 30 jobs are at risk at Grantham College due to a £1m funding gap, according to reports in the *Grantham Journal*.

Principal Linda Houtby told the newspaper in May that the jobs were at risk due to the shortfall which had come about as a result of government cuts and increases to pension and National Insurance contributions.

She said: "We have known about this since January when we were planning our budgets for the next year, and it has been discussed with staff. At

the same time we are looking at how we can increase our income and create efficiencies.

"The whole sector is finding it challenging with all the public sector cuts over the past five years. It is a concern but we've got to be positive and create efficiencies."

The college is currently going through a £52m redevelopment, funded by the Greater Lincolnshire Local Enterprise Partnership, and Ms Houtby has said she hopes this will create more jobs.

Nick Boles did not respond to requests for comment.



SHADOW SKILLS MINISTER — LIAM BYRNE

BIRMINGHAM HODGE HILL

Birmingham Metropolitan College (BMet) confirmed on July 1 that it would need to make 50 compulsory redundancies, despite having cut 200 full-time-equivalent roles through a voluntary redundancy scheme.

Principal Andrew Cleaves said: "We have had a good response to our voluntary severance programme and will deliver most of our targeted savings through this scheme."

"Unfortunately, we will need to make around 50 people redundant across the college. We are consulting further with staff to minimise the impact wherever possible."

"As part of our efficiency programme, we are working closely with our key funding partners, including the Skills Funding Agency, who are supporting us through this challenging period."

"Staff and students have much to be proud of at BMet. We remain a strong organisation delivering education and training to local communities and regional businesses, building the skills needed for future prosperity."

Mr Cleaves told the *Birmingham Mail* the college's government funding had reduced by about a third in recent years.

Liam Byrne did not respond to requests for a comment.



BUSINESS SECRETARY — SAJID JAVID

BROMSGROVE

More than 100 jobs could be lost at Heart of Worcestershire College due to "continued budget reductions in the FE sector".

According to the *Worcester News*, the college has refused to reveal how many jobs could be at risk, but it is believed to be in excess of 100.

Principal Stuart Laverick told the paper: "The continued budget reductions in the FE sector have forced colleges across the country to make efficiency savings."

"This year has been even

more difficult due to the national 24 per cent cut to adult funding, a demographic decline in school leavers and a decrease in impartial advice and guidance available in schools. This has meant that Colleges have had to work harder to maintain student numbers."

"While the merger has strengthened our position in many curriculum areas, we are still left to make the necessary savings by reducing our overall staffing costs."

Sajid Javid did not respond to requests for a comment.



ANDREW CLEAVES



STUART LAVERICK



MARK SILVERMAN

SHADOW BUSINESS SECRETARY — CHUKA UMUNNA

STREATHAM

Lambeth College has seen its adult skills funding reduced by £3.2m, or 18 per cent, for next year.

The college told *FE Week* it had lost more than £8m over the past three years, and recently completed a round of redundancies, which saw 40 staff leave voluntarily.

Principal Mark Silverman said: "This college has been on a journey of recovery and improvement but any further funding cuts will inevitably see a reduction in provision and threaten the sustainability of colleges and the FE sector."

"It would be a calamity for the whole sector if we weren't able to give people, from all

backgrounds, the chance to get qualifications, get jobs and improve their lives."

Mr Umunna told *FE Week*: "Institutions like Lambeth College perform a vital function, but financial uncertainty is hanging over FE colleges ahead of the budget and spending review, and adult education as we know it could disappear."

"Ministers are fond of talking up their apprenticeship claims, but in reality under their watch we've seen in-work training courses for existing employees simply re-labelled as apprenticeships, while important college provision, including for those looking for

work, has been left to wither on the vine."



Will my right honourable friend lay out a strategy that enables colleges to have a five-year programme, even if it means a gradual reduction in funding?"

Mr Boles said: "I know my honourable friend

recognises that difficult choices have had to be made and will have to be made during the spending review to bring the deficit down. It is that process of deficit reduction that has led to the massive growth in employment."

"I absolutely hear the argument he makes. Long-term certainty would be of tremendous

value to colleges, and I will definitely make sure that that argument is made."

University and College Union general secretary Sally Hunt (pictured right) has also joined the debate, warning further cuts would have "enormous consequences for learners, colleges, staff and the economy".

She said: "The sector has warned ministers against cuts of this level and respected experts like Professor Alison Wolf have even warned that FE would face possible collapse and Britain denied a supply of skilled workers."



"Ministers need to listen to the experts, they need to listen to the sector, they need to listen to their constituents and, in the case of Sajid Javid, colleges they attended themselves."

A BIS Spokesperson said:

"The government is committed to creating 3m apprenticeship starts by 2020 and will continue to work with colleges and business to ensure that happens. We will continue to focus investment in areas that have the most impact on increasing the skills of our workforce and help increase productivity across the county."