

Archwilydd Cyffredinol Cymru
Auditor General for Wales

Welsh Government Oversight of Further Education Institutions' Finances and Delivery



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Background

Further education includes education and training provision mainly for people aged 16 and over, including basic skills, A-levels, work-based training and foundation courses for higher education. In some areas in Wales, Further Education Institutions (FEIs) provide all education provision for 16 to 18 year olds; however, elsewhere, school sixth forms also provide courses.

Between September 2008 and August 2015 mergers have reduced the number of FEIs in Wales from 25 to 14. About 168,000 learners were enrolled in FEIs in 2013/14 and just over 9,000 staff were employed.

Funding for further education has not been a protected area of government expenditure for Wales (or England) and there have been reductions in funding in recent years. In 2012-13 the Welsh Government spent approximately £450 million on further education – £330 million by FEIs, £113 million through sixth forms, and £7 million through community based and other schemes. The total was reduced to £400 million by 2015-16.



Why are we doing this study?

Further education has a significant part to play in the Welsh Government's plans to improve skills, increase growth in the economy, tackle poverty, and achieve a prosperous and more equal Wales. Reduced funding and increased expectations have added pressure to the sector, and many FEIs have publicly voiced concern about their ability to maintain their provision and deliver the Welsh Government's expectations.

What will the study look at?

We will consider whether the Welsh Government is fulfilling effectively its oversight role to ensure that, despite financial constraints, FEIs are financially well placed to deliver the Welsh Government's expectations.

How will we carry out the study?

We will consider relevant Welsh Government policy documents and financial plans; we will look at the business plans, accounts and financial position of the FEIs; and we will interview relevant officials. We will visit a sample of FEIs to discuss their financial health.

What impact will the study have?

The study will seek to provide assurance that FEIs will be able to contribute their expected role towards the Welsh Government strategies for further education, skills and employment. We will seek to offer insight to identify features that support the financial resilience of FEIs and good practice in achieving value for money. In this way, we may be able to identify potential savings and efficiencies.

Timescale and contacts

The study will take place during 2016 with the report laid before the Public Accounts Committee of the National Assembly for Wales and published in the autumn. The Wales Audit Office is carrying out the work on behalf of the Auditor General for Wales and will be assisted by staff from Grant Thornton UK LLP.

The Wales Audit Office team will be led by Ben Robertson and Sophie Knott.

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