The Further Education and Training Bill

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Audience: Council
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Purpose

1. To inform Council about the provisions in the Further Education and Training Bill (the Bill).

Recommendation

2. To note the provisions of the Bill.

Background

3. The Bill was introduced in the House of Lords on 20 November to give effect to a number of the proposals in the White Paper “Further Education: Raising Skills, Improving Life Chances”.

The main provisions of the Bill

4. **Structure of the Council**

   There are provisions to give effect to the Chair’s proposals in relation to streamlining the non-executive.

   The minimum membership for the Council will be reduced from 12 to 10 and the requirement to establish a Young Peoples and an Adult Learning Committee will be removed.

   Local councils will be abolished. The LSC will be required to establish a committee to be called Regional Councils for each area of England specified by the Secretary of State. The Secretary of State will have power to make regulations about regional councils. Regulations are likely to include provisions about the constitution of regional councils, the
appointment of its members and chairman, delegations from regional councils and payments to members and chairs of regional councils.

As is currently the position with local councils, regional councils will have to perform such functions as the Council specifies within their areas or outside. The Council will have to give guidance to regional councils which included their objectives and budget for the financial year.

5 New duty in relation to strategies
A new duty will be imposed on the Council to carry out its functions in accordance with strategies formulated by other bodies. There will be slightly different provisions in relation to bodies which formulate strategy in relation to London and the rest of England.

Outside London the Secretary of State may by order authorise a body to formulate a strategy with respect to the LSC’s functions. The order may contain various provisions about the formulation of the strategy and the Secretary of State can give the body guidance and directions as to the formulation and review of the strategy. The Council will have power to make payments to any such body.

In London the new legislation give the Secretary of State power to make regulations to provide for the establishment of a body to formulate a strategy in respect of how specified functions of the Council are to be carried out in Greater London. The regulations will provide for the body to consist of the Mayor of London and such other persons as are appointed by the Mayor in accordance with the regulations and provide for the Mayor to be chairman of the body. Secretary of State can also give directions and guidance to the body in the exercise of this duty. The Council will have power to pay the Greater London Authority such sums to enable the Mayor to carry out these functions.

LSC must carry out functions in accordance with strategies unless to do so would mean that it failed to comply with any other statutory duty. The LSC can disregard a strategy if the body has failed to comply with any requirements imposed by the Secretary of State. In addition LSC will not be required to carry out any of its functions in a manner that would be unreasonable or give rise to disproportionate expenditure.

If the body or Mayor considers that the LSC not carrying out its functions in accordance with strategy can refer the matter to the Secretary of State who can give directions.

6 Establishment and dissolution of FE Corporations
The Bill also provides for the LSC to have additional powers in relation to FE Corporations. The power to establish and dissolve FE corporations will be transferred from the Secretary of State to the LSC.

7 Powers of intervention
The LSC will also have powers to remove all or any members of the governing body of an FE corporation or appoint new members if there are vacancies or give directions to the governing body if it is satisfied that the affairs of the corporation are being mismanaged or the corporation has failed to discharge a statutory duty or the corporation has acted or is proposing to act unreasonably, the college receives a poor inspection report or the LSC is concerned about the performance of the college. Directions can include a direction to dismiss members of the college’s staff or a direction to make collaboration arrangements with other colleges or schools. The LSC will be required to prepare and publish a statement of its policy in respect of the exercise of these powers and the Secretary of State will have power to direct the LSC to exercise its powers of intervention.

8 **Support services**
The legislation will give the LSC wide powers to provide support services, including procurement, IT systems, to other educational bodies. This would include the provision of services in Wales Scotland with the consent of the relevant devolved administration.

There will also be provisions to enable the LSC to run schemes to assist persons with respect to employment and training in relation to England and Wales and Scotland and Northern Ireland with the consent of the devolved administration.

There is also provision to give the LSC additional powers in relation to the managing of information in respect of education and training both on its own behalf and that of partners in England and in Scotland Wales and Northern Ireland if the appropriate administration consents.

9 **Plans for academic year**
The LSC’s annual planning cycle will be changed from financial to academic year.

10 **Duty to encourage diversity and choice**
In exercising its duty to secure the provision of proper/reasonable facilities for education and training the LSC will be under a duty to act with a view to securing diversity in the provisions of those facilities and with a view to increasing opportunities to exercise choice as regards the facilities provided.

11 **Duty to consult with learners and employers**
The LSC will have a duty to have regard to any guidance given from time to time by the Secretary of State about consultation with learners and employers in connection with the taking of decisions affecting them.

12 **Amendment of the LSC’s powers to participate in companies.**
The Bill amends the Learning and Skills Act to make it clear that the LSC cannot participate in a company limited by guarantee without the Secretary of State’s consent.

13. **Provisions relating to FE Corporations**
There are a number of provisions in the Bill which relate specifically to FE corporations:

- There will be some amendments to an FE Corporation’s power to participate in a company to clarify that participation includes participating in a company limited by guarantee and a charitable incorporated organisation. FE Corporations will also be able to participate in a company formed for the purpose of conducting an educational institution if the LSC consents.

- FE corporations will also have a duty to have regard to guidance issued by the Secretary of State about consultation with learners and employers.

- The Secretary of State’s powers to make regulations in relation to qualifications for FE principals will be strengthened to limit the time that a principal can occupy the post before obtaining the required qualification.

- The Privy Council will be given powers to allow FE Corporations to award foundation degrees.