

# Consultation Document

For a merger between South Nottingham College  
and Castle College Nottingham

December 2010

**castlecollege**  
nottingham



**SouthNottinghamCollege**

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# 1 Foreword

This document sets out the background to the Proposal for the Merger of South Nottingham College and Castle College Nottingham.

This is a merger with a strong emphasis on meeting local learner and employer needs and addresses the value for money agenda. The merged organisation will be well placed to meet future challenges facing our communities in Greater Nottingham and will strive to eliminate inequality and promote diversity.

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

This Proposal is subject to a statutory requirement for a Public Consultation period lasting one calendar month. A list of those being consulted is provided at Appendix B. Any merger proposal requires formal approval from the Secretary of State informed by advice from the Skills Funding Agency. Both will want to see that all learners have maximum choice, as well as a Proposal that achieves enhanced value for money for the public purse.

The Skills Funding Agency will consider the results of this Consultation, along with outcomes of Due Diligence studies undertaken by each College, against the Criteria for Reorganisation in Appendix C.

The governors recognise the potential implications of the recent Comprehensive Spending Review (CSR) and best estimates of those implications have been included in the merged College financial plan. It is anticipated that the plan will be updated at the full merger proposal stage to reflect the outcomes of the Comprehensive Spending Review (CSR) and any firmer information that is available at that time on financial implications for colleges.

The Agency will then make a decision on whether to forward the merger proposal to the Business Secretary for his decision. The Statutory Proposal and the Statutory Summary of the Draft Proposal are included at Appendix D. The Timetable for Merger is in Appendix E.

Your views on the Merger Proposal and any information contained in this document are welcomed (please see Appendix F)

### **Please respond by 14 January 2011.**

This information can also be accessed on either of the College websites

**[www.castlecollege.ac.uk](http://www.castlecollege.ac.uk)** and **[www.snc.ac.uk](http://www.snc.ac.uk)**  
or via the Skills Funding Agency website  
**<http://skillsfundingagency.bis.gov.uk/providers/allthelatest/consultations/>**



Chair of Governors for SNC



Chair of Governors for CCN



## 2 Executive Summary

This document sets out the background to the Proposal for the Merger of South Nottingham College (SNC) and Castle College Nottingham (CCN).

There are considerable educational challenges in Greater Nottingham<sup>1</sup>; it is the sixth most prosperous district in the country, although not everyone enjoys prosperity. The economy is increasingly dominated by knowledge based industries (a key driver of economic growth as the country emerges from recession), but a significant minority of the population suffer multiple deprivations and have low levels of qualifications.

What is clear is that the current arrangements for further education are not best suited to the needs of learners and employers in Greater Nottingham and the surrounding region.

A merger between South Nottingham College and Castle College Nottingham has a curriculum logic based on geography and vocational specialisms. It contributes to moving the further education (FE) agenda forward to deliver educational and social advantages. The merger will create an FE structure which secures the best provision and choice for learners in Greater Nottingham.

The merged College will operate under a flexible structure that delivers local accessible Entry, Level 1 and 2 provision across Greater Nottingham, combined with specialisms at higher levels at key sites.

### **The Proposed Merger:**

- Is built on curriculum coherence and choice which will immediately benefit learners, employers and communities.
- Will create a large financially viable College with the capability and capacity to plan and contribute significantly to raising the skills base across the Nottingham conurbation and beyond.
- Offers a platform from which to better plan and negotiate future curriculum rationalisation with other providers in the City and across the Region, and opens up the opportunity for greater collaboration between institutions which could lead to federated working or moving to a single College for Nottingham, should this be in the best interest of learners.

As the Public Consultation process evolves, South Nottingham College and Castle College Nottingham will, subject to compliance with competition laws, engage with other education and training providers who have an interest in providing to Nottingham learners and wish to work collaboratively with SNC and CCN to ensure that the merger:

- Results in a coherent curriculum offer for Nottingham learners.
- Avoids unnecessary duplication of provision.
- Maximises investment in curriculum areas through shared resources.
- Maintains and expands local access to local provision across the Nottingham conurbation.

This process will involve discussions on shared services between providers as well as a curriculum dialogue.

The expectation is of a significant partnership approach to planning curriculum and service delivery at the point of merger.



This is a merger with a strong emphasis on meeting local learner and employer needs and addresses the value for money agenda by building on the combined strengths of the two Colleges.

The merged College will:

- Be better placed to ensure that learning is available and accessible to each of its communities from the most vulnerable to the most able - eliminating inequality and promoting diversity.
- Provide access across the conurbation to learning within communities and a strong senior management presence at each site will ensure provision meets identified local needs and delivery meets expected quality standards in order to best serve the wider college communities.

Managing and fostering economic growth in Nottingham requires a workforce and infrastructure fit for the future. The merged College will create something better for local learners and employers rather than just maintaining the existing provision.

A merger between the two Colleges would ensure that no one in Nottingham is left behind. The focus will be on quality of provision and delivery to raise educational attainment in young people and the skill levels of adults, so that everyone improves their life chances and prosperity. The respective Missions of the two Colleges are closely matched. Both have established common core values based on learners and fairness and inclusion; both Colleges have provided, within their separate financial limitations, a broad, coherent and effective response to the changing needs within the community and the local economy. The merger would create an organisation which operates in a spirit of true partnership with schools, colleges, universities, city and county councils, local authorities, employers and the third sector and with a network of other stakeholders across Greater Nottingham<sup>1</sup>, the East Midlands and beyond, so that wasteful competition is eliminated.

<sup>1</sup> Greater Nottingham includes the Local Authority areas of Nottingham City Council, Rushcliffe, Broxtowe, Gedling, and the Hucknall area of Ashfield.



## 3 The Need for Change

### 3.1 Rationale for Merger

There are considerable educational challenges in Greater Nottingham; it is the sixth most prosperous district in the country, but not everyone enjoys prosperity.

The economy is increasingly dominated by knowledge based industries although a significant minority of the population suffer multiple deprivations and has low levels of qualifications.

The twin challenges are therefore to help develop a thriving high skills economy, whilst ensuring that no one is left behind. Further education is a big engine for enabling and empowering people to gain the skills needed for the economic recovery.

There has been much discussion about further education in Greater Nottingham over the last five years. Castle College Nottingham, New College Nottingham and South Nottingham College - individually and collectively, have all considered how they might best restructure their education and training so as to best serve the learners and employers in Greater Nottingham.

The Learning and Skills Council, in consultation with the Colleges, also commissioned a series of reviews. At one stage, the creation of a single college for Greater Nottingham<sup>2</sup> was under consideration. This proved too complex and problematic to complete in one step and did not result in agreement, despite many months of discussion and consultation.

What is clear is that the current arrangements for further education are not best suited to the needs of learners and employers in Greater Nottingham and the surrounding region.

- Nottingham needs a better vocational offer for young people. The City requires a focused high quality provider of pre Level 2 learning for young people and adults, in order to redress the relatively low levels of achievement, particularly of school leavers.
- Nottingham needs a provider who will work closely with schools, especially now that the compulsory participation age is rising, offering different progression pathways to provide greater choice, improve school performance and make further inroads into reducing the number of young people not in education or employment with training<sup>3</sup>.

- There is a need to develop high quality courses at Levels 3 and 4 to support current and emerging skills needs, particularly in the knowledge economy.

When considering the impact on the learning and skills sector, it is important to note that increasing participation rates relating to raising of the compulsory participation age will increase the number of learners requiring flexible and innovative education and training opportunities.

A merger between South Nottingham College and Castle College Nottingham has a curriculum logic based on geography and vocational specialisms. It effectively moves the further education agenda forward to deliver educational and social advantages and secure the best provision and choice for all learners.

This Public Consultation marks the beginning of a local solution to further education and collaboration in Nottingham.

<sup>2</sup> Consultation Document for Merger between Castle College, New College Nottingham and South Nottingham College (2008)

<sup>3</sup> Young people not in education or employment with training (NEET)



## 3.2 Vision

South Nottingham College and Castle College Nottingham both currently express a very similar vision, which is broadly centred on a theme of raising aspirations through learning. Managing and fostering economic growth in Nottingham requires a workforce and infrastructure fit for the future. The scale of the merged College will create something better for local learners and employers than just maintaining the existing provision.

A merger between the two Colleges would ensure that no one in Nottingham is left behind. The focus will be on quality of provision and delivery to raise educational attainment in young people and the skill levels of adults so that everyone improves their life chances and prosperity.

A merged organisation would be able to offer greater choice, higher quality, better progression opportunities, raised success levels, enhanced employer engagement and provide better value for money.

The merger would create an organisation which operates in a spirit of true partnership with schools, colleges, universities, city and county councils, local authorities, employers and the third sector, and with a network of other stakeholders across Greater Nottingham, the East Midlands and beyond. Wasteful competition will be eliminated through such collaboration, delivering a rationalised offer to better meet need and demand, whilst achieving greater economies.

## 3.3 Meeting Local Needs

The Proposed Merger:

- Is built on curriculum coherence and choice which will immediately benefit learners, employers and communities.
- Will create a large financially viable College with the capability and capacity to plan and contribute significantly to raising the skills base across the Nottingham conurbation and beyond.
- Offers a platform from which to better plan and negotiate future curriculum rationalisation with other providers in the City and across the Region, and opens up the opportunity for greater collaboration between institutions which could lead to federated working or moving to a single College for Nottingham, should this be in the best interest of learners.

As the Public Consultation process evolves, South Nottingham College and Castle College Nottingham will, subject to compliance with Competition Laws, engage with other education and training providers who have an interest in providing to Nottingham learners and wish to work collaboratively with SNC and CCN to ensure that the merger:

- Results in a coherent curriculum offer for Nottingham learners.
- Avoids unnecessary duplication of provision.
- Maximises investment in curriculum areas through shared resources.
- Maintains and expands local access to local provision across the Nottingham conurbation.

This process will involve discussions on shared services between providers, as well as curriculum conversations. The expectation is of a significant partnership approach to planning curriculum and service delivery at the point of merger.

Building on the SNC and CCN strong community, vocational and employer engagement strengths and capabilities, the merged College will better meet learner needs by:

- Playing a significant role in raising aspirations for all and across communities.
- Leading in key partnerships and shaping policy.
- Enhancing provision and progression routes into higher education and employment by:
  - extending the range of courses; more choice at lower levels and specialisms at key sites.
  - enabling more young people to gain qualifications at Level 2 and Level 3.
  - meeting the needs of the most disadvantaged learners.
  - reducing the number of NEET<sup>4</sup> young people and the unemployed.
  - improving quality and success rates.
  - developing new provision in Priority Sectors related to the knowledge economy, in particular Apprenticeships and provision for SMEs in Nottingham.
- Developing a shared Estates Strategy for all sites across the conurbation

<sup>4</sup> NEET - those not in employment or education with training



## 3.4 How the merged College will operate

SNC and CCN catchment areas overlap. SNC has a wide catchment area with the greatest numbers coming from Nottingham and Rushcliffe. CCN particularly serves the Nottingham conurbation and Broxtowe. Both attract students from less affluent areas of the City.

The SNC/CCN merger has a curriculum logic based on geography and specialisms; i.e. a 'Hub and Spoke' which will comprise a network of local collaborating centres (spokes) across the conurbation linked to a central hub where specialist provision is delivered.

The merged College will operate under a flexible structure that delivers local accessible Entry, Level 1 and 2 provision across Greater Nottingham, combined with specialisms at higher levels and key sites.

The overall curriculum portfolio will comprise:

- Further and Higher Education delivering the core offer up to Level 4 and above. This will include Automotive/ Motor Vehicle Technology, Business Management and Digital, Engineering and Electrical, Sport, Travel and Public Services, Hair and Beauty, Care and Early Years, Health Science and Science, Visual Arts and Digital Media and Foundation Learning.
- Employer Services delivering Apprenticeships for all ages, skills training and re skilling for those in work, or at risk of redundancy - building on existing provision at SNC and CCN, in particular work with the funding and commissioning bodies, the City and County Councils and other stakeholders.
- Foundation and Lifelong Learning delivering a high quality offer to the most disadvantaged and vulnerable people in communities across Nottingham building on an excellent reputation for accessible Adult Learner provision including Foundation Learning and Language (ESOL) support; provision for learners with learning difficulties and/or disabilities (LLDD); Family Learning and First Steps; Entry to Employment and other key programmes aimed at those not in education or employment with training (NEET).
- 14-19 Education Partnerships will reflect the Local Authority 'landscape' and their key strategic role in respect of 16-18 provision. We will deliver an accessible mix of vocational further education at Levels 1-3 linked to local schools with a City and a County focus (building on the partnership models with Bulwell

Academy, Rushcliffe Sixth Form Centre and Dayncourt School and the County Council) concentrating on delivery sites south of the River Trent, Central, East and West of the City.



## 4 Background

### 4.1 The Nottingham Context

Greater Nottingham includes the Local Authority areas of Nottingham City Council, Rushcliffe, Broxtowe, Gedling and the Hucknall area of Ashfield. Its population of nearly 675,000<sup>5</sup> is predicted to show an increase in the 0-14 age group and a decline in the 15-19 year old cohort over the next few years.

Prior to the recession, productivity and economic growth outperformed that of both the East Midlands overall and England. The Service Sector accounts for 84% of all jobs although growth is likely to be curtailed in the short term. Greater Nottingham still has nearly a quarter of its jobs in Banking and Professional Services reflecting its importance as a regional financial centre. Distribution is the third largest sector, with around a fifth of jobs.

The 22,100 small and medium sized enterprises (SMEs) play a key role in the local economy and employment market and provide two thirds of jobs in the conurbation.

Nottingham is one of six 'Science Cities' in the UK; one in five jobs is now based in Science-related sectors. It leads in key energy areas particularly in relation to renewable energy, waste management and carbon capture technologies. Specific needs relate to up skilling the existing workforce; skill development at Levels 3-5; research and development; management and leadership, commercialisation and project management skills.

As the country emerges from recession, knowledge intensive employment is a key driver of economic growth. Education and training must focus on Science, Technology, Engineering and Mathematics (STEM); Creative Industries; Business and Finance; Retail and Leisure and the Public Sector.

Bringing together the strengths and capabilities of CCN and SNC will create a high quality proactive further education infrastructure with the ability to respond to these challenges.



### 4.2 The Post 16 landscape serving Greater Nottingham

The current further education landscape in Nottingham is complex. Serving a reducing population of 15-19 year olds, there are three general further education colleges (catering for about sixty percent of 16-18 year old learners and most of adult learning in Greater Nottingham up to University level) and a sixth form college (Bilborough College). Other FE colleges serving Nottinghamshire are West Nottinghamshire College, Mansfield and North Nottinghamshire College, Worksop. Out of county providers include Derby College and Lincoln College. There are two Universities in the conurbation.

There are also four Academies (Nottingham Academy, Djanogly Academy, Nottingham University Samworth Academy and the Bulwell Academy) and a further one in the pipeline; three City based school sixth forms (Nottingham Bluecoat School, Trinity Catholic School and the Nottingham Emmanuel School) and sizeable numbers of schools with sixth forms bordering City Council boundaries. There are two high achieving independent schools with sixth forms in the City and another (Trent College) in the post 16 travel to learn area.

There are also significant numbers of training providers, as well as organisations from other parts of the country, delivering Apprenticeship and Foundation Learning provision.

<sup>5</sup> Mid Year Population Estimates for 2009 published by the Population Estimates Unit, ONS



## 4.3 Castle College Nottingham

Castle College Nottingham was itself formed from a merger between Broxtowe College and The People's College in 2006. It has campuses in the City, Beeston and Stapleford (See Appendix A).

CCN offers courses in all fifteen sector subject areas across the whole ability range - from Pre-entry through Foundation Learning to Higher Education, although numbers are small in some areas. A high proportion of learners come from disadvantaged backgrounds, including some from the most deprived wards in the United Kingdom where generations of people have been out of work.

Last year over 22,000 learners enrolled at CCN; half on full time courses and two thirds over the age of 19. It also has a substantial international student population. Most popular areas of learning include Health, Public Services and Care; Preparation for Life and Work; Engineering and Visual Arts and Digital Media.

The College has an established reputation for successfully working with learners at Pre-entry to Foundation Level and is recognised for its work with marginalised groups in the community, including disaffected school pupils. Ofsted<sup>6</sup> judged 'education and social inclusion are outstanding. The College collaborates effectively with a wide range of stakeholders to increase the participation of learners under-represented in education and training. Learners from the most vulnerable groups make good progress and achieve well'.

CCN is an Associate College of The University of Northampton, De Montfort University, Nottingham Trent University, The University of Bedfordshire and The University of Derby. Degree courses cover Business and Management, Health Sciences, Engineering Technologies and Digital Technologies. Most higher education courses have been developed to meet local employment needs, for example Foundation Degrees in Dental Technology, in Ophthalmic Sciences and in Criminal Justice.

At inspection in 2008, CCN achieved good and satisfactory grades. Ofsted noted 'effectiveness of provision is satisfactory. Achievement and standards are satisfactory, with an upward trend in success rates to above the national average on the majority of courses. Retention on courses at level 3 is low'.

Over the last few years, CCN has been facing significant challenges; weaknesses in finances and data in turn impacted on quality. Standards are now improving - the

College has rebased its curriculum to better reflect regional and national priorities with Science, Mathematics, Engineering and Social Care provision at the core.

Whilst undertaking steps to address the problems which, with the support of the Skills Funding Agency, include recovery planning and realigning the curriculum, CCN also began to consider its own future as an independent organisation.

The outcomes of a Strategic Options Review<sup>7</sup> (shared with key post 16 FE providers and stakeholders in the Region) led the Corporation to conclude that it 'could no longer maintain full independence'. After debating a number of options, it concluded 'that no Federation or Trust options would give CCN the curricular, management or financial support needed' and that 'merger was the way forward to best serve the needs of the conurbation'.

<sup>6</sup> Castle College Nottingham Inspection Report: Ofsted (December 2008)  
<sup>7</sup> Castle College Nottingham Strategic Options Review (March 2010)

## 4.3.1 Finance and Estate Issues

Castle College Nottingham has experienced significant trading deficits in each of the last three financial years of £1.06m, £3.98m and £4.55m (estimated 2009/10, pre-audit); a total deficit on continuing operations of c£9.5m. All of this has had a significant impact on the strength of the College Balance Sheet, draining cash resources and depleting reserves. As at 31 July 2009, CCN had net current liabilities of £6.2 million.

In the current financial year the new Management Team has implemented a cost reduction programme which will help to address the trading deficits and produce a continuing break-even position. Historic debts require servicing; this will impact on the level of resources available for much needed investment in infrastructure and delivery. The economies available post merger will address medium/long term viability and release surplus assets.

CCN has also identified three sites which could be sold; these are currently being actively marketed. The sites are at Carlton Road, Chewton Street and Middle Street. Provision at all three sites has already largely been transferred to other sites nearby. Any future changes will be managed carefully to ensure current and future students benefit as a result of the proposed merger.



## 4.4 South Nottingham College

South Nottingham College's main campuses are at Ruddington, Clifton and West Bridgford. It also operates learning centres in Clifton, Bingham, Cotgrave and Nottingham City (see Appendix A). Over a third of learners come from City postcodes; many from the less affluent areas of the City.

SNC offers programmes in most sector subject areas from Pre-entry to Higher Education. Areas with the largest enrolments include Health, Public Services and Care; Preparation for Life and Work (SNC has a particular expertise in provision for learners with learning difficulties and disabilities); Information and Communication Technology; Hair and Beauty; Sport (SNC has a highly regarded range of Athlete Performance Programmes) and Visual Arts and Digital Media. There are over 120 higher education students on Creative Arts, Media and Sports programmes.

SNC is also the third largest provider of Apprentices and services to employers in the East Midlands. Ofsted judged effectiveness of provision in all curriculum areas as 'Good with outstanding aspects'. The report also highlighted that 'success rates have increased significantly since the last inspection and are above the national average for all learners and outstanding for adult learners on Level 1 long courses and learners aged 16 to 18 on Level 2 long courses. Learners on Train to Gain (employer) programmes have high success rates'.

Key Strengths of South Nottingham College:

- Very clear strategic direction
- Very good financial and resource management
- High and improving success rates
- Good teaching and learning
- Outstanding approach to educational and social inclusion
- Wide range of provision with good progression opportunities
- Extensive employer engagement
- Excellent links with community organisations and schools
- Innovative projects to engage learners enabling them to make a positive contribution to the community
- Very strong support for learners with learning difficulties and/or disabilities (LLDD)
- Very effective initial advice and guidance.

The report went on to say 'Inspectors agree that curriculum provision is outstanding and meets the needs of learners, employers and the community exceptionally well. Courses are offered from pre-entry to advanced level, including E2E provision and a very extensive range of Foundation Level courses. The College is very successful in increasing participation by learners traditionally under-represented in education or training. This includes learners with learning difficulties and/or disabilities (LLDD) who participate fully in the life of the College. Extensive and innovative initiatives successfully raise aspirations and promote community cohesion'.

'The College has good capacity to improve. Its record of bringing about improvement and meeting challenging targets is good. Responsiveness to the needs and interests of learners, employers, and the local community is Outstanding as is the College's approach to educational and social inclusion. Learners make outstanding contribution to both the local and wider community through exceptional initiatives such as 'Balls to Poverty' - a charity providing footballs and coaching in South Africa'.

SNC has undergone a complete transformation in the last six years; it has doubled its turnover, improved success rates by 30% and aligned the curriculum offer to priority areas.

Ofsted judged 'Governors are well informed and supportive. They provide a high level of challenge to senior managers and keep a close check on the College's performance using a full range of performance indicators. The management of finances and resources is very good. The College's financial position has improved considerably and is now secure. Value for money is good. The Principal, well supported by knowledgeable Governors and capable Senior Managers, provides clear strategic direction'.

## 4.4.1 Financial issues

South Nottingham College is in a much better financial position than Castle College Nottingham with a steady trading performance in recent years and a strong balance sheet. The College has a turnover of c £24m and, as per its most recent financial plan, it expects to generate a small surplus in each of the next three years. There are significant challenges posed in the planning assumptions for future years. The Governors recognise the potential implications of the recent Comprehensive Spending Review, and best estimates of those implications have been included in the merged College financial plan. It is anticipated that the plan will be updated at full merger proposal stage to reflect any firmer information available at that time. This should enable the merged College to address the funding challenges.

## 4.5 FE catchment and Travel to Learn patterns of the two Colleges

A merger between SNC and CCN has a curriculum logic based on geography and specialisms. Figure 1 shows there is considerable overlap in catchment areas between the two. SNC is shown to particularly serve the needs of Nottingham and Rushcliffe learners, whilst CCN is shown to particularly serve Broxtowe and Nottingham learners.

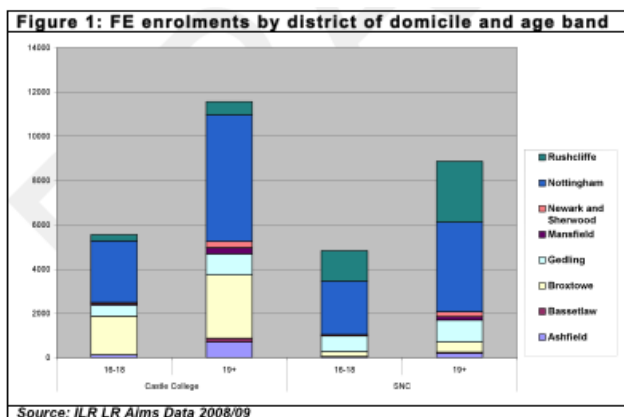


Figure 2 shows the importance of SNC and CCN to the area, particularly in the delivery of Health, Public Services and Care, ICT, Leisure and Travel, Arts, Media and Publishing, and Preparation for Life and Work provision. In addition, it shows the importance of Engineering and Construction delivery at CCN.

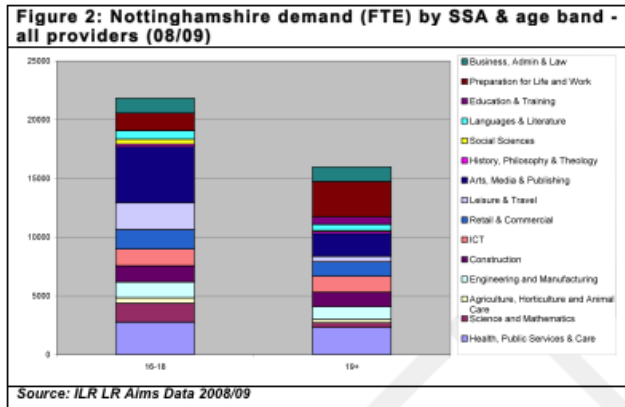


Figure 3 highlights the complementarity of their curriculum offer. In many cases, the combined offer is greater than the two parts and would provide more choice and progression routes for learners. These include Construction and Engineering at CCN, Sport and Creative Arts provision at SNC (highlighted as having outstanding features in inspection) and the very strong employer provision at both Colleges.

**Figure 3: College FE enrolment numbers by SSA (08/09)**

Age Band	16-18		19+	
	CC	SNC	CC	SNC
Health, Public Services & Care	499	364	2606	1039
Science and Mathematics	487	203	289	157
Engineering and Manufacturing	469	15	485	199
Construction	291		561	
ICT	234	222	1029	860
Retail and Commercial	161	210	307	304
Leisure and Travel	288	989	140	919
Arts, Media and Publishing	566	861	712	2048
History, Philosophy & Theology			180	47
Social Sciences	51	33	20	55
Languages and Literature	277	292	572	628
Education and Training			260	500
Preparation for Life and Work	1609	460	3747	1492
Business, Admin and Law	209	128	586	456

Source: ILR LR Aims Data 2008/09 excluding key skills/ functional skills

It is also anticipated that the curriculum offer of the merged College will be balanced and moderated to actively avoid unnecessary duplication and competition - but will offer choice, career development and progression opportunities for learners between the two institutions and with other significant providers in the conurbation. The expectation is of a significant partnership approach to planning curriculum and service delivery at the point of merger.

## 5 Benefits of Merger

### 5.1 For Learners

The offer will be tailored to the needs of all learners and levels to help support the developing Greater Nottingham and regional economy, and will provide:

- A broad accessible Entry, Level 1 and 2 offer across all sites extending choice in the conurbation, linked to specialist 'Centres of Excellence' at higher levels and at key sites.
- Specialisms in STEM subjects; Science, Engineering, Low Carbon Technologies, Motor Vehicle and in Sport and Travel.
- Greater capacity in Creative Studies (Visual and Digital Media), Lifestyle Provision (Hair, Beauty, Health Care and Social Care) and Construction.
- A network of collaborating centres across the conurbation at Beeston, Clifton, West Bridgford, Ruddington, the People First Centre in Nottingham and The People's Campus Maid Marian Way<sup>8</sup> which will feed into specialist 'Hubs' as follows:
  - Automotive/Motor Vehicle Technology within the East Midlands Centre for Automotive Training (EMCAT) at Ruddington Fields Business Park and Highfields Automotive and Engineering Centre in conjunction with motor manufacturers Honda, Suzuki, Mazda, Toyota, Kia and General Motors.
  - Business Management and Digital at The People's Campus Maid Marian Way.
  - Engineering and Low Carbon Technologies at Highfields Automotive and Engineering Centre on the Science Park, with Foundation Learning provision at Nottingham Engineering Training Association (NETA).
  - Sport, Travel and Public Services linked to Nottingham's professional sports clubs.
  - Construction and Electrical at London Road Construction and Technology Centre.
  - Hair and Beauty, Care and Early Years at Beeston, The People's Campus Maid Marian Way and at West Bridgford.
  - Creative Arts (Visual Arts and Digital Media) in Clifton, Beeston and Confetti.
  - Foundation Learning will take place at all sites.
  - Adult Community provision including Skill for Life and ESOL will take place across the community.

### 5.2 For Employers

This Division will operate out of the East Midlands Centre of Automotive Training (EMCAT) facility on the Ruddington Fields Business Park and the merged College would strengthen its service to employers by:

- Offering increased volumes, range and quality of Employer Responsive provision, particularly Apprenticeships, which are key to the Government's long-term commitment to growth and a major mechanism for developing work-based skills.
- Making a strong response to counter unemployment/worklessness arising from the current economic situation.
- Utilising SNC's greater business development expertise to engage with employers.
- Improving employability skills of those joining the local workforce from schools and other colleges.
- Involving employers in curriculum delivery and design.
- Providing a single point of access for flexible skills training.
- Creating a more responsive organisation with the strategic ability and capacity to invest in sectors with local skills shortages, tailoring solutions to specific needs. This links well to regional enterprise policy and the new Local Enterprise Partnership (LEP) and will provide the opportunity for the merged College to energise and enhance the local economy; to focus on opportunities and challenges and to make its voice heard more effectively.

### 5.3 For Communities

This is a merger with a strong emphasis on meeting local needs which will build on the combined strengths of the two Colleges.

The merged College will:

- Be better placed to ensure that learning is available and accessible to each of its communities from the most vulnerable to the most able.
- Provide access across the conurbation to learning within communities. A strong senior management presence at each site will ensure provision meets identified local needs and delivery meets expected quality standards in order to best serve the wider college communities.

- Place fairness and inclusion, community cohesion and safeguarding all learners at the heart of all activities.
- Work with community partners (schools, local authorities, voluntary groups, employers and the third sector and with a network of other stakeholders across Greater Nottingham, the East Midlands and beyond with a true sense of partnership and collaboration to ensure that provision reflects community needs and enhances economic opportunity for all.

## 5.4 For Staff

Without a merger partner, CCN's future is at risk; a key benefit of the merger is, therefore, the opportunity that it brings to safeguard jobs and skills.

- There are strong cultural, educational and mission similarities and a leadership vision between the two Colleges to make merger work.
- The Corporations of both Colleges recognise that good employees are a key resource for the merged College and that staff from both organisations will be crucial to its success.
- Governors and managers recognise the importance of good employment relations, and commit to engage and consult with all recognised Unions in good time on employment matters, including those with statutory timescales, with a view to reaching agreement.
- A larger College will provide more opportunities for staff, in terms of both professional and career development, whilst also delivering greater efficiency from public monies through economies of scale. It is the intention to raise resources at all campuses over time, which will provide a better working environment.



## 5.5 Governance and Management

The Governors of the two Colleges have approached the merger in a spirit of openness and collaboration. Cultural, educational and mission similarities; the ethos of putting learners first and providing a high level of care, is well embedded.

This will be a Model B merger, where the Corporation of Castle College Nottingham is dissolved and its property, rights and liabilities transferred to South Nottingham College - subject to agreement on a range of harmonisations and the effective management of any potential deal-breakers.

Capability to effectively lead this function was highlighted in the SNC Inspection Report<sup>9</sup> which judged 'Governors are well informed and supportive. They provide a high level of challenge to senior managers. They keep a close check on the College's performance using a full range of performance indicators'.

The merged College is committed to proper representation from across the conurbation and this will be reflected in representation on the revised Corporation. This will include existing governors from CCN and consideration of local academic committees, where senior managers and governors engage with learners within their communities.

9 South Nottingham College Inspection Report - Ofsted (2008)



## 5.6 Quality

Quality improvement throughout the merged College will be driven from the most senior level. Inspection has shown and track record to date confirms that the merged College leadership has the capability and capacity to maintain a high quality focus on the core business.

An essential priority for the merged College is to make significant progress on the quality of provision to current and future learners across the College - this will accelerate the quality improvements already under way in CCN.

The merged College will do so by:

- Focused quality improvement.
- Identification of clear curriculum objectives and specific time constrained goals.
- More effective leadership.
- Ownership of milestones and performance targets that are established at an individual learning aim level, communicated to all curriculum managers in order to achieve an appropriate balance and mix of provision at a high quality level.



## 5.7 Financial Considerations

Castle College Nottingham is currently in a weak financial position and although it has taken a number of actions to improve its finances, further financial benefits will arise directly as a result of the merger.

The merger proposal offers an opportunity to create a strong financially stable College, which can pay all of its short and long term debts, whilst at the same time investing in its future with new equipment and improvements to the estate, for the benefit of learners. Because of its increased size, the merged College will be able to achieve additional operating efficiencies in several back office functions, without directly impacting on the service provided to learners.

The governors recognise the potential implications of the recent Comprehensive Spending Review and best estimates of those implications have been included in the merged College financial plan. It is anticipated that the plan will be updated at the full merger proposal stage to reflect the outcomes of the Comprehensive Spending Review and any firmer information that is available at that time on financial implications for colleges.

Long term financial viability can be achieved and the College would have sufficiently robust finances to deal with most adverse circumstances as they arise, which will be of critical importance given the anticipated funding reductions that are likely to affect all colleges.



## 5.8 Investment in College Buildings and Equipment

CCN and SNC both currently operate from several different sites, largely to the West and the South of the City.

By bringing together the two Colleges, there will be flexibility to rationalise the use of some buildings so that money is not spent on excess space. Savings from the running costs of the buildings no longer required will be used to invest in equipment and IT infrastructure that will improve the learner experience.

There is likely to be some opportunity to dispose of (up to three) smaller sites and the sale proceeds will be used to improve the estate. The two Colleges are already working together to develop a joint property plan, on how the current buildings will be most efficiently used and what improvements can be made by either refurbishment of existing buildings and/or some new build.

A key consideration will be the need to maintain local access whilst using disposals to improve the quality of facilities offered to the communities. The joint property plan will balance the need for local access with the need to maximise investment in the learning environment to ensure the best learning experience.



## 5.9 Commitments to Learners, Communities and Employers

Achievement of the objectives of the merged College will be measured annually by adherence to the following commitments.

### Focus on Learners and Raising Standards by:

- Expanding learner numbers, providing maximum choice and opportunities as well as developing seamless career progression pathways, so that everyone is able to reach their potential.
- Playing to its strengths in vocational education linking learning to the world of work and business as well as streamlining all provision in line with success rates.
- Being highly regarded across the region and nationally for delivering high quality in all that it does, with inspection improvement to overall good, then to outstanding.
- Placing fairness and inclusion, community cohesion, and safeguarding all learners at the heart of all activities.

### Focus on Regional and National Agendas and Partnerships by:

- Working in partnership to develop cost effective learning routes with schools, colleges, universities, City Council and County Council, Local Authorities, employers and the Third Sector and not wastefully duplicate accessible provision'
- Being indispensable to local employers to enable them to access training to prepare their businesses to deal with the economic climate and emerge from it stronger than ever.
- Being a strong regional player developing educational and local influence and integrating fully into economic developments to support inward investment.
- Liaising closely with public services and other agencies to reach out to all sections of the community, especially to those that are least likely to engage in learning, to enable them to progress and achieve sustainable employment.

### Focus on Effective Governance, Leadership and Management by

- Regarding this as a merger between equals, not a takeover.
- Promoting a values-driven culture, where staff and learner behaviours are measured against core values.
- Showing strong leadership and governance linked to performance management.
- Placing fairness and inclusion, community cohesion, and safeguarding of learners at the heart of all activities.
- Driving forward the relationship between quality and finance.
- Returning to generating acceptable operating surpluses to support investment.
- Regularly measuring improved Value for Money i.e: return on taxpayer investment.
- Investing in the campus and technological infrastructure over time.
- Listening and responding to learner, employer and staff voices.



## 6 Name of the Merged College

The name of the merged College will be 'South Nottingham College'.

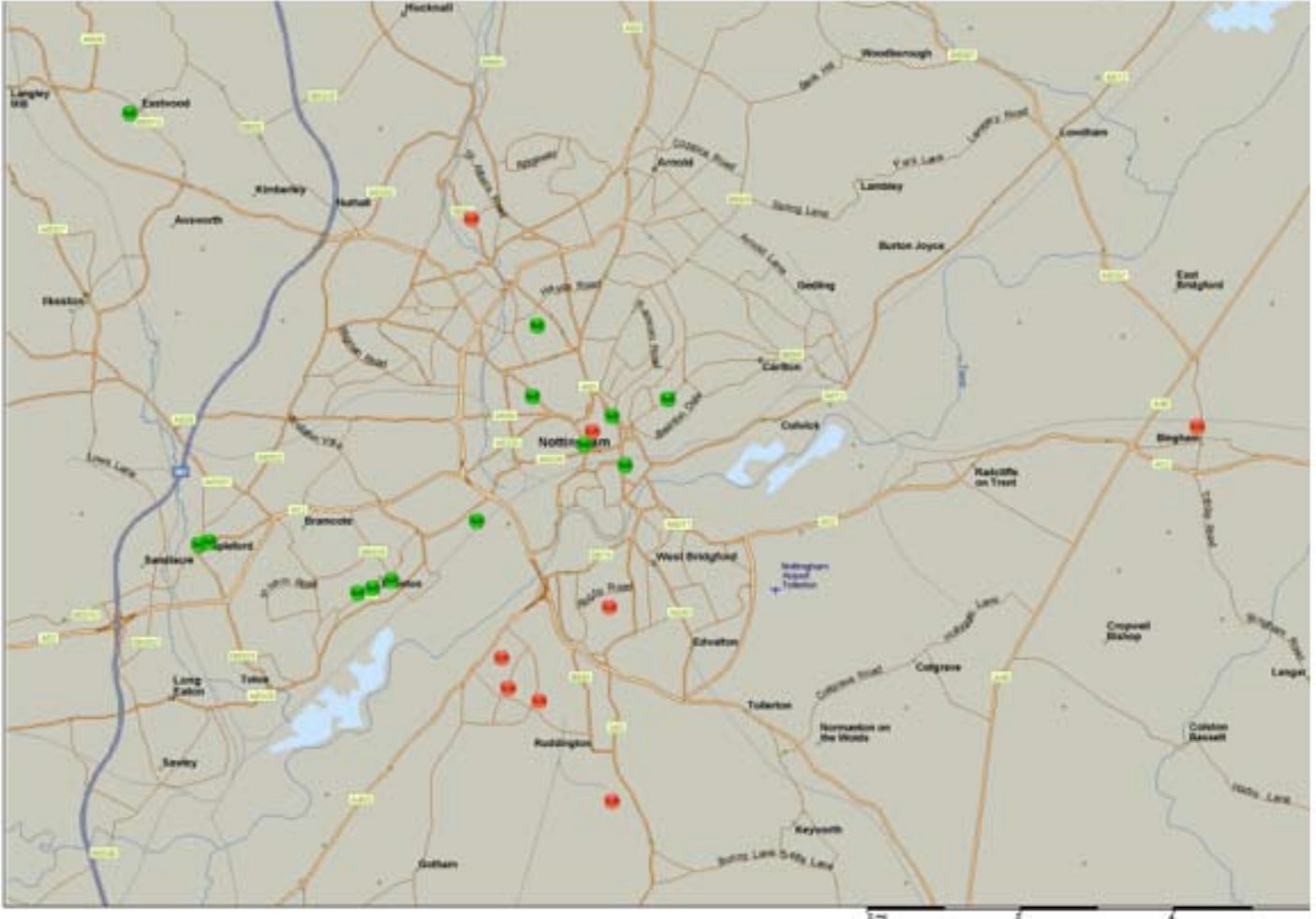
Governors of both Colleges will be discussing how best to retain the identity of certain constituent parts of the two existing Colleges, whilst reflecting the nature of the new organisation.

## 7 Conclusions

Both the Corporations agree with the recommendation of a Model B merger, where the Corporation of Castle College Nottingham is dissolved and its property, rights and liabilities are transferred to South Nottingham College. This will enable Implementation Day to be 1 April 2011.

- The Proposal is based on principles of partnership; it offers a platform from which to better plan and negotiate future curriculum rationalisation with other providers in the City and across the Region, and opens up the opportunity for greater collaboration between institutions which could lead to federated working or moving to a single College for Nottingham should this be in the best interest of learners.
- The proposed merger will be advantageous to learners at all levels; the curricula of the two Colleges are complementary, offering all members of the community an expanding choice of educational opportunities. Learners will be able to progress to a much wider range of programmes within the merged College, aided by common procedures, facilities and standards of service.
- The merged College will provide access across the conurbation to learning within communities and a strong senior management presence at each site will ensure provision meets identified local needs and delivery meets expected quality standards in order to best serve the wider college communities.
- The respective Missions of the two Colleges are closely matched. Both have established common core values based on learners and fairness and inclusion; both Colleges have provided, within their separate financial limitations, a broad, coherent and effective response to the changing needs within the community and the local economy.
- The integration of the staff of the two Colleges will bring together a greater variety of skills and experience for the benefit of the learners and the future development of the merged College.
- The merger will enable a more integrated and effective 14-19 and adult provision. It will substantially improve employer engagement and stimulate closer links with Higher Education and the International market.
- The merged College will be responsive to local needs and requirements. The improved 16–18 offer will continue to contribute to the reduction of the numbers of young people not in employment, education or training, through both Entry to Employment and vocational skills provision.
- The economic downturn challenges all public sector organisations to be well positioned to meet the needs of individuals seeking work and to support businesses. As part of this strategy, the merged College will be committed to providing Apprenticeships for young people and adults, in the public and private sector. The College will build on existing provision at SNC and in particular work with the funding and commissioning bodies, the City and County Council and other stake holders to achieve this.
- The merged College will be well placed to assist individuals and businesses and take advantage of flexibilities in funding from Government. There is a need to enhance the skill base of employees in local enterprises and the proposed College will be in a better position to offer the full range of provision to meet the skills and employability needs of those seeking work and those employed.
- The merger proposal offers an opportunity to create a strong financially stable College, which can pay all of its short and long term debts, whilst at the same time investing in its future with new equipment and improvements to the estate, for the benefit of learners.

# Appendix A SNC & CCN Delivery Locations



- SNC Sites
- CCN Sites

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## Appendix B List of those being consulted

Members of Parliament and MEPs  
Local Councillors  
Local Authorities  
Young People's Learning Agency (YPLA)  
Employers  
Chambers of Commerce  
Other Further Education Colleges  
Secondary Schools  
Academies  
College Staff  
College Students  
National Union of Students  
Work based Training Providers  
National Apprenticeship Service (NAS)  
Association of Learning Providers (ALP)  
Association of Colleges (AoC)  
Trade Unions  
Higher Education Funding Council for England (HEFCE)  
Local Universities  
University Partners  
Ofsted  
Voluntary Organisations

Faith Organisation Representatives  
Sector Organisations  
Nottinghamshire; City and County Employment Skills Board  
Sector Skills Councils  
Exam Boards  
Connexions Service  
Jobcentre Plus  
Department for Education  
One Nottingham  
East Midlands Development Agency (emda)  
EMFEC  
Government Offices  
Greater Nottingham Partnership  
Local Hospitals



## Appendix C Reorganisation Criteria

Ultimately the Secretary of State will assess any proposal for merger against the seven criteria (revised in 2008) below.

- The proposal is likely to address the needs of learners and employers
- The proposal is likely to increase opportunity for the learner to exercise choice and encourage diversity in the education and training available
- 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 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
- The proposal is likely to provide better value for money.



# Appendix D Statutory Notice for Dissolution/ Establishment

## **Statutory Notice Further and Higher Education Act 1992**

As Chief Executive of Skills Funding, I hereby give notice in accordance with the provisions of section 51 of the Further and Higher Education Act 1992 (the Act) as amended by the Apprenticeships, Skills, Children and Learning Act 2009, of the draft proposal that the Secretary of State under section 27 of that Act should by order provide for the dissolution of the further education corporation of Castle College Nottingham and the transfer of the property, rights and liabilities of that corporation.

Dissolution of the corporation is proposed, at the request of the corporation of Castle College Nottingham in order that the college may merge with South Nottingham College. It is proposed that the property, rights and liabilities of the corporation to be transferred to the corporation of South Nottingham College.

The date proposed for the dissolution is 1st April 2011. Provision will be made for all students at Castle College Nottingham who have not yet completed their courses of study by the date of the proposed dissolution to complete their studies at South Nottingham College. A copy of the draft proposal is available free of charge from me and will be sent to any person who requests it.

In accordance with the provisions of section 51 of the Act, representations may be made to me by 14th January 2011

### **Representations can be made at**

<http://skillsfundingagency.bis.gov.uk/providers/allthelatest/consultations/> or in writing to [providerreorganisations@skillsfundingagency.bis.gov.uk](mailto:providerreorganisations@skillsfundingagency.bis.gov.uk)

### **or to:**

Geoff Russell, Chief Executive of Skills Funding  
Cheylesmore House, Quinton Road, Coventry CV1 2WT

Date: 29th November 2010

Signed:



## Appendix E Timetable

<b>ACTION</b>	<b>BY DATE</b>
Initial Outline Proposal agreed by each Corporation	<b>27 September 2010</b>
Skills Funding Agency considers Initial Outline Proposal	<b>Mid October 2010</b>
Statutory Consultation by Skills Funding Agency and Due Diligence	<b>December 2010</b>
Development of Full Merger Proposal begins	<b>December 2010</b>
Due Diligence completed	<b>December 2010</b>
Statutory Consultation ends	<b>14 January 2011</b>
Consultation report and responses to Colleges	<b>January 2011</b>
Joint Governors Working Group consider outcome of Consultation and Due Diligence and recommend Full Merger Proposal for approval to the governing bodies	<b>January 2011</b>
Submit Final Merger Proposal to Skills Funding Agency	<b>31 January 2011</b>
Skills Funding Agency consideration of Final Proposal and recommendation to Secretary of State	<b>February 2011</b>
Decision by Secretary of State	<b>Late February 2011</b>
Laying of orders before Parliament (if approved – 21 days)	<b>Early March 2011</b>
Dissolution of Castle College Nottingham	<b>1 April 2011</b>



# Appendix F How to Respond to the Consultation

Comments on the draft proposal are invited through a consultation being managed by the Skills Funding Agency as part of its statutory role in college mergers. The 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.

An online response form can be accessed here:  
**<http://www.surveymonkey.com/s/Castle-SouthNottingham>**

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)**

The consultation starts on 1 December 2010 and the deadline for responding is 14 January 2011.

The consultation report will be published at  
**<http://skillsfundingagency.bis.gov.uk/providers/allthelatest/consultations>**  
within two weeks of the end of the consultation period.

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.

For more information, please contact:

**Adrian Bambridge at Castle College Nottingham**  
[adrian.bambridge@castlecollege.ac.uk](mailto:adrian.bambridge@castlecollege.ac.uk)

**Chris Stephenson at South Nottingham College**  
[chris.stephenson@snc.ac.uk](mailto:chris.stephenson@snc.ac.uk)

**Castle College Nottingham**  
[www.castlecollege.ac.uk](http://www.castlecollege.ac.uk)

**South Nottingham College**  
[www.snc.ac.uk](http://www.snc.ac.uk)

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