



Department
for Education

FE Commissioner Intervention Assessment Summary: Shrewsbury Colleges Group

September 2020

Contents

Background	3
Conclusion/Executive summary	3
Recommendations	4
Governance and leadership	5
Curriculum and quality improvement	6
Finance and audit	9
Estates and capital plans	10
Appendix A – Interviewees	12
Appendix B – Documents reviewed	13

Background

Name of College	Shrewsbury Colleges Group
UKPRN	10005822
Type of provision	Sixth form college (SFC) designation with substantial general further education (FE) provision.
Date of visit	22 - 23 September 2020
Type of visit	Intervention assessment (blended visit: day 1 onsite; day 2 virtual)
Trigger for formal intervention	Inadequate Ofsted rating
Further Education Commissioner (FEC) Team members	Richard Atkins – FEC Teresa Kelly – FEC Deputy Anna Fitch – FE Adviser Nigel Duncan – FE Adviser
Location	Shrewsbury
Apprenticeship training provider	Yes
Latest Ofsted inspection grade	Inadequate (published March 2020)
Education and Skills Funding Agency (ESFA) Financial Health Grade	Good
Structural history/recent mergers	Formed August 2016 through merger of Shrewsbury Sixth Form College and Shrewsbury College

Conclusion/Executive summary

The board and senior managers have responded well to the safeguarding issues that were raised by the recent Ofsted inspection and have improved onsite security. Students welcome the improvements that have been made, reporting they now feel safer and that it is now not possible for unidentified persons to access the college sites. Additional support staff have been employed to support the wellbeing of students, and senior managers have developed an improved safeguarding staff development programme. A new chair took up post in July 2020. He is keen to lead the board in the development of a new strategic plan for the college. Senior leaders have maintained good outcomes for students, recruitment has increased, and financial resilience has been strengthened. The college has made significant strides towards addressing the areas for improvement that are detailed in its quality improvement plan but has failed to detail evidence-based measurements of success. Senior leaders have at the same time responded well to the

COVID-19 pandemic. Rigorous procedures are in place to ensure that staff and students conform to the health and safety measures that have been put in place. All students have returned to full on-site learning.

Recommendations

Recommendation 1: By February 2021, governors, supported by senior managers, must produce a new strategic plan that encompasses a clear vision and mission for the future of the college. This should include both a review of the current college designation as a sixth form college and the development of a comprehensive estates strategy.

Recommendation 2: By February 2021, governors must consider increasing the number of designated senior postholder posts to strengthen corporation oversight of senior leaders' performance in the college. In particular, the director of finance should be designated as a senior post holder.

Recommendation 3: By the end of November 2020 at the latest, governors must carry out a performance review of the principal/CEO and ensure that appropriate performance targets are set which are closely aligned to the college's strategic priorities. To support personal and professional development, the board and senior leaders should consider implementing 360-degree appraisals and other development processes.

Recommendation 4: By January 2021, governors and the principal/CEO must develop a comprehensive personalised leadership development programme for the principal and the senior team to support the achievement of individual goals.

Recommendation 5: To ensure continuity of safeguarding oversight, the board must appoint, as a matter of urgency, a suitably qualified and experienced successor safeguarding lead to the board before the end of the present incumbent's term in December 2020.

Recommendation 6: By December 2020, senior leaders should review the measures of success that are in quality documents to provide a stronger evidence base through which to judge success. Particular attention should be paid to measures relating to improving safeguarding.

Recommendation 7: By December 2020, risk management processes should be reviewed to ensure control measures can demonstrably mitigate identified risk.

Recommendation 8: The FEC will organise for the allocation of a national leader of governance (NLG) to support the chair and a national leader of further education (NLFE) to support the principal/CEO. The FEC will also recommend the college for support to enable a full independent review of governance to be undertaken.

The FEC will carry out a stocktake visit to review progress in March 2021.

Governance and leadership

Governance

The chair of the corporation, who took up post in July 2020, recognises the organisation's challenges and is committed to leading a change management process with the board which is intended to bring about further and continuous improvement across the college. As a new chair, he is keen to work closely with other chairs across the sector and is willing to support the development of a staff development programme for the senior leadership team (SLT) and other senior managers to support further improvements.

His appointment as chair is timely as the college is entering the final stage of its current strategic planning cycle. Governors and senior managers should take the opportunity to carefully plan the college's future strategic direction for the next 5 years, setting out the core values, vision, mission, and strategic priorities. The strategy process should also include reflecting on the current designation of the college as an SFC and the potential benefits that a change of designation might offer.

Performance management of senior leaders, including the principal/CEO, needs to be more robust and the board needs to review and develop the current appraisal system. In doing so, consideration should be given to introducing a 360-degree appraisal process which links targets for the principal/CEO and other senior leaders to the strategic development of the college. Only the principal and clerk are senior postholders and the board should consider extending this to other key members of the SLT, particularly the finance director (FD). Doing so would align the college with best practice across the sector.

The board member with responsibility for safeguarding is due to complete her term of office in December 2020. The college has started the recruitment process for her replacement and is using their recently approved college collaboration fund (CCF) project with Newcastle and Stafford College to support this activity. This appointment is key to ensuring the board has strong oversight of safeguarding. The board should ensure that the new governor that is identified to take on this role is suitably qualified and experienced in safeguarding and has the capacity to proactively monitor college improvements in this area.

The clerk to the corporation is effective and an experienced professional governance manager.

Leadership

The principal/CEO has been in post since 2017. He was formerly principal for 7 years at a college in Somerset which achieved an Outstanding Ofsted judgement. The

principal/CEO is supported by 4 group vice principals, a director of A level studies, a director of curriculum support and an FD.

Following the Ofsted inspection, senior leaders at the college, supported by the former chair, spent much time challenging the Inadequate judgement that was awarded. Despite the ongoing challenges to the Ofsted judgement, senior leadership recognised that improvements to safeguarding at the college were required and have implemented a series of measures to improve student safety onsite. The measures have been well received by the students and are proving to be effective. The subsequent onset of the COVID-19 pandemic placed further challenges on the principal/CEO and the SLT. Senior leadership has responded well to measures that were required to ensure the health, safety, and wellbeing of students. Measures that were observed during the intervention visit were rigorous and appeared to be working well.

Whilst staff reported that the information that flows from SLT is good, with weekly updates from the principal/CEO, it was suggested that a more formal two-way dialogue with the SLT would be welcomed and benefit staff, particularly as the senior leadership work to better align the cultures of the 2 former colleges. As the recognised trade unions are estimated to represent less than 50% of the workforce, this leaves most staff without direct representation and a voice. Senior managers should consider establishing an alternative forum, to include the trade unions, through which staff and managers can discuss organisational development. Significant further work is needed to establish a single culture across the group which combines the expectations and culture of a sixth form college with those of a general FE college.

Curriculum and quality improvement

The college group offers a wide range of academic and technical courses for all age groups through both full-time and part-time study. The college-wide portfolio of courses includes both A level and technical subjects. A levels are delivered through its 2 sixth form campuses in Shrewsbury town centre. Technical and vocational courses are predominantly offered at the college's London Road site (the former FE college) which is on the edge of the town. Students tend to be based on one campus for their studies.

As the largest provider of post-16 provision in the county, the college attracts 70% of Shropshire's 16 to 18-year old learners, which account for approximately two-thirds of the college's income. The college also attracts learners from further afield, including neighbouring counties and Wales. 80% of the college's 16 to 18-year old learners study at level 3.

To strengthen quality, senior managers plan to consolidate the college's apprenticeship offer in the immediate future, before considering any expansion of provision. Senior managers have recognised that the proportion of apprenticeship provision that has been delivered through sub-contractors has been too high and that the quality of this provision has declined. Both issues present a significant risk to the college. Due to the length of

some frameworks, albeit a relatively small number, the impact on quality relating to sub-contracted activity will continue until July 2021.

Curriculum planning and development

The college has an established curriculum and resource planning cycle that plans and processes the following year's curriculum between January and September/October. The phased approach of curriculum set up, contribution analysis and post enrolment review is logical and timely. Curriculum planning and design is carried out efficiently, achieving a range of contributions across the provision that provide an average contribution of 53%. With staff costs at 73% as a percentage of income, senior managers should seek to continually refine the curriculum planning process to further reduce staffing costs.

Quality: self-assessment & effectiveness to manage and improve quality

The college was inspected by Ofsted between November 2019 and February 2020. The outcome was an Inadequate rating for overall effectiveness, with specific reference to behaviours and attitudes, and leadership and management. Significant to the inspection outcome were the college's arrangements for safeguarding, which were judged to be ineffective. Other areas for improvement related to internal communication, attendance, which was not consistently high across all courses, insufficient work experience and aspects of apprenticeship performance. The college has responded well to addressing the issues that were raised in the Ofsted report, employing additional security personnel and consistently enforcing the wearing of lanyards by all students and staff. Further security measures, such as barrier security in car parks, are in the process of being installed. There is a resolve to progress areas that have been identified as requiring improvement and to continue to strengthen provision that is considered good. The recent successful bid to the CCF in partnership with a high performing partner college will seek to address any remaining challenges with safeguarding.

The college provided an updated draft top-level self-assessment report for 2019/20. The report offers a detailed description of the college's performance over 2019/20 and lists the key achievements, together with the areas for improvement that are to be addressed during 2020/21. The draft recognises the areas for improvement that are detailed in the Ofsted report and expands to include areas that have been identified by the organisation as requiring further attention.

Education and training qualification outcomes during 2019/2020 show an overall improving trend, though some areas, notably adult level 3, continue to be challenging. The overall 3-year trend has improved by 1.0% and is currently 2.6% above national average. Value added has also improved in academic to ALPS 2 and has maintained the 2019 performance of ALPS 2 in applied general. Apprenticeship performance is less

clear, with few areas improving in 2019/20 and all, except higher apprenticeships, below national averages. In 2018/19, the college breached the minimum standards threshold, with 47% of programmes having low levels of achievement. Senior managers are aware of the organisation's history of apprenticeship underperformance and attribute most of the slower than planned recovery and low 2019/2020 outcomes to:

- The COVID-19 pandemic delaying the achievement of apprentices by effectively pushing the achievement into the following year. Depending as to when the achievement is recorded, this should provide better overall outcomes, but still implies that there is an issue with timeliness.
- Legacy outcomes on long-programme sub-contracted provision. It is forecast that this level of performance will significantly improve during 2020/21 as the adverse effect of underperforming sub-contractors is diluted.

A quality improvement plan has been produced which details actions that are to be taken to address the areas for improvement in 3 distinct sections:

- Quality improvement.
- Additional improvements that were recommended by Ofsted.
- Post-inspection action plan.

The actions are relevant and clearly presented. However, with some actions, the plan(s) lacks smart enough targets to provide evidence-based measurements of success through which to judge the impact on the identified beneficiary. As the college undertakes its second phase of self-assessment and formulates the allied quality improvement plan, it should ensure that it provides smart, evidenced-based measurements through which to judge performance and, where appropriate, implement further interventions.

Trends in student recruitment and retention

Student recruitment on classroom-based programmes has been consistent for the past 3 years. 16 to 18-year-old recruitment in 2020/2021 is showing signs of significant growth at level 3. However, it is acknowledged that there is a risk of high levels of transfer activity resulting from the GCSE centre-assessed grading. Senior managers are aware of this and are preparing for the possibility of further enrolment/transfer activity. Higher education (HE) recruitment is lower than previous years but in line with the college's forecast. Apprenticeship recruitment is understandably low and not expected to turnaround in the immediate future. Again, the college has made allowances in its budgeting and resourcing for this. Attendance trends are generally positive, albeit 2019/2020 has been an unusual year. The 2020/2021 attendance patterns will therefore offer a more accurate update regarding this trend. Retention of 16 to 18 classroom-based learners is relatively static at approximately 1% below national averages. Adult retention is slightly better. Apprenticeship retention offers a spiky profile, particularly on sub-

contracted provision. This is expected to improve with the continuing withdrawal from subcontracted provision and the heightened focus on direct delivery.

Student and staff views

Students whom the FEC team met were all positive about their learning experiences and time at the college. They appreciated staff and tutor support, particularly during the COVID-19 lockdown period and were confident that they had not been materially disadvantaged by not attending college during this period. Students were pleased to be back at college and understood the importance of observing the COVID-19 safety measures that the college had put in place. Whilst acknowledging the challenges of reopening, some were concerned about long timetabled sessions in operation, suggesting that they were proving challenging. One student cited improvement in site security as a noticeable positive change following the Ofsted inspection. Staff, including recognised trade union representatives, were broadly positive about the college's management of lockdown. All understood that the process had been challenging for the management team but felt that the response had been good.

Finance and audit

Recent financial history and forecasts for coming years

The college has had Good financial health for several years. By budgeting prudently and controlling costs, the college consistently outturns EBITDA of around 6%, even in 2019/20 with the impact of COVID-19. The college is forecasting to achieve 4 of the 6 FEC benchmarks. The 2 that will not be met relate to operating performance, showing that staff costs take up more of the college's income than is desirable for a college with this range of provision and that, as a result, the college just breaks even.

Financial performance 2019/20

Even with the impact of COVID-19, the figures presented above show a better than budgeted performance. Although income was lower than was budgeted, pay costs and non-pay costs were reduced. EBITDA is forecast to be slightly higher than budgeted. Staff costs are high at nearly 73%, mainly due to the enhanced sixth form colleges related terms and conditions for staff. The college has followed the advice of the Sixth Form Colleges Association and awarded cost of living pay rises from September 2019 and April 2020 and plans to give another increase from January 2021.

Financial forecast 2020/21 to 2021/22

Governors and senior leaders have budgeted for a slightly improved EBITDA performance in 2020/21 but have prudently assumed that income from tuition fees and commercial areas will continue to be depressed. The improved performance is driven by

the college's 16 to 19 allocation being increased due to the funding rate rise and an additional allocation of learners. The college has assumed that there will be no clawback of adult education budget (AEB) under-delivery in 2020/21. Staff costs are budgeted to increase, partly due to the cost of living pay rise and other incremental increases, and partly because provision has been made for higher than usual sickness cover, additional costs for new safeguarding staff and high needs support staff, and a contingency for unforeseen costs. The plan for 2021/22 assumed that the Ofsted judgement would result in reduced 16 to 19 recruitment in September 2020 and therefore a smaller allocation in 2021/22. At the time of the FEC team visit, recruitment appeared to be significantly above allocation, and therefore the plan for 2021/22 is likely to change substantially.

Cashflow / Financial liabilities

The 2020/21 budget forecasts an increase after capital expenditure. As in previous years, the college will secure a short-term overdraft to provide headroom in case of unforeseen cash movements. The college has a bank loan that expires in January 2030.

Audit and risk

Risk management is a recognised college process that is regularly monitored by leaders and managers. The risk register contains appropriate risk statements that relate to the short- and long-term effectiveness of the college. To improve risk management, the control measures in the risk register should include smarter targets. These should provide governors and leaders with evidence that actions that have been taken have reduced the risk to the required level.

Long-term sustainability

The financial position of the college is good but thought needs to be given to the longer-term strategy. The aging estate needs significantly higher levels of maintenance and investment if costly problems are not to be stored up for future years. However, if the medium-term strategy is to reorganise into a single town centre site, then it is possible that levels of maintenance and investment can remain as they are. In any case, higher levels of cash need to be generated, and this can only be achieved by reducing the cost of staff compared to income.

Estates and capital plans

The college operates from 3 campuses in Shrewsbury. With extensive sports facilities, the London Road campus houses most of the vocational provision and is just under 2 miles away from the town centre. The other 2 campuses (Welsh Bridge and English Bridge) are both in the town centre. Investment has been made in the campuses over the last 10 years, such as replacement of the roof of Priory Hall (the largest building at the Welsh Bridge campus) in 2011, and the construction of Severn Building in 2012. A full

internal refurbishment of the English Bridge campus building was undertaken in 2013 and 2014. The roof and heating system will need replacement or refurbishment within the next 3 years. The London Road campus comprises of 11 buildings which were mostly built in the 1960s. Most of the campus is condition C. An updated estate strategy, linked to a new strategic plan, is required.

Appendix A – Interviewees

Chair of board

Principal/CEO

Clerk

Director of A level studies

Finance director

Group vice principal information and strategic development

Group vice principal curriculum support and business development

Director – curriculum support

Group vice principal quality and curriculum management

Lead governor (finance)

Lead governors (quality and safeguarding)

Group vice principal human resources and professional development

Heads of faculties

Trade union representatives

Group of governors

Group of staff

Groups of students

Appendix B – Documents reviewed

Corporation (and committee structure) membership with CVs and latest skills audit

Organisational chart and annual college calendar

Senior leadership team membership

Updated self-assessment report

QIP

Curriculum/quality risk register

Ofsted report

Costed curriculum plan

Pre-visit completed college performance table

Pre-visit completed financial information data table

Strategic plan

Audited financial statements

Management accounts

Latest summer financial return with commentary

Latest integrated financial model for colleges statement with narrative

2018/19 finance record

Latest report: external auditors

Latest report: internal auditors

College risk register

Details of bank loans and covenant compliance

Estate strategy



Department
for Education

© Crown copyright 2020

This publication (not including logos) is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

To view this licence:

visit www.nationalarchives.gov.uk/doc/open-government-licence/version/3

email psi@nationalarchives.gov.uk

write to Information Policy Team, The National Archives, Kew, London, TW9 4DU

About this publication:

enquiries www.education.gov.uk/contactus

download www.gov.uk/government/publications

Reference: DfE-00203-2020



Follow us on Twitter:
[@educationgovuk](https://twitter.com/educationgovuk)



Like us on Facebook:
facebook.com/educationgovuk