

**Review of post-16 provision
in
North East Norfolk
and North Suffolk**

A high level summary report

July 2015

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Background to the review

This was a voluntary review, conducted on behalf of 5 colleges in an area where there are a number of issues related to declining student numbers and funding:

Key facts – provision in the area

16 to 19 year olds – a declining cohort

- between them, the 5 colleges were funded for: approximately 5,600 students aged 16 to 19 in 2014 to 2015 and this has dropped to 5,400 for 2015 to 2016
- 3,024 places for 16 to 19 year olds funded at the 3 sixth-form colleges for 2014 to 2015, an overall declining picture
- 2,376 places for 16 to 19 year olds funded at the 2 general FE colleges for 2014 to 2015 – again a declining picture
- around 1,100 places for 16 to 19 year olds funded in school sixth-forms in the review area, which were also seeing a decline in numbers
- all 5 colleges raised concerns about declining funding and demographics
- all 5 colleges have emerging deficits due to this

The apprenticeships offer

- 555 apprenticeship starts were delivered by the 2 general FE colleges in 2013 to 2014
- 3,608 apprenticeship starts delivered for employers across the review area overall in 2013 to 2014

The adult learning offer

- 733 adults on substantial learning programmes at the 2 general FE colleges in 2013 to 2014, with a declining funding picture moving forward
- 1,168 adults were on short courses at the 2 colleges during 2013 to 2014, again with declining funding

Poor attainment pre-16

- of the 4 11 to 16 schools in Lowestoft town, only one has an Ofsted Grade 2 Good. Three were rated Inadequate until recently, although 2 of those were re-inspected in March and rated as Requires Improvement
- outcomes at GCSE in the 3 Lowestoft schools that currently have GCSE results have been poor, with the percentage of students achieving 5 A*-C including English and maths between 28% and 37% in 2014, which was well below the national average of 56.6% and below the Suffolk average of 51.7%. This means fewer students attaining good results so they can progress to A-levels
- similar, although slightly better, outcomes in Great Yarmouth at the pre-16 phase in 2014 were between 34% and 59% across the eight local 11 to 16 schools, compared to 52.7% in Norfolk and 56.6% nationally

Local issues

3. The colleges all face similar challenges such as:
 - demographic decline: the 16 to 19 cohort demographics are currently on a downward trajectory for the area, not starting to recover until after 2020 and this reduction in students is already having a significant impact on funding at all 5 colleges
 - competition from new post-16 institutions has increased, particularly in Norwich, where 2 new free schools and a UTC have recently opened and there are also plans to establish a new 11 to 18 free school in Great Yarmouth.
 - financial model: with rising costs and reductions in funding in both pre- and post-19 budgets, colleges need to cut costs and review provision and delivery models to ensure they can remain viable moving forward
 - recruitment to East Norfolk SFC and Lowestoft SFC has been adversely impacted by low attainment pre-16 in the schools in East Norfolk and North Suffolk
 - quality improvement: while 4 out of the 5 colleges are currently rated as Good by Ofsted, there is still work to be done to ensure consistency of provision and to support the drive towards Outstanding. Lowestoft College is currently Grade 3, but although they are making progress towards improvement, this will be challenging against a backdrop of financial pressures
 - travel to learn for the colleges is impacted by limitations on local transport routes. Main train routes for both Great Yarmouth and Lowestoft are from and to Norwich, intersecting with the London main line. Paston Sixth- Form College is in a very rural area where there is a limited transport network, which is mainly south-west to Norwich or south to Great Yarmouth. This and the associated cost are particular barriers for lower level students in rural villages. The 5 colleges collectively spend around £275k annually on subsidising the cost of transport to and from their institutions on top of bus subsidies offered to students by the 2 local authorities
4. At the same time, there are potential opportunities for the area. Lowestoft and Great Yarmouth are designated as an Enterprise Zone and growth area for the Local Enterprise Partnership (LEP) and some funding has been made available for development locally to generate economic growth. However, the colleges are currently not well-placed to take advantage of these opportunities.

5. Given these challenges, the colleges determined that instead of all acting unilaterally, a joint review of provision across the area would provide the best basis for determining the type and shape of provision and institutions needed to benefit students and employers moving forward.

Purpose of the review

6. This review aimed to make an independent assessment of:
 - the current post-16 offer available in the area and how this fits with the local needs of students and employers
 - the issues the 5 colleges were facing and the viability for the institutions moving forward
 - the provision and structures that might be needed for the future and viable models for future delivery
7. The starting point for the review was that the current models will not be sustainable and that change is needed to ensure viability of provision in the future.

Methodology and timings

8. Following a request from the 5 colleges in January 2015, this review work was conducted under the direction of the Further Education Commissioner and Sixth- Form College Commissioner, with support from their teams, BIS, the Education Funding Agency and the Skills Funding Agency and from the Regional Schools Commissioner.
9. The review period extended from January to end May 2015.
10. A steering group was established to engage key stakeholders through all stages of the work, monitor progress and discuss emerging findings. The steering group comprised: the Principals and Chairs of Corporation from all 5 colleges; representatives from the 2 local authorities (Norfolk and Suffolk); a representative from the Local Enterprise Partnership (New Anglia LEP); the FE Commissioner, the Sixth-Form College Commissioner; the Regional Schools Commissioner and representatives from the Education Funding Agency, the Skills Funding Agency and Department for Business Innovation and Skills.
11. The steering group was designed to meet at 4 key points:
 - meeting 1 in February: to ensure a shared understanding of the review purpose and principles and agree the scope of the work
 - meeting 2 in March: to reflect on the emerging findings from the site visits and desk-based research phase

- meeting 3 in May: to consider and discuss emerging options and recommendations and then take these back to Corporations for discussion and decision
 - the review final report was then issued to the colleges on 5 June
 - meeting 4 in early July: to report back on Corporation discussion and decisions and agree next steps for implementation
12. The first stage of work completed during January and February was desk research, looking at the local context, funding and financial information for all 5 colleges, data on other post-16 learning provision in the area and student outcomes.
 13. Site visits to each of the 5 colleges were conducted during the first 2 weeks of March by a joint FE Commissioner and Sixth-Form Commissioner team.
 14. Stakeholder consultation was undertaken during April through telephone conversations with local employers, visits and telephone conversations with local pre-16 feeder schools and post-16 competitor schools and discussions with the local authorities, the LEP and University Campus Suffolk, the HE partner to the 2 general FE colleges.
 15. Local MPs for the areas of Great Yarmouth, Lowestoft and North Norfolk have been updated on progress at key stages.
 16. The Education Funding Agency coordinated the development of the report with continuing input from the 3 Commissioners and their teams.
 17. The detailed final report was made available to the colleges' Governing Bodies on 5 June to allow the colleges to undertake an evidence-based assessment of their preferred option. The full report contained detailed information about the local area and its needs and the curriculum currently being delivered to meet those needs, as well as individual chapters on each of the colleges. This supported assessment of the various options and the recommendations made to the colleges.
 18. This report is a high level summary of the findings.

Objectives for change

1. To increase the proportion of post-16 education and training that is excellent in the area.
2. To offer education and training which makes our students more employable and meets employers' needs.
3. To create financially sustainable institutions that can deliver learning programmes successfully for the next 25 years.

Local context

19. The travel to learn area covered in this review incorporates the 2 towns of Lowestoft and Great Yarmouth, the surrounding area and a rural stretch up to the North Norfolk coast. The review area has:
 - pockets of significant deprivation, higher than national averages, especially in Great Yarmouth, which is among the most deprived wards in the country
 - higher than average unemployment
 - high numbers of benefit claimants
 - lower than average salaries
 - too many jobs that are part-time
 - low levels of educational attainment compared to national averages
 - very low numbers of residents qualified to NVQ Level 4+
 - few current jobs at a 'professional' or 'managerial' level
 - an issue with low aspirations of local students
20. Transport infrastructure between them is limited, with Norwich the central focus of road, rail and bus links. This makes access to learning more difficult for students in rural areas and can limit choice.
21. Travel to learn patterns clearly show that, although local transport routes and costs do not easily support access to provision, students will travel significant distances to access good quality provision, especially at Levels 2 and 3, although there are students needing lower level courses who also travel considerable distances to access the right course.
22. Demographic trends across the review area demonstrate the decline in the 16 to 19 student cohort and the long trajectory to recovery. Growth in local populations is in the birth rate and in the ageing population and 16 to 19 cohort levels will not return to previous levels for some years.

23. Local educational outcomes at age 16 in Lowestoft and Great Yarmouth are currently below county and national averages, resulting in many students not achieving the grades that allow them to access A-level provision and higher level vocational and technical courses and progress. And although new academy sponsorship arrangements are now in place to deal with the underperformance, it will take time to effect significant improvement.
24. The outcomes for students in the Paston Sixth-Form College travel to learn area are better pre-16, with some local schools attaining above average outcomes at GCSE. In addition, most of the competing post-16 schools delivering A-levels on the periphery of the review area also achieve very good results.
25. Rates of progression into higher education across the area generally are below national averages (34% at age 19 and 38% for all ages) and the majority of students that do progress do not then bring their higher level skills back to the area.
26. The average rate of progression to higher education from sixth-form colleges nationally is currently 65% and the 3 sixth form colleges in the review area all provide a good rate of progression levels to higher education (based on 2014 data) as follows:
- East Norfolk Sixth-Form College = 54%
 - Lowestoft Sixth-Form College = 61%
 - Paston Sixth-Form College = 65%
27. There is a real need to improve the aspirations and attainment of local students and provide them with clear progression routes that will support them into further learning or sustainable work.
28. Current employment opportunities are based in hospitality and tourism, health care, manufacturing, wholesale and retail trade, and health.
29. The proximity of both towns to the North Sea gas industry, and the approval of a number of North Sea wind farms is bringing new types of employment to the area, particularly in maintenance, servicing and support of wind turbines, and development of 'clusters' of related businesses to service off-shore industries. These are specialist areas of employment, many of which build on a strong base of skills in STEM subjects.
30. Of the 9 LEP priorities, (1) energy, ports and logistics (2) advanced manufacturing and (3) tourism, food and drink are of greatest importance to the area under review. A wider range of employment sectors are available when commuting to Norwich is taken into account (including sciences, financial services and IT).

Common operating issues

Financial pressures

31. All 5 colleges are facing significant financial challenges and, at the time of assessment, had no clear plans for resolving those in the long term beyond continuing to trim costs. Declining funding, and rising costs such as additional pension and NI costs impact on all 5 colleges. Critical mass of students, allowing delivery of a viable and sustainable curriculum that meets the needs of students, is an issue in all of the institutions. Some have more of a cushion in terms of cash reserves and some have a higher level of debt, but all 5 have a need to carefully consider their financial sustainability and whether they can stand alone as viable institutions long term.
32. Four of the 5 colleges have staffing ratios that are currently above sector benchmarks for GFEs and SFCs. Based on 2013 to 2014 academic year financial plans submitted to the EFA and SFA, the national average for staff costs ratios for GFEs and for all college types overall (including SFCs and specialist colleges) is 62%, while it is 68% for SFCs nationally. In the East of England, the ratios are 60% for GFEs and all colleges overall and just under 68% for SFCs.
33. The 5 colleges in the review area have staffing cost ratios that range from 64% to 80% in 2014 to 2015 and financial assessment so far indicate that, as funding cuts bite and student numbers decrease, the staffing ratios are rising as a percentage of budget. This will need to be managed down, which will require significant cuts to curriculum breadth if nothing else changes.
34. For smaller colleges, especially the 2 small SFCs in this review area, there is currently very little room for manoeuvre as costs have been pared back to essentials only and there is little left to cut except the curriculum offer.
35. Between the 5 colleges at the time of the site visits, the picture showed a potential deficit for the 2014 to 2015 academic year of just over £1.3m. Some of this has since been managed down through in-year efficiencies, but this is projected to rise in 2015 to 2016.
36. The combined college liability in terms of long term bank loans to fund past capital development is almost £11m. Additionally, there is the recent BIS cash advance to Lowestoft College that must be repaid as a loan.

Funding decline

37. There has been an overall downward trend in both EFA and SFA funding and student numbers across the 5 colleges in the area of nearly 12% between 2011 to 2012 and 2015 to 2016.

38. The funding drop for the 2015 to 2016 academic year compared to 2014 to 2015 for both EFA and SFA income represents a significant reduction of over £2m in funding to support students in the area. This is reflective partly of the demographic decline, but also possibly of the colleges' inability to take full advantage of the opportunity to widen their delivery in key sectors and areas such as apprenticeships.

Quality

39. Lowestoft Colleges is currently Grade 3 but is on a trajectory to improve. While the other 4 colleges all have Ofsted Grade 2s, there is still some evidence of inconsistency in results and weaker subject areas where action is needed.

40. The drive towards Outstanding is important to all of the colleges, but there is currently concern that this may be compromised by the need to cut costs to manage the funding pressures. Management and support capacity has already been reduced at all 5 colleges.

41. The 3 sixth-form colleges do well on their vocational courses, where outcomes are at national averages or even slightly higher in some cases (although slightly behind the SFC average). A-level results in the area are more variable, with overall outcomes that are broadly below overall national averages, at or slightly below SFC averages and at, or slightly below, county averages. Value Added on academic courses is either neutral or slightly negative on A-level courses for 2013 to 2014, but positive or slightly positive on vocational courses. This is however in the context of a cohort with low prior attainment in the Great Yarmouth and Lowestoft areas.

42. Vocational outcomes differ between the 2 general FE colleges, with success rates having increased sharply at Great Yarmouth College over the past 3 years to well above national averages, whereas Lowestoft College results have declined over the same period and are currently below national averages overall, although there are exceptions to this and stronger areas.

The local offer

43. It is clear from the data that numbers are not growing fast in any areas, levels or age group across the colleges and there are viability issues across many of the delivery areas for both the sixth-form colleges and the FE colleges.

44. Transition to linear A-levels is likely to impact on recruitment and retention at the sixth-form colleges given the low prior attainment of students, plus it could impact on outcomes.

45. All 5 institutions have been operating with some small class sizes, and there is significant duplication of provision that could be reduced through cooperative curriculum planning and rationalisation to ensure the right balance between sustainable excellence, especially in low volume subject

areas, and access to core provision that should be available in all 3 sites (for A-levels) or both Lowestoft and Great Yarmouth (vocational provision).

46. The pattern of provision also shows that there is significant crossover in delivery across institutions in many areas where numbers are low, which is uneconomic. This provides a real opportunity for curriculum rationalisation to benefit both the colleges in terms of being able to deliver more economically and students by providing a clear and broad curriculum offer that demonstrates progression routes which are not currently visible.
47. Where there are small provision areas, this makes it difficult for staff working in isolation to have a reference point for the focus on improvement. Opportunities for career progression are also very limited, which can impact on staff morale and turnover. There is also a need to consider when a small cohort is too small for the students to have a good learning experience as the need for collaborative working and feed in from others is essential to learning.
48. The 3 sixth-form colleges are offering a broad range of subjects, but cannot continue doing so to the same extent if they continue to work independently due to the growing delivery costs when compared to the decline in funding available. And while they also offer some BTECs, they are currently missing the potential to plan progression routes for students that could be achieved through the coordinated planning of vocational routes with the GFEs.

Employer-facing provision

49. The colleges do not currently appear to be delivering provision that entirely meets the needs of the local employer base. The 2 general FE colleges should have a larger market share in the Norfolk and Suffolk coastal area, addressing the needs of the established and emerging industries. Their current share of the local market indicates that they may not currently be providing a strong, clear offer on skills to local employers and also to the adult population.
50. When it comes to apprenticeship delivery, the 2 colleges deliver the highest number of apprenticeships of all providers working in the area. However, they have only a 15% market share combined when looking at the total picture of delivery taking place with employers across the local districts of Great Yarmouth, Broadland, North Norfolk, Suffolk Coastal and Waveney, which are the college core delivery areas. There is likely to be significant potential (subject to funding limitations) for delivery of higher level apprenticeships to meet the needs of employers in sectors such as Engineering and Energy and to meet the aspirations of the LEP and the colleges need to be key players in that if they are to find opportunities for growth.
51. A more coordinated apprenticeships offer and marketing strategy, combined with more concentrated resource for employer engagement and support could make a significant difference to the potential impact that the colleges could achieve and their ability to compete in this marketplace.

52. The work experience offer is not particularly strong in any of the colleges, even in the GFEs. In the drive towards better student outcomes and the Ofsted Outstanding ambitions, this is something that needs more focus in all of the colleges, although it is recognised that the rural issues make student travel to work placements more difficult.
53. The 2 FE colleges have an offer that reflects most of the priorities of the LEP, but there is more potential for the development of more specific and higher level skills to meet the needs of the offshore energy industry and manufacturing sector.

Curriculum re-planning

54. There are opportunities for planning the offer across Great Yarmouth and Lowestoft particularly so that less popular courses are offered economically in one place rather than unviably in both. This might involve moving students, but some issues could be resolved by sharing and movement of staff instead.
55. However, resolving this will require commitment from the institutions to work together on completely re-planning the local offer and marketing it jointly and differently, which is unlikely to be achieved through the current 5 college model or through soft collaboration.
56. There is significant opportunity here for change, but the extent of that change will be determined to a great extent by how willing the colleges are to bring their resources together and create a real change to the local curriculum offer and delivery model.
57. There is no evidence to suggest that soft collaboration will deliver this level of curriculum rationalisation, savings in back office services and management necessary to create sustainable provision and institutions moving forward.

Stakeholder views

Local authorities

58. Norfolk County Council and Suffolk County Council were very clear that the colleges make an important contribution to the map of provision needed for the review area, although there is a need to better meet the needs of students and employers and to improve the quality and sustainability of the post-16 offer further. The sixth-form colleges provide an important alternative to the local school sixth-form provision and the local authorities wish to preserve the sixth-form college ethos and student choice in the area.
59. Local authority concerns are mainly around the sustainability of provision and institutions and the potential for the financial and demographic issues to affect the drive for higher quality outcomes and to impact negatively on the breadth of offer. They feel that the current structures are not sustainable. They would

support the coming together of the colleges to form a better and more sustainable offer for students and employers and see this as the potential to create a high profile big-brand solution that can support the drive towards improving aspirations and stimulating higher achievement in the locality.

60. Addressing employer needs is as important as meeting the needs of individual students and, as both local authorities are well-linked to the New Anglia LEP, they are aware that there are significant unmet needs currently and they have aspirations for a wider delivery of high level skills as part of the LEP agenda.
61. The local authorities also recognised the importance of maintaining the local identity where college brands are strong and well-established, such as for Paston SFC and East Norfolk SFC.

The LEP and employers

62. New Anglia LEP has £10m of funding already committed to the area, with the potential for more in the future to further the aspiration to support the local economy through development of key sectors.
63. A £10m project that was approved at Lowestoft College from the Regional Growth Fund was due to start in April 2015. However, given the need for the college to focus on financial recovery first and the fact that a review was underway for the area, the LEP has postponed decisions on the project pending outcomes. Their preference would be to re-focus the project to make better use of this money once there is a clearer view of the future collaborative structures planned for the area and what they can offer. A strong and stable solution is required.
64. Feedback from local employers working with the 2 general FE colleges was very positive overall in relation to the apprenticeships delivery and work experience placements.
65. The 3 sixth-form colleges work with employers in relation to providing work experience placements and employers were very positive on the students and their suitability for fitting into the work environment. Negatives were mainly around issues indicative of a lack of capacity at the colleges to manage the relationships effectively.
66. There is potential for a better planned and more coordinated work experience offer in a scenario where the colleges come together in some configuration. If employer engagement can be centralised, this would bring greater clarity, better communication and processes for employers and better use of resources. It should also improve the offer for students and staff capacity to deal with employers overall. At present, at Paston SFC for example, the senior team has to manage employer engagement directly, in addition to their core roles.

Developing the higher education offer

67. Discussion with University Campus Suffolk (UCS) suggests that there is great untapped potential for higher education in the review area. The current offer delivered by Lowestoft College and Great Yarmouth College is small, but there is potential for the development of higher level skills in the area to support the local growth industries and LEP priorities.
68. UCS have made a commitment to provide resources for widening participation in the area, but feel that the local offer can be delivered better and more efficiently through providing a combined and coherent single offer to students, delivered across both campuses, but supported by a single centralised administration.

Competing post-16 schools

69. The post-16 schools in the area are affected by the same demographic decline and struggle to ensure a broad but viable A-level offer as the colleges, but are very committed to providing the curriculum needed by their students. Transport is also an issue for them.
70. Some of the post-16 schools have attempted curriculum cooperation with other schools in the past, even post-diplomas, but have found this to be unworkable in practice due to the rural travel issues, cost of transport and the logistics of timetabling and moving students. Despite a willingness to explore this further, it is difficult to see the extent to which this could be achieved and whether the savings made on both sides would compensate for the logistical difficulties. Some IT-based solutions could help to support student access to options that cannot be viably run, but a course entirely run this way is unlikely to find favour with teachers or students and it would require some investment in time and infrastructure to ensure the students could be offered high quality sessions and were properly supported and led to good outcomes.

Options assessment

71. It is clear from the evaluation of the 5 institutions, that it would be difficult for all 5 to stand alone in the longer term. Doing nothing has already been determined not to be a viable option and the financial assessments bear this out, as do the demographic and funding data. Doing nothing would also bring no discernible benefit to students, employers or the locality and there is the strong likelihood of the collapse of some of the local provision within the next 2 years if nothing is done.
72. Significant structural change is needed to deliver the level of savings that would be required to maintain a suitable offer in all 3 areas in the short to medium term and then support growth and development of the campuses as cohort numbers start to rise slowly again after 2020. The question is: what structures and partnerships would best meet local need *and* ensure long-term institutional sustainability? Soft collaboration in the form of agreements about shared services alone is unlikely to suffice.
73. A customer-focused solution rather than an institutionally focused one, unburdened by history or personalities, is an essential outcome of this process. Clear benefits must be defined for students and employers and the educational case must be as clearly articulated as the financial case.

The options

74. There were 7 options that emerged from the review work and discussed at the steering groups. The criteria used for assessing the emerging options for outline feasibility was as follows:
75. The options were scored for each of the above criteria on a range from 1, which was negative impact, to 5, which was highly positive and with an overall possible score of 40:

1	Potentially damaging outcomes
2	Potentially poor outcomes that do not meet local need
3	Positive and negative aspects as fairly even
4	Positive impact overall, but with some reservations
5	Potential for excellent outcomes that address local need

76. The table below shows, in summary, the overall outcomes. The report provided for the colleges contained a far higher level of detailed assessment and also looked at the financial impact and potential for savings based on current college spending patterns.

	Option	Summary of Assessment
1	A “2 towns” solution with the sixth-form college and general FE college coming together in Lowestoft and in Great Yarmouth, with a separate solution for Paston SFC.	<p>Reinforces the separation of the 2 towns, which is a backward step for the communities and in terms of future economic development opportunities.</p> <p>A more feasible option for Great Yarmouth based on the combined financial savings (although these will not be large), but for Lowestoft this does not resolve current issues and carries some risks to viability and sustainability. It also does not address the issues for Paston SFC.</p> <p>Not deemed a viable option. Scored 15 out of 40.</p>
2	The 2 general FE colleges coming together across the 2 towns, the 2 sixth-form colleges coming together, with a separate solution for Paston.	<p>A lower stress option in terms of practicality, timescales, level of difficulty, capacity to achieve the outcome and the level of structural change required.</p> <p>There are some savings to be made, although these are larger for the general FE colleges than the sixth-form colleges. The same applies to the potential for curriculum rationalisation because of the need to maintain a core A-level offer in each town.</p> <p>There are benefits to students and employers from a more coherent A-level and vocational offer across the 2 towns, although again this is more significant in relation to the GFE partnership.</p> <p>Scored 26 out of 40. A potentially feasible option for most of the colleges, but does nothing to resolve issues for Paston SFC.</p>
3	The 2 general FE colleges together and all 3 sixth-form colleges together	<p>A feasible option, but with the addition of a distance-management dimension when adding Paston SFC to the other 2 which are closer.</p> <p>The benefits to students and employers and the potential for savings to be made are greater for the GFEs than in the SFC collaboration. However, this could be a staging post in the move towards a 5 college collaboration in the longer term.</p> <p>Scored 26 out of 40 and was deemed a potential feasible option that required further assessment.</p>
4	Great Yarmouth College, Lowestoft College and Lowestoft SFC together, and East Norfolk SFC & Paston SFC together.	<p>The GYC/LC/LSFC collaboration, delivers significant benefits for students, employers and institutional viability. For the East Norfolk SFC/ Paston SFC partnership, the potential for financial savings and for curriculum collaboration across the 2 is limited, Paston SFC in particular, due to the distance and the fact that expenses are already</p>

	Option	Summary of Assessment
		<p>pared down.</p> <p>This option scored 25 out of 40 and was deemed a potentially feasible option that required further assessment.</p>
5	Great Yarmouth College, Lowestoft College and Lowestoft SFC together, with East Norfolk SFC and Paston SFC both remaining separate.	<p>While the GYC/LC/LSFC collaboration has the potential to bring huge benefit to students, employers and the rationalisation of the local offer, this does not resolve future viability issues for the 2 remaining sixth-form colleges if they both stand alone.</p> <p>This option scored 18 out of 40 and was not deemed feasible to take forward.</p>
6	The 4 Great Yarmouth and Lowestoft colleges together, with a separate Paston SFC solution.	<p>While this is a good solution for the 4 colleges in great Yarmouth and Lowestoft and provides great potential for both curriculum rationalisation and financial savings to benefit all, this option would not resolve issues around Paston SFC's position.</p> <p>Scored 28 out of 40. A potentially feasible option for Great Yarmouth and Lowestoft College, but does nothing to support Paston SFC.</p>
7	All 5 colleges coming together to form a single unit.	<p>This option offers the greatest potential for resolving the issues of all 5 colleges and providing significant benefits to students, employers and the community.</p> <p>It has the greatest potential for making significant savings, but is also the most complex of the solutions and will require careful planning and management to implement.</p> <p>Once established and with the curriculum right, the quality systems embedded and services merged, this college would be a significant force locally for increasing aspirations among students, employers and the community generally.</p> <p>This option scored 36 out of 40. A potentially feasible option requiring further assessment</p>

77. The options deemed potentially feasible above (as they offered options for all 5 colleges) were options 3, 4 and 7 from the original options list. The potentially feasible options were then assessed for:

- practicality
- timescales
- risk profile
- ease of implementation

- support of customers, staff, key stakeholders, including funding bodies

78. This was supported by some financial comparisons, using data supplied by the colleges. It is essential that any new configuration(s) are able to stand alone in financial terms as there can be no reliance on funding agency financial support. Solutions must be implemented in such a way as to generate savings early so they can be used to cover the costs of change, such as changes to MIS systems.

79. In all of the options, the degree of savings that can be made will depend on the extent to which the colleges merge functions and the structures they decide to operate. There are significant savings to be made, but these will also require significant change.

Other options

80. When assessing potential options, it is also usual to look for potential partners external to the area. This would need to be considered should the local institutions remain unable to resolve the issues and agree a solution, leading to one or more of the colleges facing intervention, although we believe that it will be difficult to find suitable partners given the current climate. However, at this stage, the colleges are in the driving seat of change and would prefer to be able to devise a locally-run solution that meets local needs.

81. In 4 of the options above (options 1, 2, 5 and 6), there is mention of a separate solution for Paston Sixth-Form College. Paston Sixth-Form College had already conducted a review of its local options without being able to identify possibilities that meet their needs and are acceptable to the governing body and their options are severely limited by the rural factors.

82. There are other possible options for Paston Sixth-Form College that involve working with partners at a lesser distance; for example with some of the local schools/academies on the periphery of the review area to achieve a more viable model that offers the students across the North Norfolk coastal area the curriculum options needed. However, there is a limit to what can be achieved. Schools have tried collaborative curriculum planning in the past, but in all cases this has proved unsustainable due to the logistics in managing travel and timetabling across institutions. Any future efforts are likely to be small scale and will generate very limited savings for those involved.

83. Partnership with Paston Sixth-Form College offers the other 4 colleges some very positive benefits. It is a good college with good finances, an excellent reputation and brand which can enhance the larger collaboration. And as part of collaboration, savings can be made through shared services and management of quality etc., meaning that the curriculum delivery can then be self-sustaining on cost without the need to maintain all associated functions.

The benefits of change

84. From the research and discussions with all parties involved in the review, it is clear that there are some considerable benefits for students, employers, staff and in terms of cost reduction, and that could be achieved from a larger hard collaboration/merger model:

Benefits: college finances

- curriculum rationalisation to make best use of resources, reduce duplication and define where it is possible to establish areas of specialism/excellence and gain cost savings
- a review of estates to identify condition issues and assess the facilities available to support curriculum delivery and to better plan space utilisation and future development
- cost savings from rationalisation of the estate, with better space utilisation and the removal/renewal of poorer quality accommodation
- cost savings from shared services in areas such as HR, marketing, financial management, MIS/IT and facilities management

Benefits: quality improvement

- rationalisation of MIS across the sites to provide strong data products to support leadership, effective planning, setting and monitoring KPIs, risk management, production of data dashboards etc. This must ensure a consistent connection between areas such as curriculum planning and purchasing with financial management and ensure that staff can obtain a connected whole picture of student progress, course performance and costs
- clear strategic leadership of quality to ensure that:
 - where there is currently good practice and good quality outcomes, these are maintained and improved
 - all staff know what good looks like
 - the drive towards better outcomes is not compromised by any changes to structures
 - there are mechanisms in place to identify and share good practice to support continuous improvement
- clear and consistent resourcing of student support and IAG to ensure that:
 - students are on the right courses for the right reasons

- appropriate support and intervention can be provided when needed
- consistent approaches to student reviews and progression planning can be implemented
- retention and success levels can be increased

Benefits: students and employers

- as broad a curriculum offer as possible and appropriate to student/employer needs maintained in all 3 areas. The starting point should be the pattern of provision needed and, from that, appropriate structures can be determined
- maintaining the local ethos and identity of good brands that are recognised by students
- a single marketing plan to deliver strong messages and present an attractive curriculum for students and employers, with clarity on progression routes and other services
- a consistent transport/travel plan across the linked colleges to ensure fair access for students to the course of their choice, an even playing field for all sites and to make the best use of combined available resources
- a common and centralised application and admissions process to ensure easy access for students
- an IT investment plan that provides for a good student experience across all sites

Benefits: staff

- being part of larger and more integrated departments that can offer professional learning and development, peer support and opportunities for progression and career development

85. Clear and consistent leadership, financial management and governance will be required to manage large-scale change and to build strong institutions that can deliver an offer that meets local needs.

Recommendations

86. The information in the report makes clear the need for significant structural change to address not only the issues of longer term viability for the 5 institutions, but to create a better and more sustainable offer that serves the needs of the area. There is a clear educational case to support the change agenda.

The recommendations of the Commissioners were that the 5 Corporations:

1. Note the financial pressures facing all 5 colleges and (a) agree that taking no action is not an option; (b) agree the 3 objectives set out in Objectives for Change:
 - to increase the proportion of post-16 education and training that is excellent in the area
 - to offer education and training which makes our students more employable and meets employers' needs
 - to create financially sustainable institutions that can deliver learning programmes successfully for the next 25 years
2. Agree that a soft collaboration model will not deliver the level of change and savings needed and that full partnership (either hard federation or merger) between colleges is the only route to achieving the critical mass of students and economies of scale required to make cost savings and to build and sustain excellent provision so as to ensure improvement of the offer to students and employers on employability and skills.
3. Consider the analysis presented and agree an evidence-based way forward, agreed by their Board members. This should ideally be supported by the Chairs (and Principals if appropriate) meeting to discuss recommendations, Board member thinking and gain some alignment on the way forward.
4. Consider fully the options assessment detail provided, and in particular the feasible options 3, 4 and 7 and agree in principle to commit to one or more of these options, subject to due diligence, consultation and final Governing Body approval, with new structures to be in place for August 2016.
5. Agree, following decision, to embark on early discussions with potential partner colleges on the legal framework, management and governance structures that will be appropriate to support the agreed model(s).
6. Make an early appointment, in the event that a 5 college solution is agreed, of an independent Chair to oversee the change to new structures and work with the existing Corporations on transition.

7. Appoint clear leadership at an early stage to lead the development of the new configuration(s) and drive the changes needed.

8. Require the development of an early implementation plan to provide a clear line of sight to establishing the new structure(s).



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