

**FURTHER EDUCATION
COMMISSIONER ASSESSMENT
SUMMARY**

City College Coventry

APRIL 2016

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Assessment

Background

City College Coventry was formed by the merger of Coventry Technical College and Tile Hill College, Coventry in 2002. It had relocated to new buildings on a single site close to the city centre and many other educational organisations by 2009. The new facility was designed as two separate buildings which, by accident or design, largely accommodate those areas of learning which came from each of the predecessor colleges.

The College enrolls just under 6,000 students in a year, with some 3,900 in place when the most recent inspection took place in November 2015. There are over 500 apprentices, around 300 of whom are on Intermediate programmes and the remainder on Advanced or Higher programmes. Enrolment is broadly steady, with a surge in 2013-14.

In recent years the College has had a succession of critical engagements with the funding agencies and the inspectorate and it remains under Notices of Concern for both its financial health and its curriculum quality. Ofsted found the College to be 'inadequate' in March 2013; 'requires improvement' in June 2014; and 'inadequate' again in November 2015.

As a result, it was decided the FE Commissioner should assess the position of the college in line with the government's intervention policy set out in Rigour and Responsiveness in Skills.

The FE Commissioner's report is intended to advise the Minister and the Chief Executives of the funding agencies on;

- The capacity and capability of the College's leadership and governance to secure a sustained financial recovery within an acceptable timetable
- The capacity and capability of the College's leadership and governance to secure a sustained recovery for the quality of provision, within an acceptable timetable
- Any actions that should be taken to deliver a sustained financial recovery within an agreed timetable (considering the range of interventions set out in Rigour and Responsiveness in Skills)
- How and when progress should be monitored and reviewed taking into account the Agency's regular monitoring arrangements

Assessment Methodology

A Deputy Commissioner and two FE Advisers carried out an assessment during the period 16th to 18th February 2015. They received in advance extensive briefing information provided by the Skills Funding Agency and the Education Funding Agency and reviewed a wide range of College documentation. They interviewed Corporation members, managers and staff, as well as representatives of the SFA, EFA.

The role, composition and activities of the corporation

The Board of Governors has 17 members, 12 of whom are independent, two are students, two are members of staff, and the Principal. The Chair is an experienced former college principal and a current chair or member of a number of prominent national bodies.

However, only two members of the Board are current leaders in private-sector organisations, a balance in favour of public-sector experience which is not a good match with the College's Strategic Objectives. The Board should therefore seek to rebalance its membership by recruiting senior executives from private-sector businesses relevant to the College curriculum.

The Board has six subcommittees: Quality and Performance; Student Liaison; Finance and Resources; and a Chair's Committee as well as the statutory requirements of Audit, Remuneration and Governance (membership). Meetings of the Board and, for example, Quality and Performance alternate monthly. A number of subcommittees are very large.

We believe that the College should reduce the number of Board subcommittees and streamline the reporting line of those that remain into the main Board. We suggest that this change would help to ensure that the Board maintained a sharp focus on the three priorities which should occupy them for the foreseeable future: maintenance of sound finances; student and staff performance; and the development of a more sustainable future for local further education.

The Board is clear that the further education offer in Coventry is not organised such as to give maximum benefit to students and the local economy. The College itself is too small to sustain the current 14 areas of learning. Its relatively new buildings were unfortunately designed with too little flexibility for today's circumstances and are substantially underused.

The Board has therefore drawn up Heads of Terms of an Agreement collaboratively with Henley College and Hereward College. The draft Heads of Terms make a necessarily tentative start on a path which the College Board believes should lead to a merger of the City's three colleges. There appear to be no insuperable barriers to progress towards that outcome. The forthcoming area-based review has also prompted very preliminary discussions about co-operation with other colleges.

Management

The College has had four different principals in three years, two of them on an interim basis. The changes that have been made and that are being made by the interim Principals are strongly supported by the governing body and by a large majority of the staff. The present interim Principal has made an immediate impact on the health of the College and the coherence of its leadership. Her commitment to truthfulness, mutual trust and openness among all managers and staff, as a means towards rebuilding a healthy collegiate culture, is applauded by the Board and her colleagues.

Finance Overview

Up to 2011-12 the College has had a strong balance sheet, with consistently good key solvency indicators. However, over the last three years financial performance has been more challenging with an operating deficit in each year which has put increasing pressure on cash reserves.

Over the past three years, there has been a reduction in total income by 18% due mainly to reductions in SFA and EFA income. Pay costs as a percentage of income increased significantly in 2013-14, up to 74 per cent, a long way above sector norms. This was due to a decision by the Board to set a deficit budget for the year to enable investment in quality improvement following the grade 4 Ofsted inspection in March 2013. In addition, during 2013-14, the College underachieved against its key funding targets, driving up the staff cost percentage even higher.

As a result of the deteriorating financial position during 2013-14 the College prepared a three-year financial recovery plan, which set out how it could return to a financial health rating of satisfactory by 2015-16. The College has achieved some key milestones in the first year of its implementation, including the refinancing of a bank loan on favourable terms, reductions in pay costs to 65% of income and exceeding a number of key funding agency targets. Teaching terms and conditions have also been renegotiated. As a result the underlying financial performance in 2014-15 was better than the budgeted position, and has resulted in the college returning to a financial health rating of satisfactory, a year earlier than projected.

Looking ahead, the Assistant Principal Finance has recently prepared an indicative forecast for 2016-17 to reflect the impact of lower learner numbers in the current year. This now shows a forecast surplus for 2016-17 as set out in the financial recovery plan. Further savings are being planned, but will need to be balanced carefully with the need to improve quality.

Financial management and control

There is a well-planned budget-setting process that flows through from the curriculum planning model. Managers' report that there are significant amounts of management information available, but historically it has not been easily accessible or in a helpful format to inform decision-making. We were informed that this has significantly improved over the last year or so, with the changes being introduced by the Assistant Principal MIS.

Financial control is good, although the auditors have raised some minor areas of concern.

Quality improvement

The College was inspected by Ofsted in March 2013 and its Overall Effectiveness was graded as 4 (Inadequate). The college was re-inspected in June 2014 when it was judged as Requires Improvement (Grade 3). In December 2015 a further Ofsted inspection took place with the College's Overall Effectiveness graded as 4 (Inadequate). As a result a Notice of Concern for quality was issued to the College in January 2016.

The Ofsted monitoring visit in January 2016 considered the draft Post Inspection Action Plan (PIAP). The monitoring report states that the action plan encapsulates the areas needing further improvement in the form of nine 'issues to be addressed.' The report states that leaders and managers have been 'rigorous and systematic in establishing the root causes of these issues and weaknesses in provision'. It goes on to state that key elements of the PIAP require further improvement, actions are not always specific enough and there is the risk of confusing the completion of actions with the impact achieved.

There is however clear evidence at the College of an emerging quality culture among senior managers with an emphasis on truth, trust, transparency and teamwork as advocated by the Interim Principal. The senior team report that they see significant progress in a short period of time. The previous quality culture at the College is described as passive and there is a belief that leaders are now taking more responsibility for improvements. An 'Analysis for Change' flow chart has been developed to identify teachers and managers who need to enable the College to succeed. The Vice Chair of the Board is supporting this work.

Teaching and Learning

The College recognises that teaching in a significant number of curriculum areas is poor. Teaching at the College is described by Ofsted and the new College leadership as 'dull'. There have also been problems with teachers' timely arrival at lessons and with their use of lesson plans.

Prior to the current academic year there was also no systematic approach to lesson observations. Those that were undertaken significantly over-estimated quality. A revised Teaching Learning and Assessment strategy is being developed and a bespoke training programme for new teachers is underway.

There is, nevertheless, some good teaching in the College with good student attendance, retention and success, in areas such as Arts, Performance, ESOL, and Access to HE. Students' perceptions of teaching and learning recorded in the First Impressions survey have improved between 2014-15 and 2015-16 with a rating against 'The teaching on my course is good' moving from a rating of 70 per cent to 82 per cent.

Success rates

Classroom-based success rates for the College have declined over the last three years. Whilst retention has improved and is at the national average, achievement has declined and is 10 percentage points below the national average. The College is also conscious of recruiting more and more students who have more complex learning needs.

There are notable improvements in success in some curriculum areas, for example Arts, Media and Publishing at Level 3 (which is the majority of learners in these curriculum areas). There are also some areas requiring considerable improvement. For example success rates in Construction and Planning have dropped from 83.9 per cent (2012-13) to 70.3 per cent (2013-14) to 69.1 per cent (2014-15) which is 13.6 percentage points below the national average. This wide range of performance leads the College to an overall position that is rightly defined as inadequate by Ofsted, but gives a misleading picture of

some large areas of the College's provision. There is good work and there are good outcomes on which the College can build, rectifying or eliminating areas of weakness.

This year the college has introduced a range of actions to ensure that initial assessment of students is more effective and students are placed on the right programme at the right level. An MOT system of monitoring has been developed and is being used by all teams using timely data from ProAchieve. This system uses a RAG rating and the Interim Vice-Principal Curriculum meets weekly with the Heads of School to monitor progress.

Changes have also been made to the curriculum offer for 2015-16 to reflect the local area, decisions taken being based on quality measures and the impact of funding cuts. In August 2015 the college also launched its new Innovation Hub, a partnership sponsored by Brocade and Fujitsu who have equipped the facility with the latest digital and networking technologies.

Conclusions

The College is clearly failing too many of its students through a combination of poor teaching and weak curriculum management in a significant number of areas. Ofsted's conclusion that the College's performance is inadequate is not disputed. However, the College has a number of strengths which, if deployed vigorously and over time, can turn this institution around to create a curriculum offer which is both appropriate for, and worthy of, the City of Coventry. The result is likely to be even better if arrangements with the other colleges in Coventry continue to progress.

The College is now fortunate to have a well-qualified Chair of its Board and an experienced and successful Interim Principal. The Board itself needs some rebalancing through the recruitment of senior managers from the private sector, reflecting the strongly vocational and technical curriculum which the College aims to pursue, but even as it stands it is a strong governing body.

The College has acted appropriately and promptly to address its financial deficit and it is now in a satisfactory position while recognising the need to make further savings. Performance with regard to quality remains variable, with some very poor areas, but there are others where performance is above the national averages and is continuously improving. The College has distinctive strengths which are worthy of celebration and on which a wider transformation of quality can be built.

Recommendations from Further Education Commissioner

We recommend that:

1. The College should clarify its strategic direction and its intended stronger vocational character.
2. Having prepared draft Heads of Terms for a relationship with Henley and Hereward Colleges, the College should work with them to consider methodically a full range of options for creating a robust FE curriculum for Coventry, including relationships with higher education.
3. The College should review its succession planning arrangements and aim to achieve long-term stability in its key managerial and curriculum posts.
4. The College should review its curriculum management structure based on a Vice-Principal, six Heads of School and 14 Programme Leaders to determine whether it provides efficient and effective leadership.
5. The College should review the breadth of its curriculum to ensure that it is able to sustain the depth of staff coverage in the remaining areas of learning which is needed to provide a consistently good service to students and financial viability.
6. The Board of Governors should rebalance its membership by recruiting current employers from businesses relevant to the College's vocational curriculum.
7. Governors should review whether their present six sub-committees enable them to focus sufficiently sharply on finance, weak areas of the curriculum and the formation of an integrated FE service for Coventry, and whether on this basis their oversight can be sustained during a period of decisive change.
8. Leaders and Governors must exercise thorough oversight of the progress being made in the College through regular scrutiny of the Post-Inspection Action Plan and should configure their agendas so that this critical issue is paramount.
9. The Further Education Commissioner should undertake a Stocktake visit to review progress when student success rates for 2015-16 and the financial out-turn will be available.



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