

Office for
Students



Applied Business Academy's provision of the Diploma in Education and Training course

A summary of the Office for Students'
investigation

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Introduction

This report summarises findings from the Office for Students' (OfS) investigation into Applied Business Academy (ABA) relating to concerns about its Diploma in Education and Training (DET) course. During the investigation, the provider stopped offering higher education. The OfS could not, therefore, conclude its investigation but we have found serious concerns in the areas of quality and standards and governance, including relating to the legitimacy of student placements and their assessment, concerns about staff qualifications and limited oversight and controls of staff and DET course delivery. We have published this summary to help other providers running the same or similar courses to prevent these issues arising.

In April 2024, the OfS opened an investigation into ABA to examine whether:

- it had complied with the OfS's requirements relating to provision of information to the OfS and to its designated data body; and
- it had effective management and governance arrangements in place.¹

As part of this investigation, the OfS carried out a data audit covering ABA's student data return. This identified concerns relating to the provision of the DET course.² Subsequently, the OfS sought more information on the DET course, including on the operation of mandatory course placements, as well as information on the policies, controls and management and governance that ABA had in place. The information provided by ABA did not include responses to all areas about which we had sought information.

During the investigation, the Department for Education instructed the Student Loans Company to suspend all tuition fee payments to ABA, and ABA decided it was no longer able to provide higher education. ABA applied for de-registration and was formally removed from the OfS Register in September 2024 while the business was being voluntarily wound up. Students at ABA were told that their higher education courses would be closed, and ABA's partners, Leeds Trinity University and the University of Buckingham, contacted affected students to explain their options, including for further study.

We are publishing this case summary now because the findings raise concerns for students and the appropriate use of taxpayer funding. These merit us raising awareness in the wider higher education sector. Specifically, we wish to:

1. ensure that providers involved in the provision of education and training courses involving significant student placements and other similar courses are aware of issues in this case and have sufficient controls in place to prevent concerns arising; and
2. ensure providers involved in delivering courses through subcontractual arrangements (also called franchise arrangements) are aware of the importance of having sufficient oversight of

¹ The OfS investigation found evidence of concerns beyond these and the investigation would have been expanded had ABA continued to operate.

² This was a one-year course validated by awarding bodies regulated by Ofqual.

their partners and those with whom they contract for the provision of higher education. There is more supporting information in the insight brief we published in September 2024.³

The investigation

At the time ABA was de-registered, the OfS had analysed the information we obtained during the investigation, and identified serious concerns about the quality and standards of courses, and governance at the provider.⁴ These included matters that related to the OfS's ongoing conditions of registration for quality and standards (B conditions) and good governance (E conditions).⁵

Quality and standards

In the area of quality and standards, we found evidence indicating poor delivery and administration of the DET course, including the following specific concerns:

- Many student placements were listed at organisations which were, in the reasonable view of the OfS, not suitable because 100 hours of teaching could not have been expected to have taken place. We found that only around six per cent of total placements for the cohort of 2031 students appeared capable of satisfying the requirements of the DET course, with some placements at:
 - organisations that had been listed by Companies House as having ceased to operate, were dissolved, listed as inactive at the time of the placement, or where no details or insufficient details could be found for the stated organisation;
 - organisations with no clear link to education (we found examples of small cafes, childcare providers, clothes shops, freight firms, and building firms among others); and
 - organisations where multiple students had listed the same placement location, yet the size of the organisation appeared too small for such a volume of placements to have taken place, for example one placement provider listed zero employees, a low turnover figure, yet allegedly hosted 28 DET course students, with 2,800 hours of student teaching.
- The information provided by ABA did not contain a record of the skills or qualifications or other metrics of suitability for staff, assessors and mentors who were completing observations of students at placements. This was a concern to the OfS as the DET course specifically requires that staff involved in these roles that oversee placements and assess the quality of the teaching practice need appropriate qualifications.⁶ Specifically, we found that:
 - 47 staff members were named, with between one and three-word descriptions of their role, and no description of their qualifications or suitability for that role;

³ See [Sub-contractual arrangements in higher education](#).

⁴ Due to the voluntary winding up process, the OfS has not been able to test this assessment with ABA.

⁵ See more about our [conditions of registration](#).

⁶ As set out in '[City and Guilds Qualification Handbook – Level 5 Diploma in Education and Training](#)'.

- 56 individuals were named as mentors, with no contact details, no qualifications, no details of their suitability or experience and no organisation listed with which they had allegedly undertaken mentoring; and
- 13 individuals were named as observers, with no details provided, no qualifications, no details of their suitability or experience and no details of the organisations with which they may have been observers.
- Consequently, the OfS could not verify whether the ABA staff, mentors and observers had the qualifications and experience they needed to assess student teachers on the DET course in a way that would meet the requirements of the awarding organisation. Where individuals without appropriate qualifications observed student teachers, this would lead to the provider delivering the course in a non-compliant manner. Moreover, the lack of evidence meant that the OfS could not assess whether these individuals involved in the DET course at ABA had appropriate qualifications (in line with our ongoing condition of registration B2).
- ABA failed to make sure that when students were observed on their placements, they received specific and individual assessments. The OfS had concerns that the provider had not ensured that genuine, individual observations and assessments were undertaken for each student at their placement. Our review of the information provided by ABA found some assessments of different students made with identical comments. Students teach in different contexts according to different criteria, and so we were concerned that observations were not accurate, or accurately recorded, and may not have reflected the performance of each student.

Given that completion of placements is a core requirement of the course, the concerns set out above mean those students would not be able to pass the DET course. Consequently, failures by ABA in relation to DET student placements have a direct link to failures to comply with the OfS's B1, B2, B3 and B4 conditions of registration concerning effective delivery of courses, providing support to students that they need to succeed, delivering successful outcomes for all students and ensuring assessment and qualifications are credible.

At the time of ABA's closure, none of the DET students had received certification by City and Guilds, as City and Guilds had not received sufficient evidence that the course requirements had been met. To support students following the closure of ABA, the work completed by students on the DET course was passed to City and Guilds by ABA and City and Guilds has undertaken a thorough assessment of the work for those students who had contacted it, or ABA, following ABA ceasing to deliver the qualification. In all cases there was not sufficient evidence for City and Guilds to confirm the qualification requirements had been met. City and Guilds has confirmed these outcomes to students and continues to respond to any queries raised.

Governance

In the area of governance, we found evidence indicating failures of management, governance and oversight of the provision of the DET course:

- The OfS found evidence indicating few controls and little governance across ABA, specifically in relation to the DET course and the risks involved.
- While ABA provided some records of placements, we found it difficult to assess the reliability and completeness of this information. Consequently, we found it difficult to understand the

degree of control and oversight that ABA had over its staff, courses and provision, both generally and specifically, in relation to the DET course. If ABA had no further evidence of its oversight, management and governance, this would have represented a concern for the OfS.

- The information provided by ABA did not contain evidence about the management and consideration of risk. It contained no evidence of discussions with staff teaching the course. It did not show how the provider ensured that staff and those involved were qualified and able to assess students. It also included no indication of the progress of students on the course.
- The OfS was also concerned that ABA provided no evidence of any quality assurance process or oversight for those staff involved in the provision of the DET course placements. These concerns related to the OfS's condition of registration E2, specifically whether ABA had complied with some of the public interest governance principles and whether it provided and delivered the higher education DET course advertised.

Conclusion

Had ABA not entered liquidation, the OfS would have continued its investigation. Depending on any additional evidence that may have been uncovered, we could have reached conclusions about whether ABA was complying with our ongoing conditions of registration for quality and standards and good governance. Where we could establish that the provider had breached these conditions, the OfS would have been likely to consider its full range of enforcement powers, including imposing a substantial monetary penalty and potential de-registration of the provider.