



Value for Money (VfM) Report

For 2022

Title	Value for Money (VfM) Report
Status:	Final
Version:	3.02
Date:	August 2022
Author	Company Secretary
Approved By	BoD
Approval Date	18 November 2022
Previous Version/Date:	2.01 / March 2021
Next Review	August 2023
Classification:	Public Domain
Circulation	ARRC / COB

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The Value for Money Report [2022].

1. Why does LCC Exist?

- 1.1. London Churchill College Limited (LCC) has a vision to enable students to reach their potential by meeting aspirations of personal, academic, economic and social skills development.
- 1.2. Its mission is to provide the highest quality learning opportunities that meet the specific needs of its students and which promote and enhance self-confidence, develop personal achievement and an enterprising outlook to maximise employability.

2. Sustainable and Viable LCC

- 2.1. LCC wishes to make the business operationally, financially, socially and environmentally sustainable.
- 2.2. A growing body of evidence indicates that sustainability initiatives can help us be grounded in the community we serve, attract more students and generate surplus funds for the College, so that it becomes viable in the long term. As a sustainable business, LCC wishes to generate prosperity for its shareholders, investments into educational opportunities for our students and provide our staff colleagues an enjoyable environment;
- 2.3. We are conscious that as a commercial organisation, we must generate profit as if profitability is too low, it will have a negative impact on the level of services we provide to our future students and it will create financial stress throughout the College;
- 2.4. The College to remain financially viable and adaptable and operationally viable by having in place robust financial plans that incorporate a steady improvement in income diversification and surpluses;
- 2.5. Support the operational sustainability, the College will invest in modern, fit for purpose facilities and buildings to respond to staff and students' needs and expectations and to enable the College to achieve its academic vision;
- 2.6. Invest in income generating assets, which can also provide access to liquidity, to make the College financially sustainable and to resource the student protection plan;
- 2.7. Undertake investment opportunities including real estate that can directly benefit the College's operations, or invest in low-risk ventures where the return on the investment is higher than the inflation rate or opportunity costs;
- 2.8. Enhance the net asset and enterprise value of the College with an emphasis on capital growth.

3. Value Creation and LCC

- 3.1. As there is no established definition of value for money in the educational setting, it is difficult to measure the extent to which LCC generated value for money for its stakeholders.
- 3.2. Research into the benefits of education has predominately focused on the increase in individual earnings resulting from additional years of education experienced, or additional qualifications achieved. In the context of financial value

addition, LCC uses the Graduate Outcomes survey as a proxy indicator for financial value addition;

- 3.3. In the context of the social value addition, we can argue that LCC's HE provision enriches a section of society which would otherwise be left out of HE streams. Research finds that a wide range of social outcomes have been shown to result from Higher Education, including cognitive development, confidence, interpersonal trust and life satisfaction. The College, so far, has not collected any quantifiable data on this aspect. In various meetings and reviews, external agencies and organisations praise the exceptional work the College does for our students and the communities we serve. Our students have been very positive about their experience at LCC and showed their gratitude for the opportunities LCC provides to our students. This is reflected in the high level of satisfaction expressed in the NSS survey;
- 3.4. Value creation is not a simple, single, absolute idea but relates to the interests and values of the stakeholders in an organisation. The stakeholders in LCC are:
 - a) The staff as educational providers, students are our customers. The essential driver of value in any business is customer satisfaction. We use National Student Survey (NSS) results as a proxy indicator of how satisfied our students are with our educational provision;
 - b) The shareholders are the owners of the LCC business and have the discretion to decide where to invest their money. It is within their power to decide whether to continue LCC;
 - c) The awarding body, in our case Pearson for Higher National Diplomas (HND) own the copyright to our product, so, unless Pearson is satisfied with us we could find ourselves with nothing to offer;
 - d) The universities and Higher Education institutes which form academic partnerships with us;
 - e) The DfE and OfS.
 - f) The academic staff
 - g) The administrative staff
 - h) British society at large.
- 3.5. It is apparent that each of the above group's view of value is different. To come to some more specific conclusions, the College considers each in turn to identify the concepts, definitions and metrics that define value for each. From there we can understand where there are overlaps and identify the key drivers of value for the College, how we can measure them, plan to improve them continuously and identify when they have been achieved. First, taking each of the stakeholder groups in turn, set out are the concepts, definitions and metrics for each group's value.
- 3.6. Shareholders: the concept of shareholder value has been deeply studied and analysed, for it is the concept that investors use when deciding to invest. The generally accepted value driver is economic value added (EVA). It is for the BoD to define the levels of EVA, the growth rate they require and the time-period over which they want it achieved;
- 3.7. Students: value-added for the students is a more evanescent concept involving the realisation of potential and the qualitative satisfaction derived from the acquisition of skills and knowledge. It has been suggested that the realisation of

potential from vocational education can be measured by the increase in earnings and job status of people who have attended Higher Education compared with people who have not. To do this we use the Graduate Outcomes survey.

- 3.8. The Management of the College creates value by providing resources.
- 3.9. The DfE, OfS and their agencies: Governments of all hues and persuasions have been pressing the idea of value-creation for decades. The problems have always been 1) no doable methods have ever been set out (although several have been attempted), and 2) they have tended towards a one-method-fits-all even though the various educational institutions have different roles in value-creation depending on level of teaching, student populations, socio-economic factors and the educational objectives;
- 3.10. Academic Staff; the value created by academic staff is in the excellence of their teaching which in its turn depends on their understanding of the needs of their students and applying the appropriate teaching methods. Creating value through excellence in teaching is the most significant element in the complex mixture of elements that make up the total value created by the College. It is our belief that, especially with regard to vocational education, the implanting of skills rather than imparting knowledge is what distinguishes great teachers for the mass. We define skills as learnt 'how-tos', developed through instruction and observation by the teacher and practice on the part of the student;
- 3.11. Society at Large; although principally a beneficiary of the value created by LCC, it is also a contributor insofar as it recognises and spreads the reputation of the College.

4. Proxy Indicators for Value Creation

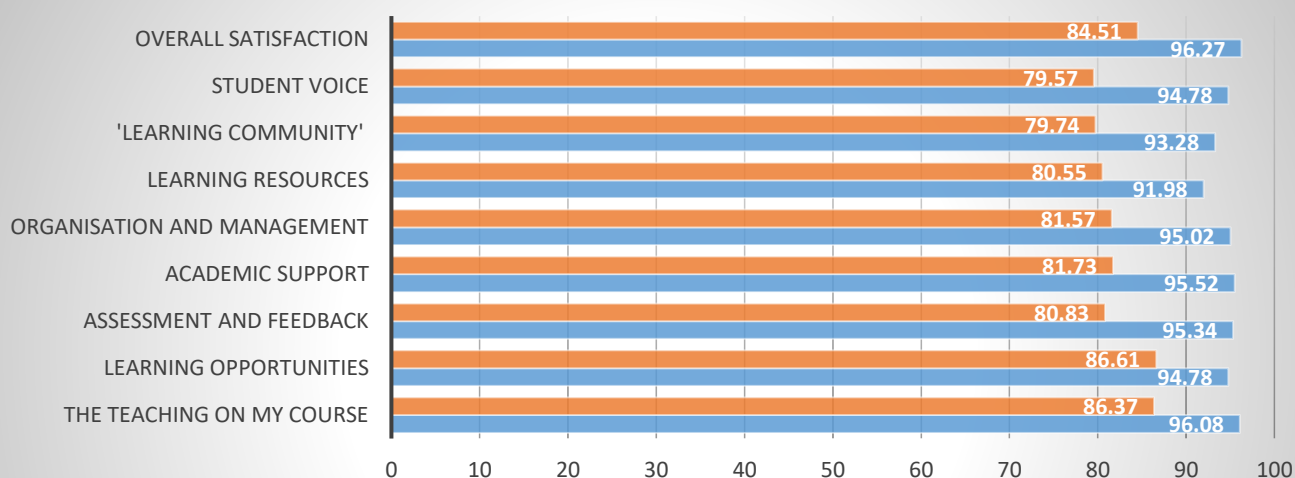
- 4.1. To monitor its progress against its mission and aim, the College monitors the following metrics:
 - a) Overall Student Satisfaction (NSS) rate;
 - b) Percentage of students completing their qualification;
 - c) Percentage of students achieving their intended qualification;
 - d) Percentage of students progressing into employment and/or further studies;
 - e) Overall "Teaching Excellence and Student Outcomes Framework" (TEF) rating;
 - f) Minimum 90% of students confirm that they can contact staff when needed, evidence by survey;
 - g) Minimum 90% of students and staff consider they are part of the LCC community; evidenced by survey;
 - h) 100% of staff and student feedback is acted upon, evidenced by survey;
 - i) To maintain a minimum cash balance of 120 days of operational costs to meet the College's short-term obligations at any point in time;
 - j) To keep the dividend pay-out ratio modest and to ensure the College does not distribute more than 25% of its surplus funds as dividends to its shareholders;
 - k) Year on Year Increase in Net Asset and Enterprise Value of the College.
- 4.2. The College is delighted to report that the College's has achieved an overall student satisfaction (NSS) rate of 96.27% (for NSS 2021) which is significantly above the OfS benchmark.

- 4.3. The College has made significant improvements in its retention rate. The data published by HESA (as on 17/02/2020), the College's non-continuation rate has dropped to 8.4% (the benchmark is 20.4%). This is a significant achievement comparing its performance in the last period (LCC 12.0.1% as opposed to the benchmark of 16.8%).
- 4.4. According to the HESA data submitted (C20054) by the College, 87.54% of its students achieved their intended qualifications based on students in the final year outcome population of 305 [(Source: 20/21 HESA AP Submission (HESA data portal, Filename: 0250_01127321.DSCORE)]. According to Discoveruni.gov.uk, which compares official course data from universities and colleges, 75%, 70% and 70% of its students studying the HND Entrepreneurship and Small Business Management, HND Health and Social Care and HND Hospitality Management programmes respectively, go on to work and/or further study (October 2022 from Discoveruni.gov.uk). [Some data is from graduates surveyed during the Covid-19 pandemic];
- 4.5. Higher Education Statistics Agency (HESA) has introduced a new Graduate Outcomes record which includes a survey of graduates approximately 15 months after they complete their studies. Total survey population for 2019/2020 graduates is 304, a response rate of 51%.
- 4.6. To drive the College performance, many performance indicators at departmental level and supported by delegated departmental budgets have been introduced. We anticipate our performance will be improved in the future;
- 4.7. The College was registered by the Office for Students (OfS) in February 2022, to be an approved Higher Education provider in England. The College has recruited students in April 2022 and September 2022, who can access student support under the Education (Student Support) Regulations 2011 (as amended). The College anticipates remaining financially and operationally sustainable for the foreseeable future.

5. NSS Results

- 5.1. The NSS 2021 results chart has been produced using NSS result published by OfS at <https://texuna.com> portal tool shows the percentage of respondents which agree (selected definitely or mostly agree) for all questions in the NSS for London Churchill College. The benchmark value for each question is also included. The percentage agree is represented by the bar and the benchmark value given by the black dot. Where results are significantly different to the benchmark, the bar is highlighted to reflect this. If the results are not significantly different from the benchmark the bar is coloured gray.
- 5.2. NSS has publication thresholds to protect the anonymity of respondents and to ensure the robustness of the data, results are only shown where they meet publication thresholds. For the NSS the publication thresholds are 10 responses and a 50% response rate. Where a provider or provider/subject combination does not meet both of these criteria, the results are not displayed.

NSS result comparison against OfS Benchmark



	The teaching on my course	Learning opportunities	Assessment and feedback	Academic support	Organisation and management	Learning resources	'Learning community'	Student voice	Overall satisfaction
OfS Benchmark	86.37	86.61	80.83	81.73	81.57	80.55	79.74	79.57	84.51
Agree% (NSS 2021)	96.08	94.78	95.34	95.52	95.02	91.98	93.28	94.78	96.27

■ OfS Benchmark

6. The Graduate Outcomes survey

- 6.1. The Graduate Outcomes survey is the biggest UK annual social survey and captures the perspectives and current status of recent graduates who completed a Higher Education course in the UK. The graduates asked to take part in the survey 15 months after they finish their studies with an aim to gain an insight into career destinations and development;
- 6.2. HESA ran a major review on the data it collects on graduates (referred to as the New DLHE review). This has led to the introduction from 2017/18 onwards of the Graduate Outcomes record;
- 6.3. Below are some statistics from LCC graduate outcomes survey.

HND Entrepreneurship and Small Business Management

What graduates are doing 15 months after the course

The data displayed is from students on other courses in Business and management.

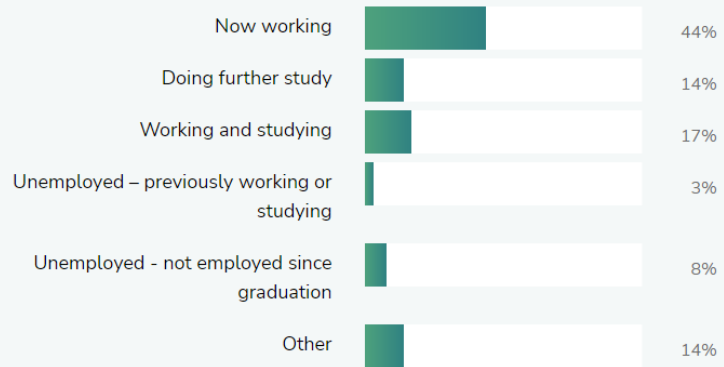
Because the course is new or has not been running long enough, there was not enough data to publish information specifically for this course. This does not reflect on the quality of the course.

Source: [Graduate Outcomes survey](#)

Data from students graduating during 2018-2020.

Data from 125 students

(55% of those who were asked).



Source: <https://discoveruni.gov.uk/course-details/10030391/TNA86/Full-time/>

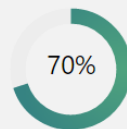
[Some data is from students surveyed during the Covid-19 pandemic, which may impact their responses.]

Perception of work after graduating

Source: [Graduate Outcomes survey](#)

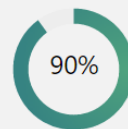
Data from students graduating during 2018-2020.

Data from 45 students (55% of those who were asked)



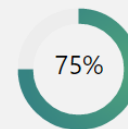
Usefulness

I am utilising what I learnt during my studies in my current work.



Meaningfulness

My current work is meaningful.



Future

My current work fits with my future plans.

Source: <https://discoveruni.gov.uk/course-details/10030391/TNA86/Full-time/>

HND Healthcare

What graduates are doing 15 months after the course

The data displayed is from students on other courses in Health and social care.

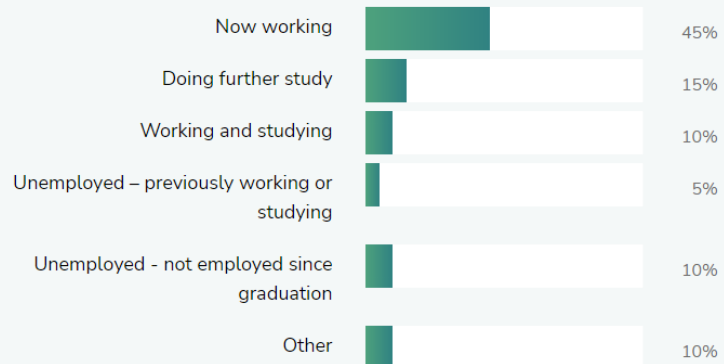
Because the course is new or has not been running long enough, there was not enough data to publish information specifically for this course. This does not reflect on the quality of the course.

Source: [Graduate Outcomes survey](#)

Data from students graduating during 2018-2020.

Data from 20 students

(70% of those who were asked).

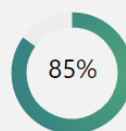


Perception of work after graduating

Source: [Graduate Outcomes survey](#)

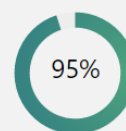
Data from students graduating during 2018-2020.

Data from 10 students (65% of those who were asked)



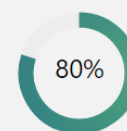
Usefulness

I am utilising what I learnt during my studies in my current work.



Meaningfulness

My current work is meaningful.

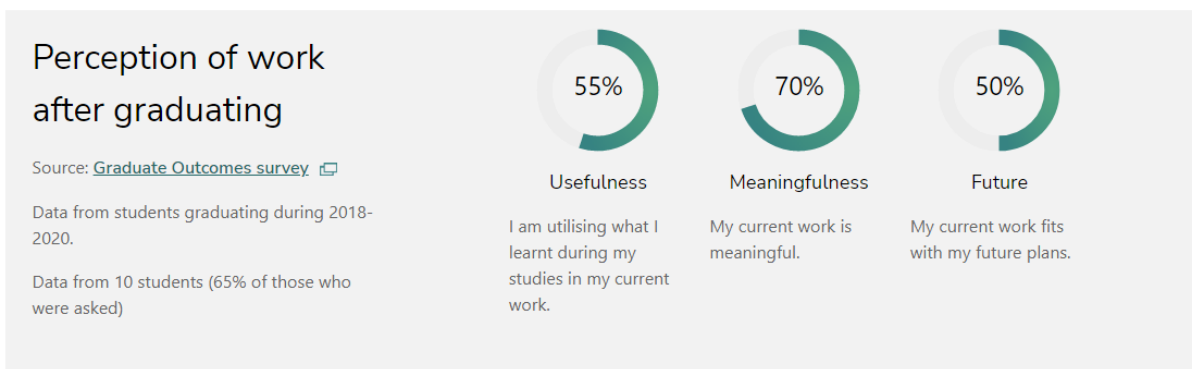
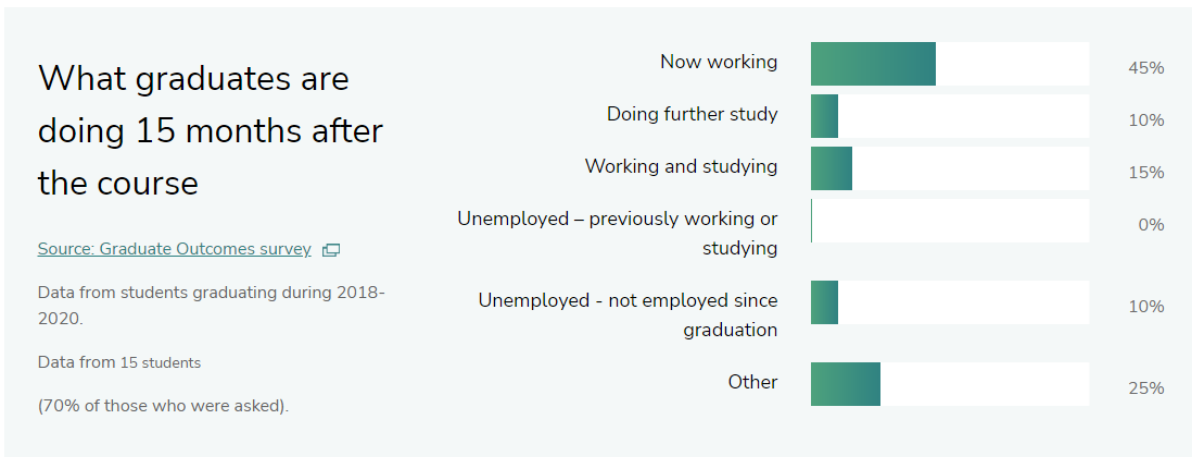


Future

My current work fits with my future plans.

Source: <https://discoveruni.gov.uk/course-details/10030391/TNA86/Full-time/>
 [Some data is from students surveyed during the Covid-19 pandemic, which may impact their responses.]

HND Hospitality Management



Source: <https://discoveruni.gov.uk/course-details/10030391/TNA86/Full-time/>
[Some data is from students surveyed during the Covid-19 pandemic, which may impact their responses.]

7. Non-continuation

2018/19 **

HE provider	Total full-time other undergraduate entrants	Number no longer in HE	Percentage no longer in HE (%)	Benchmark (%)	Standard deviation (%)	+/-
London Churchill College Ltd	380	30	8.4	20.4	1.6	+

2017/18

	Total full-time entrants	Number no longer in HE	Percentage no longer in HE (%)	Benchmark (%)	Standard deviation (%)	+/-
London Churchill College Ltd	500	60	12.0	16.8	1.42	+

(2018/19 data, published 02/2021) Latest non-continuation data shows significant improvement of non-continuation.

8. Transparency on Value for Money

- 8.1. The concept of adding value is multifaceted and all stakeholders have a role in creating value and are dependent on the value created by others;
- 8.2. Although the link between education and positive economic and social outcomes for both society and the individual is well-established, the extent to which this is true for LCC is subject to many variables. In our case, we have used a number of proxy metrics to assess the value we generate for our students and society as a whole. They all provide reasonably positive picture;
- 8.3. LCC provides sufficient information on a regular basis about how it ensures value for money. It publishes the Value for Money statement on its website, directors' report and accounts including data about the sources of its income and the way that its income is used.

9. Conclusion:

- 9.1. This Value for Money Report presents various information including data for proxy indicators the College uses and commentary, which collectively demonstrate that the College has been highly successful in its attempts to generate value for money for all LCC's stakeholders. From the students' perspective, we find that the satisfaction level among our students is extremely high and far above that of the sector average. From the regulatory perspective, our students' retention and achievement rates are very impressive considering that the College provides opportunities to a wide range of students, many of whom have highly variable entry profiles. In relation to student outcomes from LCC courses, many students progress into employment and further studies;
- 9.2. In addition to the information and various proxy indicators, the report also includes our conclusions from our students' narratives. We understand that the courses we offer make highly positive economic and social outcomes both for LCC's students and the communities they serve;
- 9.3. The Value for Money Report enables LCC to be transparent and inform the general public to be aware of how LCC ensures value for money. To be further transparent, LCC publishes various reports on its website including the Value for Money Report, Directors' report and accounts, Minutes of the various boards and committee.

End