



Department
for Education



Department
for Business
Innovation & Skills

To Chairs of FE Colleges

Minister for Skills

1 Victoria Street

London

SW1H 0ET

T +44 (0) 20 7215.5000

E enquiries@bis.gov.uk

www.bis.gov.uk

www.education.gov.uk

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Dear Colleagues

I was delighted to meet so many of you at the event at Lancaster House on 16 January. For those Chairs who were unable to attend and hear it for themselves, can I reiterate that I am deeply grateful for the energy and commitment you bring to your work in colleges.

I particularly enjoyed the opportunity to discuss and debate with governors a wide range of topical issues, from the vital importance of developing English and Maths skills in our young people, to the new role Traineeships can play in helping young people move into sustainable employment. And, of course, what more we can do to ensure and incentivise strong leadership and governance, recognising that this is essential to delivering high-quality teaching and learning and enabling colleges to take their proper place as engines for growth in their local communities. I look forward to your feedback on this important discussion.

One important topic we discussed was the role of colleges in assessing and meeting local needs, particularly where it is clear that there is a gap that needs to be filled. I would like to take this opportunity to expand a little further on this. The way in which colleges make such assessments is of critical importance, particularly at this important point in the development of the FE sector, when colleges are using new freedoms and flexibilities to review their missions and forge potentially new or different futures. In *New Challenges, New Chances* (December 2011) we emphasised three important aspects to this: accountability; transparency; and open and competitive behaviours and practices.

First, we would expect accountability to your communities to be the key driver in your college's consideration of any major change to your delivery model. The starting point, therefore, should be an assessment of need and how different delivery models might fulfil it. I expect colleges to undertake a College Structure and Prospects Appraisal to ensure that you have systematically and carefully considered how the different options will affect your learners, employers and your broader communities.

Second, you need to consult widely and transparently on your proposals, taking explicit account of the views of the communities you serve and of other interested parties including the LEP, Local Authority and the funding agencies. This consultation should be done at an early stage and should not be confused with the formal consultation that is required should the final proposal involve dissolution of the college.

Finally, any actions you take to secure new partners or change your delivery model should be through open and competitive processes which will allow the best possible solution to be identified to meet local needs. This is especially important should one of the options involve dissolution of the college. In these cases, transparency and openness on the options that have been considered, and a clear rationale for the final proposal are both critical, and need to be in place well before the final, formal consultation.

I am aware that the reform agenda we set out in New Challenges poses new challenges for you as governors and, as I said at Lancaster House, we will help you in whatever way we can to ensure that you get the support and development that you need. As many of you know we are also currently evaluating the impact of the reforms and will be publishing the findings in the Spring. In the meantime I look forward to continuing to meet you and hear your views as I visit colleges around the country.

I am copying this letter to the Principal of your college, the Chief Executive of Skills Funding and the Chief Executive of the Association of Colleges, and forwarding to the Clerk to your corporation.

Thank you again for your vital work in leading your Corporation.

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

MATTHEW HANCOCK MP