FE Reorganisation Activity and Policy Changes

Date of issue February 2008
Audience LSC Council
LSC office National Office
Publication intent Internal
Agenda item 10
Paper LSC 17/2008

Background and introduction

1 The Further Education and Training Act 2007 contains provisions transferring the power to make orders establishing and dissolving further education corporation to the LSC. It is likely that the relevant provisions in the 2007 Act will commence on 1 April 2008, pending ministerial support.

Purpose

2 This purpose of this paper is to seek some initial feedback from Council members on the criteria that the LSC will use in considering any such proposals so that these can inform discussions with ministers.

3 The criteria will be finally agreed by the Council at its meeting in March.

Recommendation

4 Council members are asked to consider the criteria and associated evidence evaluation and provide initial feedback.

Key points/issues

Issues

6 The proposed criteria are:
   • the proposal is likely to address the needs of learners and employers
   • the proposal is likely to encourage diversity in the education and training available to learners and increase their opportunity to exercise choice.
- the proposal is likely to increase local participation rates and result in improved quality and success
- the proposal is likely to develop innovation and improve access to learning for the community
- the proposal is likely to provide better value for money
- the proposal ensures the embedding of all aspects of equality and diversity
- the proposal is likely to promote effective community cohesion through community presence and representation within governance structures.

7 The criteria are a pivotal element of fully revised LSC procedures for considering mergers, incorporations and dissolutions of FE corporations. These procedures will ensure that all proposals are consistently considered, within a clear and transparent legal framework which complies with the legal requirements.

8 Internal guidance is already well under development and will be finalised following Council consideration of the criteria, and agreement to transfer the relevant powers to the LSC. Following on from this, a revised external guidance document (to replace circular 02/09) will be published to ensure appropriate dissemination within the sector, and with all key stakeholders.

Wider issues

9 In addition to the development of this criteria and associated guidance, protocols are being developed between DIUS and DCSF to ensure coherence between 16-19 reorganisation policies and FE mergers which reflect both Departments’ interests in the development of proposals.

10 It should also be noted that the revisions to the criteria, and associated internal processes, are largely refinements of long standing existing processes. No major changes have been proposed as policy intent from ministers and DIUS is under development and consultation in progress. For example, the Secretary of State has launched a series of events to scenario plan the future landscape of further education. This may impact on merger policy.

11 The LSC may, therefore, need to consider more extensive options for development and implementation. For example, it may be appropriate to consider a more highly defined and managed process across the LSC, to ensure greater consistency. In addition, the LSC may also wish to look at a differentiated process model, depending on whether proposed reorganisations are driven by educational/financial defects, strategic models or acquisition models.

Clearance

12 This paper has been cleared by Rob Wye, National Director for Strategy and Communications.
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