

Pearson to close UK adult training division

LONDON, UK: British publisher Pearson, owner of the *Financial Times* newspaper, has announced that it will close its adult training unit, in the first announcement made under new group chief executive John Fallon.

"In October 2012, Pearson announced that it had initiated a comprehensive review of Pearson in Practice, a UK adult training business, in response to a radically changing trading environment," the company said in a statement.

"Following that review, Pearson has decided that it plans to exit this business and is therefore entering into a consultation period with Pearson in Practice staff."

The unit, which provides industry-specific qualifications and training via apprenticeships and specialised programmes, will transfer learners to other providers if necessary to complete their programmes.

The announcement puts at risk 560 jobs at the division, which has offices in Nottingham, Manchester, and Banbury.

However, a company spokesman stressed that it was too soon to say how many redundancies there might be, adding there was no firm date for an orderly wind-down.

Pearson said the division "no longer has a sustainable business model" after recent changes to government funding and policy.

The British government has created rules in recent years that force training providers to line up employers after apprentices finish their courses.

Funding has been limited

"Over the past year, changes to the apprenticeships programme - and in particular the shift from a programme-led to an employer-led model - have reduced demand for the type of programmes offered by Pearson in Practice and limited the funding available to support their delivery," the firm added.

The cost of closure and impairment would be about £120 million (US\$193 million, €148 million), according to Pearson.

Fallon, 50, became chief executive on January 1, taking over from Marjorie Scardino who stepped down after 16 years at the helm.

"We very much regret the decision to plan for closure, but we believe we have explored and exhausted all alternatives," he

added on Monday.

"Our focus in the coming months will be on working with our partners in the further education sector and industry to ensure minimum disruption to learners who are currently enrolled in one of our programmes."

Fallon had previously been head of Pearson's international education division since 2008. Prior to that, he was head for the group's Europe, Middle East and Africa unit since 2003.

Source: *AFP* via I-Net Bridge

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