

Survey Reveals 75% of Colleges Have Cancelled Courses Due to Funding Difficulties

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A survey conducted by Capita Further and Higher Education has revealed that three quarters of colleges have experienced difficulties in achieving an equilibrium between forecasting what funding they will receive and planning the curriculum, resulting in the cancellation of courses they hoped to run.

The intricacies of funding have long been a challenge for colleges and the survey of college staff, conducted at a conference hosted by Capita FHE, came at a time when colleges were getting to grips with the demise of the Learning and Skills Council and the introduction of a new funding formula via the Young People's Learning Agency, Skills Funding Agency and local authorities, which began on 1st April 2010.

Capita FHE undertook the survey to discover colleges' real experiences of balancing the books and their opinions of the challenges they face in the likely event of funding cuts.

The responses revealed:

- 75% of colleges have cancelled a course due to funding and planning difficulties.
- Only 18% of colleges have never cancelled a course, with 53% cancelling courses every year due to funding and planning problems.
- 23% of colleges are forced to cancel more than six courses a year.
- 78% are concerned that the new funding formula will not achieve its aim of streamlining funding.
- While 90% of colleges believe it is important that the funding formula is consistent across England, 77% believe that the involvement of Local Authorities mean there will be issues ensuring this is achieved.
- 58% will combat any funding cuts by giving an equal focus to maximising income and minimising expenditure, while a quarter will focus solely on reducing costs, including staff and resources.

George Layfield, UK sales manager at Capita Further and Higher Education said: "Funding formulas are by nature complex as they need to take into account so many variables with regards to the sort of course on offer and who is being trained. If you make them simpler, you run the risk of making them less fair. However, this survey reveals that because of the complexities, colleges struggle to predict what funding they will receive and therefore what courses they can afford to run.

"When a difference of just two or three percent in funding is all it takes to topple colleges from being financially viable to financially crippled, it is a formula colleges cannot afford to get wrong. Colleges must ensure they have the tools they need to precisely perform this delicate balancing act and to help them adapt to any further funding changes which come from the government."

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About Capita FHE:

Capita Further and Higher Education (FHE) is an established supplier of management systems to both the public and private, further and higher education sectors. It provides a range of integrated software and services delivered by highly qualified and experienced professionals to help reduce administration and increase efficiency for its customers.

Capita's unique understanding of the sector empowers customers to maximise funding, minimise administrative burdens, optimise business processes and simplify the management of Management Information Systems (MIS).

As a division of Capita Plc, the company has experienced strong and consistent growth since its inception in 1999. Its products are used by more than 180 educational establishments across the UK. Capita FHE is also a Microsoft Gold Certified Partner.

Further information regarding Capita FHE can be found at: www.capita-fhe.co.uk