

FURTHER EDUCATION AND TRAINING ACT 2007

EXPLANATORY NOTES

SUMMARY

Part 1 – The Learning and Skills Council for England

4. The Act makes provision to restructure the Learning and Skills Council for England (LSC). The LSC is the principal public body charged with planning and funding further education provision.
5. The Act also places new duties on the LSC in relation to encouraging diversity and increasing choice in education and training, consulting employers and learners and carrying out specified functions in accordance with strategies formulated by (i) bodies specified by the Secretary of State, and (ii) a body chaired by the Mayor of London the establishment of which the Secretary of State will be under a duty to provide for by making regulations.
6. Proposals in the Act extend the powers of the LSC to design, develop and operate support services for persons and bodies involved in education or training and for educational institutions.
7. The Act also clarifies the power of the LSC to form and invest in companies.

Part 2 – Further education institutions

8. The Act transfers the power to incorporate further education institutions and to dissolve further education corporations from the Secretary of State to the LSC. It also transfers to the LSC the Secretary of State's existing powers of intervention (with some modifications), thereby enabling it to intervene in certain prescribed circumstances, including where a college is identified as underperforming or mismanaged.
9. The Act enables the Secretary of State to make regulations requiring all college principals to achieve a stipulated leadership qualification before taking up a new post. At the moment, the Secretary of State can regulate only in relation to principals first appointed as such after commencement of section 137 of the Education Act 2002.
10. The Act places a duty on further education institutions to have regard to guidance about consulting employers and learners.
11. The Act clarifies the power of further education corporations to form or invest in companies and enables them to form or become members of charitable incorporated organisations. They may also use either power for the purpose of conducting an educational institution, with the consent of the LSC in relation to England and the Welsh Ministers in relation to Wales. This is currently not possible.
12. The Act enables the Privy Council to grant further education institutions in England powers to award their own foundation degrees subject to certain restrictions. The

*These notes refer to the Further Education and Training Act
2007 (c.25) which received Royal Assent on 23 October 2007*

Secretary of State is required, within a specified time, to lay a report before Parliament about the effect of the changes relating to foundation degrees.

Part 3 – Industrial training levies

13. The Act amends the Industrial Training Act 1982 to make it easier for an industrial training board to demonstrate support for a levy proposal among employers in the relevant industry. It also requires that proposals for levy orders cover a three-year period, subject to certain exceptions.

Part 4 – Miscellaneous and general

14. The power of higher education institutions to form and invest in companies is clarified and there is a new power to form or become a member of a charitable incorporated organisation.
15. The Act gives measure-making powers to the National Assembly for Wales in the field of education and training.
16. The Act contains general provisions relating to regulations, commencement, extent, short title and other matters.