

# CONSULTATION DOCUMENT

Proposed merger between  
Joseph Priestley College & Leeds City College

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*'Together we make South Leeds stronger'*



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## FOREWORD

This document sets out the background and rationale for a proposal from Joseph Priestley College and Leeds City College that they should merge to form a single institution. This is a merger with a strong emphasis on meeting local learner and employer needs.

This document describes how merger will improve education and training opportunities for learners and employers. It will build on the combined strengths of two Colleges and contribute to the long term future of further education in South Leeds and the wider region.

The merger proposal is subject to a statutory requirement for a Public Consultation period of at least one month. A list of those being consulted is shown in Appendix B. All merger proposals require formal approval from the Secretary of State informed by advice from the Skills Funding Agency. Both will want to ensure all learners have maximum choice and opportunities, as well as a proposal that achieves enhanced value for money.

The Skills Funding Agency will consider the results of this consultation, due diligence studies, and the full merger proposal from the Colleges. The criteria against which it will judge the proposal are set out within this document.

The Skills Funding Agency will then make a decision on whether to forward the merger proposal to the Business Secretary for his decision. The timetable for merger is included within this document.

Your comments on the merger proposal and any information contained in this document are invited through a consultation being managed by the Skills Funding Agency, as part of its statutory role in College mergers. The Skills Funding Agency will analyse the responses received, publish a consultation report and ask us to take the responses into account when writing our Final Merger Proposal (FMP).

The closing date of this consultation is  
**Thursday March 24th 2011.**

An online response form can be accessed here:  
[http://www.surveymonkey.com/s/JPC\\_LCC](http://www.surveymonkey.com/s/JPC_LCC)

All the consultation information and links are available at the Skills Funding Agency website at:  
<http://skillsfundingagency.bis.gov.uk/providers/allthelatest/consultations/>

Or, if you prefer, responses can be made in writing to:  
**Geoff Russell**  
Chief Executive of Skills Funding  
Skills Funding Agency, Cheylesmore House  
Quinton Road, Cheylesmore  
Coventry  
CV1 2WT

Or by email to:  
[providerreorganisations@skillsfundingagency.bis.gov.uk](mailto:providerreorganisations@skillsfundingagency.bis.gov.uk)



If you have any problems responding to the consultation please use the contact details above or telephone 02476 825 791 to let the Agency know. All responses will be forwarded to the Colleges and will be taken into account when developing a final proposal. Comments may be used anonymously to illustrate the consultation report, the final proposal to Ministers or other key documents.

Both Colleges are keen to recognise and respond appropriately to any points raised by the Secretary of State for Business, Innovation and Skills or the Minister of State for Further Education, Skills and Lifelong Learning.

Please be mindful that the consultation document is intended to be read by a wide range of audiences and needs to support that breadth of interest. It is anticipated that some people read will read the whole document whilst others will focus on specific aspects relevant to them. Hence some aspects are repeated in different parts of the document. A consultation report will be published on the Skills Funding Agency website approximately 2 weeks after the closing date.

The Chief Executive of the Skills Funding Agency will assess the Colleges' final proposal, which will be expected to address the results of consultation as well as the published criteria for statutory re-organisations. Following this evaluation, the Chief Executive will make a recommendation to the Secretary of State who will make a final decision.



Neil McLean, Chair of Leeds City College  
Julie Drake, Chair of Joseph Priestley College

## EXECUTIVE SUMMARY

The Skills Funding Agency has agreed that the Initial Outline Proposal to support the planned merger between Joseph Priestley College (JPC) and Leeds City College (LCC) with incorporation on 1st August 2011 should go forward to formal consultation. This document provides information about the two Colleges and the merger proposal in order to inform the views of interested stakeholders. Both Corporations agree with the recommendation of a Model B merger, where the Corporation of JPC is dissolved and its assets and liabilities are transferred to LCC.

The proposal is for a 'modern' merger, consistent with the Models for Success; it is based on merger as a mechanism to add value and increase benefits for a wide range of existing and potential learners, individuals, employers and communities in South Leeds.

The current challenging external environment is daunting for any College; for JPC in particular there is the need to plan for transformation and ongoing sustainability at a time when cuts to be imposed on the sector will be greater than at any time since 1945. The impact of the Comprehensive Spending Review (CSR) has informed the detail within this proposal.

This resulted in growing concern by the JPC Board of Governors, that despite improvement, there would be a growing difficulty in maintaining and enhancing local provision. Serving the needs of local stakeholders in South Leeds remains the top priority for the JPC Governors. There was a strong preference to achieve this while remaining a free standing independent College. However recent cutbacks and the calculated impact of the CSR has made that even more difficult to achieve as a free-standing small independent College.

The Governors and staff of JPC remain determined to ensure that there is good further education provision

in South Leeds and believe that a merger with LCC is the best option for the future given the LCC stated commitment to being even stronger together in South Leeds.

The merger will ensure a more integrated and effective 14-19 and adult provision in each of the main population centres in Leeds and South Leeds, building on the local attachment to the JPC brand and backed up by the commitment of LCC to improve the offer in South Leeds "Together we make South Leeds Stronger".

The merger will provide further opportunities for closer links with Higher Education. It will improve employer engagement, ensuring a single focal point and opportunities to expand the Apprenticeship offering. In addition, progression routes will be more apparent and will enhance choices for learners in South Leeds, in particular providing greater access to Level 3 provision for JPC learners.

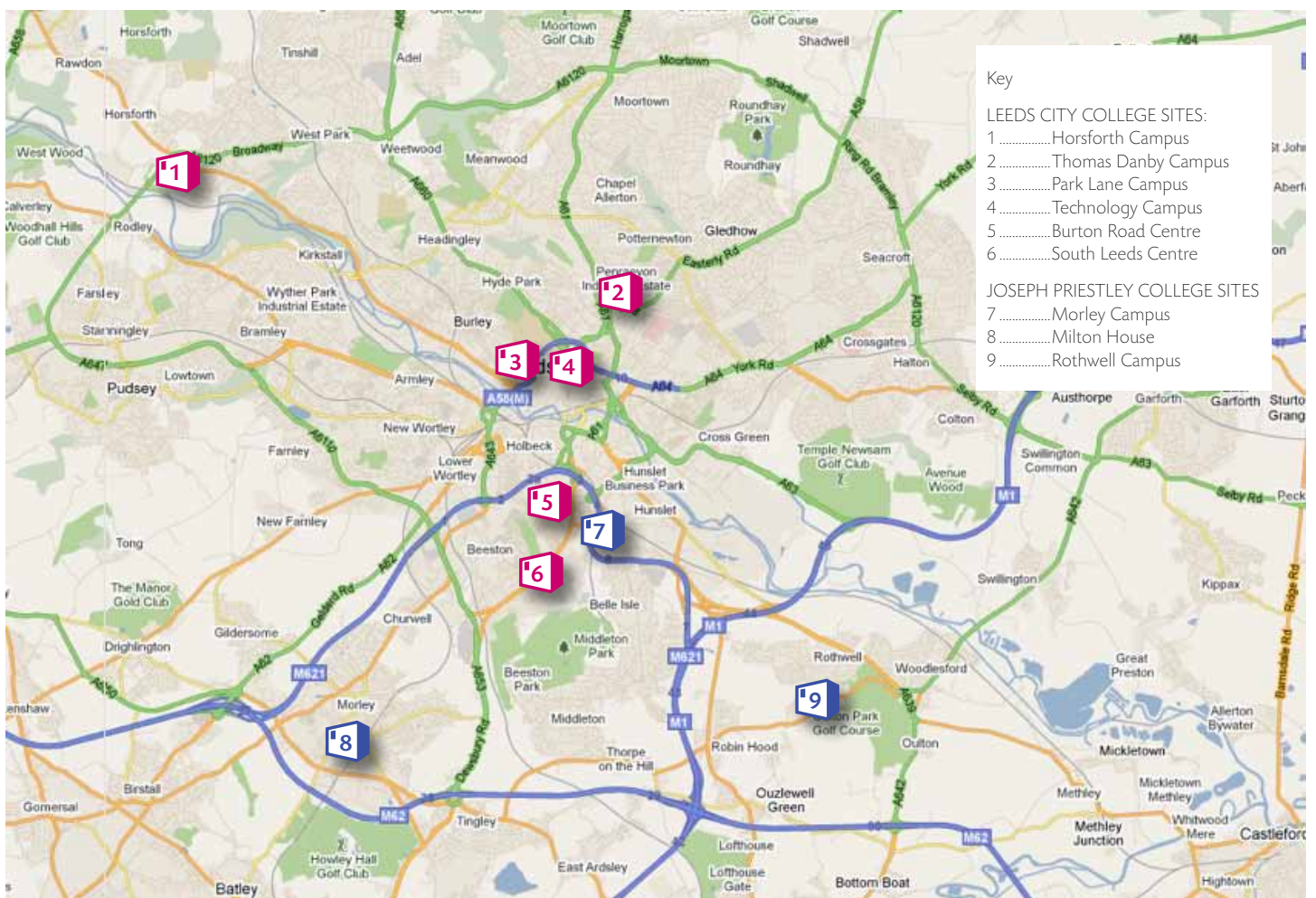
The merger is supported in principle by key stakeholders such as Education Leeds, the Young People's Learning Agency, Leeds City Council as well as a large neighbouring school. In addition, the Outer South Councillor Committee also formally recorded their support for the merger at a meeting on 29 November 2010.

Our approach to localism will be tuned to local circumstances and support effective collaboration where this will support efficient delivery of training and education requirements. It will deliver outcomes for individuals, employers and communities in South Leeds.

LCC and JPC fully embrace factors that underpin the importance of locality and already clearly demonstrate a supportive and responsive approach to local education, training, social and economic matters, comprehensively supporting the localism agenda. This is further displayed through a Leeds regional dimension. The Colleges approach to localism is tuned to local circumstances and supports collaboration to deliver training and education requirements efficiently and deliver outcomes for individuals, employers and communities.

Both colleges already have a number of campuses and centres within South Leeds as is shown in the map below and thus have a presence and impact locally. However our enhanced approach and improved co-ordination will best support and develop provision to meet local requirements in a time of economic challenge.

The Colleges have considered the Criteria for Assessment set out in Models for Success in more detail than may be customary at this stage. This is included later in the consultation document and is intended to show, at this early stage of the process, how this merger will meet these important requirements.



## MERGER MODEL & RATIONALE

*Each campus will serve its diverse communities, to the needs of the funding bodies*

### WHY DID JPC SEEK A MERGER?

The driving factors behind JPC's decision to seek a merger partner are the reductions in funding for adult learners, the current economic climate and the fact that the funding systems are exceptionally difficult for a small College. The Governors and staff are determined to ensure that there is good FE provision in South Leeds and a merger is the best option for the future.

### RATIONALE

The merger will create an organisation that is better able to respond effectively to evolving government initiatives. Each campus will serve its diverse communities, preserving their existing sense of place, but with significantly improved learner opportunities, greater details of which will be expanded upon in the Full Merger Proposal.

Crucially this proposed merger will have a positive effect on learners and potential learners across South Leeds in particular. The merger will aim to continually improve quality through the sharing of good practice and expertise that already exists within the two Colleges, culminating in raised standards of education and training being delivered.

There is potential for greater curriculum cohesion and opportunities for learners through a single curriculum design and implementation process, especially in the opening up of new markets. The current curriculum offer at JPC would be further enhanced by the progression opportunities provided through merger, particularly in relation to Level 3 provision and Higher Education, enabling progression to Foundation Degrees and beyond. The merged College will provide clarity for learners and a curriculum offer which will help to widen participation in South Leeds through increased access to learning.

A single institution will be better able to respond to the priority needs of the funding bodies and the strategic priorities as set out in the Comprehensive Spending Review, these are: sustainability; quality; growth and meeting market needs.

It will aim to increase efficiencies through the development of a single business support and management infrastructure, freeing up finances that can be directed to the point of learning.

The merger will certainly increase the capacity to respond to the recent announcement of the employer and skills budget, which is now firmly focussed on employer and adult's skills responsiveness.

Considerable investigatory and preparatory work has already been undertaken in pursuit of these aims. It is the firm belief of the leadership of each of the Colleges that these aims are viable and achievable, and that clear benefits to a wider group of learners will emerge.

## **MERGER MODEL**

Both corporations of JPC and LCC believe that a merged College will retain the characteristics of the two individual Colleges reinforced by local sub-branding where applicable. It will support their aim "Together We Make South Leeds Stronger" and their endeavours to promote social cohesion.

The corporations are proposing a Model B merger (in which the JPC Corporation will be dissolved and the assets and liabilities transfer to LCC).

*... aims are viable  
and achievable, and  
that clear benefits  
to a wider group of  
learners will emerge.*

# VISION & AIMS FOR THE MERGED COLLEGE

## “Together, we make South Leeds stronger”

The merger process has been undertaken with the benefits to the learners at the heart of the discussions. The merged College will provide a far greater and broader range of opportunities for individual learners, employers, staff and the local communities within South Leeds. It will have a tremendous impact on South Leeds as it will deliver an enhanced, focussed and high quality curriculum that will meet their needs.

This is in line with LCC’s mission which is:

“To be recognised as an exceptional College providing life changing skills and experiences for individuals, businesses and communities”.

## STRATEGIC AIMS

The proposed aims for the merged College are those agreed for LCC, which JPC staff and Governors positively endorse, with just one addition.

The agreed aims are:

- To relentlessly pursue excellence in everything we do.
- To provide high quality curriculum opportunities of a wide range and level.
- To develop and provide an inclusive supportive culture that is safe, effective, friendly and stimulating.
- To provide a high quality, inspiring and sustainable learning environment whilst maintaining the long term vision of redeveloping the College estate.
- To review, confirm and develop effective external partnerships.
- To attract, develop and retain a highly qualified, skilled and professional workforce who will work collectively to deliver our priorities and outstanding teaching and learning.

- To ensure the financial health and solvency of the College, enabling investment in the Mission through effective utilisation of resources.
- To provide a curriculum that is both responsive to local needs in South Leeds but also proactive in providing opportunities that stimulate and build local capacity and progression.

*... provide a curriculum that is both responsive to local needs in South Leeds but also proactive in providing opportunities*

## OBJECTIVES

The proposed objectives for the next three years for the merged College in South Leeds are:

- To strengthen and improve provision to match the best.
- To review and develop the curriculum offer to meet and respond to local needs and support progression to further learning and employment.
- To make a positive and productive contribution to community development, cohesion, and prosperity.
- To work closely with Education Leeds, YPLA, other providers and employers to secure sufficient, high quality learning and employment opportunities for students with learning difficulties and disabilities and develop a centre of excellence.
- To work collaboratively with other agencies, community partnerships and employers to reduce the numbers of young people and adults disengaged from learning and employment.
- To contribute to raising qualification levels in South Leeds by improving retention and success rates.

- To provide a safe, friendly and stimulating learning environment.
- To encourage innovative approaches to teaching and learning and effective use of e-learning methodology.
- To ensure financial stability and value for money.
- To effect a timely and efficient merging of the two organisations that demonstrably values the capacity, knowledge and experience of both organisations.

Preparatory work suggests that these objectives are achievable, the evidence to demonstrate this will be included in the full merger proposal.

## VISION & AIMS FOR THE MERGED COLLEGE (CONT...)

*... strong 'LOCALISM' will be a  
prevailing feature of the merger*

### PROPOSED MERGED COLLEGE NAME

Initial discussions have taken place around the name of the merged College and in particular, the names by which the JPC sites will be known. As this is a Type B merger, the merged College will be known as Leeds City College (LCC). However there is also a desire and an expectation that the name of JPC should be retained at one of the existing sites.

The merged LCC retained the identity of the outgoing Colleges through the use of their name as a sub branding at each site. For example the site of the previous Thomas Danby College is now known as 'LCC – Thomas Danby Campus'.

In this instance however, the issue is complicated by the existence of more than one JPC site and the Governors of JPC have therefore decided which existing JPC site should retain the JPC brand. It has been agreed that all the sites will be renamed with the suffix 'LCC' and this will be followed by 'Joseph Priestley Campus' for the current Morley site and 'Beeston' and 'Rothwell' for the remaining sites.

### ENSURING CLEAR AND EFFECTIVE LOCALISM

The Coalition Government has highlighted the potential for College mergers to have a detrimental effect on local identity and ownership. Type B mergers with larger Colleges 'taking over' smaller weaker Colleges have, on occasion, led to a diminution of the impact of the smaller College on its local sites and communities. LCC and JPC are determined that strong 'LOCALISM' will be a prevailing feature of the merger. This is summarised in the vision for the merged College which is "Together we make South Leeds stronger".

In addition LCC, in its final bid to become the preferred merger partner for JPC, stated on its written submission:

"Firstly, JPC is a well known College with a good local reputation. Thus we regard JPC as having a strong local brand that is well known and respected by the local population of South Leeds that encompasses individuals, businesses and local communities. It has a niche identity that we would wish to preserve and build upon.

*... connections will afford greater opportunities for the newly merged institution to make an enhanced offer to its students and stakeholders*

Secondly, JPC operates in three prime locations – Beeston, Rothwell and Morley – that are all important geographical centres which serve their immediate communities. The locations would provide the newly merged institution with the opportunity to offer more choice and progression opportunities via a more coherent approach to the planning of provision.

Thirdly, JPC has strong links with its local communities and businesses. These connections will afford greater opportunities for the newly merged institution to make an enhanced offer to its students and stakeholders to meet their existing and future needs.”

The merger will ensure that the local identity of the JPC brand will remain. This will be achieved through the sub-branding of one of the existing JPC sites with the Joseph Priestley name and the other sites being known by their local area names.

Strong site identity will remain with LCC providing central leadership with clear operational leadership on each College site and a clearly defined contact person for local people. In addition to this the new governance arrangements for the merged College will reflect the geographic coverage and include representation for the South Leeds area.

The merged College will build on the strong partnerships that JPC currently has within the South Leeds area working with local community groups, schools, local government, local employers and voluntary service organisations.

## PROPOSED CURRICULUM OFFER

The merged College will offer the full range of vocational areas, the majority of which will encompass provision from entry level through to level 3, with many areas offering higher education opportunities. In South Leeds, the current vocational range will be maintained and progression opportunities expanded.

The intention of the new College is to enhance, develop and refine the range of full time courses, based on the current offer, in South Leeds by both LCC and JPC. These programmes will lead to the achievement of nationally accredited qualifications, will improve the offer currently available and changes made will be gradual to reflect the emergence of new opportunities and levels of changing demand.

A key objective is to develop more individualised provision with learners able to access their core programme locally with more specialist units at alternative centres. Care, Early Years, Uniformed Public Services, Hair, Beauty, Computing, Horticulture, Construction, Sport, Business, Engineering and Motor Vehicles will form the core of the offer with potential developments in retail and distribution.

Level 2 qualifications will be offered across all vocational areas supported by a mix of level 1 and level 3 qualifications where the demand requires it. Access to Higher Education programmes will offer the best possible progression routes for adults seeking to extend their skills and qualifications for entry into Higher Education. Full time courses will be available and structured to meet the needs of all learners. The merged College will be the main provider of full time education for Leeds learners aged 16 to 19.

Part time courses will focus on meeting local needs and extend from entry level to higher education. The offer will be focussed and prioritised to reflect the needs of employers, subject to the availability of funding, and will broadly reflect the vocational mix of the full time offer. The College will be the major provider of adult training and skills development in the city. It will therefore be in a unique position to influence and work with the Local Authority and local planning agencies to ensure there is a co-ordinated approach to planning post 16 provision within Leeds.

Engagement/re-engagement with learning and employment will be a priority for the College with provision specifically focussed towards NEETs (young people who are not in education, employment or training) and the unemployed. The offer will build from short taster provision delivered in community venues to support those coming back into learning to more substantial provision. The College will build upon the recognised good practice already taking place in South Leeds and the expanded curriculum offer will support this priority area.

The new College will continue to focus on work with employers and local businesses to meet their training needs as a key priority. The College will deliver widely required qualifications such as accountancy, management and team leading, health and safety and first aid as well as bespoke provision tailored to meet the needs of individual employers.

The merger will provide significant opportunities to extend and develop the apprenticeship offer in South Leeds, both in terms of the number of places available and the greater number of curriculum areas in which these will be delivered. The employers and learners of South Leeds will therefore be able to access much wider opportunities which will enhance the local workforce and encourage participation and progression in much needed and vocational skills.

Provision for learners aged 13 to 16 will continue despite constraints which may arise from the CSR; the focus will be on continuing to provide high quality vocational education in partnership with schools and other organisations. Additionally the College will work with others to develop a stronger offer for those at risk of becoming NEET. The objectives of work with this age group will be to stimulate interest in learning and to support them to make positive, well informed decisions about progression and learning at 16.

The provision of higher education within South Leeds will benefit significantly from the merger; it will be able to draw on the wider resources of a larger College. The focus will be on part time provision linked closely to the needs of employers and employment, offering progression opportunities in the main areas of provision. Education qualifications, in partnership with Huddersfield University, will continue to form the core of the higher education offer in the South of Leeds.

Provision for students with learning difficulties and disabilities will be a key priority of the merged College and area for potential growth. However, this will be subject to the availability of appropriate funding, which is currently a significant limiting factor on the delivery of this provision. The College will capitalise on the joint experience and expertise by becoming the major provider in Leeds with the intention of creating a centre of excellence for students in the region needing specialised support in pursuit of individual learning, independence and progression. The College will work with other agencies to identify local needs and demand and to develop programmes that respond to those needs.

The development of essential skills for life, learning and employment will be a core theme for South Leeds. There will be an emphasis on literacy, numeracy, financial literacy, language and ICT skills. The College will promote enterprise, study skills and other transferable skills for employment and further learning. The offer will include access provision to support those wanting to progress to higher education.

Further more detailed analysis of the proposed curriculum offer will be developed as part of the full merger proposal. At present, the joint planning teams for learner provision are investigating, clarifying and interpreting post CSR announcements, the Skills Strategy and the recent White Paper on Education (November 2010). Conversation with Leeds 14-19 and the City Council as a whole will take place in the future to inform the detail of the FMP. (Transport changes, fares, subsidies and impact on Travel to Learn, for example.)

## ADVANTAGES TO LEARNERS OF THE PROPOSED MERGER

The merged College will provide an opportunity to create a more coherent, consistent, high quality, well resourced curriculum for the whole of South Leeds. This will be achieved through more joined up and focused strategic planning, developing capability and sharing of best practice and resources.

Proposed advantages to learners are included below, however the merged College will establish a joint curriculum working group to fully explore all of the potential curriculum opportunities available to learners.

Both Colleges deliver a significant proportion of the further education received by residents of communities in South Leeds. The first and most essential element of the merged College approach is to continue to offer locally based provision that will support individuals to engage with learning and build their confidence and skills.

The current economic climate suggests the market for further education is likely to become increasingly challenging in the near future and a merged College serving South Leeds will be better placed to meet the needs of young people, adults and employers in a demand led responsive market.

This would also provide greater potential for improved efficiency and utilisation of capital resources to support a new and exciting curriculum, including the opportunity to develop new programmes in new buildings combined with state of the art resources.

The merger also provides for a broadening of the range of opportunities for participation and progression and the introduction of a unified approach to the recruitment of learners across South Leeds. The new institution would also allow the enhancement of existing learning programmes and initiatives and the availability of improved provision for students with learning difficulties. Specifically the merged College will offer the following advantages to learners in South Leeds.

*... provide an enhanced offering for learners in South Leeds built on best practice and strengths of both JPC and LCC*

The focus of the merged College is to ensure an even stronger and more responsive curriculum offer in South Leeds that contributes to the further development and prosperity of the communities. The merged College will therefore provide an enhanced offering for learners in South Leeds built on best practice and strengths of both JPC and LCC, for example:

- Continuation and enhancement of locally based provision that supports individuals to engage with learning, building their confidence and skills
- A wider curriculum entitlement and a greater number of clear progression routes and pathways to level 3 and above. LCC is committed to further enhancing access in South Leeds to Level 3 and above
- The intention of creating a Centre of Excellence for students in the region needing specialised support in pursuit of individual learning, independence and progression
- The development of essential skills for life, learning and employment in South Leeds is a core theme for the merger
- Development of a successful cohesive plan to address the worklessness agenda focussing activity in areas of high deprivation

- An increased offering of Apprenticeship programmes and HE opportunities
- A high quality vocational qualification provision providing real opportunities for learners from the age of 14 within the South Leeds travel to work area linked to real local job opportunities
- Greater opportunities for full time learners to take part in extra curricula activities e.g. sport, drama
- More high quality staff with the capability to inspire and motivate learners
- A broader specialist learner advice, guidance and support service, particularly for students with learning difficulties and disabilities and vulnerable adults.

Changes to the curriculum offer will be gradual based on market intelligence and funding requirements. The curriculum offer will be expanded within the FMP. The recently published strategy document, 'Investing in Skills for Sustainable Growth', will be crucial to future direction.

## CURRICULUM BENEFITS & PROGRESSION OPPORTUNITIES

The merged College will enhance existing strengths and ensure that there is joint curriculum development, especially in the opening up of new markets. There will be greater curriculum cohesion and improved opportunities for learners through the planning of a coherent and comprehensive curriculum for 14-19 year old learners and adults. This will result in an improved choice of learning programmes that encourage and support learners to achieve their full educational potential, offer access to a wider curriculum entitlement and provide a greater number of clear progression routes and pathways to level 3 and above.

The new College is keen to provide the capacity to develop a successful cohesive plan to address the worklessness agenda. For example, this would include focussing activity in areas of high deprivation such as Belle Isle and Middleton. This would ensure a comprehensive range of engagement activities leading to more formal training and development. Similarly, provision developed at Burton Road would ensure a vibrant and responsive curriculum to meet the needs of students in Beeston, Hunslet and Holbeck.

In addition, more opportunities will be available to access Apprenticeship programmes and Higher Education within the merged organisation. The combined College will also provide greater clarity for learners and employers and further learning will be a characteristic of the new College. A wider curriculum choice will be available, at all levels, that will help to widen participation in South Leeds through increased access to learning.

### **MORE HIGH QUALITY VOCATIONAL QUALIFICATIONS**

The intention is to focus provision on the delivery of high quality vocational qualifications that prepare learners from the age of 14 for real employment opportunities within the South Leeds travel to work area. This will include the development of qualifications closely linked to the availability of real local job opportunities and emerging industries and will extend from foundation learning to higher education. At all levels, the College will seek to utilise the greater flexibilities offered by the development of a unitised curriculum through the development of the Qualifications and Curriculum Framework (QCF) that will enable learners to build their qualifications and experience into nationally recognised qualifications. Learners will also be able to study locally and to access some more specialist units centrally through development of individually tailored learning programmes. The combined College will establish Apprenticeships in sectors not currently served in South Leeds, together with an increase in Apprenticeship numbers. Initial thoughts include building on the current Apprenticeship offer in the following areas: engineering, motor vehicle, computing, health and social care, hospitality and food manufacture.

*... more opportunities will be available to access Apprenticeship programmes and Higher Education*

## ENHANCEMENT

All learners will have greater access to additional learning opportunities through the enhanced programme offer of the two Colleges. All full time learners will also have greater opportunities to take part in extra curricula activities including sport, drama, study trips abroad, visits by guest speakers and international students, competitions and other incentives.

## IMPROVEMENT IN QUALITY

Building on the recent improvements at both JPC and LCC, the merged College will work to continually improve the quality of provision. Bringing the two Colleges together will allow the merged College to further review the quality of teaching and learning at each institution and to share effective practice from each institution, culminating in raised standards of education and training being delivered. The combined College will be able to pool its expertise in this area to continue to raise the overall quality of provision through improved attendance, retention, achievement and success rates.

## FACILITIES AND RESOURCES BENEFITS

The merged institution provides a significant opportunity to redirect resources to front line services via economies of scale, rollout of new technology, investment in the estate and improved access to specialist facilities. There will clearly be opportunities to optimise resources for the benefit of all learners through the financial benefits gained through potential efficiency savings and the ability to share services.

## STAFFING EXPERTISE

The combined College will have access to high quality staff that has the capability to inspire and motivate learners. Students will benefit from the extensive sharing of good practice between staff, improved availability of specialist support staff and improved cover arrangements. The quality of teaching and learning will be improved as all staff will benefit from enhanced personal development opportunities. These will include mentoring and buddying arrangements, involvement in peer assessments, opportunities to develop and expand their expertise in teaching and learning and the opportunity to innovate and develop new practices to meet the future needs of the learners.

## CURRICULUM BENEFITS & PROGRESSION OPPORTUNITIES (CONT....)

*... further review the quality of teaching and learning at each institution and to share effective practice*

### IMPROVED LEARNER ADVICE, GUIDANCE, AND SUPPORT SERVICES

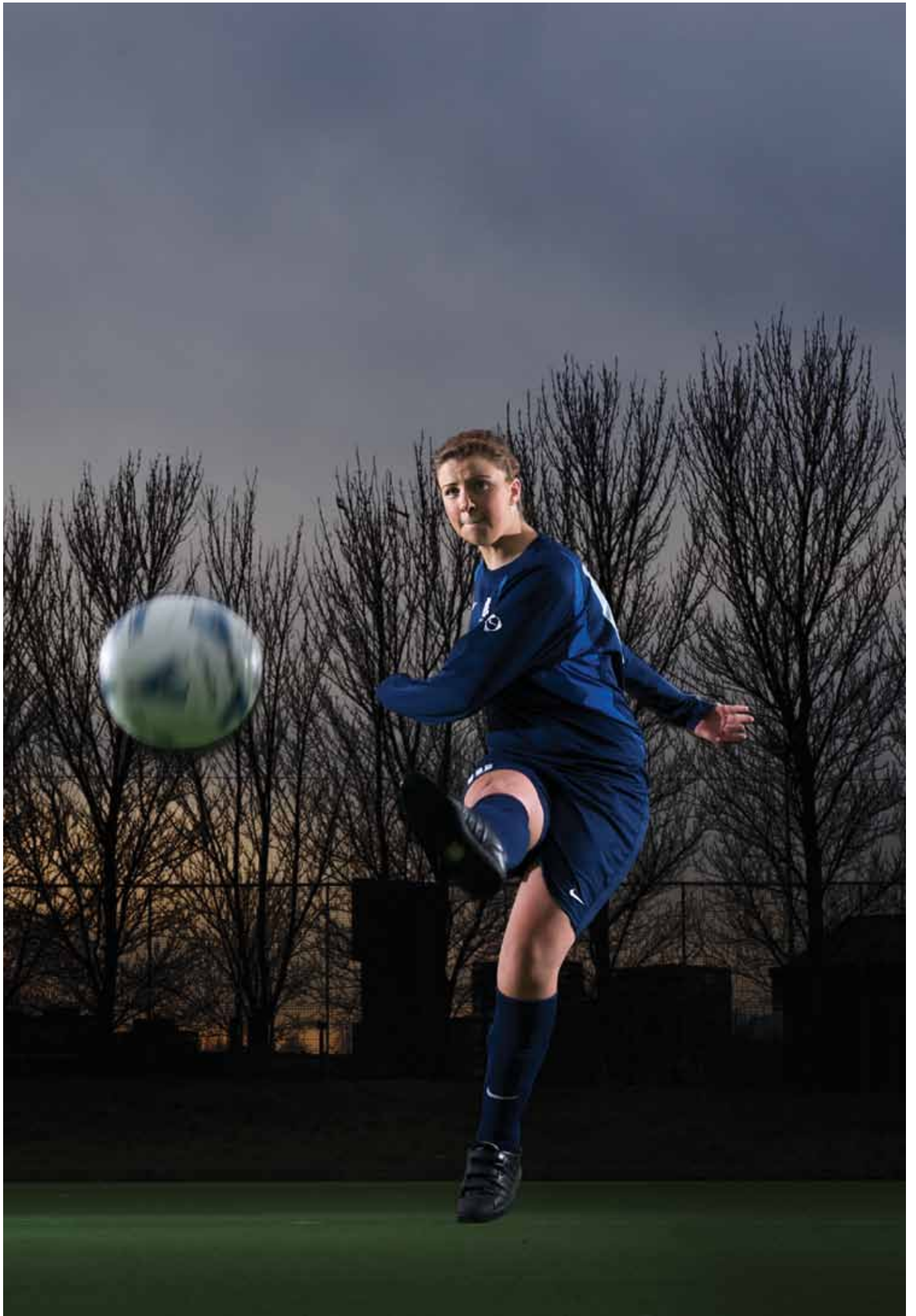
The combined College will be able to offer a much broader yet more specialist learner advice, guidance and support service, particularly for students with learning difficulties and disabilities and vulnerable adults.

### JPC 'BRAND'

It is envisaged the JPC 'brand' will be retained and protected as a lead local sub-brand within the merged College to reassure local learners and the community. Thus the merger will bring confidence to all of the South Leeds communities including Beeston, Morley and Rothwell.

### DEMOGRAPHIC AND SOCIO ECONOMIC INFORMATION

Analysis and consideration of the demographic and socio economic information suggests that there are opportunities for the merged College to expand their current provision to ensure greater progression opportunities are made available and to respond to local employer requirements. There are opportunities to focus on Level 1 and 2 provision for the working age population within Leeds and for the merged College to provide continued support for new learners accessing FE below Level 2 and those with literacy and numeracy requirements. Further analysis will be carried out as part of the FMP.



## FINANCIAL BENEFITS

The merger process is still in a relatively early stage and as such, limited financial forecasting has been undertaken. However the work completed to date shows that the merged College should be financially robust and of a sufficient size to most probably withstand the future funding uncertainties and demand variations.

At a very basic level, the table below gives an indication of the likely turnover and operating position of the merged College in the first two years of operation. These figures do not however, take into account any financial modelling, efficiencies that may be realised or organisational change that may impact upon the College.

INCOME & EXPENDITURE SUMMARY	MERGED FORECASTS - £000s	
	2010/11 Budget	2011/12 Budget
Total income	82,478	82,324
Staff costs	51,488	50,404
Exceptional restructuring costs	175	315
Non-pay costs	30,416	30,221
Total expenditure	82,079	80,940
<b>Trading surplus/(deficit)</b>	<b>399</b>	<b>1,384</b>
Profit/(loss) on disposal of assets	0	0
Transfer from revaluation reserve	269	269
Realisation of property revaluation gain		
<b>Historic cost surplus/(deficit)</b>	<b>668</b>	<b>1,653</b>

Source – three year financial statements

The combined turnover of the merged College rises to at least £82m whilst the expenditure forecasts are relatively lower by 2011/12. This would potentially enable an operating surplus of over £1.6m to be realised. There are a number of financial advantages the merged College would bring and these are:

- A greater financial capacity to invest and develop learning facilities for a wider range of learners through access to greater borrowing potential and economies of scale that large capital investment programmes can bring.
- The achievement of significant cost savings through the elimination of duplicate costs and activities and the opportunity to invest time in becoming better at delivering the existing services.
- A greater ability to withstand the turbulent economic and financial times that are undoubtedly ahead. Costs and services can be rationalised to meet the changing demands upon the finite financial resources whilst also being in a stronger position to react to the opportunities that these times of austerity will also bring.
- An opportunity to make better use of all the resources available to best meet the needs of the learners. There will be opportunities to review the space required across both the College and within different communities. Space and room utilisation can be optimised together with a robust approach to ensuring that staff are also fully utilised.

- The merged College will continue to be the largest provider of further education within the Leeds City Region and this dominant position can be used to drive forward the agenda for improvement and change across the city. The merged College will have the enormous benefit of the shared contacts and experiences of working within the city area and in particular South Leeds. This shared knowledge and experience can be used to further develop the curriculum offer to South Leeds whilst also enhancing the facilities and the overall learning environment to meet the needs of these learners. This can be done cost effectively as a result of economies of scale and possible site rationalisation.

The merged College will therefore provide a sound financial platform from which a number of financial benefits can be derived. The changes to the funding values, funding streams and the increased flexibility being afforded to Colleges will present the College with a number of opportunities to provide an enhanced and more efficient offer, whilst also realising cost savings and rationalisation opportunities.

## THE MERGED COLLEGE ESTATE

Both Colleges operate within the South Leeds area and there is an ideal opportunity for the Colleges to review their overall accommodation needs against the sites currently available. There will be opportunities to make a better use of the sites and to deliver a more cohesive and efficient offer in premises that are fit for purpose and which provide a positive and up to date learning experience.

In addition, the close proximity of some of the current College sites may provide an opportunity to rationalise the overall space and sites in the short to medium term. This will enable cost savings to be made without compromising the extent or quality of the provision.

The Corporations of both Colleges are keen to ensure that all JPC sites will have equal consideration in the merged College estates strategy which will be developed throughout the initial merger period and documented in the FMP.

The College will ensure that the needs of each community will continue to be met with regard to location and delivery. Implications of changes for students' travel will be considered as part of the Estates strategy.

*... needs of each  
community will  
continue to be met  
with regard to  
location and delivery*

## MANAGEMENT AND GOVERNANCE

*... clear and harmonious  
planning is taking place in  
these two important areas*

A detailed and dedicated section of Management and Governance will be contained in the Full Merger Proposal. However it is important at this early stage to emphasise that clear and harmonious planning is taking place in these two important areas without any sign of deal-breakers emerging as a threat.

The corporations of the two Colleges have approached the merger in a spirit of openness and collaboration. They have formed a Joint Merger Steering Group to manage the merger process. This group meets regularly in order to discuss ongoing issues relating to the merger and are keen for agreement to the development of a full merger proposal. They are aware of the requirement of legal and financial due diligence work which will take place at the same time as a full public consultation on the merger.

The FMP will include a formal request to the Secretary of State for a temporary expansion of the Governing Body for the two years from the date of merger. The precise make up will be outlined in the FMP but the core principles are agreed – high quality, appropriate representation for the entire area served by the College.

The core principles of effective management at both strategic and local levels are already agreed. The senior management team from JPC will be absorbed into the Senior Leadership Team of the new College and the aspects of LOCALISM will continue with campus management being retained at all sites using the existing teams and structures.

## EARLY CONSIDERATIONS FOR HUMAN RESOURCES

*... both Colleges are keen to emphasise positive, professional opportunities which merger will provide*

In the FMP there will be a complete section devoted to HR issues but the production of that document is at least three months away. The senior management at each College are keen to affirm key principles in relation to the HR now, in recognition of inevitable staff concerns whenever merger is involved. In particular:

- There will be an HR communications strategy in place from January 2011 to enable staff to be included, involved and updated.
- While staff inevitably have concerns when a merger is being planned, both Colleges are keen to emphasise positive, professional opportunities which merger will provide.
- There are no plans at this stage for making posts redundant although, as most people realise, no absolute guarantees can be given. Savings are expected to be achieved through turnover, natural wastage and the reduced use of agency staff.
- An opportunity to reorganise the merged staffing structures to ensure that the best skills are identified and used to the benefit of the College and the learners. This will also provide opportunities for the staff of both Colleges with regard to progression, sharing best practice and experiences, an enhanced opportunity for further development and the possibility of better terms and conditions of service.
- All HR issues will be dealt with transparently, with full legal compliance and respect for legal rights. TUPE is recognised and those unions which are recognised will be consulted with.
- A register of the possible impacts of the merger in the HR terms will be compiled as a result of consultations and HR strategy communications.
- Workgroups will be established from January which will look at staffing issues and will hold joint liaison meetings with the Unions.

The above will reflect the open and positive way in which both Colleges as caring employers wish to proceed.



## IMPLICATIONS AND COLLABORATION WITH OTHER PROVIDERS

The aim of the merger is to secure high quality, further education provision in South Leeds that best meets the needs of learners and employers. The merger of JPC and Leeds City College represents an opportunity to create a coherent, consistent, high quality and well resourced 14-19 curriculum for South Leeds and the region of Leeds which no other form of collaboration offers.

In developing this proposal, both Corporations recognise the importance of partnership working with local secondary schools and the Garforth Community Trust. There is no intention to change existing relationships where these are working well. However, the corporations recognise that the Government has published a new Education White Paper “The importance of teaching” and is pursuing policies which promote the creation of more Academies and greater parity in the funding of post-16 provision in schools and Colleges. These changes will impact on secondary schools in South Leeds as elsewhere.

Another aim of the proposed merger is to ensure greater efficiency and utilisation of capital resources to support a vocationally orientated curriculum including where appropriate, new buildings and state of the art resources. Through partnership working with local secondary schools these facilities could be accessed by school pupils who wish to access vocational provision in high quality facilities not available in their own school.

The proposed merger also aims to broaden opportunities for participation, reduce competition and introduce a more unified approach to student recruitment across South Leeds. Partnership working between the merged College and local schools and Academies should be easier as there will be one fewer relationship to manage, through merging two Colleges into one. The College will also continue to work co-operatively with the Specialist Inclusive Learning Centres (SILCs) and other independent specialist providers.

The table on page 43 shows the proportion of pupils at the end of Key Stage 4 achieving 5 or more A\* to C grades. The table shows how these proportions have changed in the period from 2006 to 2009.



This underlines the potential for partnership working on delivery of training to 14-16 year olds and the need for appropriate provision at levels 1 and 2.

The Government is giving school headteachers and Governing Bodies more responsibility for managing the quality of teaching and learning. It will be important that the merged College works effectively with secondary schools across South Leeds to promote vocational options as an alternative to more academic subjects.

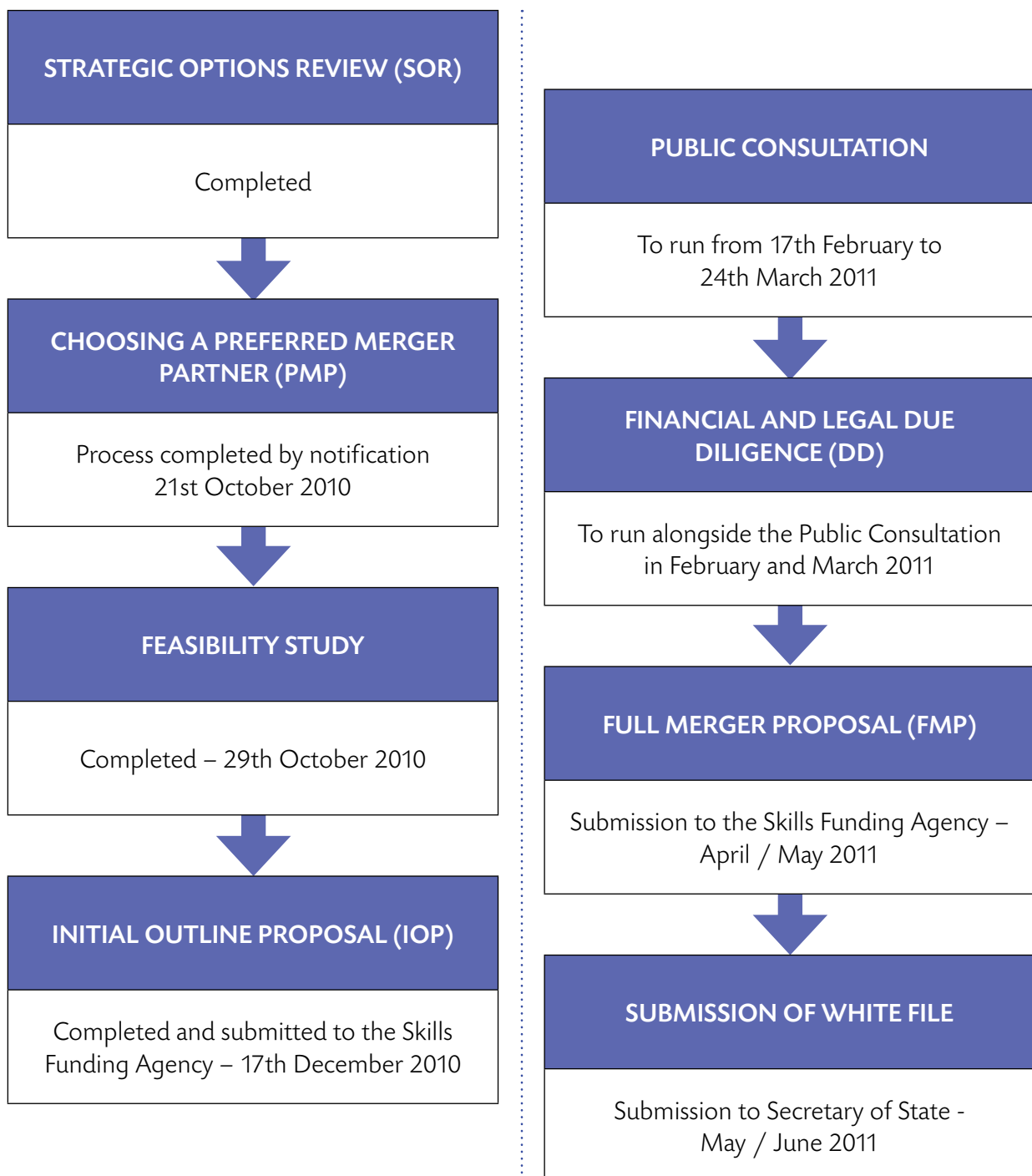
In addition to working with the schools, the College will continue to work collaboratively with other local Colleges, in particular those in West Yorkshire with whom joint working is already well established.

Further details on relationships and impacts will be contained in the FMP. It will reflect the greater time available to reassure and reinforce the positive aims of the proposed merger, its 'learner-first emphasis' and its inclusiveness. Greater detail will also reflect the outcomes from, and responses to, submissions made at the consultation stage.

*Develop and ensure stronger partnership and collaborative arrangements with all providers including existing higher education institutions such as Leeds Metropolitan University, University of Bradford, University of Huddersfield, and University of Teesside*

# TIMETABLE

The following table sets out the merger steps that JPC and LCC have taken along with the next stages and proposed timescales of the process.





## GOVERNMENT MERGER CRITERIA

The acceptability of the merger proposal at each stage will be considered by the Skills Funding Agency against the following criteria although it is understood that new criteria may be in preparation. A high level assessment only is provided against each criterion at this initial stage. More detail would be provided in the Full Merger Proposal, which would also reflect any revised guidance which may be published in the next few months.

### CRITERION 1 - THE PROPOSAL IS LIKELY TO ADDRESS THE NEEDS OF LEARNERS AND EMPLOYERS

It is anticipated that the merged College would be more responsive, flexible and better placed to understand and meet the needs of learners and employers. The new arrangement would allow for the sharing of best practice and the opportunity to invest in staff and resources to fully engage and be responsive to both learners and employers in a more demand led market. The merged College will provide greater coherence regarding the planning of the curriculum in South Leeds, for both 16-18 and 19+.

The merger will provide improved clarity; choice; improved entitlement and a greater number of progression routes particularly to level 3 and beyond. In addition there will be more opportunity for Apprenticeships and Higher Education within the single organisation.

Learners will have greater access to additionality through the enhanced programme offer of the two Colleges; this will be of particular benefit to the younger learners. They will also have opportunities to take part in extra curricula activities including sport; drama; study trips abroad; visits by guest speakers and international students; competitions and other incentives.

The merged College will continue to focus on work with employers and local businesses to meet their training needs as a key priority. The merger will provide a single one-stop College approach designed to meet the needs of the local community and businesses, with a more coherent and cost effective marketing strategy.

Employers will only need to engage with one institution in the design and development of training relevant to their sector and individual requirements. The merger will provide comprehensive and coherent training opportunities building on the strengths of each College; it will enable the raising of skills levels of employees to meet regional and local needs. The merged College will establish apprenticeships in sectors not currently served in South Leeds, together with an increase in apprenticeship numbers.

The merger will provide improved networking arrangements allowing the newly formed College to better position itself to understand external agendas and strategically position itself to take advantage of commercial and business opportunities.

The College will deliver widely required qualifications to meet business and individual employer needs including bespoke provision, management and leadership training, all levels of health and safety, accountancy and basic skills. It will also be responsive to changing market needs.

*... create an organisation that is better able to respond effectively to the challenges ahead and new and evolving Government initiatives*

**CRITERION 2 - THE PROPOSAL IS LIKELY TO INCREASE OPPORTUNITY FOR THE LEARNER TO EXERCISE CHOICE AND ENCOURAGE DIVERSITY IN THE EDUCATION AND TRAINING AVAILABLE**

A key benefit of the merged College would be to develop a consistent approach to the current education, training and skills agenda and to share best practice and strategy to ensure that all learners and employers within South Leeds benefit from strong collaborative arrangements and wide ranging choice across all local areas.

The merger will create an organisation that is better able to respond effectively to the challenges ahead and new and evolving Government initiatives. The merged College will provide an even greater opportunity to be influential in policy decisions, relating to post 16 education and training, that will ultimately benefit the residents of South Leeds. In addition the merged College will have an even greater contribution to make to the development of the South Leeds area and be able to enhance its presence at many decision making fora, groups, boards and committees.

The merged College will further strengthen the already strong links with Connexions, Education Leeds, schools, local communities and voluntary groups by combining existing networks and avoiding duplication of effort. This will also enhance the transition to Post 16 learning.

The merged College will continue to serve its diverse communities, preserving their existing brand and sense of purpose. Through partnership working with local schools and Leeds City Council, the merged College will seek to ensure that there is a high quality vocational offer available to learners in South Leeds and elsewhere, which complements the curriculum offer in secondary schools. The development of essential skills for life, learning and employment will be a core theme for South Leeds. This will include emphasis on literacy, numeracy, financial literacy, language and ICT skills. The College will promote enterprise, study skills and other transferable skills for employment and further learning.

## GOVERNMENT MERGER CRITERIA (CONT...)

### **CRITERION 3 - THE PROPOSAL IS LIKELY TO INCREASE LOCAL PARTICIPATION RATES AND RESULT IN IMPROVED QUALITY AND SUCCESS**

The proposed merger would look to extend participation in learning, training and skills development. This is a major priority and focus underpinning the merger as a whole. There is awareness that the abolition of EMA, reduction in adult skills funding levels and a possible increased defensiveness on the part of schools to share 14 to 16 experiences may make this aspiration more difficult. Even so, these challenges post 20th October 2010 will not divert the merged College from pursuing this proposed criterion robustly.

The South Leeds area includes localities where the levels of NEET (young people who are Not in Education Employment or Training) are amongst the highest in the country. The merger would allow better sharing of current best practice and efficient use of resources to improve the offer to attract learners in each local area, for example LCC's overall success rate is estimated to be 84%, with most areas being judged as good or better. Likewise the Ofsted monitoring visit at the beginning of 2010 focusing on the 'impact' of the merger was a highly successful visit demonstrating significant or reasonable progress across all seven judgement areas.

Building on the recent improvements at both JPC and LCC, the merged College will be able to pool its expertise in quality improvement processes and continue to raise the overall quality of provision and retention, achievement and success rates.

The merged College would have a strategic approach for improving success rates for all ages and at all levels, with agreed specific targets. The focus on achievement is reflected by a strong focus on improving success within the objectives for this merger. The merged College would target year on year improvements in its success rates as part of its strategic objectives.

### **CRITERION 4 - THE PROPOSAL IS LIKELY TO DEVELOP INNOVATION AND IMPROVE ACCESS TO LEARNING FOR THE COMMUNITY**

The merged College will be able to invest further in areas of innovation that will lead to increasing access and raising standards. The merged institution would promote and enable formal sharing of good practice.

The merged College will increase the number of delivery points within the South Leeds area providing greater choice for programmes and venues. Prime College locations will be maintained and invested in providing an enhanced local offer and progression routes. The merger will increase partnership working with networks eg. SILCs, Confederations, Employers and Community Links and a greater coherence of community provision and reprioritisation.

The combined strengths of both Colleges in the foundations of innovation within teaching and learning that also encapsulates e-learning will only further enhance enterprise and entrepreneurial skills.

It is anticipated that this increased strategic coherence and better use of resources would result in an improved offer for the communities they serve and in particular in Skills for Life and achievement of full level 2 and full level 3 provision that allow for progression to other learning opportunities. This also would include developing further the range of provision to meet the needs of the NEET learners with flexible start dates and local delivery where possible.

The combined skills, knowledge and understanding of young people who disengage will enable the merged College to increase its contribution to reducing the level of NEETs.

Access to alternative funding streams will be made possible through merger, including increased access to Adult Safeguarded Learning, providing more First Steps provision in the community. In addition, the responsiveness to local employment agendas will be enhanced by association with the National Skills Academies in Financial Services, Retail, Hospitality and Catering and Community Sport and greater ability to deliver these in the South responding to Leeds labour market needs.

A larger organisation has the ability to fund innovation and risk taking, which is often necessary to pump prime new developments and facilitate innovation.

#### **CRITERION 5 - THE PROPOSAL ENSURES THE EMBEDDING OF ALL ASPECTS OF EQUALITY AND DIVERSITY**

The merged College would seek to provide an environment that is accessible to all, that promotes equality of opportunity and values diversity. One of the key aims of the merger is to create a robust single institution that combines the strengths of the individual Colleges and encourages diversity.

The merged College will ensure support is embedded throughout the organisation such that all learners can achieve their maximum potential irrespective of race, gender, sexual orientation, disability or age. The FMP will include an assessment of the impact of equality and diversity.

In March 2010, Ofsted undertook a monitoring visit to LCC. Ofsted's report states that "The in-year retention rates for students from minority ethnic backgrounds are higher than at the same time last year and are well above outturn national averages.

The College has a strong focus on supporting children in care. The actions undertaken to improve the underachievement of male students from a white background are being successful through, for example, monitoring and support officers, learning mentors and 'improve your grade' workshops. Success rates have improved for both age groups and are at or just below national averages. The success rates of a small number of students from some other minority ethnic backgrounds are just below their national averages. Data and targets are not yet available on the key performance indicator monitoring report for the retention and success rates of students from a minority ethnic background. Work is continuing and more will be done in the period up until August 2011."

In the Ofsted inspection of JPC in December 2009, the quality of provision was judged satisfactory as were safeguarding and equality of opportunity. Following the proposed merger, part of the post-merger implementation work will be to ensure that best practice from both LCC and JPC is embedded across all of the merged College. In particular the merger will build on best practice for example: Pathways; Independent Living; generic employability skills and on the job training. There will be an opportunity for enhanced partnership working with social services and the voluntary sector and the potential to become a beacon of excellence.

## GOVERNMENT MERGER CRITERIA (CONT...)

### **CRITERION 6 - THE PROPOSAL IS LIKELY TO PROMOTE EFFECTIVE COMMUNITY COHESION THROUGH COMMUNITY PRESENCE AND REPRESENTATION WITHIN GOVERNANCE STRUCTURES**

The Colleges firmly believe that the benefits of merger can be clearly evidenced, and that a merged College will offer more learner opportunities at a higher level of quality to their local communities. The Colleges are at the heart of their local communities and will support all endeavours to promote effective community and social cohesion.

The governance arrangements for the merged College will reflect the need for the College to be representative of the communities that it serves. The consultation paper setting out proposals for the merger will seek views on how best the communities of South Leeds can be represented on the governing body of the merged College. The responses to that consultation will then feed into the full merger proposal, through discussion with the governing bodies of the two Colleges and other stakeholders (such as the Skills Funding Agency and Leeds City Council).

Governors and Senior Managers at the merged College will also seek to ensure that the management arrangements for the separate campuses of the merged College are appropriate to ensure that the needs of local communities are reflected in the planning processes of the College.

### **CRITERION 7- THE PROPOSAL IS LIKELY TO PROVIDE BETTER VALUE FOR MONEY**

By bringing these two Colleges and their significant strengths e.g. improving performance and quality and strengthened management arrangements (as indicated by Ofsted) together, it is believed that an even stronger organisation can be created. The merged College will build upon the best features, systems, and processes of the two Colleges, and bring added value and synergy for the benefit of learners in South Leeds. The merged College will have the potential to reduce wasteful competition and duplication of effort and make best use of resources to engage learners and employers much more effectively.

Value for money will be achieved through a number of activities/ levels across the merged College. These are not immediately measurable in cash terms but will ultimately lead to a more efficient and streamlined organisation. These include:

- Improved financial stability and a better chance of withstanding the future funding cuts and reductions in available resources. For example the merged College, as a result of its size, should be able to withstand a greater level of efficiency savings across the breadth of the College whereas a small College can only achieve a limited number of efficiency savings before any further cuts make the organisation inoperable, which is often the case with back office functions. In addition, small changes in operational practice across teaching departments will also tend to yield greater efficiencies within a large organisation than a smaller one;
- The likely achievement of specific cost savings through economies of scale and the more efficient use of resources (including space, staff, capital and revenue funding). For example the use of central purchasing and the better rates that this will bring in areas such as energy contracts, communications and general non-teaching expenditure;

- Rationalisation of the current estate to enable provision within localities to be focussed, appropriate and cost effective. For example relinquishing the lease on the LCC Burton Road site;
- Consideration of the overall staffing structure and the possible duplication of roles and activities across the College which can be addressed;
- The enhanced opportunities available to individual members of staff. For example to undertake new areas of work and hence broaden their experiences and skill sets, undertake training and participate in a wider range of CPD activities, learn and share knowledge through peer review etc;
- In a large organisation staff can deliver to their area of expertise and specialism rather than across too wide a range, which impacts on the quality of delivery and value for money associated with success rate improvement; and
- The improved and extended opportunities for learners to participate on a learning programme that is suitable for their needs and aspirations, that is delivered locally where appropriate, that offers progression to higher levels of study and that is ultimately high quality provision that enables the learner to achieve. This will not be possible if the Colleges do not merge as JPC cannot afford to provide such a broad curriculum offer that has historically been provided. In addition, there will continue to be duplication of provision within South Leeds and therefore inefficient provision overall.

The potential savings will be identified fully in the FMP when the financial forecasts for the merged College will have been prepared. It is clear that bringing the two Colleges together will create a stronger single institution that will be able to support a broader range of cost-effective courses, generate a more stable and robust flow of income and achieve savings in both teaching and non-teaching expenditure.

*... The merged College will ensure support is embedded throughout the organisation such that all learners can achieve their maximum potential*

## College contexts

### Joseph Priestley College

A summary of LSC funded further education and Work-based learning learner numbers for 2009/10 is presented below.

#### **FE learner numbers in 2009/10**

	Aged 16 to 18	Aged 19+
Full-time	427	230
Part-time	151	3,109
Total	578	3,339

Sources: Individualised Learner Record (ILR F05)

#### **WBL Average in Learning by Age-band 2009/10**

16 to 18	19+
0	438

Source: SFA ILR data (Period 12) excluding Entry to Employment (E2E)

For 16-18 year olds most enrolments are in Preparation for Life and Work, Health, Public Services and Care, and Retail and Commercial Enterprise at Entry level, Level 1 and Level 2. For adult learners provision is again focussed at Health, Public Services and Care, Preparation for Life and Work, Care and Retail and Commercial Enterprise, mainly at Level 2.

## Financial position

### **Summary trading position**

Income & Expenditure summary					
	2007/08 Actual £000s	2008/09 Actual £000s	2009/10 Actual £000s	2010/11 Budget £000s	2011/12 Budget £000s
Total income	7,535	7,210	7,482	6,603	6,381
Staff costs	5,163	5,450	5,525	4,808	4,643
Exceptional restructuring costs	24	27	173		
Non-pay costs	2,485	2,321	2,105	1,900	1,909
Total expenditure	7,672	7,798	7,803	6,708	6,552
<b>Trading (deficit)/surplus</b>	<b>(137)</b>	<b>(588)</b>	<b>(321)</b>	<b>(105)</b>	<b>(171)</b>
Profit/(loss) on disposal of assets	0	127	(1)	0	0
Transfer from revaluation reserve	16	17	17	14	14
<b>Historic cost (deficit)/surplus</b>	<b>(121)</b>	<b>(443)</b>	<b>(305)</b>	<b>(91)</b>	<b>(157)</b>

Source – financial statements and three year financial forecasts

The College has not achieved an operating surplus for a number of years and this is forecast to continue in the short to medium term. The results to date include the required adjustments for FRS 17, without which the College actually achieved a small surplus in 2007/08 and a much reduced deficit in 2008/09.

## Balance sheet extracts

	2007/08 Actual £000s	2008/09 Actual £000s	2009/10 Actual £000s	2010/11 Budget £000s	2011/12 Budget £000s
Total fixed assets	4,335	4,141	4,098	3,960	3,837
Cash in hand	556	193	253	(143)	(348)
Net assets excluding pension liability	3,838	3,528	3,388	3,248	2,995
Pension liability	(1,691)	(2,711)	(2,295)	(2,711)	(2,711)
<b>Net assets including pension liability</b>	<b>2,137</b>	<b>817</b>	<b>1,093</b>	<b>537</b>	<b>284</b>
Deferred capital grants	1,883	1,833	1,752	1,652	1,570
Income & expenditure reserve (incl pension liability)	(378)	(1,523)	(1,149)	(1,593)	(1,750)
Revaluation reserve	632	507	490	478	464
<b>Total funds</b>	<b>2,137</b>	<b>817</b>	<b>1,093</b>	<b>537</b>	<b>284</b>

Source – financial statements and three year financial forecasts

## Leeds City College

A summary of LSC funded further education and Work-based learning learner numbers for 2009/010 is presented below.

### FE learner numbers in 2009/10:

	Aged 16 to 18	Aged 19+
Full-time	5,312	2,246
Part-time	1,989	10,581
Total	7,301	12,827

Sources: Individualised Learner Record (ILR F05)

### WBL Average in Learning by Age-band 2009/10

16 to 18	19+
395	462

Source: SFA ILR data (Period 12) excluding Entry to Employment (E2E)

For 16-18 year olds the most enrolments are in Preparation for Life and Work, Health, Public Services and Care and Leisure, Travel and Tourism at Entry level, Level 1 and Level 2. For adult learners provision is again focussed at Preparation for Life and Work, Business, Administration and Law and Health Care, and Public Services.

## Financial position

LCC was formed on 1 April 2009 as a result of the merger of three separate Colleges. The financial information within this section relating to the period prior to 1 April 2009, is therefore the cumulative position for the three colleges. The financial year 2008/09 was derived from the eight month accounts for the three separate colleges plus the four month accounts for the newly created organisation.

Income & Expenditure summary					
	2007/08 Actual £000s	2008/09 Actual £000s	2009/10 Actual £000s	2010/11 Budget £000s	2011/12 Budget £000s
Total income	74,160	79,729	77,286	75,875	75,943
Staff costs	47,467	50,353	51,128	46,680	45,761
Exceptional restructuring/tribunal costs	603	995	821	175	315
Non-pay costs	26,837	34,567	28,647	28,516	28,312
Total expenditure	74,907	85,915	80,596	75,371	74,388
<b>Trading (deficit)/surplus</b>	<b>(747)</b>	<b>(6,186)</b>	<b>(3,310)</b>	<b>504</b>	<b>1,555</b>
Profit/(loss) on disposal of assets	155	52	0	0	0
Transfer from revaluation reserve	257	255	255	255	255
Realisation of property revaluation gain	286	0	0	0	0
<b>Historic cost (deficit)/surplus</b>	<b>(49)</b>	<b>(5,879)</b>	<b>(3,055)</b>	<b>759</b>	<b>1,810</b>

Source – financial statements and three year financial forecasts

### Balance sheet extracts

	2007/08 Actual £000s	2008/09 Actual £000s	2009/10 Actual £000s	2010/11 Budget £000s	2011/12 Budget £000s
Total fixed assets	35,730	55,646	62,823	59,185	56,125
Cash in hand	3,551	3,120	4,635	4,515	6,206
Net assets excluding pension liability	39,281	58,766	67,458	63,700	62,331
Pension liability	(19,755)	(27,464)	(23,894)	(28,728)	(29,392)
<b>Net assets including pension liability</b>	<b>13,052</b>	<b>21,463</b>	<b>30,931</b>	<b>25,063</b>	<b>24,785</b>
Deferred capital grants	10,364	31,012	37,471	34,706	32,873
Income & expenditure reserve (incl pension liability)	(12,511)	(24,223)	(15,766)	(23,807)	(21,997)
Revaluation reserve	9,736	9,481	9,226	8,971	8,716
Other reserves	5,193	5,193	0	5,193	5,193
<b>Total funds</b>	<b>13,052</b>	<b>21,463</b>	<b>30,931</b>	<b>25,063</b>	<b>24,785</b>

Source – financial statements and three year financial forecasts

## Appendix A: South Leeds: demographics and socio economic information

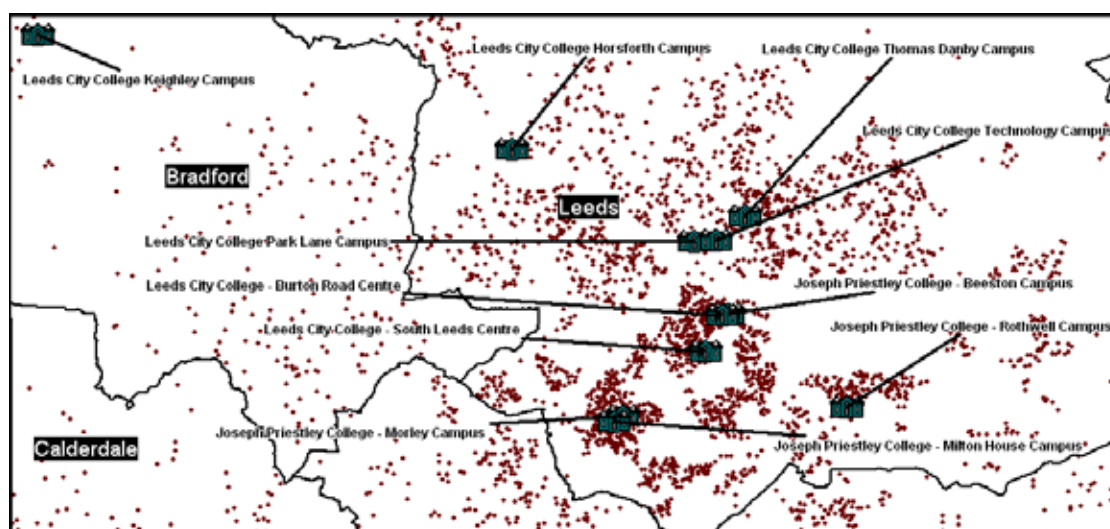
### Introduction

This chapter provides outline information about the demography, learner participation, local economy and employment, social context, and relevant education and skills policy which will appear in full detail in the FMP. It will provide a full context for the proposed merger with LCC. JPC operates over several campuses located in the Beeston, Morley and Rothwell areas. The College also provides education to a number of local centres across the south of Leeds. LCC operates out of five main campuses located in Horsforth, Keighley and Leeds (three sites) plus additional provision in a number of smaller community venues. Maps 1 and 2 below show the location of the JPC and LCC sites presented with the 2009/10 learners for the respective colleges. Given the geographical location of JPC and LCC, contextual information is presented for both of these areas. Additional local information is also presented where relevant.

### Travel to Learn

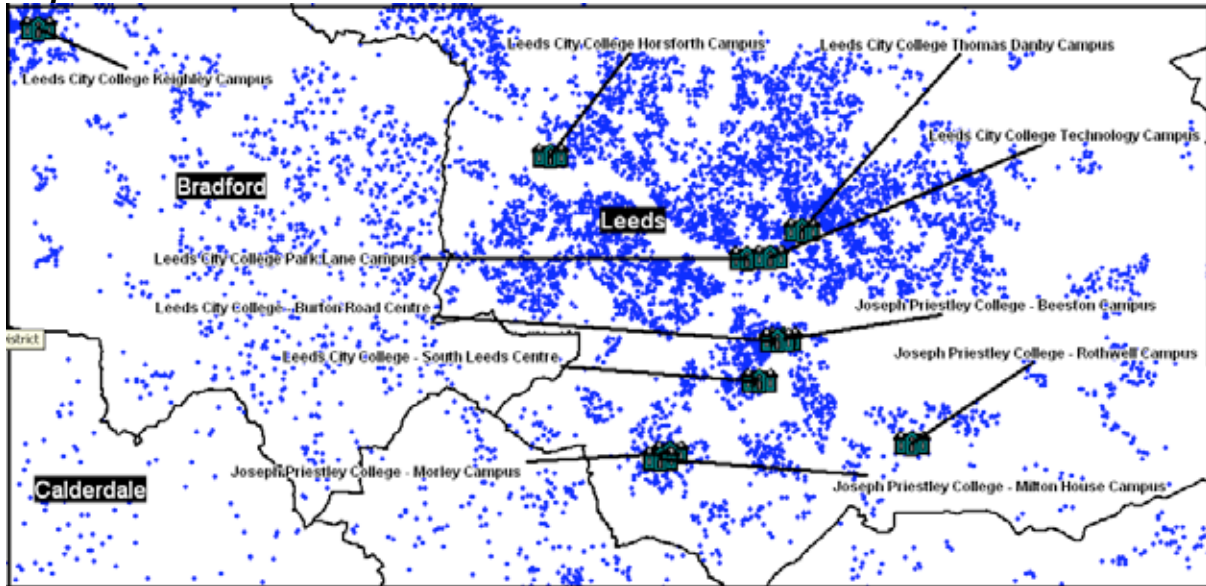
In developing the merger proposal a key objective will be to develop a broader range of learning opportunities that meet the needs of the local community including young people, adults and employers within the area served by the two Colleges. The maps presented below (from College F05 data) illustrate the further education travel to learn patterns for JPC and LCC. JPC recruit a significant proportion of their learners from within Leeds but also from within neighbouring local authority areas including Kirklees and Wakefield.

#### ***Map of the JPC Learners 2009/10***



LCC also recruit a significant proportion of learners from within Leeds and neighbouring local authority areas including Bradford (where the Keighley Campus is located).

### Map of the LCC Learners 2009/10



The significant cross over in travel to learn between the Colleges shows that a merger would present the opportunity for an enhanced approach to the planning of provision having positive implications for progression and future participation.

### Socio-economic Profile

#### Working Age Population (2009)

Age	Leeds		Yorkshire and the Humber		England	
	No.	%	No.	%	No.	%
Up to 14 years	124,600	15.8	906,700	17.2	9,075,700	17.5
15 - 19 years	55,300	7.0	354,600	6.7	3,311,800	6.4
20 to 29 years	167,900	21.3	781,300	14.9	7,065,900	13.6
30 to 39 years	104,200	13.2	652,400	12.4	6,920,600	13.4
40 to 49 years	103,300	13.1	758,900	14.4	7,678,800	14.8
50 to 59 years	81,700	10.4	634,400	12.1	6,215,900	12.0
60 years +	150,700	19.1	1,169,800	22.2	11,541,000	22.3
<b>Total</b>	<b>787,700</b>	<b>100.0</b>	<b>5,258,100</b>	<b>100.0</b>	<b>51,809,700</b>	<b>100.0</b>

Source: ONS Mid year population estimates 2009

## Education and Skills

### Schools

#### GCSE performance

Area	% of pupils at the end of Key Stage 4 achieving 5+A*-C (and equivalent) including English and maths GCSEs		Points difference
	2006	2009	
Elmet and Rothwell Constituency	51.1	55.7	4.6
Leeds Central Constituency	19.1	25.2	6.1
Leeds East Constituency	27.8	40.2	12.4
Leeds North East Constituency	43.1	44.4	1.3
Leeds North West Constituency	49.0	47.4	-1.6
Leeds West Constituency	32.3	32.6	0.3
Morley and Outwood Constituency	42.3	55.0	12.7
Pudsey Constituency	55.1	60.0	4.9
<b>Leeds LA</b>	<b>40.4</b>	<b>45.9</b>	<b>5.5</b>
<b>Yorkshire and The Humber</b>	<b>40.3</b>	<b>47.3</b>	<b>7.0</b>
<b>England (Maintained schools)</b>	<b>44.1</b>	<b>50.9</b>	<b>6.8</b>

Source: Department for Education

## Local Skills

### Adult (working age) qualifications (2009)

Level of qualification achieved	Leeds		Yorkshire and the Humber		England	
	No.	%	No.	%	No.	%
% with NVQ4+	163,100	30.9	900,400	26.6	9,882,900	29.6
% with NVQ3+	275,600	52.2	1,591,600	47.0	16,310,200	48.9
% with NVQ2+	347,600	65.9	2,148,900	63.5	21,697,100	65.0
% with NVQ1+	425,700	80.6	2,661,800	78.6	26,338,100	79.0
% with other qualifications	42,000	8.0	289,400	8.6	2,992,200	9.0
% with no qualifications	60,200	11.4	433,900	12.8	4,028,600	12.1

Source: NOMIS - Annual Population Survey 2009

In considering the local skill profile it is also important to consider the needs of employers themselves. The National Employer Skills Survey 2009 investigated skills issues covering areas such as recruitment, skills gaps, recruitment of young people, training, workforce development and training expenditure. The table below shows Leeds and the regions performance on a range of indicators benchmarked against the England total, this shows that Leeds broadly followed the regional and national trend with reference to vacancies and skills gaps.

### National Employer Skills Survey 2009

Indicator	Leeds	Yorkshire and the Humber	England
	%	%	%
% employers with vacancies	13	12	12
% employers with hard to fill vacancies	4	3	3
% employers with skills shortage vacancies	3	3	3
Any staff not fully proficient	19	17	19
% staff with a skills gap	6	6	7
% engage in training (last 12 months)	67	65	68

Source: National Employers Skills Survey 2009

## The Local Economy

The local economy of Yorkshire and Leeds has changed significantly in recent years. A summary of relevant local economic indicators and employment information is presented below. This will be presented in greater detail in the FMP; it will detail the context in which the newly merged College will be operating and the opportunities it will present.

## Breakdown of Resident Employment by Occupation (2009)

### Employment by resident occupation (2009)

Occupational Area	Leeds		Yorkshire and the Humber		England	
	No.	%	No.	%	No.	%
Managers & Senior Officials	58,800	15.6	349,500	14.7	3,902,400	16.1
Professional	47,400	12.6	283,800	11.9	3,344,700	13.8
Associate Professional	58,300	15.5	317,800	13.4	3,572,600	14.8
Administrative	47,500	12.6	255,900	10.8	2,701,100	11.2
Skilled Trades	26,700	7.1	243,500	10.2	2,472,800	10.2
Personal Service	34,000	9.1	224,100	9.4	2,084,500	8.6
Sales and Customer Service	36,400	9.7	195,800	8.2	1,756,100	7.3
Process, Machine Operatives	23,000	6.1	201,000	8.4	1,592,700	6.6
Elementary Occupations	42,200	11.2	297,200	12.5	2,665,100	11.0

Source: Annual Population Survey – April 2009 – March 2010

## Current and Future Employment Patterns/Trends

### Employment by sector (2008)

Sector	Leeds		Yorkshire and the Humber		England	
	No.	%	No.	%	No.	%
Banking & Insurance	32,400	7.8	87,000	3.9	937,500	4.1
Construction	21,400	5.1	115,700	5.2	1,063,800	4.6
Education	42,000	10.1	234,600	10.5	2,166,000	9.4
Engineering	6,500	1.6	45,200	2.0	468,300	2.0
Food, Drink & Tobacco	3,800	0.9	47,200	2.1	312,500	1.4
Health & Social Work	43,300	10.4	283,100	12.7	2,723,900	11.8
Hotels & Restaurants	25,300	6.1	140,100	6.3	1,545,700	6.7
Miscellaneous Services	20,900	5.0	97,800	4.4	1,220,400	5.3
Other Business Services	89,800	21.5	324,400	14.5	4,304,100	18.7
Primary Sector & Utilities	1,900	0.5	30,300	1.4	326,000	1.4
Public Admin & Defence	19,400	4.7	119,700	5.4	1,201,900	5.2
Rest of Manufacturing	25,600	6.1	198,500	8.9	1,556,300	6.7
Retail & Distribution	63,100	15.1	385,100	17.3	3,873,500	16.8
Transport & Communication	21,500	5.2	123,700	5.5	1,373,800	6.0
<b>Total</b>	<b>416,900</b>	<b>100</b>	<b>2,232,400</b>	<b>100</b>	<b>23,073,700</b>	<b>100</b>

Source: Annual Business Inquiry

### Based upon the initial analysis, priority areas for the merged College could be:

- Enhanced provision planning due to the significant travel to learn cross over between the two Colleges including greater progression opportunities.
- Aligning provision to local employer needs, for example developing provision around literacy, numeracy, banking, insurance, management, leadership and enterprise.
- The Leeds working age population of whom 39% are below Level 3.
- Providing continued support for new learners accessing FE below Level 2 and those with literacy and numeracy requirements.

These areas will be presented in more detail, further analysed and considered in the merged College curriculum section within the FMP. By the time any FMP is produced the two Colleges (JPC and LCC) working together will have had the time to plan the curriculum offer of the merged College in response to priority areas identified in the demographic analysis.

**Appendix B:** indicative list of those to be consulted

157 Group  
Academies  
Association of Colleges (AoC)  
Association of Learning Providers (ALP)  
Chambers of Commerce  
College Staff  
College Students  
Connexions Service  
Department for Education  
EMFEC  
Employers  
Exam Boards  
Faith Organisation Representatives  
Government Offices  
Higher Education Funding Council for England (HEFCE)  
Jobcentre Plus  
Local Authorities  
Local Community Groups  
Local Councillors  
Local Hospitals  
Local Universities  
Members of Parliament and MEPs  
National Apprenticeship Service (NAS)  
National Skills Academies (NSA)  
National Union of Students  
Ofsted  
Other Further Education Colleges  
Secondary Schools  
Sector Organisations  
Sector Skills Councils  
Trade Unions  
University Partners  
Voluntary Organisations  
Work Based Training Providers  
Young People's Learning Agency (YPLA)

## **Appendix C: Consultation Questions**

1. Do you support the proposed merger?
2. Do you support the objectives of the merger?
3. Do you support the new college's mission and aims?
4. Do you support the proposed curriculum?
5. Do you think the proposal will lead to the availability of diverse education and training that is relevant to the local community?
6. Do you support the proposed arrangements for governance and management?
7. Do you think the proposed merger provides value for money?
8. Do you think any group(s) of students would be adversely affected by the changes?
9. Do you have any other issues or comments?
10. Are you responding as an individual or on behalf of an organisation?
11. Which of the following best describes your interest?

#### Appendix D: List of Acronyms Used

JPC	Joseph Priestley College
LCC	Leeds City College
SOR	Strategic Options Review
PMP	Preferred Merger Partner
IOP	Initial Outline Proposal
FE	Further Education
CSR	Comprehensive Spending Review
DD	Due Diligence
FMP	Full Merger Proposal
SSA	Subject Sector Area
NEET	Not in Education, Employment or Training
Ofsted	Office for Standards in Education
LEA	Local Education Authority
GCSE	General Certificate of Secondary Education
GVA	Gross Value Added
WBL	Work Based Learning
QCF	Qualifications and Curriculum Framework
SILC	Specialist Inclusive Learning Centres
CPD	Continuous Professional Development
ICT	Information Communication Technology
SFA	Skills Funding Agency
ILR	Individual Learner Record





