

LSC WEST YORKSHIRE

**Strategic Options Review of the
Further Education Colleges in Leeds**

Principal Learning Ltd

**Final Draft
May 2007**

Note: This review was commissioned by the LSC West Yorkshire and undertaken by Principal Learning Ltd.

The author, Jim Aleander, wishes to acknowledge the help and assistance given by the many FE stakeholders in Leeds who have contributed to this review, in particular the Principals of the FE Colleges. He also wishes to thank the staff of the LSC for their commitment and contribution.

Contents	Page
Executive Summary	4
Introduction	6
Context	7
The Strategic Options Review: Purpose	10
The Education Position	10
The Financial Position: Revenue	19
The Colleges' Estate	21
Education Leeds and the Schools	24
Potential for Formal Collaboration Between the Schools and Colleges	25
The Inclusion Agenda	26
Need and Demand	27
Consultation	29
Views from Colleges	30
Principles Informing Options	33
The Strategic Options	34
Assessing the Options	42
Conclusions	43
Source Documents	46

Executive Summary

A. This strategic options review was commissioned by the LSC West Yorkshire to inform actions arising from the Cambridge Education (CE) Review, aimed at re-configuring FE provision in the city. Options have been developed taking account of the evidence base and views of colleges, also recognising the changing position of schools as Education Leeds promotes improvement. The review was undertaken on the basis of consultation and research. The colleges under consideration are the College of Art and Design; the College of Building; the College of Technology; Joseph Priestley College; Notre Dame Catholic 6th Form College; Park Lane College, which is about to merge with Keighley College; and Thomas Danby College.

B. Leeds is a city in need of transformational change in its schools serving the inner area. This change is bound to have an impact on and relate to any reconfiguration of FE. Moreover, although much work done with and for employers is valued, there is a requirement to re-position services to employers and workforce development in the context of the Leitch review of skills and the known needs of the Leeds and West Yorkshire economy.

C. Leeds has many disadvantaged communities and individuals. FE has a vital role to play in meeting their needs. Any change to FE structures must preserve the best of current practice in meeting equality and diversity goals. This includes work with learners with learning difficulties and disabilities and with minority groups.

D. The CE review found that Leeds Colleges do much remedial work with young people, at Entry level and Level 1, on to full Level 2. The expectation has to be that this will change as Leeds schools improve. A new curriculum offer-through Specialised Diplomas and reformed GCSEs and GCE A levels-will engage colleges even further in the 14-19 phase, delivering the Leeds Entitlement.

E. Leeds colleges have substantial numbers of adult learners. Not all are in priority groups for public funding. Participation by some might decline. Others will pay fees. There is the need for Leeds colleges to generate more fee and equivalent revenue. Although financial health is currently good for most colleges, there are challenges pending in both their market and in their need to invest in new facilities.

F. This review is not predicated on college failure. Most FE provision in Leeds is at least satisfactory with much of it either good or improving. Leeds colleges and their staff are part of the solution in meeting demanding learning and skills targets for the area. They need the right configuration to be successful in a more competitive and market-driven environment.

G. Much of the Leeds colleges' estate is of poor quality. The arrangements for leadership in FE going forward will be shaped to deliver a transformational investment in buildings and facilities to be proud of; to attract, retain and

qualify learners and to be good places of work for staff. This will require an integrated capital strategy for the FE estate in Leeds.

H. The review leads to three options for consideration. One is for a formal federation of all the colleges listed above. Although this has attractions a large scale FE federation has no champions in the city. Where it is emerging is in the schools sector in the form of Learning Trusts. Although federation has its place it is not seen as the vehicle for major change in Leeds.

I. Option Two recognises the distinct positions of the College of Art & Design and Notre Dame 6th Form College. These are recommended to remain independent but as partners in an option which would see the merger of all other colleges. This is seen as an option with merit, achieving most of the goals intended and with disadvantages to it that are mostly manageable. One challenge is maintaining specialist provision. Retaining and developing specialisms would be a challenge to any new, large and diverse organisation. The College created would be one of the largest in the country if this merger takes place.

J. Option Three is also a merger option but for four colleges rather than five, leaving the College of Building independent. The rationale here is that this college is successful, financially sound and, in particular, highly specialist. It is the only College of Building in England. Retaining independence has some educational risk as most students are white males, a factor common to many FE Construction services. This creates an access and diversity concern. Maintaining the College of Building as separate would also have a degree of financial risk and modify the otherwise unified approach to creating a strategic FE presence in the city.

K. The review recommends that the LSC considers Option 3, provided that the College of Building agrees to enter a formal federation with the new institution created by merging the College of Technology, Joseph Priestley, Park Lane and Thomas Danby. This merger would involve the dissolution of all participating corporations and the creation of a new one. It would create a very large college in its own right. A federation with the new entity could help address some widening participation and diversity issues for the College of Building; provide rights of access to facilities both ways; and position the sector well for uncertainties ahead. The College of Art and Design and Notre Dame 6th Form College would be invited to act as partners for strategic area-wide planning, shared marketing, staff development and similar services.

Introduction

1. The national Further Education service is at a major point of transition. The FE White Paper of March 2006 has become the Further Education and Training Bill, expected to pass into law this year. This will re-position the work of colleges: their mission, governance, focus, range and ultimately their identity. The Learning and Skills Council has worked through its own Agenda for Change and continues to innovate as an organisation. Its Annual Report and Accounts for 2005/06 was entitled *Leading Change*. Reflecting on the Agenda for Change in the report Ray Dowd, its champion, commented that it aimed “to create a learning and skills sector that’s valued, proud, responsive, confident and trusted...famous for delivering cost-effective, good-quality learning that delights learners, encourages regeneration, encourages investment, meets employers’ long-term needs and secures the country’s economic future”.

2. This description of the aims for the sector as a whole could be transposed to Leeds, for this set of outcomes has to be the ambition for the Leeds FE service, securing the city’s economic future through learning and skills, along with its civic and social wellbeing. During 2007 the national LSC is starting to implement a long-term programme of performance management and improvement for the sector through the Framework for Excellence. This will provide a range of measures by which a college’s performance can be judged, relating to Effectiveness, Responsiveness and Finance. The long term aim is not only a highly effective FE sector but one which is on the road to self regulation; a trusted public service, famous for its contribution to individual and economic success.

3. This, then, is the setting for a focused review of the colleges in Leeds, undertaken between the submission to the LSC of the Cambridge Education Post 16 Review in November 2006 and the end of April 2007. It constitutes a formal review of the options for change in the college sector serving the city and wider area. The current review does not set out to replicate or re-work the findings of the Cambridge Education (CE) review, which was the third of three reviews commissioned by the LSC on 14-19 provision in Leeds (Source 1). The substantial document laying out the CE findings was received and accepted by both the Council of LSC West Yorkshire and by the Executive Board of Education Leeds. The current review seeks to build on those endorsed judgements and findings by taking them forward into a review of options for the re-configuration of the FE Colleges serving the conurbation. For a summary of the CE findings see paragraphs 8 ff.

4. The colleges covered by this strategic options review are Joseph Priestley College (JP), Leeds College of Building (COB), Leeds College of Technology (COT), Leeds College of Art and Design (CAD), Park Lane College (PL), Notre Dame Catholic Sixth Form College (ND) and Thomas Danby College (TD).

Context

5. The LSC West Yorkshire has been committed to the transformation of Further Education in Leeds almost from its inception in 2001. This transformation was then seen as having two main elements. One was the improvement of provision, based on a series of LSC quality strategies and sources of evidence. The second was recognition that the FE estate in Leeds was in great need of an overhaul, being mainly outdated or otherwise unsuitable. The LSC conducted three reviews of post 16 provision between 2003 and 2006: the Melia review, the Donaldson Review and the CE review. By the time of the last of these reviews all the colleges had accepted that the status quo was not an option; a point of view also accepted by all key stakeholders. In addition to these activities the LSC had also conducted a strategic area review (StAR) for Leeds and had done a technical review of the FE estate, which was found to be poor by national standards (the GVA Grimley review, 2006: see Source 2). There was a separate review of work based learning in West Yorkshire, which the StAR had found to be under-performing (the QSI Review, 2006: main findings, Source 3).

6. These investigations contributed to the shaping of the priorities for the LSC West Yorkshire. The 2006-07 Annual Plan (Source 4) identified the following challenges against the LSC's national priorities.

National priority one: ensure that all 14-19 year olds have access to high quality, relevant learning opportunities. *Challenges:* reducing NEETS; increasing the number of E2E learners progressing to a positive destination; ensuring sufficient WBL provision to meet demand and apprenticeship completion targets; continuing to drive up success rates.

National priority two: making learning truly demand-led for employers, young people and adults. *Challenges:* to strengthen the FE services to business; to continue to drive up success rates. Note: the Leitch Review of skills needed for the economy (2006) has enabled the LSC to take a national approach to this priority, with regional targets.

National priority three: to transform the learning and skills sector through the agenda for change (see also para 1 above). *Challenges:* to improve FE providers' collection of fee income; to raise the quality of provision in FE, reflected in improved inspection outcomes (satisfactory or better).

National priority four: strengthen the role of the LSC in economic development. *Challenges:* increasing the proportion of adults with a level two qualification; to raise the proportion of skills for life enrolments; to increase the number of qualified skills for life teachers; to better align the mix and balance of adult provision to meet needs.

National priority five: improve the skills of workers who are delivering public services. *Challenge:* to ensure programmes are responsive to the needs of public service workers and that the sector itself is actively engaged.

National priority six: strengthen the capacity of the LSC to lead change. *Challenges:* continuing to ensure LSC plans are aligned with the Regional Economic Strategy (RES); to quickly/effectively introduce the new LSC structure; to develop closer working relationships with local authorities.

7. What is evident in considering these challenges- other than those for the LSC itself- is the necessary focus on engagement of those who are outside learning and skills or under-qualified. There is also an emphasis on raising standards. The needs of the economy are emphasised. There is the implication for Leeds of a need for better alignment of the providers with their market place. In the case of the colleges this is reflected in the CE review. The main findings are listed next, as the context in which the colleges' review has taken place.

8. The main findings of the CE review have underpinned the current options review. They addressed *the challenge of a demand-led system:* Leeds must:

- Make much more of the potential of its 16 year olds, who are leaving Key Stage 4 (KS4) with too few Level 2 qualifications
- Set new targets for 16+ attainment, in the context of the new specialised diplomas from 2008.
- Have targets that are high, challenging and reflect young people's potential, rather than current achievements
- Create an integrated 14-19 curriculum plan for the city, establishing accessible progression routes across and between institutions and sectors
- Cater for particular groups such as learners with learning difficulties and/or disabilities, and under-achieving minorities.

9. For 14-16, CE recommended

- A curriculum offer based on learner entitlement
- Coherent Key Stage 4 provision recognising the major curriculum changes from 2008-2013
- Making all choices- academic and vocational- accessible to all learners and at all levels from entry, through Level 1 and Level 2 to Level 3
- A system designed to follow on from learners' choices, not dictate them through inflexible institutional structures
- Acknowledgement that the teaching, lecturing and training workforce will need to change to deliver the new curriculum in new ways
- Additional specialist accommodation for learning.

10. With regard to 6th forms, CE noted (all figures relate to 2005/06)

- Small numbers in the 13 inner city school 6th forms

- Class sizes ranging from 1.8 to 10.9 in these schools, with the larger groups created by collaboration
- Nine schools with less than 50 in the 6th form
- Most provision offering disappointing choices and outcomes at high cost
- Additional 16-19 dedicated general education provision could be needed, either through formal federation or a new 6th form college
- Building Schools for the Future (BSF) decisions should take account of re-configuring 14-19.

11. For *Further Education*, CE noted

- The current imperative to make provision up to Level 2 post 16, when this is the intended Key Stage 4 outcome level
- Commensurate high commitment of LSC funding to Level 1 and Level 2 work
- The fact that national curriculum reforms were intended to improve Level 2 attainment at 16. Colleges should play their part in supporting vocational options 14-16, then provide progression routes
- Benchmarking FE performance showed the need for improvement, also identified in the LSC's priorities
- The learning and skills requirements of Leeds meant that performance actually needed to exceed national benchmarks rather than fall behind in key areas
- The poor FE estate was an obstacle to transforming provision and services
- Taking school estates spend into account, an integrated capital strategy was needed for the city
- The current configuration of colleges was likely to increasingly fail to meet Leeds' economic and social needs, especially once the demands of the forthcoming Framework for Excellence were in place in the areas of Effectiveness, Responsiveness and Finance.

12. These findings led to *recommendations* that included

- Modelling of provision for the new 14-16 curriculum and the 14-19 entitlement - locally, the Leeds Entitlement
- School arrangements to maximise Level 2 achievement at 16
- A collegiate approach to education in inner Leeds, with collaboration between providers in the interests of learners
- 6th form reorganisation to improve choice and outcomes, as well as efficiency
- Arrangements for BSF that recognised the wider capital strategy for 14-19 and impending investment in the FE estate, leading to an estates strategy for general and specialist facilities
- A shift in FE resourcing towards levels 3 and 4 over an extended period, as Level 2 achievement improves at 16
- Coordinated school and college approaches to the new specialised diplomas

- Closer working between the colleges to enable a step change in quality and outcomes; this to include data sharing , shared systems and partnerships
- Targeted funding post 16 to improve results in both schools and colleges, perhaps through funded partnerships
- Reductions in funding for lower-priority or poorer provision so that resources go where they are of most use and benefit
- Improved work based learning routes and outcomes
- New arrangements for delivery of FE through either partnership based college collaboration or a re-configuration
- Involvement of the universities in city wide planning for 14-19 and progression to HE.

13. The review recommended a reconfiguration of both school and college provision with a focus on 16-19, all changes to be made with benefit to learners as the first principle.

14. *Note:* It is important to emphasise that the CE review did not address FE services to adult learners, who outnumber young people in the colleges substantially. The report did comment on the wider economic needs of the city region and workforce skills. In accepting the CE review findings the LSC recognised that decisions on re-configuration of FE provision would need to take account of priorities for adult learning in a changed and demand-led environment.

The Strategic Options Review: Purpose

15. The current strategic options review has the brief to assist LSC West Yorkshire in taking forward the recommendations of the CE review, leading to re-configuration of FE provision in the city. In doing so, option appraisals will be produced of models taking into account schools and FE colleges (although the review's focus is on colleges); assistance will be provided in developing new models for the reconfiguration of provision; advice and support will be provided for new governance arrangements; advice will be given based on previous experience of area wide reorganisations and FE mergers; and advice provided on the consultation process, as needed.

16. The options review has been conducted on the basis of consultation and research. Consultation has included the main stakeholders outside the colleges, including the LSC, Education Leeds, the Chamber of Commerce, the Skills Board and others. All the colleges have had the opportunity to contribute individually and collectively to this review. All the Principals have done so, accompanied in two cases by college governors. The responses of Leeds school secondary Head teachers to the CE review have also been noted. The LSCWY has sought to keep all Chairs of College Corporations informed and has done some direct consultation of governors.

The Education Position

Young People's Learning

17. The Cambridge Education (CE) review found that young people's achievements- or lack of them, comparatively- at 16 were the key to the need for change in provision for the 14-19 age group. In terms of GCSE achievement at 16 (5 or more A* to C grades) Leeds performed below the England average in 2005, the year on which CE data were based, as follows: England, 57.1%, Leeds, 49.7%. For the more demanding 2006 standard, which included GCSE English and Maths at A* to C, the figures were 45.8% for England and 40.4% for Leeds. The Leeds performance overall masked some high level outcomes in mainly suburban schools and low levels in mainly inner city schools. In 2006 Leeds had 8 schools scoring 30% or below for 5 A* GCSEs with English and Maths.

18. The CE review therefore recognised that:

- transformation rather than evolutionary progress was needed if 16+ performance was to meet learners' entitlements
- 14-19 should be treated as a phase (as the law now requires), meaning that school transformation and college transformation should proceed on parallel tracks, then converge to provide an integrated, high quality service
- 16-19 transformation would require a review and reconfiguration of school 6th forms, notably in the inner city, as well as a reconfiguration of colleges

19. These findings were accepted in principle by the LSC and by Education Leeds, the schools body.

20. Subsequently, Education Leeds has made progress with a proposition for the reorganisation of schools in geographical clusters (see Source 5). If created, these clusters- possibly inner West, South East, Inner East and Central- would relate to a Trust under the new legal framework for Trusts (Education and Inspections Act 2006) and potentially allow access for all other schools to facilities such as proposed post 14 vocational skills centres. There is discussion of new Academies- perhaps four or more- developing within this framework. Although it is too early to say how this would relate to the reconfiguration of colleges, it will be essential that this relationship is determined and is mutually supportive. Further reference to this proposal is made in paragraphs 55ff below. There is much yet to be decided in a fluid policy and planning environment for the Leeds schools. Current preferences for a new 11-18 configuration have influenced this review, particularly in the decision not to take further at this time the option for a new 6th form college.

The Colleges

21. Provision for young people by the FE colleges is absolutely integral to the progression and attainments of this age group in the city. As the CE review

acknowledged, this provision occurs at 14- 16 as well as 16-19, with some successful school links programmes that, in recent times, have developed in the main through the Increased Flexibility programme. The CE review made much of impending curriculum changes for 14-19, notably the development of Specialised Diplomas. These are seen by the DfES as only being open to successful delivery through partnerships of schools, colleges and potentially other providers. The colleges provide hundreds of places on school link programmes for 14-16 learners. The exact proposed figure for the 2007-08 year has yet to be confirmed at the time of writing. The full impact of the new 14-19 curriculum will be felt between 2008 and 2013. It is essential, therefore, that the schools and colleges are ready to optimise their services and their provision from next year, even if implementation of elements of this activity, such as creating new accommodation, is progressive across the whole period.

22. For 16-19, the colleges are the largest sector provider. The provisional numbers allocated for 2007-08 are shown below. Although this year's figures are subject to change, for comparison purposes the CE review showed that there were 5,723 learners in Leeds school 6th forms in 2005. Broadly speaking, there are more than twice as many 16-18s in the FE Colleges sector in Leeds (around 11,000) than there are in school 6th forms.

Note: the Northern School of Contemporary Dance lies outside this review.

Table 1.College 16-18 learner allocations, 2007- 08 (provisional)

Provider	Learner numbers	FTEs
Joseph Priestley College	640	480
Leeds College of Art and Design	594	570
Leeds College of Building	1,682	1,211
Leeds College of Music	314	293
Leeds College of Technology	1,083	910
Leeds Thomas Danby	1,600	1,321
Northern School of Contemporary Dance	20	20
Notre Dame Catholic Sixth Form college	1,402	1,402
Park Lane College	3,600	2,772
Total	10,935	8,979

Quality of Provision in Colleges

23. Once again, it is not the intention of this review to re-visit the CE work. However, in overview terms the quality of provision in the colleges that are part of this options review can be described as at least satisfactory, with much

of it good and with evidence of improvement. Park Lane and the College of Building had full inspection reports published in 2006. Thomas Danby has had its full inspection report published in April 2007. The other tool used by OFSTED inspectors is the Annual Assessment Visit (AAV). Joseph Priestley had one published in March 2007; Leeds College of Technology had its published in January 2007; the College of Art & Design had one in November 2006. Park Lane's inspection was updated by an AAV in November 2006. Notre Dame had its last published inspection report in 2003 and is due another soon. The updated position on quality in the colleges is described in paragraphs 32ff.

24. The issue of quality in FE for young people is not now the main driver for reconfiguration. This is because there is no college with evidence of substantial failure on quality grounds, which is not to say that there is no area of under-performance or that success rates do not need improvement in key areas (for a summary of success rate data see Sources 6 and 7). Joseph Priestley had a grade 4 for Skills for Life in its inspection report of January 2006; and much work based learning in several colleges is also less than the required standard. Indeed, a factor in any proposals for change will be the extent to which they serve work based learning well. Another factor will be change in services for adult learners, their quality and their funding.

25. Rather than quality of FE provision per se, the standards and achievements issue for the options review is one of consolidation of existing strengths whilst addressing weaknesses, and relating good quality FE provision to reform in the schools sector. The latter will be driven by learners' needs and curriculum reform but will also result, it seems, in significant reconfiguration. A new FE system in Leeds- accepted in principle as the outcome of the CE review and its predecessors- will need to be a key element of a new city wide 14-19 framework.

26. For the colleges, the issues of quality 14-19 are also issues of service standards and meeting learners' entitlements. They include progression from school and on to work and higher level programmes, including HE. They will build on good progress in several colleges in addressing equality and diversity issues- notably, ethnicity and also meeting the needs of those with learning difficulties and/or disabilities. Some gender stereotyping remains, largely on programmes such as construction where this is a national concern.

27. In terms of breadth of provision, the Leeds colleges offer programmes between them across all sector subject areas. This means that in principle, FE can offer programmes from Entry level to Level 3 or above across all vocational provision and also general academic studies to GCE A level. This makes the service well placed to ensure that the development of the 14 Specialised Diploma lines is supported by the right levels of staff expertise, facilities and resources, when it is re-configured. Moreover, as 14-16 provision offers more vocational choices- with potential impact on KS3 as well- the FE service has the range to support this development in the schools sector.

28. The broader challenge will be for the integrated schools and college service in Leeds to deliver both Every Child Matters requirements (meeting the full potential of young people) and a full general and vocational education service. The latter will also require FE to enable straightforward progression from school and on to work and/or Higher Education, relating to 14-19 provision in schools through collaborative networks.

29. The performance management challenge to FE will be through the emerging Framework for Excellence, with its published measures across seven key performance areas in three dimensions: Effectiveness, Responsiveness and Finance. These measures will result in some element of published rating from 2009 onwards. The new configuration for FE in Leeds must aim at nothing less than outstanding provision on these measures.

Work based Learning for Young People (WBL)

30. This remains a challenge for the FE service in Leeds and a priority for the LSC in West Yorkshire. There is concern about performance and the range of offer itself, which is narrower than that available to young people through institution-based programmes. A few colleges, such as the College of Building, and the College of Technology, make specialist provision. Others such as Joseph Priestley and Park Lane either make none or plan to reduce provision. The recent West Yorkshire review of WBL commissioned by the LSC found significant areas for improvement (see QGIS Report, Source 3). A guiding principle of the implementation of the FE review will be the need to ensure satisfactory range and quality of the WBL offer through the FE service.

31. Three findings from the QGIS work have resonance for the strategic options review in Leeds. One was that the most effective method of matching supply to demand is to build a responsive provider base and a process to quickly fill gaps in supply and demand. This must clearly be reflected in any new configuration of colleges. The second was that nearly all providers have good links through networks and collaborative partnerships at a local level. A minority of providers are active in regional and national training and sector-based networks. Few providers have more than a limited involvement with local schools. These networks could be strengthened by the right college commitment. The third finding was that the feasibility should be assessed of establishing centres of vocational learning, in which providers work collectively to offer training and share, for example, the recruitment of learners and employers. This finding should inform both organisational and accommodation arrangements in the new model of college and school based provision for the city.

Updating the Colleges' Evidence

32. In April 2007 the LSC produced its First Statistical Release of the FE sector data (Source 6). Although there has been insufficient time to compare and contrast this fully with the Leeds performance, and although complete benchmarking was not available at the time of writing, some indicators are apparent.

33. The Leeds colleges as a group are close to matching the most recent national measures of success. Nationally, overall success rates improved in 2006 by 2.2% to stand at 76.2%. Success rates for long and short qualifications increased by 4.0% and 1.8%, to 69.6% and 84.6% respectively. Success rates nationally for FE sector colleges rose to 77%, exceeding the target of 76% set for 2007/08.

34. Against this, the Leeds colleges achieved an overall success rate of 75.9%. This is very close to the national 76% target set for 2007/08, above, although a little below the national achievement of 77%. Comparisons with the national data show Leeds FE colleges doing well when analysis is done of black and minority ethnic performance in most categories other than Black Caribbean. The majority White ethnic category also performed a little below the national success rates in the city. Nationally, the FE sector has significantly more female students than male: 2.9 million females in 2005-6 and 2 million males. Leeds reflected this with 50,467 female learners (a substantial decline on the 59,000 the previous year) and 38,215 male (a small reduction on 2005). Success rates by gender in Leeds in 2005/06 were below the national average for females (74.6% v.77%) and above it for male (77.4% v.75%). Full details of the colleges' performance appear in Source 7. The national data are in the First Release dated 17.4.07, on the LSC website.

35. For the individual colleges covered by this review, the summary update position is shown in the following table and addressed in the Annual Performance Review conducted by the LSC. Note: SR = Success Rate.

Table 2: Success Rates

Provider	SR 03-04	SR 04-05	SR 05-06
Joseph Priestley	62.3%	76.2%	72.4%
Leeds CAD	66.5%	71.9%	77.8%
Leeds COB	65.1%	73.7%	78.9%
Leeds COM*	45.9%	45.8%	69.4%
Leeds COT	61.5%	73.6%	81.9%
Leeds T Danby	70.5%	74.2%	73.9%
Notre Dame 6 th F	79.9%	81.5%	83.0%
Park Lane	70.9%	74.1%	74.8%
Swarthmore Ed*	72.5%	79.0%	80.5%
Leeds Overall	69.2%	74.5%	75.9%
ENGLAND FE	72%	75%	77%

*These FE providers are excluded from the current review.

36. The local LSC's own APR process in 2007 focussed on past performance and trends and future challenges for the sector. It was noted that, in the main, colleges were seeing increases in retention, achievement and success rates and that in a number of cases there had been over performance against allocations in 2005/06. Discussion took place with all colleges on the need to focus on the key LSC and government priorities, including, reducing the NEET group; Level 2 at 19 and for adults; Skills for Life, and the move to a demand

led system, that included Train to Gain. There was also discussion on the need for the sector to ensure increased levels of fee collection in the coming year.

In General

37. It is worth reiterating that the main driver for change in the configuration of Leeds Colleges is not quality of provision per se. There is scope for improvement and evidence of where it is happening already. The main driver in quality terms is the longer term strategy for:

- A step-change in the achievement of young people at 16
- An increase in level 3 provision at 16-18, with progression to HE level programmes and work
- Improved and extended work based learning and apprenticeships
- An Integrated 14-19 phase linking colleges to schools
- A highly responsive adult learning service, for individuals and employers, meeting new priorities
- A new FE estate providing world class learning in world class buildings
- Financial security and sustainability.

Some of these points are further addressed in the following sections.

The Financial Position: Revenue

38. A summary position for the Leeds colleges is shown below.

Table 3: College Income and Expenditure in 2005/06

College	Total Turnover (000s)	LSC Income (000s)	LSC % of T/O	Surplus/Deficit (Operations)
Joseph Priestley	£7,600	£6,448	84.80%	- £50k
LCOB	£12,834	£9,480	73.29%	+ £1.245m
LCOT	£12,254	£8,388	74.49%	+ £53k
LCAD	£8,414	£4,000	46.89%	+ £434k
TD	£16,679	£13,511	80.89%	+ £107k
ND	£6,761	£6,380	94.37%	+ £54k
PL	£30,646	£26,147	85.23%	+£659k
TOTAL	£95,188	£74,354		

39. Matters to note: few colleges have a significant surplus on turnover, although their positions are not unusual for general FE colleges. Their individual health will be affected by changed priorities, with several colleges having a high dependency on adult learners. Allocations overall in 2007-08 indicate some reductions in amounts for adult learners compared with the current year and 2005-06.

40. Reserves: The COB, CAD, COT, ND and PL have significant cash reserves. A major issue is the pension deficit within the Local Government

Pension Scheme. Joseph Priestley and Park Lane are both approximately 50% dependant on 19+ LSC funded activity; this makes them vulnerable to increased competition and changed priorities in this area, combined with changes in fee policy. An issue for the LSC is the potential “loss” to the FE sector of the CAD as it increases its HE work and reduces its FE learner numbers- the latter now being a trend. It has £11.6m worth of land and buildings. This is nearly three-quarters of the value of Park Lane’s, the largest property owner. The CAD operates in a skills area of high demand in the regional and national economy. Recognising that the balance of provision is changing, the LSC might nonetheless wish to see some longer- term assurances about the use of assets for 14-19 and adult FE level work.

Note: the land and building assets of Notre Dame 6FC are likely to be substantially or wholly owned by the RC Diocese.

41. *Fees:* the Leeds colleges reach out to deprived communities as well as serving those more affluent. They are typical of their sector counterparts in their sluggish response to increased government and LSC emphasis on the collection of fee income. There is a trend in uncollected fee income, which, based on estimated values exceeded £3m in the Leeds Colleges in 2005/06. One barrier to fee collection is the need for colleges to remain competitive within the current operating environment; that is, one of competition between providers.

42. This under-achievement of fees reflects a position widespread in the sector but acknowledged as being worsened by competition between colleges. It is arguable that a single fees policy for the city would serve the interests of both learners and providers well. This is unlikely in the present multi-college environment.

43. *Looking ahead:* the indicative financial allocations and learner numbers for 2007/08 are shown below. Numbers in brackets are FTEs. The cash figures are rounded. *These figures are subject to change as the allocations for 2007/08 are finalised with the colleges.*

Table 4
Provisional Recurrent Funding and Learner Number Allocations 2007/08

Provider	16-18 Nos (FTEs)	16-18 Cash	19+ Nos (FTEs)	19+ Cash	ALS	Total
JPC	640 (480)		5,280 (1,280)			
CAD	594 (570)		531 (213)			
COB	1,682 (1,211)		3,267 (871)			
COT	994 (935)		2,589 (894)			
TD	1,600 (1,321)		4,016(1,854)			

ND 6FC	1,424 (1,424)		13 (11)			
PL	3,651 (2,744)		21,700 (3,669)			
TOTAL	10,585 (8,690)	£36.845m	37,396 (8,792)	£27.872m	£4.474m	£69.191m

Note: The total excludes the College of Music and the Northern School of Dance, which are also institutions funded for FE in Leeds. Non LSC income sources are also excluded. For an indication of these see Table 3.

44. Provisional allocations suggest a significant reduction in funding for 2007/08 for the five largest vocational colleges, by comparison with actual allocations in 2006/07. Only the CAD and Notre Dame are gainers; the latter significantly. If confirmed, these allocations will render the individual FE colleges more vulnerable. Those with the highest dependency on adult learner income will be the most vulnerable, not only in 2007/08 but in 2008/09, when a new funding methodology based on priority learners and commissioned provision will be in place. *This is a key risk to the existing configuration of colleges.* Only the CAD, which is progressing towards designation as a HEFCE institution, and Notre Dame 6th Form College are less vulnerable in the known operating environment from 2008 onwards.

45. In summary, the financial position of the Leeds colleges within this review has been mainly satisfactory for the situation in which they have operated to 2006/07. As the basis for strategic development and capital investment, however, several of them are much less well placed. Changed priorities in 2007 are likely to see several colleges face reductions in income. A more competitive and priority-led funding environment from 2008 will create further problems, some of which are shared more widely within the English General Further Education College sector. Taking this into account, and given the requirement for the substantial replacement of the whole Leeds FE estate, there is the need to consider which alignment of institutions would best enable long term sustainability and financial responsiveness.

Note: the context of college funding is changing significantly from 2008. Details have yet to be finalised following the recent LSC consultation on demand led funding. Funding will be more competitive in the sense that those meeting priorities will be rewarded – and those that are not, will face reductions. Funding will also have a commissioned element to respond to demand in what will be, much more clearly, a market place for learning. The Leeds colleges will need to be designed to meet this challenge.

The Colleges' Estate

46. A driving force for change in FE in Leeds has been the need to improve the colleges' estate. Major investment decisions have been delayed pending the outcome of successive post 16 reviews. An assessment of the current need was made alongside the CE review in 2006, by GVA Grimley (Leeds Colleges Estates Review, June 2006: Source 2). The report noted that

“Currently college sites are spread across the Leeds district. Some colleges serve citywide, sub-regional and regional needs. Most also have an important community role. In particular, Park Lane, Leeds Thomas Danby and Joseph Priestley respond to local requirements in the West, East and South respectively. However community provision is delivered across a large number of sites. The remaining providers have wider catchment areas, attracting learners from all over Leeds and beyond. Therefore there is no reason for these colleges to maintain their current locations. Many providers are located across split sites. Delivery locations need to be rationalised to avoid duplication and improve delivery. The colleges need to be strategically placed to respond to local and regional requirements. The Leeds estate as a whole is poor by national standards. Development has been piecemeal to provide short term solutions to immediate problems. Although investment has occurred across the colleges, all providers have some accommodation that is inflexible and unsuitable for current teaching methods and group sizes.

Inflexible spaces have led to college accommodation being overcrowded and restricting future intake. However practically all the colleges have too much space according to LSC methodology. This is due to space being aged and inflexible and the vocational space hungry nature of many courses delivered. Currently the colleges provide a wide range of curriculum delivery. There are several areas of duplication. The colleges need to work together to assess which courses are complementary and could potentially fit together, for example in a new vocational centre.

There is a case for significant investment to provide a suitable estate for further education delivery across Leeds.

47. In summary, the combined colleges’ estate is unfit for purpose, although there are some good and well maintained facilities. There is too much of it, often in the wrong location. Although colleges have made a powerful case for needy communities to be served locally- Joseph Priestley and Thomas Danby have argued this powerfully- they have too much of the wrong space and even that is not always in their preferred locations. *There is a strongly persuasive case for urgent change through large-scale investment.* This is to be seen alongside the substantial investment being made through Building schools for the Future (BSF) and through PFI in the schools sector.

48. The national LSC strategy supports capital investment. Mark Haysom, Chief Executive, has argued that *The learning and skills sector faces many challenges in the years ahead – raising levels of participation, improving success rates. At present, too many of our learners and teachers work and learn in old fashioned buildings that are no longer fit for this purpose. Where they exist, these outdated colleges and centres of education and training fail to reflect the growing ambitions of so many of us for a vibrant 21st century environment that can inspire a spirit of learning. That is why upgrading the college estate, building well-designed new campuses and redeveloping existing sites, is one of our top priorities.*

Providing the further education sector with modern centres of vocational learning equipped with the latest technology will enable our colleges to attract and retain more young people on their courses. It will also make the learning and skills sector much more attractive to employers, helping colleges and training providers to forge strong relationships with their business communities – making a major contribution to meeting employers' skills and workforce development needs.

(LSC/RIBA Design Quality in Further Education March 2005)

49. This could almost be a manifesto for an accommodation strategy for the Leeds colleges, as it describes the current position well. The LSC capital investment strategy for Yorkshire and the Humber (2006: Source 8) can be seen in principle to support a major development in Leeds. It sets out how the LSC plans to achieve its vision of creating world-class buildings for Further Education by 2013. That investment is described as vital to deliver the LSC's key goals of:

- raising participation, achievement and progression among young people;
- improving the skills of the adult workforce.

50. In both cases modern, efficient and flexible learning environments are seen as making a major contribution to improving the delivery of learning and skills so vital to the continued economic success and development of Yorkshire and the Humber. The LSC's regional priorities are to create

- The right facilities to meet the needs and raise aspirations of learners,
- In the right place to widen participation, particularly of young people,
- Flexible and efficient and able to respond to changing demand.
- Sustainable and complementary to regeneration and economic development in the region.

51. This capital investment strategy aims to bring about sizeable returns including:

- Improving participation in the crucial 16 –18 group by almost 12% between 2006 and 2015.
- Increasing progression to Higher Education, especially in vocational subject areas.
- Increasing number of employers using Further Education as their provider of choice
- Reducing providers' property-related operating overheads by around £5 million by 2015 with a significant impact on their bottom line, releasing resources for improving educational quality.

52. Among the risks to this strategy the regional LSC notes

- College reluctance to co-invest through borrowing- particularly against uncertainty of future income;

- College capacity and know-how in delivering large-scale development programmes, with a resultant tendency to prefer smaller, incremental projects or for delivery to slip by one to two years;
- LSC capacity to support and encourage strategic capital investment, as opposed to reacting to provider proposals;
- LSC funding when demand exceeds the national budget, requiring phasing of sound investment proposals.
- Increased construction costs and lack of capacity in the sector within the region;
- Funding regime and statutory restrictions inhibiting co-investment and capital planning with schools, employers and Higher Education;
- Participation growth being slower than forecast, depressing demand; and Town Planning slowing down development and adding costs.

53. The context for a Leeds-wide accommodation strategy then is one of support through national and regional priorities; recognised need as demonstrated by both college demand and independent assessment (the GVA Grimley study); and the need to invest for learner and workforce development, if the demanding national and regional targets for learning and skills are to be met. In addition, there is an investment worth hundreds of millions of pounds in the estate of the Leeds schools, which is powering ahead independent of and separate from the Leeds FE review. If the creation of a 14-19 phase of learning is to be supported meaningfully by an investment in world-class facilities to support it, then the LSC has to act decisively in 2007. In meeting both 14-19 needs and adult skill requirements in world class facilities the solution has to be an *integrated capital strategy* for FE in Leeds. This will require the right configuration of colleges to deliver it.

54. In this context, the over-riding question for a strategic options review of FE is whether the existing Leeds colleges are ideally positioned to secure and deliver this capital investment. The conclusion on the available evidence is that they are not. The massive requirement for a modern and comprehensive FE estate is set in a context of competing institutions doing their independent best and facing uncertain financial futures. A more compact and focused leadership structure for FE in the city could create the right level of planned response to manage the risks identified by the LSC and deliver world class buildings for world class learning.

55. In conclusion, a compelling reason for the reconfiguration of the Leeds FE corporations is the creation of the capacity to lead and deliver new, sustainable and affordable FE facilities across the city, serving future needs. To be effective and efficient, giving best value for money, this will require an integrated capital strategy for FE linked to the substantial investment happening in the schools sector.

Education Leeds and the Schools

56. The recent review work by Education Leeds has already been referenced (see also Source 5). The key issue for the options review is the extent to which Education Leeds, the City Council and the LSC expect to see close

coordination between school and college sectors in terms of planning learner numbers (notably post 16 but also 14-16) for the new curriculum offer. There are issues arising from location of facilities and, in particular, vocational skills centres, in their definition, development, management, provision and funding. There is also the emerging issue of vocationally themed Academies, whether 11-16 or 11-19, with the DfES generally preferring the latter. In the author's view, a jointly planned development and implementation of the service and institutions managed by Education Leeds on the one hand, and those planned for and supported by the LSC on the other, is a critical success factor for both the school and college sectors in future. Given that the context of this options review is FE, it may be stated that an early resolution of these matters is a requirement in managing the risk of implementing any FE sector reform in the immediate future. The emerging Education Leeds proposals also underscore the consensus view that the status quo is not an option for FE in Leeds. Some reconfiguration is not only necessary but inevitable and to be welcomed in the context of other 14-19 actions in meeting the entitlement for young people. Education Leeds endorses the CE finding that this means fewer colleges in the city. Much more could be said on this but the place for it will be following a LSC decision on the future FE model. Source 5 describes the existing position from the point of view of Education Leeds. For now it may be stated that this review is not leading to the conclusion that a new 6th Form College is needed (one of the options from the CE Review) as there are significant uncertainties in schools' planning to be resolved.

Potential for Formal Collaboration Between Schools and Colleges

57. Part of the emerging Education Leeds proposals involves the possible creation of a Trust, or more than one, for learning and skills in the city. This would or could have membership comprising one or more schools, colleges, the Local Authority and perhaps the universities, employers and community groups. Leeds already has a Trust Pathfinder developing in Garforth, with the potential for more in the outer areas. The Education Leeds proposals would develop the Trust concept for the purpose of transformational improvements in standards and outcomes. A clear signal from this thinking is that the less formal partnerships developed hitherto will not be strong enough to effect the degree of change needed. South Leeds, for example, has a strong area partnership of which Joseph Priestley College is an active member. The Leeds colleges generally are proud of the extent of their successful partnerships with schools, community groups and employers; these are supported by close links between several colleges and the two universities in the city. However, going forward there is clear interest in formalising these arrangements. The opportunity to do so had been legislated for through the Education and Inspections Act 2006 and is an element of the Further Education and Training Bill currently going through Parliament and expected to be law by Autumn 2007. Outcomes from the options review will need, therefore, to position the FE sector well for formal partnership arrangements, whether through Trusts or by other means.

58. Another element of partnership working is with the city's universities: the University of Leeds and Leeds Metropolitan University. Most colleges have

links with these institutions and they are formalised through degree-level arrangements in some cases. Again, a reconfigured FE service would be expected to maintain and develop its links with the local universities, as well as others as appropriate in the region and beyond.

The Inclusion Agenda

59. A stated priority for the LSC is the promotion of inclusion, reflecting national priority one for 14-19. There is no doubt that part of any success in addressing this will be in cutting off the educational exclusion of young people at source, that is, through improvement in 11-16 provision. Much was rightly made of this in the CE Review. A better curriculum aligned to a first-rate, objective information, advice and guidance service supported by Connexions will be essential. Insofar as particular groups are concerned, such as certain ethnic minorities or those with learning difficulties and/or disabilities, the current good practice must be built on. Again, a guiding principle of any re-configuration will be that it enables and facilitates inclusion. Several colleges have expressed concern that any change to FE Corporations will lead to locational changes to provision. If this happens, they argue (probably rightly) there will be reduced access to learning for groups and individuals already at risk. It is this author's view that the number of FE Corporations is not in itself a factor in determining the location of centres where provision is made. He would go further in emphasising the necessity for learning access points in all key locations of need, be they college buildings or facilities owned by other providers.

60. In the context of relating the college-owned estate to learners' access, it is noteworthy that the GVA Grimley review of the Leeds FE estate condition (2006: Source 2) made comment on the "inconvenient" location of some buildings. The point was made carefully there that although not ideal from the provider's viewpoint- for cost, maintenance or specialised access reasons- these were often where the learners' required them to be, serving estates or areas of high need, thereby addressing exclusion on its own doorstep. With regard to Thomas Danby, for example, GVA Grimley noted that this is "a poor quality building in a relatively inaccessible location. The College believes their location is important in serving their particular community". Conversely, the College of Building occupies a prime city centre site but would wish at least part of its facility to be based elsewhere, more accessible to employers, but retaining access for individual learners- many of whom are at levels one or two- on a convenient site. In describing Joseph Priestley College GVA Grimley notes that it has "four sites in south Leeds, three owned in Beeston, Rothwell and Morley (with) relatively poor access and linkages between sites (and a) response to local community needs with duplication of provision". From the college's point of view this is where it wants to be for inclusion, partnership and delivery, although the point about duplication of provision is one which affects the FE service in Leeds as a whole. This is partly due to the wish to be responsive, but also due in part to competition, some of it wasteful, between the colleges.

61. The trick to win in meeting the complex needs arising from educational exclusion is to make the right provision in the right place at the right time, affordably and sustainably. The current arrangement of school 6th forms in the inner city misses at least some of these points, which is why Education Leeds is seeking radical change. Equally, the configuration of colleges has produced some good or excellent provision but has also resulted in duplication and competition. For both the school and college sectors it is frustrating that, despite much endeavour and substantial investment, there is significant unmet need. The next step from this review is to remedy that through progressive and long-term measures, addressing equality and diversity goals for the conurbation.

62. For the LSC in West Yorkshire the right configuration will address exclusion by providing consolidated leadership and an alignment of staff skills, facilities and resources to meet priority needs. In doing so, the inclusion agenda can be tackled long term.

Need and Demand

63. The scale of need is demonstrated for 14-19 in the CE Report, about which much is said in the preliminary sections of this review, above. Meeting need also comes through well in the planning of Education Leeds, which aims to drive up attainment so that 80% of the 16+ age group is achieving five grade A* to C GCSEs or equivalent by 2015 (see Source 5). Education Leeds has summarised the approach to meeting young people's needs as follows:

- Re-affirming and delivering the Leeds Learner Entitlement and seeking feedback from young people on their experiences so we can be more sure that provision is raising aspirations, securing engagement and meeting their needs and expectations
- Providing choice and diversity for all learners through relevant and accessible pathways that lead to further learning and employment opportunities
- More systematically nurturing the skills needed for all our people to meet the five outcomes of Every Child Matters and to better provide for those learners with special educational needs
- Developing stronger partnerships across the city, addressing underachievement by focusing on the areas of greatest need, to drive the standards agenda and achieve the following outcomes by 2015:
 - 80% of 16 year olds achieving level 2 qualifications
 - 95% of our young people progressing to further learning beyond 16
 - 60% of 19 year olds achieving level 3 qualifications

64. One route into meeting learning needs 14-19 will be the new Specialised Diplomas. Leeds was successful in having its proposals for the Construction Diploma approved for a 2008 start, with others to follow in later years.

65. The LSC in West Yorkshire has also focused on meeting need and responding to demand in its own planning. The following priorities come through the LSC's Annual Plan, 2006-07.

Under priority 1, for young people:

- Increase the proportion of 19 year-olds who achieve at least Level 2 by 3 percentage points between 2004 and 2006, and a further two percentage points between 2006 and 2008, and improve attainment at Level 3.

Under priority 2, for adults:

- Reduce by at least 40 per cent the number of adults in the workforce who lack an NVQ Level 2 or equivalent qualifications by 2010.

Under priority 2, for adults:

- Improve the basic skills of 2.25 million adults between 2001 and 2010, with a milestone of 1.5 million in 2007.

Underpinning both priorities 1 and 2, for Apprenticeships:

- The LSC has agreed a new Performance Indicator for Apprenticeships. The aim is for 75 per cent more people to complete their apprenticeships in 2007/08, compared to 2002/03.

The LSC will also work with key partners to contribute to the following targets:

- Increase the proportion of young people and adults achieving a Level 3 qualification.
- Reduce the proportion of young people not in education, employment or training by two percentage points by 2010
- Increase participation in Higher Education towards 50 per cent of those aged 18 to 30 by 2010.

66. The Regional Development Agency, Yorkshire Forward, has addressed the learning and skills agenda, seeking to meet needs and respond to demand (see Source 9). It cites the Regional Skills Partnership (RSP) as working to develop the vision of the skills requirements for the 2020 economy and so far has identified the following crucial elements:

- (a) 14-19 performance - the need to raise performance at level 2 by the age of 16;
- (b) Higher level Skills and Knowledge Development – Linked to the skills required to meet the needs of a knowledge-based economy;
- (c) A coherent offer to employers joining skills and business support services, to actively engage with employers and to meet their requirements more effectively;

- (d) Employability – ensuring people are supported into work initially, also that people in the workforce utilise their skills to the full; and
- (e) Enterprise Education – considering the creation of a culture of learning and production of young people with a enterprising attitude to work.

67. The RDA goes on to note key challenges as follows.

For 14-19

- To reduce the number of young people not in employment, education or training (NEET)
- To increase the proportion of E2E leavers who progress into a positive destination.
- To ensure there is sufficient WBL provision to meet demand and the apprenticeship completion target in 2007/8.
- To continue to drive up success rates across all provision.

For making provision demand-led

- To strengthen FE services to business.
- To continue to drive up success rates across all provision.

For transforming the learning and skills sector

- To improve FE providers' collection of theoretical fee income.
- To raise the quality of provision, particularly within FE, to ensure future inspections are satisfactory or better.

For strengthening the role of the LSC in Economic Development for skills

- To increase the proportion of adults with a Level 2 qualification.
- To raise the proportion of Skills for Life enrolments that count towards the target.
- To increase the number of appropriately qualified Skills for Life teachers.
- To better align the mix and balance of adult provision to meet needs, priorities and targets.

To improve the skills of workers delivering public services

- To ensure all our programmes are responsive to the needs of public service workers and that the sector itself is actively engaged.

68. The remaining priority is to contribute to the strengthening of the LSC. Taken together with the LSC's priorities as described in paragraph 6 above, this is the context for meeting need and responding to demand.

Consultation

69. During this options review all the colleges' Principals were consulted, individually and collectively, as were most Chairs of Corporations. Also consulted were the Leeds Chamber of Commerce and the new Skills Board for Leeds; Education Leeds; the RDA, Yorkshire Forward; and the LSC in

West Yorkshire itself. The responses of main organisations to the CE review were noted, including those organisations named above and also the Leeds Secondary Heads Association: two secondary Heads contributed their own viewpoints. In a working party paper of 20.2.07 Leeds High Schools Heads supported the need for change; wished to see it based on learner entitlement; wished the service to focus on provision rather than providers, that is, learners' benefits; and preferred a two GFE model to a single college in the city. They also wished to develop a network of vocational skills centres.

70. There was unanimous agreement that the present configuration of provision in Leeds was unsustainable and in need of change to make it more responsive. There was a common view between the LSC and Education Leeds that any changes recommended by both organisations for their respective school and college partners should happen in alignment, with joint planning.

71. The most frequently expressed view on re-configuration was that there should be one main FE college, with Notre Dame 6th Form College remaining as it is. There was less common ground on whether the College of Art & Design should be included in a large-scale merger. Those who were aware of the extent of its HE provision tended to accept that it should either have the choice of opting in or staying out, or that it should be seen as a HE provider with FE, rather than the reverse. The Chamber of Commerce, Yorkshire Forward and the Skills Board were in favour of a large-scale merger leading to one or perhaps two GFEs, with Notre Dame and possibly the CAD remaining outside this. Chairs of Corporations wanted to see a decision agreed and implemented quickly, even if it were one they would not individually see as their first preference, provided it went through due process. This was seen as in the best interests of the service as a whole. They also requested good, clear and timely communications throughout the planning and implementation period.

72. There were important exceptions to the view that a large-scale merger of the GFEs was in the best interests of the city. These come out in the summaries of college views below.

Views from Colleges

73. *Joseph Priestley*: this college was firmly against a large-scale merger, notably because of the perceived impact on South Leeds. The college argued that this area was a distinct community with a high level of socio-economic and educational need, best met by a local college. JP has strong community partnerships and believes in local accountability. A guiding principle should be action in the best interests of learners. The need for curriculum progression pathways was emphasised, with these seen as best delivered locally. An alternative to city wide reorganisation was noted as being a series of wedge-based college areas utilising the approach of Local Delivery Partnerships. There were important travel to learn concerns as well, around accessibility of provision. A retained, identifiable South Leeds College was the preferred

outcome. These views were put to the author by both the Principal and governor representatives.

74. *Thomas Danby*. The college reported a history of collaboration with others locally, notably the COB and COT in developing the concept of community vocational skills centres. A joint paper was produced on this topic in 2005 but progress was hampered by the Leeds Review and uncertainty over funding. The Leeds Federation of Colleges had developed several years before with the same partners but had not become formalised, again because of planning uncertainties. TD had also had some discussions about collaboration and possible closer links than that, possibly up to merger, with Park Lane. TD is another strongly community based college. Large-scale merger was noted as an emerging consensus but the question arose about how it would be achieved. TD's preferred position would be a progressive series of steps towards merger, based on natural affinities and a willingness to work between particular partners. This could also be a means of managing the inevitable risks of merger. A city-wide capital investment strategy was seen as an incentive to closer collaboration and joint planning.

75. *The College of Technology*. This college has decided firmly that a city-wide merger of GFEs (except CAD) would be the best model. Previous successful collaboration with the COB and TD was noted. The patchy current service delivery across Leeds was commented upon, with some areas such as East and South well-served but the North less so. An advantage of merger would be the creation of a concentrated service model responsive to need and with delivery points in college campuses throughout the city. Specialist provision was very important but would be maintained and even extended in a mission-driven single college structure. More could be done to develop in newer areas like Distribution. The college estate issue could be addressed coherently. Mergers could be progressive rather than simultaneous although this was not COT's preference, for reasons of planning blight; that was one of several implementation issues to be resolved. A single college could be a great attraction to employers keen on ease of access to FE and unified contractual arrangements. The learner entitlement 14-16 should be well met in such a structure, through single gateway arrangements. The Principal and Chair of Governors provided views, both supporting a single college model with the noted exceptions.

76. *The College of Building*. This college wished to remain independent, for reasons of specialism, mission and quality. It is the only College of Building in the country. The limited evidence of success in FE college mergers was also cited. A large-scale merger would be high risk and benefits tend to come over a period of years, with uncertainties on the way. It was feared that the strengths of COB would be diluted in a large scale merger. Some alignment with COT was a possible alternative, as was retained independence. The need for a Leeds wide solution was accepted for learner and employer benefit, but on these criteria COB should maintain its distinct identity, as it was benefiting its client groups well. COB already had a regional role and this could become national and even international. The college would be happy to collaborate with other Leeds colleges and schools (as well as elsewhere) in

developing specialist provision. It supports the National Skills Academy for Construction. It would also contribute to city regeneration through the many capital schemes current and planned.

77. Park Lane College. This college is already in a planned merger with Keighley College in 2007. It is a long-term supporter of a single GFE for Leeds, with the exceptions noted. It has argued for a “Regional Core City College” as a hub for learning and skills in West Yorkshire. The case made is for coherence and a comprehensive curriculum offer, including to schools. The college, it is argued, would provide a focus for a major capital plan and be attractive to both students and staff. In a paper in 2006 following the CE review, PL actually argued for mergers to take place in Leeds from September 2007. Although this will not happen, the college wishes to see rapid progress made, with the Keighley merger being a first step. As the largest provider in Leeds the college recognises the need for a merger plan not to be seen simply as a Park Lane takeover. It is willing for the merger with other GFEs in the city to be a Model A merger, involving the dissolution of the Corporations of all those participating to form an entirely new entity.

78. The College of Art and Design. This college sees itself as outside current merger discussions because its direction of travel is towards becoming a majority HEFCE funded institution, thereby essentially a HE College with FE provision- albeit substantial- rather than a GFE. To that extent it is an interested player and an essential part of the FE service in Leeds, but unlikely to enter new constitutional arrangements with other colleges by merger. However, it should be a partner and could be approached to be part of any emergent Educational Trusts promoting FE provision in the city, should such arrangements be agreed.

79. Notre Dame College. This is a successful Roman Catholic 6th Form College with a substantial non-Catholic student group. It is the only 6th Form College in the city. It has no wish to change its designation or to merge with others. It is a willing partner in the 14-19 agenda and is likely to be involved in both 14-19 school reforms (in the sense that it is a progression place) and in the new specialised Diplomas, revisions to GCSEs and GCE A levels and possibly the international Baccalaureate. Like other colleges, ND has a substantial estates investment requirement. Although its property assets are owned by the RC Church it is eligible for LSC capital investment and would wish to be part of an integrated capital strategy for FE in the city. The college sees learners’ needs, curriculum, quality and progression as the key issues 14-19 and for any reorganisation. Local delivery arrangements are also important. Issues concerning the schools’ reconfiguration could affect ND more than changes to the GFE colleges. The college has a substantial number of students on vocational courses, mainly at Level 3. Although useful experience preparatory to the Specialised Diplomas, there might be learner planning issues to note here, for re-configuration of 16-19 general and vocational education in the schools as well as colleges.

80. The emerging picture of college preferences is that the CAD and Notre Dame can justifiably be excluded from merger. Joseph Priestley and the COB

have argued for independence. Although the others broadly favour a large-scale merger they could be less enthusiastic if exceptions are permitted other than those noted. In any event, change should at least start to be implemented for 2008, with most of those affected wanting it to happen as a single exercise rather than a phased one.

Principles Informing Options

81. In the context of all the above there are clear principles which would inform the options for change. Clearly, any re-configured provision would need as its starting point compliance with existing legislation and recognition of emerging new regulations, such as those in the Further Education and Training Bill 2006, soon to be law in whatever amended form. Implementation of change will recognise legal requirements. Secondly, guidance and good practice about, for example, reorganisations affecting 16-19 and provision 14-19 will require compliance. There are also procedural issues for the LSC in reorganisations. These affect processes and timescales. The details of the necessary procedural requirements will derive from the decision taken and then these will be communicated to all stakeholders.

82. Other clear principles for a reorganisation in Leeds include the following.

- Capacity for outstanding leadership, governance and management to deliver outstanding learning and skills
- Improvement of opportunities for 14-19 and Adult Learning
- Comprehensive vocational and general education provision
- Capacity for innovation
- Inclusion; promoting equality and diversity, meeting the needs of priority learners
- Effectiveness and quality of provision, enabling targets and goals to be achieved, such as those set medium to long term by the LSC, Education Leeds and Yorkshire Forward; also enabling ambitious objectives for the colleges themselves
- Responsiveness to learners' needs
- Localisation of delivery so that communities are well served
- Delivery of the 14-19 entitlement; meeting the needs of young people including *Every Child Matters* requirements
- Capacity for integration with potentially re-modelled schools for 14-19 provision, as well as with Academies
- Maintenance of the currently- extensive provision for adults in a new policy environment focused on skills and other priorities
- Responsiveness to employers and to city/regional workforce requirements
- Effective partnership working, including formal federation and potentially Trust arrangements
- Providing a structure to attract, lead, retain and reward the FE staff group
- Promotion of excellent financial health and long-term viability

- Outstanding capacity to manage capital investment in a new FE Estate for Leeds

The Strategic Options

83. Three options have emerged for consideration in the current context. The number and type reflect the fact that much review work has taken place already and that the substantive findings of the CE Review have been accepted by all main stakeholders.

Option One: A Federation of Colleges

84. In order to meet the demanding future circumstances outlined in this review and - more importantly - to respond better to the needs of learners and employers, one option is for all or most of the Leeds FE colleges to join a formal federation. Benefits could include

- A jointly planned response to the 14-19 agenda, with priorities met and the Leeds Learner Entitlement delivered
- A coherent plan for meeting adult skills needs, both for individuals and for employers/workforce development
- A shared response to equality, diversity and inclusion
- An agreed focus on specialisms
- A common approach to work based and work related learning, including young people's and adult Apprenticeships, E2E
- Collaborative provision leading to improved efficiency and effectiveness and wasteful duplication avoided
- Common and cross-institution progression routes for learners
- A joint and common admissions system as a single gateway to learning and skills (this is being piloted for 14-19 in 2007/08 by Education Leeds for young people's progression through school and to colleges)
- Some sharing of overhead costs and back office functions
- Common policies and procedures on areas of common interest, including for example learner and staff protocols
- Shared continuing professional development for staff
- Joint marketing: a single voice for key elements of FE in Leeds
- A joint approach to the development of a capital strategy for Leeds
- Elements of budget sharing and joint management of designated resources for the federation
- Potential for shared governance and management of designated matters

85. This model could be reinforced- indeed, would need to be- by a formal legal framework. This could include a FE Trust for Leeds, utilising the framework due to be enabled by the forthcoming Further Education and Training Act 2007 (currently a Bill). This complements to a degree the school Trust arrangements enabled by the Education and Inspections Act 2006. Education Leeds is advocating the creation of a Central Leeds Learning Trust of which local schools and colleges could be members, with other partners, to

develop and implement a post 14 Learning Strategy. A Federation of Colleges could exist separately to this but work with it for those objectives held in common.

86. Although this option has attractions it also has weaknesses. These include deciding what type of federation, on what timescale? Would colleges be able to opt in or out (under current legislation they could not be compelled to join)? Would a federation address the concerns about wasteful duplication combined with some areas of under-provision? As independent institutions the colleges' first duty would be to their own individual interests, in an uncertain and challenging operating environment. These are not just theoretical concerns. A formal federation has been attempted before in Leeds, by Thomas Danby, the College of Building and the College of Technology. Although it developed a useful focus on skills provision and made an innovative proposal to develop vocational skills centres, the initiative could be said to have petered out in the face of the many other pressures on the colleges and the lack of a city-wide commitment. In consultation the will to develop a formal federation did not come through and this would be a critical success factor in developing one. This option lacks a champion.

87. Although neither a shared commitment towards a federation nor a will to develop one by main partners is evident, that is not to say the colleges would be unwilling to participate in the right joint venture. It could be that the Leeds Learning Trust proposed to meet the needs of 14-19s would attract full FE membership. It is the conclusion of this author that commitment to a wider Trust would be a consequence of structural change in FE rather than an alternative to it. On that basis, Option One is not recommended.

Option Two: Merger

88. This option would see Notre Dame Catholic 6th Form college remain independent, as a good specialist provider in an otherwise unsuccessful inner Leeds sixth form environment. The College of Art and Design would also remain independent as it is close to becoming a HEFCE institution. However, it has and may be expected to retain a substantial volume of FE provision. This is, on provisional figures, 594 (570 FTEs) 16-18 learners and 531 (213 FTEs) adults in 2007/08. The college also has excellent facilities and serves a modern, high demand learning and skills area. The CAD would therefore be expected to be a committed FE partner in any new arrangement. The LSC could consider formalising this in ways described below.

89. Under this option the remaining colleges in the review would merge. Before going further it is essential to note that the largest of these colleges, Park Lane, is on the verge of a LSC approved merger with Keighley College (subject to approval by the DfES) in August 2007.

90. The colleges to be merged through this option would be the College of Building, the College of Technology, Joseph Priestley, Park Lane and Thomas Danby. These five colleges have indicative allocations of learner numbers, collectively, as follows.

- Total 16-18s: 8,567 (6696 FTEs)
 - Total adults : 36,852 (8568 FTEs)
- (All figures are subject to change).

91. The combined audited total income of these colleges in 2005/06 was approximately £80m, again excluding Keighley. They have a relatively high level of LSC financial dependency, with three exceeding 80% dependency, the others (COB & COT) being closer to sector norms at 73-75%.

92. A clear strength in this option is the creation of one of the largest FE institutions in England, with substantial financial capacity; although operating surpluses have not been substantial in the period to 2006 with the exception that year of the College of Building, which had a near 10% surplus in an unusual year.

93. The benefits of this option for merger include

- Values: shared principles for the FE service in Leeds, based on integrity, inclusion and excellence
- A single information, advice and guidance access point to FE for the vast majority of local learners and employers
- A focus on learners and provision rather than providers operating over-competitively, with wasteful duplication
- Improves the opportunity to deliver the 14-19 entitlement through unified services and a coherent vocational and general education curriculum
- A unified, accountable structure for governance, leadership and management, with capacity to innovate and act responsively
- Enables a common set of standards for effectiveness and responsiveness across the city, open to assessment by stakeholders
- Well placed to meet demanding objectives for learning and skills, with stretching targets for learner attainments (note aims of LSC, RDA and Education Leeds)
- Provides one set of protocols and management arrangements in partnership working with schools and other providers
- Simplifies partnerships in that other providers relate to a single institution for most planning purposes...
- ...Thereby enabling planning and delivery of the new Diploma curriculum to be more straightforward in an already complex planning environment
- Creates an opportunity to support the success of new school arrangements in the inner city, whether through a Trust or another partnership, as a single supportive vocational provider
- Gives Further Education a much improved strategic position and presence in the city and region, with authority and without fragmentation
- Provides a unified and accountable service for employers, with a single gateway to skills

- Can set a common standard for adult learning through FE in the city, including individual skills and community learning
- Would be a single and authoritative focus for university partnerships and HE progression
- Provides opportunity for a very attractive employment and professional development career environment
- Much improves the opportunity for an integrated capital strategy for FE in Leeds at a time of major investment
- Provides a common platform for the development of ILT and e-learning across FE and, potentially, with schools and other providers, employers and community groups
- Should promote efficiency in business operations with savings made in eliminating duplication of back office functions
- Through financial efficiency and strength, would be well placed for a strategic commissioning and market led environment for FE
- As a single entity it would be much better placed to meet the demands of the Framework for Excellence and move towards self-regulation.

94. The disadvantages of this model include

- Risk of reducing learners' and employers' choice of provider and potentially, locations of provision and particular programmes
- Could reduce standards by eliminating competitive stimulus
- Potential for loss of distinct post 16 centre identity, notably for Park Lane's 6th form centre learners
- "Eye off the ball" distractions could weaken learners' achievements during transition; also affect learner recruitment strategies, responsiveness
- Could weaken specialisms by diluting them in the larger entity
- May be overly-powerful and dictate rather than respond to priorities
- May lose capacity to innovate if large-scale administration/bureaucracy reduces flexibility
- Integration of existing cultures, values, preferred ways of working will take time and could slow progress
- Formalities of merger are distracting: student, staff and asset transfers, new management requirements
- Disruption to business processes
- Significant financial and legal costs associated with merger
- Risk of pre-merger planning blight and post-merger inertia
- Non-inclusion of 2 significant FE institutions (ND, CAD) might lead to "back-door" competition, duplication
- LSC and other stakeholders have contractual arrangements with existing providers. Delivery could be hampered during transition
- Mergers create confusion and uncertainty. Students, staff, employers and other clients might go elsewhere
- Disruption to existing partnerships and community structures could be damaging.

- Risk to the LSC and stakeholders of damage to or collapse of FE in the city if the merged institution were to fail, with the major learning and skills resource residing there

95. Some of these are disadvantages of any merger: notably those affecting business processes or student/client services and outcomes. In this context it is useful to consider the albeit limited research evidence on mergers in FE. The University of Warwick's work with and for the LSC is often cited (Brief 459, July 2003: Source 10). Whilst acknowledging the validity of all the above risks arising from FE mergers generally, this research noted several mitigating factors. Among these were whether the merger grouping included 6th form colleges. If it does, it adds to the risk because of different cultures, missions and staff contracts. In this Leeds proposal the 6th form college is excluded. Other mitigation included the need for excellent preparation and project management. This would include the need for distinct 16-18 provision (see DfES principles, paragraph 115 below). Looking at this and other evidence, in summary, if a merger is to happen in Leeds it will require:

- A well thought-out plan and timeframe
- Excellent resources to support it: staff and financial
- A particular focus on learner, client and employer liaison, information and support
- Effective project management
- A realistic impact and risk assessment in advance
- A business plan with measurable outputs
- Full commitment to the merger once it is agreed by its stakeholders, including College Boards and any Shadow Board: making it happen
- An accommodation strategy for the merger developed *before* and as it happens; and, in the case for Leeds, an integrated accommodation strategy to support the wider capital plan affecting all colleges
- Training and development for management and all those with responsibilities for the merger
- The right Continuing Professional Development for all staff involved
- An outstanding communications strategy internally and externally
- A financial manager /team with time to coordinate the costs of merger
- Enhanced operational support systems and a budget for them
- A clear post merger integration strategy

96. The Warwick review found that mergers of urban colleges appear to be more successful in terms of building critical mass and in rationalising and developing the curriculum, especially in contributing to widening participation. Size can also be protection from the vagaries of market forces. Smaller mergers are not necessarily efficient and local market competition may still be intense.

97. A key merger driver was found to be dynamic leadership supported by management skills and systems at all levels.

98. Benefits tend to be longer-term. Mergers are not a “quick fix”. Curriculum and accommodation benefits may be found longer-term, along with better quality and widened participation. The Warwick report found at that time that direct financial benefits cannot be expected from merger, as it has a cost and merger gains are longer-term. The report also noted that specialist colleges of all types appear to merge only when it is absolutely unavoidable; such reticence appears to be sustained post-merger.

99. This work, although important, is seen in the abstract. Against this it is worth noting actual merger environments and also single GFEs in cities. Three examples may be cited. One is Liverpool Community College, serving a city which in its ethnicity and social need has some similarities to Leeds, although it is larger. It is the only FE College in the city following mergers. This College has had outstanding inspection reports and has completely remodelled its estate. At inspection in 2005 it was good or outstanding in every area except the small Entry to Employment provision, which was satisfactory. Leadership and management were outstanding, as was the college’s support for students and educational & social inclusion.

100. Another large, single GFE serving a city is Newcastle College. At inspection in 2005 it was found to be good or outstanding in all areas of provision. Leadership and management were outstanding, as was support for students and educational & social inclusion. At the AAV visit in March this year the inspector reported success rates at or above the national averages and on an incline of improvement in nearly all areas. Quality assurance was robust.

101. Within the region, Hull College is a large GFE in a city with high levels of deprivation and two 6th form colleges. At inspection in 2005 the College had outstanding or good provision in most areas. Foundation programmes and Hair & Beauty were satisfactory. Leadership and Management were good. Educational and social inclusion were outstanding as was support for students.

102. It is accepted that there are large urban colleges that are less successful than those above, but the point being made is that such colleges can and do make outstanding provision, usually on the basis of outstanding leadership and management.

103. In conclusion, the author finds the case for a large scale merger persuasive and in the best interests of learners and employers in Leeds. However, the question does arise of - how large scale a merger should there be? This is addressed in option 3.

Option 3: Merger without the College of Building

104. The College of Building has made a case to be exempted from any city wide merger on the basis of three main considerations. One is its unique position as the only College of Building in England. The second is its success:

it had a good inspection report in 2006, graded as good in all areas except Capacity to Improve, which was outstanding. Its overall success rates in 2006 were above the sector norm. The third, related to its first, is its specialism; its mission is to deliver a comprehensive range of high quality learning opportunities related to construction and the built environment- although it does make limited provision in other areas. The College has a CoVE in Construction and is a partner in a collaborative CoVE in Building Services. The third consideration is its current financial health: COB made the biggest surplus on turnover in Leeds last year in an admittedly booming construction economy. This industrial sector is also prone to bust, along with its training requirements. Nonetheless, the College is in financial health category A.

105. In appraising this option the learner number and financial information projected for the 2007/08 year was considered. Provisional Learner Numbers are as follows:

COB (provisional 07/08)

- Total 16-18 Learners: 1,682 (1,211 FTEs)
- Total Adults: 3,267 (871 FTEs)
- COB had £12.8m total income in 2005/06

College of Technology, Joseph Priestley, Park Lane and Thomas Danby merging. Provisional 2007/08 figures. (Excludes Keighley).

- Total 16-18 Learners: 6,885 (5,485 FTEs)
- Total Adults: 33,585 (7,697 FTEs)

These colleges had a total income including non-LSC of approx £67.3m in 2005/06. Note: provisional allocations for 2007 represent reductions for some colleges on 2006 and remain to be negotiated, possibly upwards. The future is uncertain, but that applies to any model.

106. On these figures a merger in Leeds would create a very large college, with or without the College of Building. The benefits and disadvantages of this third option merger would be similar to Option 2, with the following exceptions. The unified front for FE in the city would be modified by retaining a specialist provider. All the advantages of a single FE engagement and shared systems would be diluted unless it was also agreed that for key purposes, bringing the benefits listed in paragraph 93, the new merged college and the COB would present to the market as a federated body.

107. The advantages of retained independence for the College of Building are in addressing some of the difficulties identified with Option 2. It would, for example, present learners with a choice of FE institution; avoid the downside of merger for a specialist provider serving a regional priority skills sector; avoid the risk of diluting that specialism in a very large institution.

108. However, the disadvantages of retaining the College of Building include the danger of wasteful competition developing, now or in the future; a possible

perception of unfairness by those who have sought to retain independence but whose case has not won out, notably Joseph Priestley, perhaps affecting such a provider's commitment to merge; and a limited educational offer, which is both a strength and a weakness. The strength resides in the COB's clear case as being a successful specialist provider. Its weakness lies in the limited opportunities for a broader curriculum available to its on-site students, particularly young people; and in the fact that most of its students are white males. This latter point is important. It is a problem for the Construction industry and construction departments nationally and is not a "fault" of the College. It is however a negative influence on equality and diversity which needs to be tackled. Should the College retain its independence there would have to be a plan to address this matter and it would have to be effective if the College is not to be required to change its status longer term.

109. In fact, this author argues that if the LSC sees advantages in retaining the COB's independence it should do so only on the basis that the COB will work in formal federation with the new, larger college, for key and specified purposes relating to learner, employer and community benefit; an integrated FE accommodation strategy; and potentially some shared back office functions. Broadening learning opportunities to ensure the 14-19 entitlement would be key to this. This arrangement should be encapsulated in a formal governance and management agreement. From the other perspective, if the COB retains independence it could offer construction and built environment learning opportunities to other colleges in the city and indeed to the schools. This could contribute to equality and diversity objectives.

110. Finance: If the COB remains independent it will be a small college in revenue terms, although generating a surplus and growing its income in the current environment. However, no comparable UK industrial sector is as volatile and vulnerable to economic change. Retained independence for the COB would need, therefore to be kept under review. If it were to federate formally, as recommended here under this option, the risk could be mitigated.

111. Another factor in the LSC's consideration of retained independence for the COB is the consequential opportunities. Although there are other successful construction providers in both the region and elsewhere, none has the COB's unique identity. Few share its recent record of success in learning. However, the COB is vulnerable on two fronts. Firstly it has much provision at lower level. This was noted in the CE review. Secondly, it has many adult learners. As LSC priorities change and as fee income expectations increase, the COB could lose out in both adult recruitment and income. If it remains independent it should seek to diversify from a strong base serving FE in Leeds to create new income sources and client groups, perhaps as a regional or national provider of particular building services or bespoke training. Its role in the National Skills Academy for Construction will develop. It will, no doubt, continue to support the David Young Academy in Leeds, which has a construction specialism. The COB will also be a key player in developing and delivering the Construction Specialised Diploma. The College will need to develop itself as a strategic player in its field, whilst remaining firmly rooted in Leeds. If the LSC is convinced of the case for retaining the COB's identity

then it could also consider how, as a regional and national Learning and Skills agency, it could encourage the COB to diversify (its market rather than its specialist provision), perhaps through the new and emerging commissioning models. The alternative is to seek to retain the College of Building brand in a much bigger entity as in Option 2, which might be successful but also runs the risk of dilution.

112. This case has focused on the College of Building. However, for the LSC there is also a risk mitigation element. Option 2, a five college merger, creates a gross budget estimated at £80m + based on 2006 outturns, excluding Keighley College. A four college option still creates a gross budget probably exceeding £65m, although income may go down as well as up, as the financial services sector says. The LSC will need to consider the risks in budget management very closely whichever decision it takes.

Assessing the Options

113. Any decision on a reorganisation option needs to be assessed against LSC criteria for Provider Reorganisations (Circular 02/09) and the DfES principles underpinning the organisation of 16-19 provision. There are seven LSC criteria. They are

- The proposal is likely to extend participation, learning and training
- The proposal is likely to result in raised learner achievement
- The proposal is likely to result in raised standards of education and training delivered
- The proposal is likely to address any issues of over and under provision
- Adequate consultation has been undertaken and proper consideration given to alternative options
- The proposed reorganisation is financially viable, affordable, cost-effective and successfully managed
- The proposed inspection takes account of area-wide inspection action plans, where appropriate

114. A formal assessment is not to be made now, but will need to be made once the final option is chosen following consultation about the LSC's decision on this review. As a guide, however, this author is confident that either Option 2 or 3 would extend participation for priority groups in terms of the aims of the LSC, RDA and Education Leeds. Either option could help transform learner achievement, notably at 16 where the main problem lies, with action through enhanced school partnerships. Work Based Learning and Train to Gain should also have increased focus. Standards should also be raised through these options, as consistency and focus are applied. Over provision should be remedied by the removal of wasteful duplication. Under-provision would be addressed by a unified approach to identifying and meeting priority needs. Alternative options are presented here and will be addressed as part of the LSC's deliberations. The outcomes for either Option 2 or 3 look affordable, but successful management is essential and needs careful consideration. Finally, the whole review exercise is rooted in a response to area wide inspection and the LSC's subsequent strategic area review.

115. The DfES five principles for 16-19 provision are as follows.

- Quality: all provision should be of high quality, including leadership, capital and configuration/merger issues
- Distinct 16-19 provision: young people must have their pastoral and welfare needs met through a 16-19 base
- Diversity is needed to ensure curriculum breadth
- Learner choice; between types of institution within an area
- Affordability, value for money and cost - effectiveness.

116. Again, a detailed assessment will depend on the preferred recommendation but the key here is to take account of the emerging reforms proposed by Education Leeds. Working with the LSC, the schools and the colleges a model should be found that ensures quality, distinctiveness of base(s), diversity and learner choice. For the last of these, there will be a number of schools and potentially Academies, Vocational Skills Centres, at least three and potentially four colleges (including Notre Dame, CAD, a single merged college or one with the College of Building as separate). For affordability, there is an element of risk but both options 2 and 3 provide greater assurance for some colleges than the current arrangements would, going forward.

Conclusions

117. This work has been a review of the operational context of the Leeds colleges. It has taken full account of the policies and priorities of key stakeholders, notably the LSC, Education Leeds and Yorkshire Forward, along with the views of the colleges themselves and others with an interest. The Cambridge Education Review of 2006 was a starting point. More recent evidence of performance has been taken into account. The emerging plans of Education Leeds for reorganisation of schools have been influential. Details are not settled yet, although new arrangements for 11-18 institutions and local clusters/groupings are being considered, with potentially more Academies. In this uncertain context for planning learner numbers, for the curriculum and the 14-19 estate across sectors, this review cannot conclude that there is a requirement for a new 6th Form College - or major new 6th Form Centre- at this time. However, decisions by the LSC and Education Leeds on the whole configuration of 14-19 provision could amend this view in due course.

118. Three main options of change have been explored. Option One is the creation of a formal Leeds Colleges Federation. Although this has merits they are more theoretical than practical for a full scale Leeds Federation, although there is a strong case being made by Education Leeds for a Leeds Learning Trust that would bring all schools and colleges together in serving 14-19 year olds. A Further Education Federation has been tried before and not met expectations. Not all colleges would be willing. Arrangements would require definition and resourcing. In the current climate, where decisive and timely action is required, a large-scale Federation is unlikely to achieve stakeholder objectives if it were to be the only reconfiguration solution. Option One is

therefore rejected, although the concept of federation could have merit if focused on particular outcomes.

119. Option Two recognises the distinct missions of the College of Art and Design and Notre Dame 6th Form College. It sees them as key partners in FE delivery but as retaining their own identities. However, Option Two would see the merger of Joseph Priestley, the College of Building, the College of Technology, Thomas Danby and Park Lane. This would create a very large college serving the whole conurbation and wider region. The option brings the pending merger with Keighley into the Leeds review of necessity, as an expected constituent of Park Lane. There are many strengths in this option. They include a single unified FE presence serving young people, adults and employers. There is also financial critical mass to be gained. Among the weaknesses is the potential dilution of certain specialisms and one unique brand-the College of Building. There is a risk in creating such a large college at a time of uncertainty for its largest partner, Park Lane. The option remains attractive but would require skilful project management and leadership, through and beyond the point of merger. If it occurs this would be a model A merger, with all corporations dissolving and an entirely new FE College being created in their place.

120. Option Three is similar to Option 2 but would see the College of Building retain its independence. It is the only one of its kind in England. It is successful and, currently, financially viable. This option would weaken the case for a single strategic FE presence in Leeds. This weakness could be addressed by a formal federation of the College of Building with the newly merged college proposed in Option 2. The aim here would be to ensure a common approach to the needs of learners, to planning and to FE strategy. Such a federation- the purpose of which would be to secure partnership long term- would also address two other issues. One is the concern that most of the students at the College of Building are white males, although female numbers are growing. There are equality and diversity issues here shared with other construction FE providers nationwide, but in need of attention. The second issue is access to construction and built environment expertise and facilities for students enrolled elsewhere. A federation could ensure this.

121. Option Three has most of the merits of Option Two and also brings a degree of institutional choice; recognition of a specialist provider; potential to utilise that specialism within the region and elsewhere; and an element of risk mitigation by maintaining another college in the city. It will only work in the author's view if federation with the proposed merged college is expected rather than optional. It will also depend on the College of Building being able to ensure its long term financial viability. Any configuration under either option should be required to produce a single integrated capital strategy for Leeds with partner colleges working within it, inclusive of all FE in the city.

122. The review concludes by recommending merger for Joseph Priestley, the College of Technology, Park Lane and Thomas Danby. The College of Building, which is seeking to maintain its independence, should do so only if it will commit to a formal federated arrangement with the newly merged college

in Leeds. This should extend to joint governance arrangements as made possible by the Further Education and Training Bill, to become law this year. Joint management arrangements should be developed for programme delivery, facilities, learner access and support, appropriate back office functions and other services as appropriate. These elements would be acted upon once a decision is made by the LSC and after the response by the College Corporations.

It is recommended that discussions take place with Leeds College of Music, Leeds College of Art and Design and Notre Dame 6th Form College as to how they can formally relate to the new arrangements.

123. Implementation is recommended as follows.

- LSC Council decision on the Leeds FE Review 4 May 2007
- Public Consultation May to September 2007
- LSC Final Decision end September 2007
- As appropriate;
- Shadow Chair and quorate Board appointed by December 2007
- New College operational August 2008

Note: the timeline of reforms proposed by Education Leeds is to effect change to post 16 provision in schools that would lead to statutory notices (if any) being issued in September/October 2007 for changes being implemented by September 2008.

124. Finally, this review firmly endorses the widespread opinion that the status quo in Leeds FE is not an option. The LSC is encouraged to act decisively in implementing a programme of change as an entitlement for the learners, employers and communities of Leeds.

Source Documents

1. Cambridge Education Post 16 Review 2006
2. GVA Grimley review of the Leeds FE Estate 2006
3. QSI Review of Work Based Learning in West Yorkshire 2006
4. LSC West Yorkshire Annual Plan 2006/07
5. Education Leeds Report to the Executive Board for 16 May 2007
6. LSC First Release Statistical Release FE Success Rates for 2006
7. Leeds FE Success Rates 2006 (LSCWY)
8. LSC Yorkshire and Humber Capital Investment Strategy 2006
9. Yorkshire Forward Approach to Skills, Report to Board, March 2007
10. Evaluation of Mergers in the FE Sector: Warwick University Brief 459, July 2003.

Several internal papers were also submitted by the Colleges involved and utilised by the author.