

Bilston Community College

Report on an Enquiry into its Future

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Chair of the Further Education
Development Agency*

March 1999

**THE
FURTHER
EDUCATION
FUNDING
COUNCIL**

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FUNDING COUNCIL***

The purpose of the FEFC is to secure further education provision which meets the needs and demands of individuals, employers and the requirements of government in respect of the location, nature and quality of provision.

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Contents

	Para.
Executive Summary	
Appointment and Terms of Reference	1
Background	6
Incorporation of further education colleges and funding arrangements	7
Wolverhampton Metropolitan Borough	13
Provision of post-16 education in and around Wolverhampton	18
The Enquiry	21
The Findings	25
Bilston Community College	25
The college's financial problems	29
Inspection findings	38
Action in response to inspection and audit	43
Other provision in and around Wolverhampton	54
Conclusions and Recommendations	78
Options for the future	79
Recommended timetable for action	97
Closing Remarks	98
Annex: Maps and Figures	

Executive Summary

Conduct of the Enquiry

1 The enquiry was established by the Further Education Funding Council (FEFC) in mid-February 1999 with the following terms of reference:

To conduct an enquiry into the future of Bilston Community College and to advise the Council accordingly.

2 The enquiry team was required to report to the Council's West Midlands regional and the Council's reorganisations committees at their meetings on 30 March 1999 and 21 April 1999 respectively, and to produce a report to the Council on their findings.

3 In addition to the terms of reference, the enquiry team was asked to meet with governors, staff and students of the college and analyse with the acting chief executive, in the light of inspection findings, the college's strengths and weaknesses, challenges and opportunities. The team was also requested to assist the acting chief executive in evaluating whether his emerging action plan could build on identified strengths and address weaknesses.

4 The enquiry team also met with as many parties interested in post-16 education and training in the Wolverhampton area as possible within the time available. These included representatives of the Borough Council, the local education authority, the Chamber of Commerce, Training and Enterprise, governors and staff from other educational establishments in the area, and representatives of trade union and political interests, including the leader of the Borough Council and three local Members of Parliament.

Findings

5 In offering a solution to the present crisis at Bilston Community College, we considered three options:

- maintaining the present further education *status quo*
- closure of Bilston Community College and distributing its students to neighbouring colleges
- a Wolverhampton-wide solution.

6 The acting chief executive of Bilston Community College has put in train radical measures to address the financial crisis facing the college. These include reorganisation of the college, involving staff reductions, site closures, withdrawal from much outward collaborative provision and closure of college trading companies. Despite his efforts, we see no future for Bilston Community College as an independent corporation, saddled as it is with its existing debts. Further, we were not convinced

that the college could address the severe weaknesses in quality identified in the inspection report without the injection of substantial resources and further changes in the culture of the college. Nor, in view of recent bad publicity, are we convinced that projected enrolments are achievable. We rejected this option.

7 Closure followed by distribution of students and resources to neighbouring colleges would have the advantages of drawing a line under the past and addressing the serious issues of quality raised in the inspection report. However, the complexity in organisational terms and the implication this has for timing led us to conclude that this option had less to commend it than one involving an integrated Wolverhampton-focused solution. We were heartened to find a large degree of consensus on a Wolverhampton-wide solution to the problems arising from the crisis at Bilston Community College among all those we met during the enquiry.

Recommendations

8 **We recommend the establishment as quickly as possible of a single college of further education in Wolverhampton and that the college establishes close working relationships with local and regional partners.**

9 **We recommend that none of those governors associated with the failings of Bilston Community College should serve on the new college's governing body.**

10 **We recommend that the FEFC use the government's newly created standards fund to: support the new college in providing training for its staff; to help the college develop an accommodation strategy; enable the college to pair with a college with successful student support arrangements; and allow the shadow governing body of the new college to set up an advisory group of principals and governors experienced in carrying out successful college mergers.**

Acknowledgements

11 The enquiry team wish to express their thanks to all those who gave oral and written evidence to the enquiry and to Beverly Burgess and Sara Amery for help in organising meetings and for their recording of oral evidence.

Appointment and Terms of Reference

1 The FEFC established the enquiry in mid-February 1999 with the following terms of reference:

To conduct an enquiry into the future of Bilston Community College and to advise the Council accordingly.

2 The enquiry team was also required to report to the Council's West Midlands regional and the Council's reorganisations committees at their meetings on 30 March 1999 and 21 April 1999 respectively, and to produce a report to the Council on their findings.

3 The Enquiry team had the following membership:

Terry Melia CBE (chair), Chair of the Further Education Development Agency and former chief inspector, FEFC

Anne Sofer, former chief education officer, Tower Hamlets

Rama Nand-Lal, chair of governors, Swindon College

Joe Stanyer, former head, Further Education Support Unit, Department for Education and Employment.

4 In addition to the terms of reference, the enquiry team was asked to:

- a. meet with governors, staff and students of the college and analyse with the acting chief executive in the light of inspection findings, its strengths and weaknesses, challenges and opportunities;
- b. assist the acting chief executive to evaluate whether his emerging action plan in response to the findings of the inspection can build on the strengths identified and address the weaknesses;
- c. obtain and analyse information on further education provision in the locality;
- d. meet with representatives of Wolverhampton Metropolitan Borough Council to hear their views;
- e. meet with the Wolverhampton local education authority (LEA) to discuss its post-16 development plans;
- f. meet with the Wolverhampton Chamber of Commerce, Training and Enterprise and members of the Wolverhampton business community to discuss the business and employment context of the college;
- g. meet with representatives of Wulfrun College to discuss its strategic plan;
- h. meet with the Black Country Colleges Strategic Partnership, the Black Country College Principals, the Careers Service, local headteachers, and local community associations to hear their views on the future of further education in the area;

-
- i. meet with trade union representatives to ascertain their views;
 - j. meet with the vice-chancellor of the University of Wolverhampton to obtain the views of the university on the future of further education in the area.

5 The Council also agreed to allow the enquiry team to draw on the services of independent financial experts and to commission further research, if these were deemed necessary.

Background

6 This chapter does not aim to be a comprehensive account of the events that have occurred at Bilston Community College since the college was incorporated in 1993. Rather it is intended to provide the context in which these events occurred.

Incorporation of further education colleges and funding arrangements

7 Under the *Further and Higher Education Act 1992* further education colleges ceased to be maintained by local authorities and became free-standing, independent corporations on 1 April 1993. The FEFC was established to administer the central government grant to colleges and is accountable through the secretary of state for education and employment to parliament.

8 One of the key functions of the FEFC that is pertinent to this enquiry is to ensure the adequacy and sufficiency of further education provision for the population of England. Later in this report, we assess the demand for further education provision in the Borough of Wolverhampton.

9 To provide a proper framework within which the Council can discharge its responsibility to parliament, the Council has drawn up a financial memorandum with each institution it funds. This sets out the conditions for payment of funds to the governing body of each college. The governing body is required to comply with the financial memorandum and is responsible for ensuring proper management and control in the college.

10 The Council's funding methodology takes into account the initial guidance and assessment received by students, student learning, and student achievement. It also takes account of the length of the study programme, the cost of delivering different programmes and any additional factors which increase the cost of delivery, such as the need for additional support arising from a learning difficulty and/or disability, or from literacy, numeracy or language support requirements. The Council adopted a core and margin approach to funding which guaranteed an institution a percentage of funds it received from the Council during the previous year. Additional funds were distributed by

the Council to secure cost-effective growth through a bidding system against agreed criteria. More recently, the Council has allocated funds to secure planned growth at a stable rate of funding. The education and training for which an institution receives funding from the Council is expressed in terms of a measure called the funding unit.

11 In the early days of incorporation, growth was encouraged through both the bidding system and by the 'demand-led element' (DLE) of funding. In 1993-94 the latter related to full-time students only, but when the Council introduced its new funding method for 1994-95, it was attached to every unit of activity. This meant that if a college exceeded its Council-funded level of activity, it secured extra DLE funds at about one-third of its funded level of activity. Conversely, if a college fell short of its Council-funded level of activity, it was required to repay funds to the Council.

12 The advantage of the DLE for colleges was that it offered them an additional source of income for students recruited above Council-agreed levels, albeit at a marginal rate. This was particularly attractive for colleges which were able to increase class sizes without a corresponding increase in staff numbers, or those able to deliver provision variously referred to as 'franchised provision', 'off-site collaborative provision', 'outward collaborative provision' or simply 'collaborative provision'. Collaborative arrangements share the following characteristics:

- provision for students enrolled by a college, but delivered mainly by a third party
- provision normally delivered at sites away from the college's premises, and in some cases at a significant distance from the college
- the college claims funding from the FEFC and transfers a proportion of this to the collaborative partner in relation to the volume of provision delivered.

Collaborative provision with employers shares some aspects of day-release training with which colleges have been traditionally involved. Since 1995-96, Bilston Community College has been heavily involved in franchised provision, the bulk of it across the country.

Wolverhampton Metropolitan Borough

13 Wolverhampton has a population of 244,000 that is predicted to decline to 237,000 by the year 2005. The population is predominantly white (81%), with those of Asian ethnic origin accounting for 14% of the population and black Caribbean 4%. In terms of the school population, however, the minority ethnic populations represent a larger proportion: 70% of pupils are white, 17% of Indian origin, 6% of Afro-Caribbean and 7% of other minority ethnic group origin. Most indicators show that minority ethnic groups are significantly worse off than their white counterparts.

14 The index of deprivation ranks Wolverhampton as the twenty-seventh most deprived local authority in England. Particularly important in its high deprivation ranking are low incomes, high benefit dependency and unemployment. Within the Borough, the geography of deprivation is complex. Generally speaking, the western side is the more affluent; the central and eastern areas less so.

15 In 1998, 35% of Wolverhampton pupils obtained five or more A-C grades in the GCSE examination, up from 31% in 1995. The comparable national figures for England are 46% and 44%. Thus, Wolverhampton is significantly below the national average on this measure of achievement, but is improving somewhat faster than the average for the country as a whole. A similar picture emerges from the proportions leaving school with no GCSE results at any grade. The Wolverhampton figure for 1995 was 13%, reducing to 9% in 1998, against a national reduction from 8% in 1995 to 7% in 1998. In 1998, from a total cohort of 2,850 Year 11 pupils, 64% continued in full-time education (47% in school sixth forms, 17% in further education); 8% entered government-sponsored training; 10% entered employment; 11% were unemployed; and the destinations of the remaining 7% were not known. Compared to national averages, these figures reveal a low staying-on rate and a low proportion in government-sponsored training. However, Wolverhampton's staying-on rate has been improving and is the highest in the area composed of the boroughs of Dudley, Sandwell, Walsall, and Wolverhampton, collectively known as the Black Country.

16 There are about 100,000 jobs currently available in Wolverhampton. The main employment sectors are manufacturing (29%), wholesale and retail (19%), health and social work (10%), education (8%), real estate (8%) and construction (5%). Other employment opportunities are available in transport (5%), public administration (5%), hotels and restaurants (4%), community work (3%) and financial services (3%).

17 However, job opportunities are declining and nearly 8,000 jobs were lost in the Wolverhampton area between 1991 and 1996. The latest figure for unemployment in the Wolverhampton travel-to-work area is 6.8%. This compares with a national unemployment rate of 5.2%. Of Wolverhampton's unemployed, 54% have no qualifications.

Provision of post-16 education in and around Wolverhampton

18 Further education has been provided in the Bilston area for over 100 years. The present Bilston Community College was established in 1984 as the result of the closure of a traditional further education college and a sixth form centre. In 1993, Bilston Community College left local authority control to become an independent corporation funded by the FEFC.

19 There is one other further education college in Wolverhampton, Wulfrun College. Map 1 in the annex to this publication shows the

location of Bilston Community College sites, including recently vacated sites. The location of Wulfrun College and its various sites are also shown.

20 Wolverhampton LEA controls 18 secondary schools, of which 17 have sixth forms. In addition, there are three independent secondary schools, all of which have sixth forms. Within a radius of 5 miles, there are three other further education colleges, a local authority adult education establishment, and one higher education institution (map 2). There are also a number of private training providers.

The Enquiry

21 The most critical inspection report on a further education college published so far triggered this enquiry. The inspection report highlighted not only deficiencies in the governance and management of the college but also serious weaknesses in many curriculum areas and cross-college services that impacted directly on students and reduced significantly the quality of their educational experiences at the college. Set against the backdrop of a series of letters from anonymous 'whistleblowers' and the parlous state of Bilston Community College's finances, the Council wished to secure the educational future of students in the area.

22 During the course of the enquiry, the enquiry team studied many documents and reports provided by the FEFC, Bilston Community College, Wulfrun College, Wolverhampton LEA, and the Wolverhampton Chamber of Commerce, Training and Enterprise.

23 The enquiry team also held discussions with the acting chief executive, the former director of finance, governors, staff, former staff and students of Bilston Community College; the principal and chair of governors of Wulfrun College; the chief executive of the Wolverhampton Chamber of Commerce, Training and Enterprise; representatives of local businesses; the vice-chancellor of the University of Wolverhampton; representatives of Wolverhampton Metropolitan Borough Council, including its leader, chief executive and chief education officer; Wolverhampton headteachers; the director, Prospect Careers Service; the Black Country College Consortium Principals' Group; the chief executive of the Association of Colleges; the general secretary of the National Association of Teachers in Further and Higher Education; and three local Members of Parliament (Denis Turner MP, Ken Purchase MP and Jenny Jones MP). Officials of the FEFC provided background factual briefings. In the short timescale over which this enquiry was conducted, we were unable to meet all those with whom we would have wished to hold discussions, often because of clashing diary commitments.

24 It was not part of the enquiry team's terms of reference to address Bilston Community College's financial dilemma. Nevertheless, in conducting the enquiry, the enquiry team has been alert to the fact that many of the difficulties experienced in the curriculum areas and in the cross-college student support services have stemmed either directly or indirectly from the college's preoccupation with franchised-led growth, international work and the management and financial issues that emerged as a consequence. These diverted the college's attention from its prime purpose of providing high-quality education and training experiences for the local community. In a previous decade, the college had won a high reputation for its efforts to ameliorate the devastating effects of the closure of the local steelworks.

The Findings

Bilston Community College

25 Bilston Community College is located in the south east of the Borough of Wolverhampton in an area of high social and economic deprivation.

26 The college has a strong commitment to widening participation. Its mission was *to be the best college for open access and equal opportunities through meeting individual education and training needs and aspirations largely by local, regional, national and international partnerships with other providers, employers and communities*. In pursuing its mission, it has relied increasingly on collaborative arrangements both within and outside the region. It has also been involved in a wide range of international projects in a large number of countries. This has led to a lack of focus in its work and has diverted many staff from their teaching roles.

27 The college offers courses in all 10 of the programme areas (table 1) funded by the FEFC. Three-quarters of its work is carried out at foundation and intermediate levels. Since 1994-95, Bilston Community College has expanded its outward collaborative provision as illustrated in figures 1-3 in the annex to this publication. In 1997-98, collaborative provision accounted for about 50% of the college's provision and it was engaged with partners throughout England (figure 3). This was cut back to 25% in 1998-99 and further reductions are envisaged. Student age distribution and enrolments by level of study for Bilston Community College and other Black Country colleges in 1997-98 are shown in tables 2 and 3.

28 About 25% of Bilston Community College's income is derived from sources other than the FEFC. These sources include European funds, international work, franchising and the Higher Education Funding Council for England (HEFCE). In recent years, the college has generated significant financial deficits (table 4).

Table 1. Enrolments at Wulfrun College and Bilston Community College, November 1998

<i>Programme area</i>	<i>Wulfrun</i>			<i>Bilston</i>			<i>Wulfrun + Bilston</i>		
	<i>FT</i>	<i>PT</i>	<i>Total</i>	<i>FT</i>	<i>PT</i>	<i>Total</i>	<i>FT</i>	<i>PT</i>	<i>Total</i>
Science	290	863	1,153	196	1,230	1,426	486	2,093	2,579
Agriculture	1	32	33	19	34	53	20	66	86
Construction	45	216	261	324	34	358	369	250	619
Engineering	140	1,113	1,253	77	179	256	217	1,292	1,509
Business	167	1,006	1,173	299	610	909	466	1,616	2,082
Hotel & catering	73	126	199	141	164	305	214	290	504
Health & community care	194	1,109	1,303	583	925	1,508	777	2,034	2,811
Art & design	167	187	354	106	501	607	273	688	961
Humanities	312	1,284	1,596	195	2,044	2,239	507	3,328	3,835
Basic education	43	107	150	132	1,949	2,081	175	2,056	2,231
Total	1,432	6,043	7,475	2,072	7,670	9,742	3,504	13,713	17,217

Source: College data

Table 2. Black Country colleges: age distribution of students (%), 1997-98

<i>College</i>	<i>Under 16</i>	<i>16-18</i>	<i>19-24</i>	<i>25+</i>	<i>Not known</i>	<i>Total</i>
Bilston Community College	2	10	15	71	2	100
Dudley College of Technology	4	13	16	65	2	100
Halesowen College	-	41	10	49	-	100
King Edward VI College, Stourbridge	-	100	-	-	-	100
Rowley Regis College	1	26	13	58	2	100
Sandwell College	2	19	16	62	1	100
Stourbridge College	3	15	12	69	1	100
Walsall College of Arts and Technology	1	30	17	52	-	100
Wulfrun College	3	21	18	58	-	100

Source: College data

Table 3. Black Country colleges: students by level of study (%), 1997-98

<i>College</i>	<i>Found- dation</i>	<i>Inter- mediate</i>	<i>Advanced</i>	<i>Higher</i>	<i>Non -schedule 2</i>	
Bilston Community College	56	19	14	3	8	100
Dudley College of Technology	50	25	15	4	6	100
Halesowen College	14	22	35	2	27	100
King Edward VI College, Stourbridge	-	-	100	-	-	100
Rowley Regis College	40	23	36	1	-	100
Sandwell College	41	31	16	7	5	100
Stourbridge College	37	26	15	2	20	100
Walsall College of Arts and Technology	30	39	25	6	-	100
Wulfrun College	36	26	24	5	9	100

Source: College data

Table 4. Bilston Community College: income and expenditure 1993-94 to 1998-99

<i>Year</i>	<i>Income source (£ million)</i>			<i>Expenditure (£ million)</i>	<i>Surplus (£ million)</i>
	<i>FEFC</i>	<i>Other</i>	<i>Total</i>		
1993-94	11.8	4.8	16.6	16.5	0.1
1994-95	11.3	4.1	15.4	15.3	0.1
1995-96	16.2	4.0	20.1	19.6	0.5
1996-97	19.3	5.9	25.2	24.5	0.6
1997-98*	15.9	6.6	22.5	24.6	-2.1
1998-99‡	15.4	4.9	20.3	23.2	-2.9

Source: College financial forecasts and financial statements

* estimated

‡ projected

The college's financial problems

29 The seeds of Bilston Community College's present financial difficulties were sown in the early days of incorporation when the corporation decided to pursue a growth strategy involving England-wide franchising arrangements. Such initiatives were stimulated by the DLE funding, which encouraged growth in further education provision at marginal cost. Funding for the DLE growth was, in the early days of the new further education funding regime, unrestricted and was not capped.

Such demands on the public purse could not persist, and in January 1997 the government informed the FEFC that DLE funding was to end. The consequence was that there would be a shortfall in the FEFCs anticipated funding for 1996-97 of £84 million. In the event the government agreed to fund the majority of the projected expenditure for 1996-97, but expected the Council to meet all future expenditure from its planned provision. As a consequence, the total funding available to a number of colleges, including Bilston Community College, was reduced. In Bilston's case, the reduction in 1997-98 amounted to about £3.5 million, or approximately 20% of the total previous year's allocation, including the DLE. Bilston Community College appealed against its 1997-98 allocation but its appeal was over-ruled in February 1998. The college did not proceed with its threat to apply for a judicial review of the decision.

30 During the latter part of 1997, the college developed a strategic plan covering the period 1997-98 to 1999-2000, in the full knowledge that DLE funding would not be available. The income and expenditure forecasts underpinning the strategic plan are shown in table 5.

31 The most surprising feature of these financial forecasts, which predicted a 276% growth in income from £24.6 million to £68 million over a three-year period, is that the corporation approved them. They were then forwarded to the FEFC as part of Bilston Community College's strategic plan for 1997-98 to 1999-2000. FEFC staff were concerned, and sought to persuade the college to address these concerns in particular the dependence on franchising and the extensive use of college trading companies.

32 The college's appeal against the 1997-98 funding allocation and antagonistic relationships in autumn 1997 between the college and the FEFC frustrated attempts by the FEFC to raise issues associated with college trading companies, franchising and the financial position of the college.

33 In 1998 the college needed the FEFC's consent to secure borrowing for a loan to cope with a cashflow shortfall. As a condition of its consent, the FEFC required that the college external auditors review the college finances. Deloitte and Touche sent in their corporate recovery team who reported in September 1998. The extent of the college's difficulties, and the unorthodox approach to budget-setting adopted by the college accounting officer, began to dawn on the governors.

34 Once the scale of the financial problems became clear, the governors took action. A recovery plan was prepared, involving management restructuring, site rationalisation, and withdrawal from non-core activities.

35 At about the same time, the chief executive of many years' standing sought retirement. The corporation agreed a leaving date of March 1999. The chief executive's post was advertised but an appointment was

not made. Instead, the principal of South Birmingham College was appointed acting chief executive from 1 November 1998. Soon after, the retiring chief executive ceased attending the college.

36 The acting chief executive revised the board's recovery plan, refocused the college's work and states that he is on target to reduce the staff from 747 to about 400, a figure more in keeping with the college's expected workload.

37 Because audit enquiries are still in train and the college's management and financial systems are unreliable, the enquiry team cannot with any certainty be sure of the financial position of Bilston Community College. The worst scenario recognises debts of over £10 million, the best scenario anticipates debts of between £3 million and £4 million. The acting chief executive states that he has already initiated action that will effect a significant reduction in annual expenditure and the generation of an annual operating surplus of £0.5 million. He also believes that the sale of assets might save £0.75 million, with a further saving of £0.25 million on recurrent expenditure. Rescue action might include taking Bilston Community College out of the funding methodology this year whilst its finances are stabilised and recalculating its funding in past years on a rebased average level of funding. Since audit enquiries are not yet complete, we are unable to make any recommendations about these matters.

Table 5. Bilston Community College: income and expenditure forecasts 1996-97 to 1999-2000

<i>Item</i>	<i>Estimate out-turn 1996-97 (£ million)</i>	<i>Estimate 1997-98 (£ million)</i>	<i>Estimate 1998-99 (£ million)</i>	<i>Estimate 1999-2000 (£ million)</i>
Income				
FEFC grants	19.47	15.66	21.00	27.50
Tuition fees	0.12	0.40	0.65	0.80
Local authority	0.05	0.05	0.05	0.05
Cost recovery*	4.01	9.35	14.70	31.50
Catering	0.30	0.24	0.30	0.35
Other income	0.66	0.75	0.80	1.00
Long-term investments	–	4.25	5.50	6.80
Deficit	0.00	0.00	0.00	0.00
Total	24.61	30.70	43.00	68.00
Expenditure				
Staffing	15.48	15.60	19.50	33.00
Premises	1.04	1.07	1.50	1.80
Consumables	–	5.40	8.33	16.39
Catering	0.22	0.25	0.31	0.35
Leasing & depreciation	0.73	1.00	1.50	2.20
Interest	0.03	0.06	0.06	0.06
Agency services	0.26	0.48	0.80	1.20
Long term investments	–	5.00	7.00	7.00
Reserves	1.27	0.10	2.00	3.00
Contingency	–	1.74	2.00	3.00
Total	24.61	30.70	43.00	68.00
Capital				
Buildings	1.53	0.80	1.00	1.30
Equipment	0.56	0.80	1.40	2.00
Total	2.09	1.60	2.40	3.30

Source: college strategic plan, 1997-98 to 1999-2000

** includes income from franchising, international work, economic regeneration, European funds and higher education*

Inspection findings

38 Since incorporation in 1993 the college has been inspected on two occasions. The college inspection in 1993-94, one of the first to be conducted by the Council's inspectorate, led to a satisfactory report. During 1997, the Council's inspectorate conducted a survey of 14 colleges engaged in franchising; Bilston Community College was one of these. The findings included the observation that the Bilston arrangements were the poorest, with many weaknesses. Despite the weaknesses being drawn to the college's attention, the college reacted by engaging solicitors to dispute the report rather than addressing the very serious concerns. Until the arrival of the acting chief executive in November 1998, the college's response to the inspectorate report *Collaborative Provision: National Survey Report* (FEFC, February 1998) was wholly inadequate.

39 A second college inspection report in January 1999 revealed a college with few strengths and many serious weaknesses. At the time of this second inspection, the college was involved in a restructuring process under the direction of the acting chief executive.

40 The self-assessment report produced by the college in August 1998, in advance of the second college inspection, did not address many of the quality statements in the Council Circular 97/12 and Circular 97/22, designed to give guidance on such matters. With one exception, inspectors did not agree with the grades awarded by the college to curriculum areas. In aspects of cross-college provision, inspectors awarded worse grades than the college in all but one area. Inspectors and auditors found serious weaknesses that were not included in the self-assessment report. Overall, the inspectors concluded that the quality of provision at the college was mostly poor and had significantly declined since the previous inspection.

41 The grades awarded to the 102 lessons inspected across seven of the 10 FEFC programme areas offered by the college were significantly below the national average. Much of the teaching was judged to be weak, with poor student retention and achievement in many areas. There were a few strengths in the college, including the breadth of provision and some effective teaching. The quality of provision in business studies, childcare and basic education was judged to be satisfactory. Provision in computing and information technology, construction, art and design, teacher education, access to higher education and English was unsatisfactory.

42 The inspectors concluded that the college needed to address:

- inadequate support for students
- weak teaching
- poor attendance and low retention
- low achievements
- inaccurate data on students' performance
- inadequate management of the curriculum;

and that the college should establish:

- effective management and governance
- rigorous procedures for quality assurance
- a sound financial position and effective financial control
- detailed and accurate management information
- proper accounting for public funds
- effective strategic planning
- thorough monitoring of performance by governors.

Action in response to inspection and audit

Mission

43 The all-embracing nature of the college's mission (see paragraph 26) has led to the irony that, having expanded its provision of learning opportunities to all parts of the country and beyond, the college neglected the quality of the provision on its own doorstep for the people of Bilston. The attention of staff was taken up with business ventures and external activities to the detriment of providing good teaching and sound courses for students drawn from the local community. The revised mission is now to *provide high-quality learning opportunities in response to local needs*. The revised mission is more appropriate, fits more closely with the Borough Council's regeneration strategy and is a more realistic platform from which to deliver lifelong learning in the locality.

Governance

44 The FEFC's audit service concluded that the corporation did not conduct its business in accordance with its instrument and articles of government; nor did it fulfil its responsibilities under the financial memorandum with the FEFC. Governors approved budgets that did not provide a sound basis for the college's continuing solvency. Strategic planning had been undertaken with little involvement of governing body members; in particular they failed to set sufficiently realistic objectives and financial targets. Once it became clear to governors in June 1998 that the college was in a poorer financial state than they had previously realised, they promptly set up a working group to address the difficulties and have put in place a recovery plan. Nevertheless, in our opinion the governing body lacked sufficient expertise and business acumen to fulfil adequately its responsibilities for financial and strategic planning matters and its general oversight of the work of the college.

Management

45 The inspectorate reported that, during the last few years, inadequate management arrangements had led to a significant decline in the quality of educational provision. The FEFC's audit service concluded that the college's financial management was weak and financial planning and monitoring had been imprudent. The budget for 1997-98 had

been formulated on the basis of flawed assumptions, including over-optimistic forecasts of income, which led to sizeable operating deficits. In 1997 much of the responsibility for management was delegated to 21 'subcolleges' which led to weakened financial control; income monitoring was independent of the college's central financial information system.

46 There was no systematic management of the college's provision; whole-college policies had not been properly implemented or monitored. Arrangements for quality assurance were inadequate, with few service standards and performance targets, a lack of reliable statistical data and poor course reviews.

47 In our opinion, propaganda, rhetoric and wishful thinking rather than hard facts, quantitative and qualitative performance indicators, analysis and common sense appeared to have underpinned crucial management decisions not only about financial and funding matters but also about the curriculum and student support. The losers in this short-term and ill-conceived strategy were not only college students and the local community but also many college staff whose careers have been blighted.

Staff

48 Under the direction of the acting chief executive, some of the issues identified by inspectors are being addressed. Nevertheless, the enquiry team question whether the issues surrounding the quality of teaching and learning, student support, management of the curriculum and rigorous quality assurance can be tackled successfully without the introduction of new personnel in some key posts. An extensive programme of staff development and training would be needed to reorient the present teaching force to the task of raising standards and improving the all-round quality of provision, if Bilston Community College is to continue to exist. **We recommend that the FEFC deploys part of the standards fund allocated by the government to support a programme of staff development for Bilston Community College staff.**

Support for students

49 There is no coherent management of student support; some students receive appropriate support but many receive none. Many students are not offered sufficient guidance to enable them to make informed choices about their studies. There is no systematic initial screening or diagnostic testing to identify students who may need help with numeracy or literacy. No learning support is offered to students in many curriculum areas. The college has recently developed a tutorial framework but many students do not receive tutorial support. However, many students receive informal support from their tutors, which they value. Under the new structure, where the number of staff has been reduced and roles reassigned, it is important that the college does not lose sight of the importance of support for students. The college needs to recover the position enjoyed at the time of the previous inspection when

support for students was demonstrably better than now. The weaknesses identified in support for students by the latest inspection need urgent attention. **We recommend that the Council uses the standards fund to enable Bilston to pair with a similar college adjudged to have outstanding student support arrangements.**

Provision

50 The college significantly expanded its provision in the region and nationally through collaborative provision. By 1997-98 this amounted to some 50% of the college's provision. Under the college's recovery plan, outward collaborative provision is now being reduced and the college is concentrating its attention on provision within its own locality. It is the enquiry team's opinion that this is appropriate action. **The enquiry team recommends the establishment of much closer relationships with other local interests and deeper involvement in local and regional strategic partnerships than has been the case in recent years.**

Accommodation and resources

51 At the time of the inspection, the college had eight sites all within 1.5 miles of each other. The accommodation varies in quality and there is underuse of classroom and workshop space. On most sites people with restricted mobility have access only to rooms on the ground floor. Refectory areas have been improved to a reasonable standard and some areas, such as the information technology (IT) learning centre, are of outstanding quality. The IT network between the three main sites and some sites in the community provide an effective system for staff and students to access a variety of IT resources. On the other hand, library facilities are generally inadequate; the bookstock is mostly outdated and there are insufficient study spaces. The recovery plan envisages a rationalisation of the use of sites with withdrawal from some. **We strongly support the need for this rationalisation that should lead to a significant reduction in the cost of overheads. We recommend that the Council use the standards fund to underpin the cost of developing an accommodation strategy for the college.**

Action taken by the acting chief executive

52 Since his appointment in November 1998, the acting chief executive of Bilston Community College has: begun to reorganise the college and to reduce staffing levels (from 747 to about 400 staff); has wound up most of the college's trading companies; reorganised the college management and replaced senior postholders; redefined the college mission to focus on the needs of Bilston and its surrounding communities; withdrawn from distant franchising work; vacated underused sites and is in the process of selling two sites and withdrawing from expiring leases on others; returned college lecturers to the teaching role for which they were trained; reduced expenditure, and claims that he is on target to show an operating surplus of £500,000 by the end of the present financial year.

53 What he has not been able to do is reduce the inherited debt that Bilston Community College carries into the future as a consequence of past governance and management failings.

Other provision in and around Wolverhampton

54 Each year in England about 4 million people, 9% of the population of 45 million, enrol on full-time (30%) or part-time (70%) courses of further education. If Wolverhampton were to achieve these participation rates, the predicted demand for further education from Wolverhampton's residential population of 242,000 would be about 22,000 students. About 9,000 Wolverhampton residents attend Wulfrun College and other sector colleges, leaving 13,000 potential students that might attend Bilston Community College.

55 Another way of predicting demand for further education provision in Wolverhampton is based on FEFC funding units. In 1997-98, 3.6 million further education students generated 176 million units of funding, of which 13 million (8%) related to outward collaborative provision. Pro rata, the Borough of Wolverhampton would expect to attract about 950,000 units. Wulfrun College has about 370,000 units of funding, leaving about 600,000 units for Bilston Community College, which translates into an enrolment of about 12,000 students.

Wulfrun College

56 Wulfrun College is located in the north west of the Borough of Wolverhampton. It serves Wolverhampton, South Staffordshire and, to a lesser extent, Dudley, Walsall, Sandwell and parts of Shropshire.

57 It has an annual enrolment of about 9,000 of which 1,600 are full-time¹. The age distribution of its students and its course profile by level differs from that of Bilston Community College as illustrated in tables 2 and 3 on pages 9 and 10 respectively.

58 Wulfrun College has strong links with the University of Wolverhampton and the University of Staffordshire, and has developed a number of higher education programmes in collaboration with these universities. Adult and community education and government-sponsored programmes, such as New Deal, play an increasingly significant role in the college's provision.

59 Analysis of data for 1995-96 to 1997-98 relating to FEFC performance indicators 4 and 5, which measure achievement, shows improving performance by Wulfrun College, which is now well above the sector median in terms of the qualifications achieved by its students (see table 6).

60 The FEFC categorises colleges into three groups in relation to their financial position. Colleges with robust finances are placed in category A. Colleges that show signs of financial weakness, which might limit their ability to implement their strategic plan if they encounter adverse

circumstances during the planning period, are placed in category B. Category C includes those colleges that are financially weak and which are or may become dependent on the goodwill of others. At present Wulfrun College, like Bilston Community College, is in category C. However, its status is likely soon to be raised to category B.

Table 6. College performance indicators 4 and 5 (1995-96 to 1997-98): comparison of Wulfrun College with sector and general further education/tertiary college medians

<i>Performance indicator</i>	<i>Wulfrun</i>			<i>Sector median</i>	<i>GFE/TC median</i>
	<i>95-96</i>	<i>96-97</i>	<i>97-98</i>		
Achievement of funding target (%)	89	100	100	108	106
In-year retention (%)					
Full-time	79	83	84	87	85
Part-time	81	86	88	84	86
Qualifications achieved (%)					
Short	44	88	85	77	74
Medium	38	75	74	64	60
Long	57	69	79	73	66
Total	46	78	80	73	67
Students aged					
16-18 (NVQ 2)	-	76	109	113	154
16-20 (NVQ 3)	-	241	234	256	266
21+ (NVQ 3)	-	267	250	186	324
Out-turn ALF (£)	19.45	18.72	17.19	17.41	17.15

Source: Wulfrun College and FEFC

Neighbouring colleges

61 Map 2 in the annex to this publication shows the location of further education provision in the neighbourhood of Wolverhampton. Enrolments by age of students and level of course are shown in tables 2 and 3 on pages 9 and 10 respectively. The distribution of students studying in local colleges, by programme area, is given in table 7.

62 Over 4,000 students resident in Wolverhampton attend colleges outside the Borough. Those colleges that enrol 100 or more students resident in Wolverhampton are shown in table 8 on page 21. Over 60% of those Wolverhampton residents attending colleges outside the Borough attend the four Black Country colleges of Sandwell, Dudley, Walsall and Stourbridge, the first three of which lie within a five-mile radius of Wolverhampton. One or more of these neighbouring colleges also offers provision similar to that offered by Bilston Community College.

63 This loss of Wolverhampton students to out-of-Borough colleges is compensated for by the 5,000 or so students resident outside the Borough of Wolverhampton enrolled at the two Wolverhampton colleges; 3,200 at Bilston Community College and 1,500 at Wulfrun College. Some of these are undoubtedly students registered under outward collaborative provision arrangements and may not attend classes on the sponsoring college's premises.

Table 7. Distribution of enrolments (wholly or partly Council-funded) at Black Country colleges by programme area, 1997-98

	<i>Programme area</i>										<i>Total</i>
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>	
Bilston Community College*											
FT	10	2	4	5	10	4	25	5	29	6	100
PT	18	1	2	2	7	1	9	7	43	10	100
Dudley College of Technology											
FT	7	1	2	5	10	2	10	23	32	8	100
PT	21	1	3	5	12	2	29	9	17	1	100
Halesowen College											
FT	20	2	0	3	14	10	13	10	27	1	100
PT	11	1	0	8	37	5	10	6	20	2	100
King Edward VI College, Stourbridge*											
FT	36	0	0	1	4	0	0	6	53	0	100
PT	0	0	0	0	0	0	0	0	0	0	0
Rowley Regis College											
FT	24	0	0	0	13	4	7	12	39	1	100
PT	16	0	0	0	8	0	0	50	23	3	100
Sandwell College*											
FT	10	1	2	11	20	6	19	9	11	11	100
PT	18	0	5	8	21	3	14	9	13	9	100
Stourbridge College											
FT	1	6	3	21	19	9	11	16	9	5	100
PT	20	2	6	24	16	1	3	5	15	8	100
Walsall College of Arts and Technology											
FT	12	0	9	7	9	8	22	21	11	1	100
PT	18	0	14	15	11	2	10	9	19	2	100
Wulfrun College*											
FT	17	0	1	18	11	6	11	10	22	4	100
PT	21	0	1	15	18	1	16	2	20	6	100

Source: College strategic planing data February*/July 1998

FT = full-time, PT = part-time

Programme area: 1 = Sciences 2 = Agriculture 3 = Construction
 4 = Engineering 5 = Business 6 = Hotel and catering
 7 = Health and community care 8 = Art and design 9 = Humanities
 10 = Basic education

Table 8. Students resident in Wolverhampton attending neighbouring colleges, 1997-98

<i>College</i>	<i>Number of students</i>
City of Birmingham College	324
Sandwell College	658
South Birmingham College	229
Dudley College of Technology	744
Stourbridge College	665
Walsall College of Arts and Technology	416
Solihull College	187
Birmingham College of Food, Tourism and Creative Studies	145
North East Worcestershire College	189
Rowley Regis College	138
Stafford College	321
Total	4016

Source: College data

Adult education

64 Against the national trend, Wolverhampton LEA has retained and enhanced its adult education provision over the past decade. The adult education service has a building in the town centre, in addition to more than 80 local centres and community organisations. It has a budget of £2.5 million, of which over £1 million is provided by the LEA and £400,000 by the FEFC. In 1997-98 there were over 10,000 student enrolments. A further 9,000 students were supported through GATE (Guidance for Adults into Training and Education). Adult education courses can be categorised loosely into arts and crafts (42%), sports and physical education (21%), basic education and access (14%), academic courses (10 %) and others (13%). Three-quarters of the students are women; 16% are disabled; 27% are from ethnic minorities; just over half are under 50.

65 The LEA is proud of and committed to its adult provision. Its spending per head of adult population (£5.40) is higher than the average for metropolitan councils, and its 90 enrolments per 1,000 of adult population is one of the highest in the country. The service sets out its mission as follows:

The adult education service aims to work with a range of community groups, schools, local authority departments, colleges and other agencies in the attempt to provide a comprehensive and diverse set of lifelong learning opportunities for Wolverhampton

residents which take place in a variety of formal and informal settings at locally accessible points within the community. In particular, the service recognises the different starting points of individuals and seeks to target those who have benefited least in the past and who currently face barriers to their participation in learning and other aspects of community life.

66 Its strategic plan identifies as one of its objectives 'working in partnership with others committed to and/or supportive of the aims of the service'. Partnerships with both colleges in Wolverhampton to provide particular services are cited, as well as numerous activities with voluntary organisations. Joint work with Prospects Careers Company on quality standards for careers guidance is also mentioned.

67 The adult education service has taken the lead in setting up a Campaign for Lifelong Learning. This has been more a forum for users than a partnership for determining strategy.

University of Wolverhampton

68 Approximately 63% of the 21,000 students at the University of Wolverhampton are home-based; part-time students account for 35%. This large commitment to higher education opportunities for students in the West Midlands is reflected in the University's desire to be intimately involved in partnerships with other education providers, industry and commerce. The new vice-chancellor is playing a leading role in Wolverhampton's response following the revelations surrounding the difficulties experienced at Bilston Community College. In the interests of a co-ordinated approach, key stakeholders have been brought together under the chairship of the vice-chancellor to draw up a proposal for post-16 educational provision for the twenty-first century.

Wolverhampton Chamber of Commerce, Training and Enterprise

69 In 1997-98, the Wolverhampton Chamber of Commerce, Training and Enterprise had a membership base of 1,076 that represents 16% of the business community that employ 40% of the workforce. Over 250 employers worked with schools in Education Business Partnership activities. Over 1,700 young people pursued qualifications through vocational training programmes, with 577 young people becoming modern apprentices. Relationships with Wulfrun College are good but with Bilston Community College have been strained in recent years, this needs urgent attention.

The local education authority and 16-19 provision

70 The LEA has set itself the targets of increasing the proportion of 16 year olds with five or more GCSEs grades A-C from the present 35% to 45% by 2002, and reducing the proportion with no graded GCSE from the current 9% to 5%. Such an improvement should lead to increasing demand from students for post-16 education and training to higher levels.

71 The LEA is also aware that, despite the relative popularity of sixth forms locally, there are problems to be addressed. Only half the sixth forms have more than 100 students and two have fewer than 50. Inevitably this restricts choice and opportunities. The LEA and the schools have jointly funded the secondment of a headteacher for two terms to develop a strategy for shared provision across the authority, building on existing consortia where possible. Wulfrun College is involved in this planning.

72 The LEA's recently published Education Development Plan includes the 'development of flexible, creative pathways to achievement in the 14-19 curriculum' as one of its objectives within its first priority of improving pupils' progress. Among the proposed activities are:

- developing support for the introduction of a wider range of vocational qualifications
- strengthening links with training providers, further education colleges and employers to aid teachers' recognition of key employability skills
- supporting partnerships to improve transition at 16 for students with learning difficulties.

Discussions with interested parties

73 The list of those with whom we have had discussions is contained in paragraph 23 on page 7. It was striking the extent to which common themes emerged from these discussions. There was a large degree of consensus on the following issues:

- a. Bilston Community College has isolated itself from mainstream and other local and regional providers by promoting an image of itself as a uniquely innovative world leader in community education;
- b. the current problems of Bilston Community College cannot be solved by that institution on its own;
- c. the Black Country generally, and Wolverhampton within it, is an area of traditionally low educational expectations, which is emerging with difficulty from its dependence on heavy industry. Raising achievement levels and skills, particularly in the new technologies, are a high regional priority;
- d. within Wolverhampton there are pockets of high unemployment, where welfare dependency and youth alienation are entrenched: despite efforts from the various agencies these attitudes are proving hard to shift;
- e. given traditional attitudes, and the difficulty of transport links, locally accessible further education provision is important throughout the town, but particularly in areas of high deprivation such as Bilston;
- f. the LEA adult education service is highly regarded locally;

-
- g. the organisation of 16–19 provision in the town has been a matter of debate and controversy for the last 20 years. Attempts to establish a tertiary college solution in the Bilston area have failed in the past, and throughout Wolverhampton, sixth forms are now the preferred post-16 destination of three-quarters of those parents whose children remain in full-time education. But schools now recognise that closer collaboration with each other and with further education is needed to provide students with a wider range of education and training opportunities;
 - h. the Bilston Community College crisis affects the whole of Wolverhampton and requires a Wolverhampton-wide solution, based on a single, multi-site further education college;
 - i. the Wolverhampton-wide solution requires strategic collaboration between further education providers, school sixth forms, the LEA adult education service and the University of Wolverhampton, and may require pump-priming capital;
 - j. the Wolverhampton strategy needs to take account of other education and training developments in the Black Country.

74 The most significant discussion we had was with the group convened by the vice-chancellor of the University of Wolverhampton, which included the principal of Wulfrun College and the acting chief executive of Bilston Community College, the chief executive and chief education officer of the Borough Council, and the chief executive of the Chamber of Commerce, Training and Enterprise. This group has been meeting since the difficulties at Bilston Community College became apparent and has agreed on a proposal for the future intended to:

- develop a seamless educational provision
- build on consensus and existing collaborations
- support the Borough's agreed regeneration strategy.

75 The group proposes a single, multi-site further education college for Wolverhampton, supported by the University, the Borough Council and the Wolverhampton Chamber of Commerce, Training and Enterprise.

76 This proposal stops short of drawing all post-16 provision into a single structure, but commits all providers to collaborative planning, sharing resources where appropriate, and adopting an overall information and communications technology (ICT) strategy.

77 A key element of the proposal is the establishment of a *learning hub* in the town centre. The adult education service, the new further education college and the University of Wolverhampton would collaborate in providing guidance, counselling and access to information and communications technology for learners of all ages. The learning hub could also underpin Wolverhampton's involvement in the University for Industry (Ufi) and might be part of the Borough's regeneration strategy for the town centre.

Conclusions and Recommendations

78 Recent events at Bilston Community College have been traumatic for the students and staff of the college, for the local Bilston community and for the Metropolitan Borough of Wolverhampton. Critical inspection and audit reports have resulted in course closures, staff redundancies, management restructuring, the closure of college trading companies and a loss of face and credibility for Bilston Community College in local, regional and national circles.

Options for the future

79 In offering a solution to the present crisis at Bilston Community College we considered:

- maintaining the present further education *status quo* (option 1)
- closure of Bilston Community College and distributing its students to neighbouring colleges (option 2)
- a Wolverhampton-wide solution (option 3).

Option 1

80 Following reorganisation and associated staff reductions, site closures, withdrawal from outward collaborative provision and closure of college trading companies, the financial position of Bilston Community College is improving. Provided predicted enrolments are realised, it may be able to generate a surplus during the next financial year. However, because of its accumulated debt it is unlikely to be financially viable. In view of recent bad publicity, we are not convinced that projected enrolments are achievable. Additionally, the performance improvement that will be necessary to achieve acceptable standards and improve the quality of students' experiences will require:

- an injection of new and experienced senior staff
- a wide-ranging programme of professional development for all teaching staff
- the replacement of existing college governors
- capital injection to improve accommodation and equipment
- a change in staff attitudes and the development of effective partnerships and liaisons within the Black Country.

81 These would be demanding challenges for a well-funded college with a long history of good management at all levels. Despite the good work carried out under the direction of the acting chief executive, we see no future for Bilston Community College as an independent corporation saddled as it is with debt. The enquiry team therefore recommends closure. This is not to suggest that there should be no further education

provision in the Bilston area and in the following paragraphs we suggest how this might be maintained and ultimately enhanced.

Option 2

82 The second option is closure of Bilston Community College and distribution of its students to neighbouring colleges. The advantages of this option are: first, that it would draw a very clear line under the past, and second, that it would be possible to attach each of the current Bilston programmes to whichever of the surrounding colleges has the strongest provision in that area of work (whether or not the activities were physically moved). This would be a way of addressing the serious issues of quality raised in the inspection report.

83 The disadvantages of option 2 are: first, its complexity in organisational terms and the implication this has for timing, and second, the loss of the integrated, Wolverhampton focus which local opinion so strongly favours.

Option 3

84 Earlier we referred to the group chaired by the vice-chancellor of the University of Wolverhampton. Its suggestion of a Wolverhampton-wide solution to the troubles stemming from the Bilston Community College saga appears to us to be visionary and also achievable. The suggestion appears to command widespread support both within Wolverhampton and the Black Country.

85 The establishment of a single college of further education, supported by the University, the Borough Council and the Wolverhampton Chamber of Commerce, Training and Enterprise appears to offer the best opportunity for delivering lifelong learning to the people of Wolverhampton. Such a college would operate through a number of centres across the Borough with key specialist provision localised on the existing Wulfrun and Bilston college sites. Given the local demand for technical skills, and the high proportion of young people, who currently reject education and training at 16, this is urgently needed.

86 This option might be achieved in one of two ways:

- a. through the closure of Bilston Community College and transfer of its assets to Wulfrun College; or
- b. through a joint dissolution of and merger of Bilston Community College and Wulfrun College.

87 The main disadvantage of (a) is that it would not have widespread support amongst some key local opinion formers, especially those located in Bilston. Since it is important that the new arrangements draw all parties together in a campaign to raise the profile of further education in Wolverhampton, the enquiry team rejected this route in favour of (b).

88 The suggestion from the vice-chancellor's group that the new college

of further education should operate a town centre hub co-located with the adult education services is sensible. Such a central service would be expected to provide guidance, counselling and access to ICT services, putting the needs of the learner at the forefront. It would allow the development of Ufi links. It might also incorporate a specific community-oriented unit involving the adult education service and the voluntary sector. Given the key role of careers advice for young people, it is important that a representative from Prospects Careers Service should be involved in discussions about the planning of an integrated guidance service.

89 The new college would also be expected to develop a close partnership with the University of Wolverhampton to facilitate access to higher education, enhance quality and relevance in the curriculum, promote high standards, as well as the opportunity to share resources.

90 This proposal, although stopping short of drawing all post-16 provision within a single structure, allows the opportunity for closer working relationships across the divides between schools, further and higher education providers, and training providers, than have existed in the past. For example, the development of well-resourced further education centres across the Borough would allow the new college to work more closely with local schools, particularly with those pupils aged 14 and over.

91 This new structure for further education in the Borough could be supported by a number of mechanisms that would encourage learning at all levels. These might include a post-16 entitlement to high-quality provision for all students; clear mapping of progression routes to higher education; work experience arrangements for staff, pupils and students; development of a Borough-wide ICT strategy; and the use of individual learning accounts (ILAs) to foster skills-updating for the employed and those seeking work. **This proposal parallels the thinking of the enquiry team which recommends that it should be implemented as soon as possible.**

92 It is essential that in pursuing such developments, there is early consultation with Black Country interests and the West Midlands region at large. The regional development agency (RDA) will have a key role to play in setting these proposals in the wider context of using education and training to lever enhanced economic performance.

93 Achieving a solution involving so many partners will not be easy. It requires commitment from groups which have not always found it easy to work with Bilston Community College in the past. We also recognise that time is of the essence if the needs of students in session 1999-2000 are to be met. For this reason we present below (paragraph 97) our recommended timetable for the establishment of the new college.

94 We also recognise that option 3 would not be a zero-cost solution. It is unthinkable that such a venture should be saddled with an inherited debt burden from Bilston Community College. Additionally, we believe that it will be necessary to inject funds into the new college to:

-
- develop appropriate accommodation
 - underpin the capital costs of a Wolverhampton-wide ICT strategy
 - finance a programme of staff development aimed at raising the standards of teaching, learning and improving management practices.

95 It is important that the new college:

- has a representative governing body that reflects significant and legitimate interests in the new college, not compromised by association with past failings
- continues to benefit from the expertise of the group chaired by the vice-chancellor of the University of Wolverhampton
- seeks help from the Black Country College Principals' Consortium
- builds on that which is best in post-16 education and training in the Borough of Wolverhampton
- quickly establishes effective and collaborative working relationships with local schools and helps them deliver a broader post-14 curriculum
- works closely with the Wolverhampton Chamber of Commerce, Training and Enterprise to address skills shortages in the region
- collaborates closely with both the careers service and the University of Wolverhampton to provide a broad-based guidance service that fosters student achievement and progression.

96 The further education sector has considerable experience of merging colleges. **We recommend that an advisory panel be formed of, for example, three principals and chairs of governors, to assist the shadow governing body in planning the new college successfully.**

Recommended timetable for action

97 Option 3 is a complex proposal and we do not believe that the process to establish a new college can be completed before 1 January 2000. This would be an auspicious implementation date for Wolverhampton's new millennium college. Critical stages in establishing the new college would be:

March 1999

- advice from the West Midlands regional committee to the Council.

April 1999

- a letter from the FEFC to the governing bodies of Wulfrun College and Bilston Community College, inviting their responses to this proposal

-
- assuming agreement to the proposal, establishment of a search committee for a shadow governing body for the new college.

May 1999

- the publication by the FEFC of statutory notices and draft proposals for the merger
- establishment of a shadow governing body and an advisory panel.

June/July 1999

- proposal forwarded to the secretary of state, if the merger is supported by the FEFC in the light of responses to the consultation
- shadow governing body considers appointment of principal and senior staff of the new college.

October 1999

- new corporation established with governing body and principal in place.

January 2000

- dissolution of existing corporations.

Closing Remarks

98 Without the work of the acting chief executive of Bilston Community College, Alan Birks, we would not have been able to make these recommendations. The people of Wolverhampton should feel deeply indebted to him for the skill with which he has carried out a difficult, demanding and stressful task at Bilston Community College during the past few months.

99 We end on a note of hope. Adversity has brought out the best in the Wolverhampton political, business, education and training communities. An inspiring partnership and collaborative agenda has emerged, involving representatives of the Metropolitan Borough of Wolverhampton, the Chamber of Commerce, Training and Enterprise, the University, the two further education colleges, headteachers of Wolverhampton secondary schools and the careers service. Their vision may not only provide the way ahead for post-16 education and training in Wolverhampton, it may also provide a template for other areas as they seek to deliver the government's lifelong learning agenda.

Maps and Figures

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