



**Gillian Keegan MP**

Parliamentary Under Secretary of State for Apprenticeships and Skills

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By email:

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Dear Chair,

My best wishes to you for the New Year.

You will be aware that today marks the publication of our White Paper *Skills for Jobs: Lifelong Learning for Opportunity and Growth*. This White Paper is focused on enabling everyone to get the high-quality skills employers need in a way that suits them. The reforms set out will transform technical education, boost UK productivity, build back better from the Coronavirus pandemic, and create a more prosperous country for all, wherever they live. This is an exciting moment for technical education and training and an opportunity to really change the climate for skills. We look forward to ongoing engagement with you and your team to deliver on this opportunity.

In addition, you will be aware that the Government committed in the Spring 2020 Budget to invest £1.5 billion of capital funding over five years to refurbish FE colleges and designated institutions.

As you will recall I wrote to you in July regarding the Prime Minister's announcement that my department would allocate an initial £200m of capital to FE colleges and designated institutions in England. This funding has enabled FE colleges and designated institutions to undertake immediate remedial work in this financial year to upgrade the condition of their buildings and estates.

I am pleased to announce today the next phase of FE capital investment available to FE colleges and designated institutions, to enable them to upgrade the condition of their estate and to maximise their potential in delivering high quality skills provision for the benefit of learners and employers. The funding we are announcing today through the FE Capital Transformation Fund, which will be available from 2021-22, will be awarded to FE colleges and designated institutions as a result of a competitive bidding process. Full details about the programme are set out at <https://www.gov.uk/government/publications/further-education-capital-transformation-fund>, including the guidance to FE colleges and designated institutions on the bidding process.

The direct delivery of funding by the department to FE colleges and designated institutions will ensure that funding is targeted at FE colleges and designated institutions which have the greatest condition need across England. This is part of

the wider package of capital investment we are making designed to transform technical and vocational education and training across England. This includes for example, capital support for the introduction of new T Levels and establishing a network of Institutes of Technology specialising in delivering high-quality higher technical education and training in STEM subjects.

I recognise that over the past five years, FE colleges and designated institutions have been greatly improved by the investment that Local Enterprise Partnerships have made through the Local Growth Fund. I would like to take this opportunity to thank you for your work and the way in which you have collaborated with FE colleges and designated institutions.

FE colleges and designated institutions, which bid for funding, will be required to set out how their project proposals align with local skills analyses and action plans, including, where relevant, those of Skills Advisory Panels, which will assist in the process of aligning FE colleges and designated institutions' proposals with local skills needs. I know that you will continue to work closely with FE colleges and designated institutions as key local strategic partners.

**Copy:** Chief Executive

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Gillian Keegan', with a large, stylized flourish on the left side.

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