

GUIDANCE PAPER



Area Based Reviews

Guidance at a glance

This guidance paper is relevant to all senior staff working in post-16 settings who may be involved in area reviews, as well as those who have an interest in the significant structural reforms which may occur as a result of the area review recommendations.

In July 2015, the Department of Business, Innovation and Skills (BIS) published *Reviewing Post-16 Education and Training Institutions*, which identified the post-16 education sector as being critical in raising future productivity and economic growth. The paper indicated a clear focus on two policy objectives:

- Creating high quality professional and technical routes alongside robust academic routes.
- Improving responsiveness to local employer needs.

Further, in July 2015, the National Audit Office report *Overseeing Financial Sustainability in the Further Education Sector* revealed an increasing number of colleges in financial difficulty with a picture of considerable variation of costs amongst colleges.

The September 2015 guidance indicated a planned programme of approximately 40 area reviews to be completed by March 2017, with full implementation by 2020, covering all areas of the country and incorporating general further education colleges (GFEs) and sixth form colleges.

This guidance will look in detail at the following:

Section 1 Overview

Section 2 The scope and guiding principles of area based reviews

Section 3 Evidence, process and review recommendations

Section 4 Further information



1 Overview

In July 2015, BIS published *Reviewing Post-16 Education and Training Institutions* which identified the post-16 education sector as being critical in raising future productivity and economic growth. The paper indicated a clear focus on two policy objectives:

- Creating high quality professional and technical routes alongside robust academic routes.
- Improving responsiveness to local employer needs.
- There was also a clear financial imperative to the review. In July 2015, the National Audit Office report

Overseeing Financial Sustainability in the Further Education Sector revealed an increasing number of colleges in financial difficulty with a picture of considerable variation of costs amongst colleges. A tough spending review and a desire to make better use of public funds means that fewer, more cost-effective colleges will be an inevitable result of the review.

The intentions of the review were for fewer, larger and more financially resilient colleges, more collaboration between colleges as well as a network of prestigious 'Institutes of Technology'. If institutions were found to be financially unsustainable and not of good quality then there was a clear indication that they may not be funded in the future.

However, since some recommended mergers have already fallen through, it seems fair to say that the financial threats may have been over-estimated. In addition, recourse to the Structural Improvement Fund has proved difficult for many colleges interested in exploring merger opportunities.

2 The scope and guiding principles of area based reviews

Guidance provided in September 2015 indicated a planned programme of approximately 40 area reviews to be completed by March 2017 with full implementation by 2020, covering all areas of the country and incorporating GFEs and sixth form colleges. The inclusion of school sixth forms and other sixth form provision, such as 16-19 free schools or 16-19 academies, was left relatively unclear in the guidance. Their provision needed to be 'taken into account', although there has been little political will or indeed regulatory powers to force any action, for example, through mergers or closures. Other local post-16 providers were able to opt in to the reviews if they saw fit, however, this has proved to be extremely limited.

The intended outcome, then, is an offer that meets each area's academic and vocational educational needs. It should have the right balance of providers, including greater specialisation, sufficient access to high quality and relevant education and training for all young people, adults and employers, as well as reflecting changes in government funding priorities and future demand.

Guiding principles

It was hoped that there would be a series of shared principles behind the reviews. These include all options for the whole area being reviewed, both to meet local economic and educational needs and support government priorities such as apprenticeships and high-quality technical routes. There needs to be a willingness to change for the 'greater good', irrespective of vested interests and personal preferences and to seek best value in the use of resources.

Participants were expected to be open-minded about considering potential new structures and teaching models and consider the use of technology via blended, independent and online delivery and assessment. This

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should increase the quality and scope of provision, improve efficiency and therefore help ensure the best area-wide use of resources and discharging of debt to secure long term financial sustainability.

Inquiry into the process

On 8 July 2016, the Sub-Committee on Education, Skills and the Economy launched an inquiry into area reviews. As Neil Carmichael MP, Chair of the Education Committee said: *“Area reviews are taking place with relatively little public scrutiny. The Sub-Committee’s inquiry will shine a light on the process, which could have wide-reaching implications for the way both young people and adults are educated.”*

The main aim of the inquiry, therefore, was to scrutinise the progress and effectiveness of the area reviews, the local steering groups and their impact on the FE sector, including proposed mergers between institutions announced up to the time of the inquiry. It also examined the absence of other education providers from the reviews, such as school sixth forms, and the extent to which the reviews have taken apprenticeship provision into account. The role of local authorities, Local Enterprise Partnerships (LEPs) and Regional Schools Commissioners (RSCs) in the reviews was also in the scope of the inquiry.

3 Evidence, process and review recommendations

The review group’s brief was to use evidence-based, local labour market information and all available data on learners and institutions in the area (this includes Ofsted reports and performance table data). There was also to be a strong focus on quality improvement across the area for all learners and learning routes. The extent to which this was adhered to during the first year is open to interpretation with many colleges involved claiming limited access to evidence and more reliance put on colleges’ own negotiations between themselves, rather than through the official review process.

Advance information was required from institutions in the areas under review and included curriculum plans, self-assessment reports, recent financial accounts and plans, lists of local employers and other key stakeholders.

Process

Reviews were led by a local area review steering group with approximately five meetings over three to four months (occasionally longer). Meetings were chaired where possible by the Further Education Commissioner or the Sixth Form Commissioner (except in the case of devolved authorities). Other members could include chairs of governing bodies of the participating colleges (supported by their principals), local authorities, the LEP, funding agencies, the Regional Schools Commissioner, BIS and the DfE. This has often resulted in a review group consisting of fifty-plus people with unwieldy and often frustrating meetings. Many principals complained of having to prepare reams of information which were rarely taken into account by the review board.

The five meetings were intended to cover a different aspect of the review:

- The background to the review.
- The curriculum.
- The college estate and shared services.
- Finance and structures.
- The way forward.

Each review was usually supported by two-day site visits and analyses. The full list of areas in each review can be found in Section 4.

Review recommendations

By the summer of 2017, all of the reports into the five waves were published. Over 30 mergers were recommended or proposed, along with a smaller number of 16-19 conversions, although many proposals have already been abandoned. Other proposals included mergers, federations and looser collaborative structures. Further savings are expected to occur through shared back office functions, common marketing and other local outcome agreements.

The recommendations of the review group are not mandatory in recognition of the fact that colleges are independent bodies. As the process has developed, many involved have perceived the greatest benefits to be the collaborative discussions that have occurred, often outside the formal review process.

4 Further information

ASCL advice

It is important that college principals and other senior staff who may wish to receive advice on their own personal position are members of PPC, where eligible, or a recognised trade union such as ASCL (links provided in Further information). New applicants wishing to join ASCL should do so as soon as possible and certainly before any formal college proposals are agreed, otherwise they may not be entitled to any legal advice in respect of matters arising from their employment which may have been affected by the recommendations.

Headteachers and leaders of schools with sixth forms in areas under review should make sure that they are aware of their area recommendations and that they keep their governing body fully informed of the process.

Links and resources

BIS *Reviewing Post-16 Education Policy*

www.gov.uk/government/uploads/system/uploads/attachment_data/file/446516/BIS-15-433-reviewing-post-16-education-policy.pdf

DfE *Reviewing Post-16 Education and Training Institutions: Guidance on Area Based Reviews*

www.gov.uk/government/publications/post-16-education-and-training-institutions-area-based-reviews

DfE *Reviewing Post-16 Education and Training Institutions: Details of the Area Reviews*

www.gov.uk/government/publications/reviewing-post-16-education-and-training-institutions-list-of-area-reviews/reviewing-post-16-education-and-training-institutions-details-of-the-area-reviews

DfE, *Reviewing Post-16 Education and Training Institutions: list of area reviews*

www.gov.uk/government/publications/reviewing-post-16-education-and-training-institutions-list-of-area-reviews

National Audit Office *Overseeing Financial Sustainability in the Further Education Sector*

www.nao.org.uk/report/oversight-of-financial-sustainability-in-the-further-education-sector/

Joining ASCL and PPC

ASCL www.ascl.org.uk/join-us/

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