

# Baker Dearing Educational Trust

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Meg Hillier MP, Chair Public Accounts Committee  
By email: [meghilliermp@parliament.uk](mailto:meghilliermp@parliament.uk)

Dear Meg,

## **Inquiry into University Technical Colleges (“UTCs”)**

As Chairman of the Baker Dearing Educational Trust, I am writing in response to your committee’s report into UTCs. I was disappointed not to be asked to speak at your hearing in March, and I believe the following are important points regarding UTCs, which were not considered at that time.

### **1. No Secretary of State since 2010 has promoted UTCs**

This started with Michael Gove, who reformed the curriculum to focus on academic subjects. He declined to set up a unit within the Department for Education (DfE) to promote UTCs which I had done in the 1980s to promote City Technology Colleges and Grant Maintained Schools. Lord Dearing and I therefore had to set up an education charity, Baker Dearing Educational Trust, to promote UTCs and ensure that some got off the ground. The Chancellor had announced he wanted 24 UTCs.

You will be aware that, with the recent announcements for new post-18 qualifications and with T-Levels, the government is committing significant sums to raise awareness. In the Secretary of State’s speech at the Social Market Foundations in early July, which set out his plans for technical education he made no mention of UTCs, where the government has already invested £800m, but he did reference Institutes of Technology, which are yet to open.

### **2. The DfE has been very slow to help with recruitment at 14**

Four years ago, the DfE asked local authorities to write to all Year 10 parents telling them of the existence of UTCs. This has been patchily done, though the letter should be sent every September. The Government did support an amendment that I moved to an Education Act to give the right of technical education providers, including UTCs, FE Colleges and apprenticeship providers, to go into a school to speak to students aged 14, 16 and 18 to explain their technical offerings. When this became law, it was largely evaded by schools. Lord Agnew did send a very strong letter earlier this year, before stepping down, reminding schools of their duty to make provisions for these meetings, but there has been no follow-up to see how this has worked.

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I must also be clear that, whilst recruitment at 14 years of age for some UTCs has been a challenge, for others it has not. The NAO report failed to provide this analysis. Many of the UTCs which have now been around for five years or more, and recruit at 14 years of age, are full: JCB Academy, AUEA, UTC Reading, Silverstone UTC, UTC Sheffield to name but a few. This is a much needed new form of education, and it simply takes time to establish a track record.

However, in some parts of the country, I fully recognise that recruitment at 14 years of age is difficult and Baker Dearing is working with the Department to extend the age range to 11 years of age. This is also a cost-effective way for Local Authorities to increase the provision of basic need in a local area (as adding a Key Stage 3 is cheaper than building a whole new school). However, the Department has been slow to support more than just a few of these age range changes. However, at the same time, they are investing significant sums for the current wave of new Free Schools.

### **3. The Department must recognise that high quality technical education is more expensive than academic education**

The transitional funding which recognised this has now finished, yet UTCs have a longer working day and have, on average, 31 teaching hours compared to a mainstream school of 25 hours. Technical education also requires expensive equipment which must be maintained and replaced. You cannot teach high quality technical training on the cheap. The under-investment in technical education in England has been noted by the OECD and other research organisations such as EPI.

Baker Dearing has always been clear that a UTC education costs more per pupil than a mainstream education. Indeed, post-16 funding for students at all colleges in England recognises that engineering courses, for example, cost more to run than, say, mathematics. We have suggested a similar mechanism for KS4 without success. Of course, any additional cost must demonstrate a commensurate higher return. On this point, you will be aware that the government has recently introduced additional funding for Higher Value courses for post 16 study, which recognises the skills' need and higher future return to the Treasury through the payment of more tax by professionals with these qualifications. Again, the mechanisms to support UTCs with appropriate funding are now in place for post-16 study but this must be considered for pre-16 technical courses. Baker Dearing believes that UTCs would be able to balance their budgets if this were the case.

### **4. The Destination Data of UTCs shows they are making a unique contribution in closing the skills gap and at the same time providing considerable social mobility**

UTCs are fulfilling a vital role by placing students into 'hard to fill' areas of the economy. Baker Dearing tracks the 2,500 destination starts for UTC leavers at 18:

- In 2019, 45% of Y13 UTC leavers started higher education at university compared with 35% nationally. 22% started apprenticeships, compared with 10% nationally.

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- Where the level of apprenticeship was indicated, higher starts (Level 4+) accounted for more than half of all UTC leaver apprenticeship destinations (57%), five times the national average.
- Combining UTC leaver university starts in 2019 with known higher apprenticeship starts provides an aggregate for all UTC leavers who progressed to a 'higher' destination. 53% of Y13 UTC leavers progressed into these 'higher' destinations compared with 36% nationally.
- STEM subjects continue to prove popular with UTC students with 75% of those entering university starting a course related to Science, Technology, Engineering or Mathematics (where a preference was indicated). Nationally, 45% students take a STEM-related course at university.

The Department for Education has conducted internal analysis on the student cohorts arriving at UTCs at 14 years of age. This corroborates the regular surveys carried out by Baker Dearing which show that UTCs receive a disproportionately high percentage of pupils with challenging backgrounds. However, the DfE analysis also shows that, on leaving their UTC two years later, students were more likely to go onto a sustained destination (education or apprenticeship) than would be the case had they remained at their previous schools. Therefore, whilst recruitment at 14 years of age comes with a number of difficulties, the evidence above demonstrates a clear benefit for UTC students.

UTCs provide young people at 14 years of age with a fresh start, and a second chance to receive a proper education, which guarantees employability. Similar evidence has been found by Ofsted. During its inspection of Energy Coast UTC (Outstanding) in 2019, Ofsted noted:

*“Many pupils start at this school disillusioned with what they have achieved in their key stage 3 education at other schools. Some are resentful about schooling. Through excellent support and guidance, staff transform the negative attitudes of these pupils in a remarkably short period of time.”*

There are many more examples of this transformation across the UTC programme.

For 18 year old leavers, the National Foundation for Education found that:

*“Many of the highest performing UTCs (those with the highest % of students moving to higher education & higher apprenticeships) have high rates of FSM students and high IDACI scores.”* This demonstrates that the UTC model can be used to successfully support social mobility.

## 5. Baker Dearing Licence Fee

Your report recommended that the Department should look closely into whether Baker Dearing's licence fee provides value for money. I was disappointed not to be asked to provide a response to this during the inquiry. Therefore, I am doing so now.

Baker Dearing provides various activities for all UTCs including hands-on support for the delivery of technical education, preparation for Ofsted visits, a rich programme of events for staff and governors across the academic year, and bespoke support such as financial benchmarking, MAT re-brokerage facilitation, and staff recruitment. We also work directly with many employers who support the programme, such as the Royal Navy, to grow their reach and impact for the benefit of UTC students. In addition, we pay for certain UTC services which are then free for them, group-purchase other services to save UTCs money, and run Awards which celebrate student success. We take a central role in promoting the programme with government, press, and other important stakeholders, commission research to help to understand better the value of a UTC education and assist UTCs directly with materials and advice to improve student recruitment.

Due to our intervention: the DfE has supported the UTC programme and publicly acknowledged the UTC brand; Ofsted inspectors have developed a deeper understanding of UTCs, leading to improved outcomes; government now appreciates the additional costs of running a UTC; supplemental funding has been secured for each of the past five years; more than 400 employers and universities have been recruited nationally to support UTCs; a practical model of employer engagement for schools has been developed; outstanding student destinations after leaving UTCs, into hard-to-fill areas of the economy, are being realised; and, most importantly, the life-chances for tens of thousands of students have been materially enhanced.

All of this support costs my charity money and historically we have recouped just a small percentage of this expenditure from UTCs. As a registered charity, our accounts are in the public domain, so the following summary is easy to validate. Over the past five years, Baker Dearing has spent an average of £31,375 per UTC per annum, and in return received an average of £6,170 per UTC per annum in Licence Fee income and a further £1,819 per UTC per annum in the form of direct grants from the DfE. Thus, for every £31,375 spent per UTC per annum, just £7,989 of UTC support has been paid for directly or indirectly by the taxpayer, or one quarter of the total. Put another way, for every £1 of taxpayer support for the UTC programme, Baker Dearing has raised a further £3 per annum privately to support UTCs.

UTCs recognise the value Baker Dearing provides, and it was their decision last year, not ours, to raise the licence fee to £10,000.

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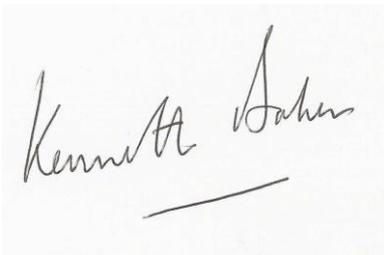
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As you receive a formal response from the DfE to your recommendations, I hope these points will help to augment your committee's understanding of the UTC programme. Baker Dearing would, of course, be willing to meet with you to discuss any of these matters in greater depth.

Our country is now entering what will certainly be a terrible economic downturn, with many young people sadly joining the ranks of the unemployed. It is only through investing in skills, particularly those relevant for the new digital economy, that we will have a chance of emerging from this crisis stronger. UTCs are already doing this by providing students with education today for the jobs of tomorrow.

Yours

A handwritten signature in black ink that reads "Kenneth A. Baker". The signature is written in a cursive style and is positioned above a horizontal line.

**Lord Baker of Dorking CH  
Chair**

PS: You received a letter from the headteacher of Mulberry Girls School Trust as part of the hearing. Her UTC is just on the border of your constituency in Bow. I'm sure a number of your constituents' children attend this UTC and I would be happy to take you for a visit.

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