**Executive Board Update – June 2025**

**1. Immediate College Funding and Pay Developments**

Over 200 further education and sixth form colleges will receive a share of **£51.5 million** in June 2025 to support in-year staff pay increases. This grant, worth £215k to Bolton College, forms part of the Chancellor's £300 million autumn 2024 budget package for the sector.

**2. Future Investment in 16–19 Education**

An **additional £190+ million** has been announced for the 2025–26 financial year to support:

* **Recruitment & Retention**: Especially in high-value subject areas such as construction, maths, and engineering.
* **Per-Student Funding Increase**: Core rates will rise to attract and retain quality staff.
* **Programme Cost Weightings**: Adjusted to reflect the high cost of delivery in key economic sectors.
* **Disadvantage and Basic Skills Funding**: Targeted support for English and maths GCSE catch-up and learners from disadvantaged backgrounds.

This builds on existing measures such as:

* **£6,000 retention incentives** for FE teachers in priority areas.
* **Tax-free bursaries** of up to £31,000.
* **Mentoring and early-career teacher support** via the “Taking Teaching Further” and Teacher Mentoring Programmes.

**3. Governance Standards & Expectations**

Recent governance failings in a minority of colleges have triggered a renewed focus on board performance and accountability.

Key requirements reinforced:

* **Adoption of a governance code** (e.g., FE Code of Good Governance) is mandatory.
* **Board Membership**: Terms should not exceed two terms (eight years), unless in exceptional circumstances.
* **Transparency and Equality**: All trustees hold equal responsibility; no ‘senior governors’.
* **Performance Appraisal**: Chairs and senior post-holders must have formal, KPI-based appraisal processes.
* **Remuneration Oversight**: Total pay must be board-approved, demonstrate value for money, and be published.
* **Governance Professional Standards**: New appointees must be qualified or experienced, and their development must be reported.

The DfE is offering national leadership support for any boards seeking advice or improvement – this is something for us to consider.

In relation to good governance, the College received a letter from the FE Commissioner that should be observed by the Board. (Jill to create a link)

**4. Labour Market Context – Greater Manchester (Spring 2025 Insight)**

The latest Greater Manchester Labour Market Report highlights both opportunity and pressure:

* **Economic Indicators**: Regional unemployment sits below the national average (4.1% vs. 4.5%). Inflation stable at 2.6%.
* **Vacancy Trends**: Teaching Assistants top the list of most in-demand roles.
* **Workforce Pressures**: Increased economic inactivity (137,000 more inactive since 2020), primarily due to ill health and early retirement.
* **Sector Growth Areas**:
	+ **Construction & Manufacturing**: Strong investment and need for digitally skilled workers.
	+ **Digital & Tech**: Ongoing demand for cloud, AI, and development roles.
	+ **Health, Education & Social Care**: Strained by policy and demographic pressures; urgent need for SEN and early years professionals.
	+ **Green Economy**: Expansion driving demand for project management and sustainability-linked skills.

**5. Skills Funding Reform and Local Devolution Developments**

**Skills Funding Simplification:** DfE is continuing its work to simplify post-16 funding streams, with expected consolidation of some adult skills and bootcamp funding into a single skills offer by 2026.

**Local Skills Improvement Plans (LSIPs):** Further iteration of LSIPs expected this summer. Colleges are advised to review their curriculum alignment and industry partnerships to ensure responsiveness.

**Devolution Trends:** GMCA and other mayoral combined authorities are gaining further influence over adult education and employment programmes, requiring close collaboration on funding priorities and outcomes reporting.

**6. Ofsted and Quality Assurance Changes**

New Ofsted Framework (from Sept 2025): Likely to place increased emphasis on:

* Impact of teaching on progression and employment.
* Use of AI and digital tools in pedagogy.
* Safeguarding, particularly around online safety and mental health support.

Inspection cycles: Colleges judged as ‘Good’ or better may face longer gaps between inspections, but increased thematic reviews and deep dives are anticipated.

Ofsted are seeking volunteers who might consider being part of pilot inspection activity in August, September or October. We have put the college forward, and will await a response. .