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Evaluation of the area review process

Birmingham & Solihull and Tees Valley

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Executive summary

In July 2016 CFE Research (CFE) was commissioned by the Department for Education (DfE) to undertake a process evaluation from the first wave of area reviews that took place in Birmingham & Solihull and Tees Valley starting in September 2015.

This evaluation provides an independent historical view of the area review process at Wave 1 in Autumn 2015 and recognises that many changes to the process had been implemented before and after this study in response to feedback from those involved in area reviews.

The process of area reviews was announced in the Reviewing Post-16 Education and Training Institutions policy statement in July 2015.¹ The policy was introduced to enable key representatives within defined geographic areas to review, and potentially restructure, their post-16 education and training provision.

A national framework for the area reviews was introduced, based on government experience of similar activities, to ensure they were consistently delivered whilst allowing for local flexibility. It is against this framework that the views and experiences of area review participants in Birmingham & Solihull and Tees Valley were considered.

The objectives set out at the start of this evaluation were:

- Establish the extent to which the Wave 1 reviews were conducted in accordance with the Policy Statement and guidance and assess the suitability of the **framework and structure** for the reviews at that point in time;
- Examine the mechanisms that were in place in Wave 1 to facilitate **communication and collaborative working** between the review steering groups, commissioners and the Joint Area Review Delivery Unit (JARDU);
- Understand the profile and the roles fulfilled by the different **stakeholders** engaged as part of the review process in Wave 1, how that fits within the context of subsequent changes to the review process and identify any other stakeholders it might have been useful to have engaged in the reviews;
- Critically examine the **questions** posed by reviews at that time and evaluate the evidence gathered that formed the basis of decision-making during Wave 1;
- Explore how the options and recommendations produced at Wave 1 were supported by appropriate **data/evidence** and to identify any gaps in the evidence base that have not been subsequently addressed in prior waves; and
- Make recommendations as to how the review process could have been further improved (in addition to changes already made since autumn 2015) to ensure the

¹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/446516/BIS-15-433-reviewing-post-16-education-policy.pdf

medium- to longer-term objectives for the reform of post-16 education and training were achieved.

The evaluation report:

- Identifies the strengths and weaknesses of the process according to the point in time at which the Wave 1 area reviews in Birmingham & Solihull and Tees Valley were conducted;
- Draws out the key lessons regarding the area review process in the two areas of focus; and
- Ascertains which lessons had already been addressed and which could have potentially been improved further.

The findings of this evaluation are primarily based upon: an analysis of online surveys with steering group members and other local stakeholders of the area reviews in Birmingham & Solihull and Tees Valley; in depth follow up interviews with the former and national policy makers and national stakeholders; and, a review of related policy documentation as it existed at the time of the research.

The two tables which follow summarise our findings of what worked well and less well in the area review process experienced in Birmingham & Solihull and Tees Valley. In addition they identify the changes which had already been made by the time the research was conducted and propose further potential improvements. Again, it should be noted that:

- The conclusions are based on the experiences of participants involved in two area reviews commenced in autumn 2015 and completed before this evaluation was commissioned;
- The fieldwork on which the findings are based was conducted between August and October 2016; and
- Many changes to improve the area review process were made in advance of, and since, the research for this evaluation took place.

Table 1: Elements in the area review process which worked well

Elements working well at Wave 1	Improvements already implemented	Possible further improvements
Encouraging stakeholders to meet in advance of the steering groups to better understand each other's perspectives.	The updated guidance recommends early communication between steering group participants.	
Engaging steering group members who represent local interests in post-16 education and training provision.	The updated guidance encourages steering groups to engage with other providers in their area if it is appropriate.	
Guidance easy to understand and clearly set out the process.	Additional guidance on the roles and responsibilities of LAs, LEAs and combined authorities has since been published to clarify the role they play in the process, and the updated guidance in March 2016 provided further clarification on roles and responsibilities during the process.	
Deputy FE Commissioners tailor their support to the needs of the colleges e.g. facilitating additional workshops, scheduling pre-review meetings, etc.	This role was not specified in the original guidance but is a clear role identified in the updated guidance.	
Allowing steering group members to establish additional sub-groups to discuss specific issues in detail – this helps progress process tasks and enables partners to debate potential options.	Provision for the creation of additional workshops introduced in the updated guidance.	Increasing the transparency of decisions made during the sub-group meetings e.g. ensuring notes are taken and reported back to the steering group.

Table 2: Issues raised regarding the area review process

Issue	Area issue raised		Improvements already implemented	Possible further improvements
	B&S	TV		
Area review objectives				
The objective to improve financial sustainability of providers takes precedence over those to meet learner and employer needs.	✓	✓		Clearly setting out that the process' immediate focus is securing financial sustainability in order to guarantee provision in the longer term, but that ensuring provision meets educational and economic needs should be considered further as providers develop and implement recommendations to secure their financial viability and resilience.
Steering group management				
The original timeframe for the process of 3-4 months was unachievable.	✓	✓	The updated guidance suggests the process will take 4-6 months.	
<ul style="list-style-type: none"> - The steering group was too large (particularly in Tees Valley). - Detailed actions and discussions occurring in subgroups of college representatives outside of main meetings. - LA and LEP representatives contributed less to the meetings. 	✓	✓	The updated guidance suggests steering groups might like to establish workshops between main meetings to discuss key issues which could comprise particular members e.g. provider representatives, to drive actions forward before reporting back options for agreement by all steering group members.	

Issue	Area issue raised		Improvements already implemented	Possible further improvements
	B&S	TV		
College principals (rather than chairs) are key members of the steering group and lead many of the activities between meetings.	✓	✓		Ensuring steering group members understand the guidance that college chairs and principals should be members of the steering group.
Poor meeting venues affected the ability of some participants to effectively contribute to some steering group meetings.		✓		Using meeting venues that are appropriate for the size of the steering groups.
A broader range of providers could be included in the steering groups e.g. school sixth forms, local authority adult education, and independent providers.	✓	✓	The updated guidance emphasises the importance of engaging other providers.	Either encouraging the increase of the range of providers involved in the steering groups or making it clearer that the process as set out in the guidance focuses on colleges only rather than all post-16 institutions.
Employers, staff and students could be more formally engaged in the process.	✓	✓	Updated guidance was produced in consultation with the National Stakeholder Advisory Group which worked with unions, ETF, NUS and college representatives and it emphasises the importance of engaging other local stakeholders although it is not a requirement.	
Joint chairing of steering groups by the FE Commissioner and a combined authority can lead to confusion in the direction and outcome of area reviews.		✓		Either ensuring that a single chair leads the entire process or multiple chairs agree on the key issues to be addressed by the review process in a locality.

Issue	Area issue raised		Improvements already implemented	Possible further improvements
	B&S	TV		
Data collation				
The type of data collated was appropriate but it was not always scrutinised in detail nor cross analysed i.e. across institutions.	✓	✓	Extensive data, analysis and information was used more systematically in the later area reviews.	Increasing analysis of the data to help ensure that potential recommendations are tested for viability as much as possible before the process ends.
The focus of the data analysis was on colleges' financial data to the detriment of other elements e.g. on whether curriculum provision addressed skills needs.	✓	✓		Better focusing the balance of data analysis and interrogation at steering groups on other ways in which provision can be strengthened e.g. meeting learner or employer need.
Agreeing options and recommendations				
Process delayed between steering group meetings 4 and 5 as college boards felt they needed time to scrutinise the options.	✓	✓		Either extending the time available between these two meetings to allow more time for consideration by college boards or emphasising that any agreement is only in principle and due diligence will be conducted at a later date.
Area review reports are not yet published and publically available.	✓	✓	Publishing the reports as soon as possible after the completion of area reviews.	
Merger options resulted from colleges' bi- or multi-lateral meetings to agree beneficial or pragmatic partnerships than appraisals of the options based on the evidence.	✓	✓	The updated guidance includes benchmarks against which options should be appraised.	Increasing transparency in and credibility of the process by undertaking a more in-depth analysis of the data, for example to determine the best rationalisation outcomes based on the evidence.

Issue	Area issue raised		Improvements already implemented	Possible further improvements
	B&S	TV		
The most feasible options for some colleges to ensure financial stability is through partnerships outside of the area in the scope of the review.		✓	Several recommendations are 'cross area' from later area reviews	Allowing flexibility for colleges to partner with out of area colleges if that option best meets the needs of the area and appraisal benchmarks.
Likelihood of recommendations being taken forward				
Further analysis of data explored during the process e.g. financial, is raising some concerns about the viability of the recommended structural changes.		✓		Analysing data in more depth during the area review process to ensure that the recommendations agreed are more likely to be implemented.
Uncertainty about who will ensure the recommendations are implemented given changes in key individuals and departments in government.		✓	Guidance has since been published to assist steering group members to implement the area review. ²	

² DfE (October 2016) *Area reviews of post-16 education and training institutions – Implementation guidance*

Introduction

In July 2016 CFE Research (CFE) was commissioned by the Department for Education (DfE) to undertake a process evaluation from the first wave of area reviews that took place in Birmingham & Solihull and Tees Valley starting in September 2015. This evaluation report presents the findings from research with a variety of stakeholder audiences local to each area as well as a number of national stakeholders. The research is a historical review of the strengths and weaknesses of the process in those areas and identifies areas which could have been improved further. Readers of this report should bear in mind that the study took place after completion of the area reviews for the Wave 1 participants and that changes to the process were continually implemented in response to feedback from those involved in area reviews.

Area review policy and process development

As way of introduction, the three key documents that set out the purpose and process of area reviews are summarised below. They outline how the process was designed and adapted in light of lessons from early review-type activities, pre-dating the official policy, in Nottingham, and Norfolk and Suffolk, and post the commencement of the first wave of area reviews.

Policy statement

The process of area reviews was announced in the Reviewing Post-16 Education and Training Institutions policy statement in July 2015.³ The policy was introduced to enable key representatives within defined geographic areas to review, and potentially restructure, their post-16 education and training provision. According to the policy statement the overarching aim of the area reviews was to “ensure [there is] the right capacity to meet the needs of students and employers in each area, provided by institutions which are financially stable and able to deliver high quality provision.”

The policy statement outlined key elements of the initial approach to area reviews, including:

- Timeframe - The area reviews were to be conducted between September 2015 and March 2017 in a series of waves. The urgency for the programme of reviews was premised on increasing competition from 16-19 providers outside of the college sector, and continuing constraints on levels of public spending.

³ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/446516/BIS-15-433-reviewing-post-16-education-policy.pdf

- Scope – The area reviews would focus on further education (FE) and sixth form colleges, although the availability and quality of other post-16 academic and work-based providers could be considered.
- Instigation – The area reviews could be initiated either by a group of institutions in an area or by government where it perceived a need to act quickly, for example to address the quality, capacity or financial stability of provision, whether relating to one or more institutions.
- Framework – The area reviews would be conducted according to a national framework to ensure a consistent approach.

Area review guidance

The area review guidance (originally published in September 2015) set out a national framework (see Figure 1, overleaf) to ensure the reviews were consistently delivered whilst allowing for local flexibility. This process was based on government experience of undertaking review-type activities with City of Nottingham, and the Great Yarmouth, Lowestoft and North Walsham area of Norfolk and Suffolk.

Updated area review guidance

In March 2016 the government updated the area review guidance to incorporate the outcome of the Spending Review and lessons from the first wave of area reviews, in which the two areas comprising the focus of this study were reviewed.⁴ The key change to the national framework (see Figure 1) was the increase in the time for the initial review process from 3-4 months to 4-6 months. This resulted from the experience of the first wave of area reviews which took longer than 4 months to complete the process. The lessons learned and suggestions for steering groups in the later waves of the area reviews to consider are set out in Table 3 (overleaf). The updated guidance also included reference to the role of the Joint Area Review Delivery Unit (JARDU) which was responsible for the facilitation and coordination of the of area reviews.

⁴ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/520838/BIS-16-118-reviewing-post-16-education-and-training-institutions-updated-guidance-on-area-reviews.pdf

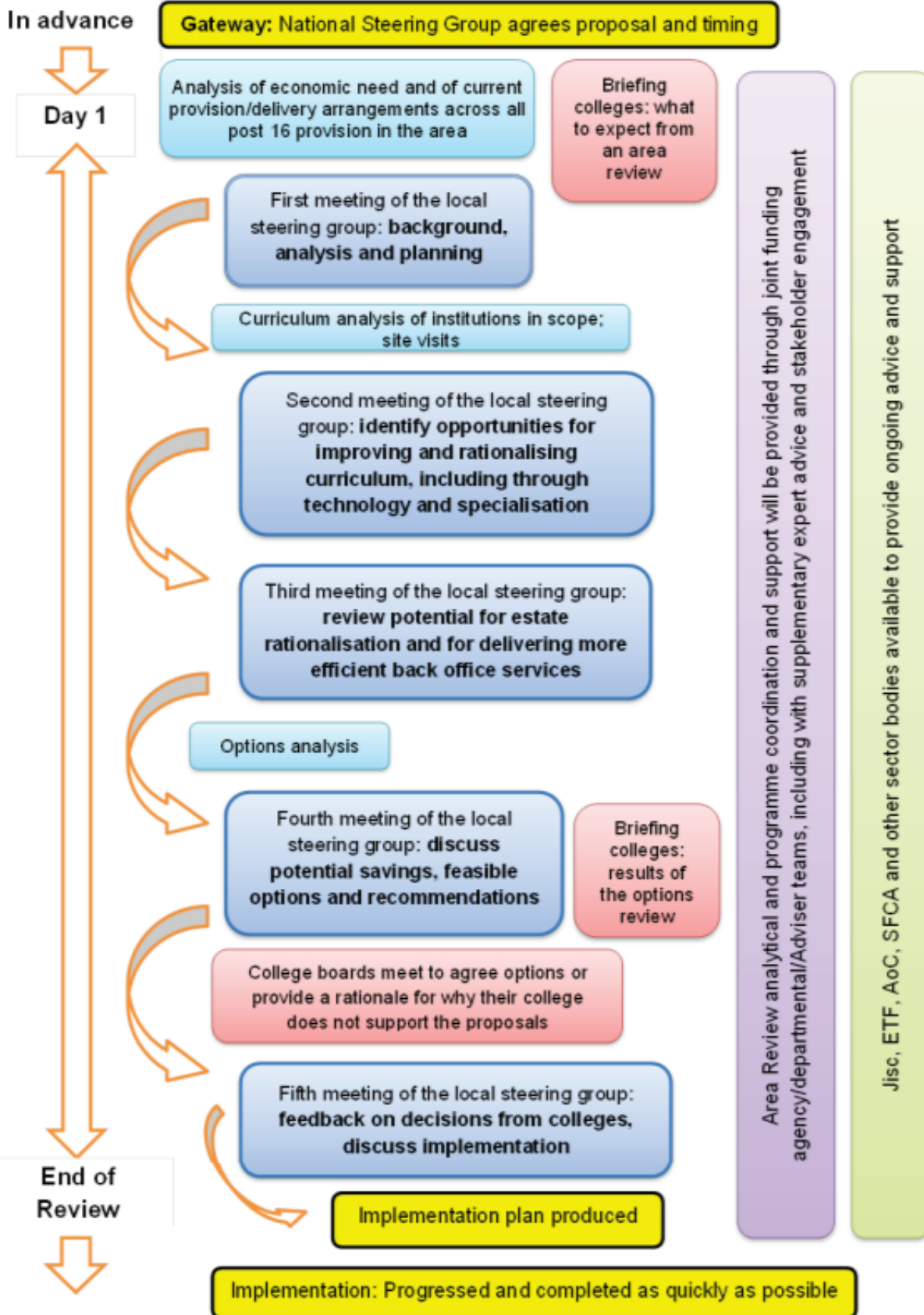


Figure 1: Area review high level flow chart

Source: Reviewing post-16 education and training institutions: guidance on reviews

Element of area review process	Lesson
Pre-review communications	Colleges to have greater 'ownership' of the process through working proactively together as soon as possible to consider ways to remove duplication from their curricula and services to achieve efficiencies.
	Colleges to work closely with the LEP and local authorities in the area to shape their provision in response to education and skills needs.
Pre-review data collation	Colleges and government agencies (SFA and EFA, which merged in April 2017 to become the Education and Skills Funding Agency (ESFA)) to submit data in advance of the review starting, supported by templates provided by the Joint Area Review Delivery Unit.
Wider stakeholder engagement	Put in place further arrangements to ensure college students and college staff have input to the review, and consider involving other bodies e.g. other providers and local employers.
	Enable learners to feed into the review process by ensuring colleges encourage their learners to attend student roundtables facilitated by the National Union of Students (NUS).
	Consider sharing the options and high level recommendations under consideration, particularly those agreed at steering group meeting 4 (see Figure 1), with wider stakeholders involved in the process.
Undertaking the review	Ensure the steering group has, or is supported by, people with the skills, knowledge and resources to carry out all aspects of the review process. Following the early area review experience greater standardisation of the processes i.e. steering group minutes and presentations were introduced.
	Hold additional workshops to discuss options if required. Steering group meetings should be perceived as milestones between which much activity can be conducted.
Options development	Consider, as per early area reviews, establishing a joint model for delivering apprenticeships where colleges pool their resources to strengthen their offer. In light of the early area review experience the inputs required and when from the steering group members were outlined from the first steering group meeting.
Support for implementing change	<p>Draw on support where necessary from sector bodies e.g.:</p> <ul style="list-style-type: none"> • JISC – support on technology options to improve delivery and efficiency • Education and Training Foundation – governor and workforce development • Association of Colleges – support for governors e.g. remuneration opportunities • Sixth Form Colleges' Association – advice and guidance to members regarding change • FELTAG – practical examples of using technology effectively to support learners, employers and colleges.

Table 3: Lessons learned from the first wave of area reviews

Source: CFE interpretation of lessons set out in 'Reviewing post-16 education and training institutions: updated guidance on area reviews'

Evaluation objectives

This evaluation aims to assess the effectiveness of two reviews completed during the first wave of the area review process: Birmingham & Solihull (September 2015 - March 2016) and Tees Valley (September 2015 - May 2016). This enables a qualitative, comparative analysis of the review process across those two areas.

This evaluation was commissioned in July 2016 during Wave 3 of the wider area review timetable. At that point in time changes had already been made to the review process based on internal feedback from earlier waves. During the period of this evaluation's fieldwork further feedback was received and acted upon from a survey of all colleges participating in Wave 3 of the area reviews during August - September 2016. Therefore, this study provides an independent, historical view of the process at Wave 1 (autumn 2015) in order to contextualise subsequent process changes and identify potential areas for improvement to be considered if similar processes are implemented in future.

The objectives set out at the start of this evaluation were:

- Establish the extent to which the Wave 1 reviews were conducted in accordance with the Policy Statement and guidance and assess the suitability of the **framework and structure** for the reviews at that point in time;
- Examine the mechanisms that were in place in Wave 1 to facilitate **communication and collaborative working** between the review steering groups, commissioners and JARDU;
- Understand the profile and the roles fulfilled by the different **stakeholders** engaged as part of the review process in Wave 1, how that fits within the context of subsequent changes to the review process and identify any other stakeholders it might have been useful to have engaged in the reviews;
- Critically examine the **questions** posed by reviews at that time and evaluate the evidence gathered that formed the basis of decision-making during Wave 1;
- Explore how the options and recommendations produced at Wave 1 were supported by appropriate **data/evidence** and to identify any gaps in the evidence base that have not been subsequently addressed in prior waves; and
- Make recommendations as to how the review process could have been further improved (in addition to changes already made since autumn 2015) to ensure the medium- to longer-term objectives for the reform of post-16 education and training were achieved.

Although it was hoped that the area reviews would contribute to a range of **outcomes and impacts** including improvements in the financial health of the sector, equality and diversity, teaching quality and value of provision in the medium- to longer-term, at the time the evaluation took place it was too soon to measure these. The outcomes and impacts of the area reviews were, therefore, out of scope for this evaluation.

Methodology

The evaluation methodology was designed in close partnership with DfE and involved both quantitative and qualitative methods, although the analysis of all data should be considered as qualitative because of the small sample sizes (and populations) taking part in empirical surveys. The key aspects of the methodology included the following and took place between August and October 2016:

- A 10 minute online survey to steering group members - To collate feedback on the experience of individuals who had participated in the area review steering groups in Birmingham & Solihull and Tees Valley. In total 39 responses were received (15 from Birmingham & Solihull and 24 from Tees Valley) from a sample of 51 (21 in Birmingham & Solihull and 30 in Tees Valley).⁵ Given the number of responses the results of this survey are reported in actual numbers rather than percentages;
- A 5 minute online survey to other local stakeholders not directly represented on the steering group (referred to in the report as ‘other local stakeholders’) – To understand the experience of the process from the perspective of those consulted by, rather than engaged in, the area review steering groups. These individuals included union representatives of college staff and students as well as independent training providers. From a sample of 8 other local stakeholders we received 7 survey responses (4 from Birmingham & Solihull and 3 from Tees Valley). Given the number of responses these results are commented upon in relation to the steering group survey findings rather than charted, and referred to by number not percentage.
- In-depth interviews - To complement the survey data, a number of in depth interviews were conducted as follows:
 - Five scoping interviews with policy makers in government departments and agencies responsible for developing and delivering the area review policy;
 - 28 follow up interviews with steering group members (11 in Birmingham & Solihull, 17 in Tees Valley) to explore the issues raised in the survey in more depth; and
 - Seven national stakeholder interviews covering sixth form and FE colleges, LEP, LA, and student representation to provide a broader view of perceptions at a national level about the area review process.⁶

⁵ The original sample list received from JARDU was slightly larger (23 in Birmingham & Solihull and 35 in Tees Valley) but several of these stakeholders had since retired or indicated in response to our email contact that they hadn't been involved in the steering group meetings and were unable to participate in the research.

⁶ It should be noted that the national stakeholders interviewed were unable to provide specific information regarding the area review process in the two areas of focus for this evaluation as they had not been involved in these. However these interviewees provided a reference point for how any emerging findings from these two areas related to areas reviews which took place elsewhere.

The documentation reviewed as part of this evaluation, and the organisations to which it refers, was as it existed at the time the research was conducted (July - October 2016).

Report structure

The following chapter outlines the main findings of the area review process evaluation. The findings are discussed chronologically and are ordered by the key elements of the area review process:

- Overall satisfaction with the process;
- Perceptions of the rationale for the policy;
- Usefulness of the policy guidance and support;
- Practicalities of the steering group;
- Gathering the evidence base;
- Deciding the options and recommendations; and
- Likelihood of recommendations being taken forward.

The final chapter of the report draws out the key lessons regarding the area review process in Birmingham & Solihull and Tees Valley. In this concluding chapter we identify which lessons had already been addressed by policy makers and process designers in response to feedback and areas which could have potentially been improved further.

A note on reporting aggregated data

Many of the response items in the questionnaire used a five point Likert scale to measure factors such as satisfaction/dissatisfaction and level of agreement/disagreement. These scales are useful to identify instances where respondents feel particularly strongly on a given statement. However, in the main, this report aggregates response items together within most of the text. What this means is the following terms are generally used in the report:

- Satisfied = an aggregation of “very satisfied” and “fairly satisfied”;
- Dissatisfied = an aggregation of “very dissatisfied” and “fairly dissatisfied”;
- Agree = an aggregation of “strongly agree” and “tend to agree”;
- Disagree = an aggregation of “strongly disagree” and “tend to disagree”.

Instances where one point on a scale is reported are noted in the text.

Process findings

In this section we consider the survey and interview data as a whole, and conduct some qualitative comparative analysis between Birmingham & Solihull and Tees Valley (B&S and TV respectively in the charts). Our analysis of the research data also highlighted some interesting indicative differences in views between college representatives on the steering group and other members.⁷ We have therefore identified these different views where necessary throughout this chapter.

Overall satisfaction with process

The survey results indicate that steering group respondents were generally satisfied with the area review process; looking at the aggregated data⁸, they were twice as likely to be satisfied (23) than dissatisfied (12) with their overall experience of the area review (see Figure 2, overleaf).

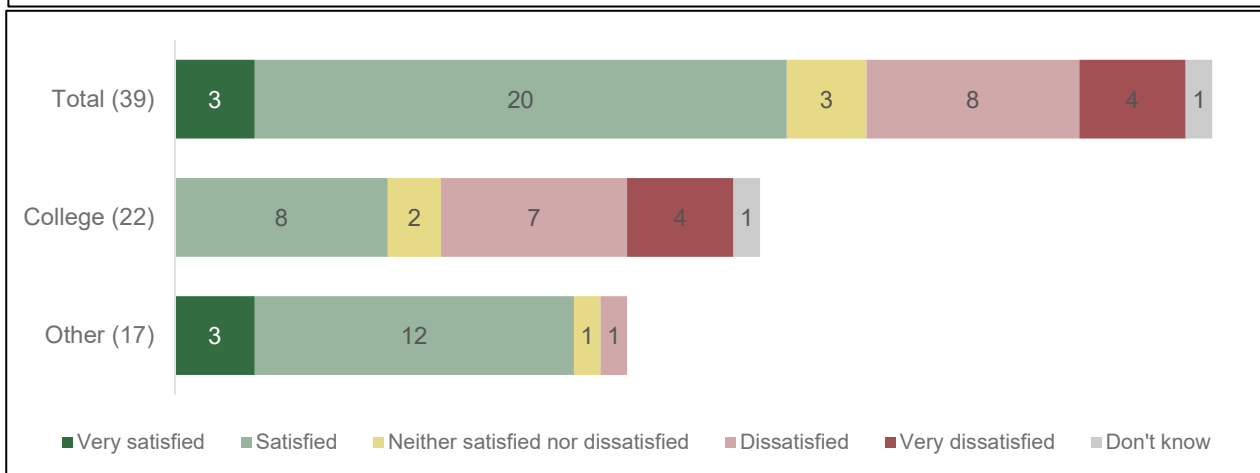
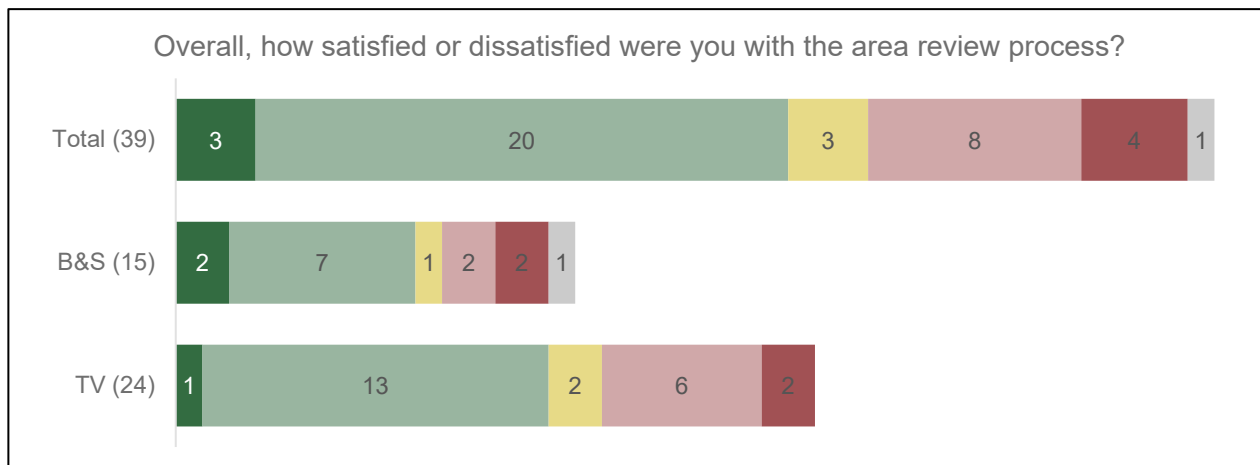
Levels of satisfaction were similar across the two areas of study, however, dissatisfaction with the area review process was driven by college representatives of which 1 in 2 were dissatisfied; this compared to just 1 in 17 of other representatives. Our follow up interview findings suggest that college representatives' dissatisfaction was most notably linked to the options/recommendations proposed for their area rather than the process per se. Individuals who were content with the options/recommendations proposed for their own college were more likely to be satisfied with the process than those who were not. Steering group interviewees gave a range of reasons for satisfaction with the process including:

- Providing stakeholders in post-16 education and training with the opportunity to come together to discuss ways they could collaboratively improve provision for their area;
- Driving stakeholders to share data and information regarding post-16 education and training in the area enabling a clearer view of the existing provision and any gaps; and
- Addressing the financial challenges facing the FE sector.

Five other local stakeholders responded to the question on satisfaction and just one was satisfied.

⁷ 'Other' representatives include steering group members attending on behalf of government departments, local authorities, LEPs and Combined Authorities.

⁸ Combining *Very Satisfied* with *Satisfied* and *Very Dissatisfied* with *Dissatisfied*



Other local stakeholders

Levels of satisfaction were not high - of the 5 respondents to this question; 1 was satisfied; 2 neither satisfied nor dissatisfied; and, 2 were dissatisfied.

Figure 2: Level of satisfaction with the area review process

Source: Steering group survey Q10 and other local stakeholder survey Q8.

Overall trends in the data

Three trends are identified above:

- General views of the area review process were similar between Birmingham & Solihull and Tees Valley;
- College representatives were less positive than other members of steering groups; and,
- The very small sample of other local stakeholders were divided in their views.

These three points hold true for much of the comparative analysis of the two surveys. As a result, there is little value in reiterating these points in the reporting. The text therefore presents survey data for the total results for the steering group survey, and comments on any key similarities or differences by area or type of respondent as necessary.

Before considering in detail the specific elements of the area review process which influenced the views of steering group members and other local stakeholders Figure 3 and Figure 4 (both overleaf) illustrate a summary of respondents' attitudes regarding how well the key aspects of the process worked and which factors they found challenging.

Process activities that worked well

At least half of the steering group respondents said they tend to agree that the key elements of the process worked well, except for the consultation of wider stakeholders. Ensuring participants attend the steering group meetings was perceived to have gone particularly well, and about two thirds of steering group members agreed that the following elements worked well:

- The production of recommendations for consideration;
- The establishment of additional informal workshops to discuss issues in detail; and
- The engagement of steering group members who represent local interests in post-16 provision.

The reasons for these positive views are explored in more depth throughout this chapter.

Challenges in the review process

The extent to which certain factors in the area review process were challenging for steering group members is illustrated in Figure 4. More than two thirds of steering group members tended to agree that all of the factors cited were a challenge other than the support available from government representatives (just under half of the respondents questioned tend to agree that this was a challenge).

Most steering group respondents, particularly those in Birmingham & Solihull, considered their involvement in the first wave of the process as a challenge. The principal issues experienced were the lack of lead in time to understand the policy and start preparing for the process and the under-development of the guidance at that point in time.

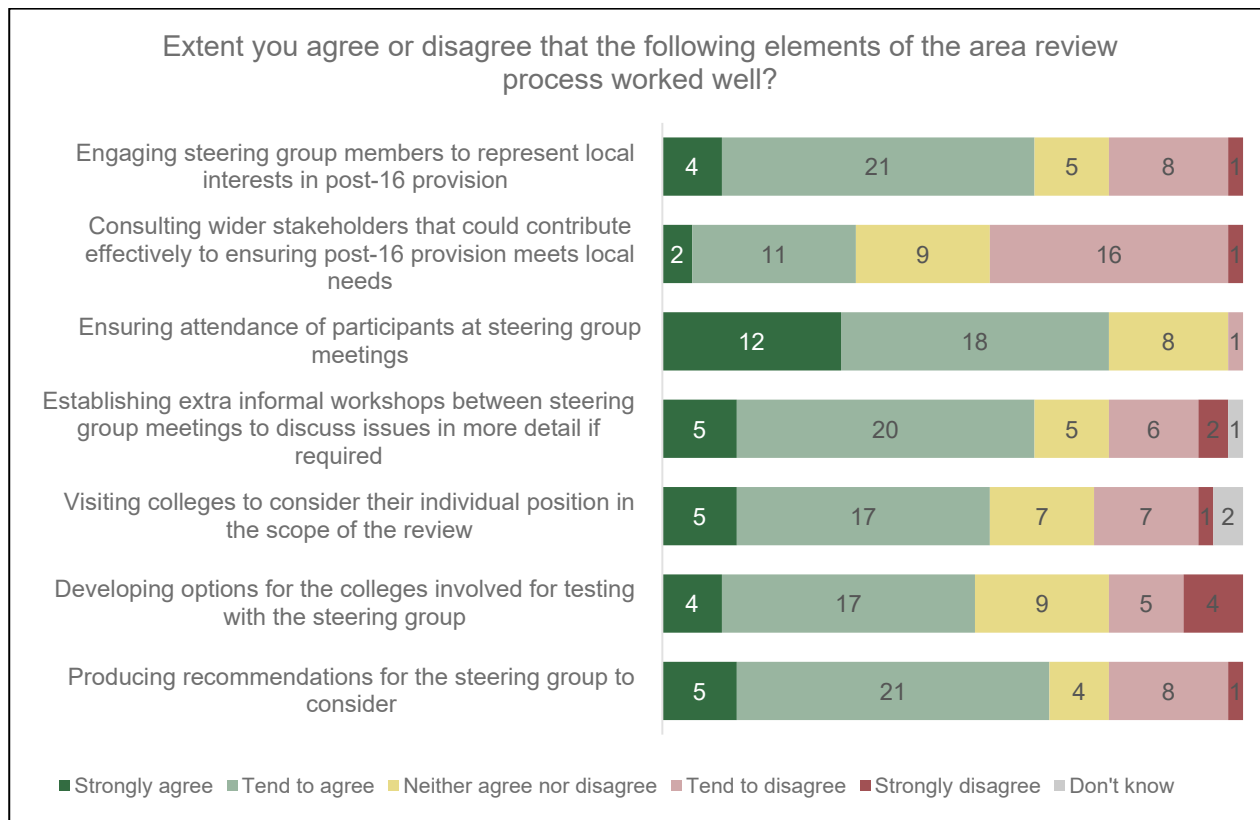
The ability to undertake the necessary area review tasks in the timescale agreed was also a key challenge. This issue featured in the follow up interviews and respondents said the process took six months in Birmingham & Solihull and eight months in Tees Valley rather than the anticipated three to four months.

[The main issue was the] short timescale...massive expectations in terms of work we've got to do and no acknowledgement that in the meanwhile we've got to make sure that the colleges are still operating and running effectively.

Follow up interview with college representative on Birmingham & Solihull steering group

Respondents suggested that government representatives implementing the process were aware that the timeframe was challenging in the first wave. However, they also stated

that the process would speed up over time as government staff became more experienced in supporting the reviews. Guidance has already changed and the timescale for the process is now stated as four to six months.



Steering group similarities or differences

Area – Generally similar but TV less positive than B&S regarding *ensuring attendance of participants at meetings* (only 16 out of 24 agreed compared to 14 out of 15 respectively); and, B&S less positive than TV about *the development of options for testing* (just under half, 7 out of 15, agreed versus 14 out of 24).

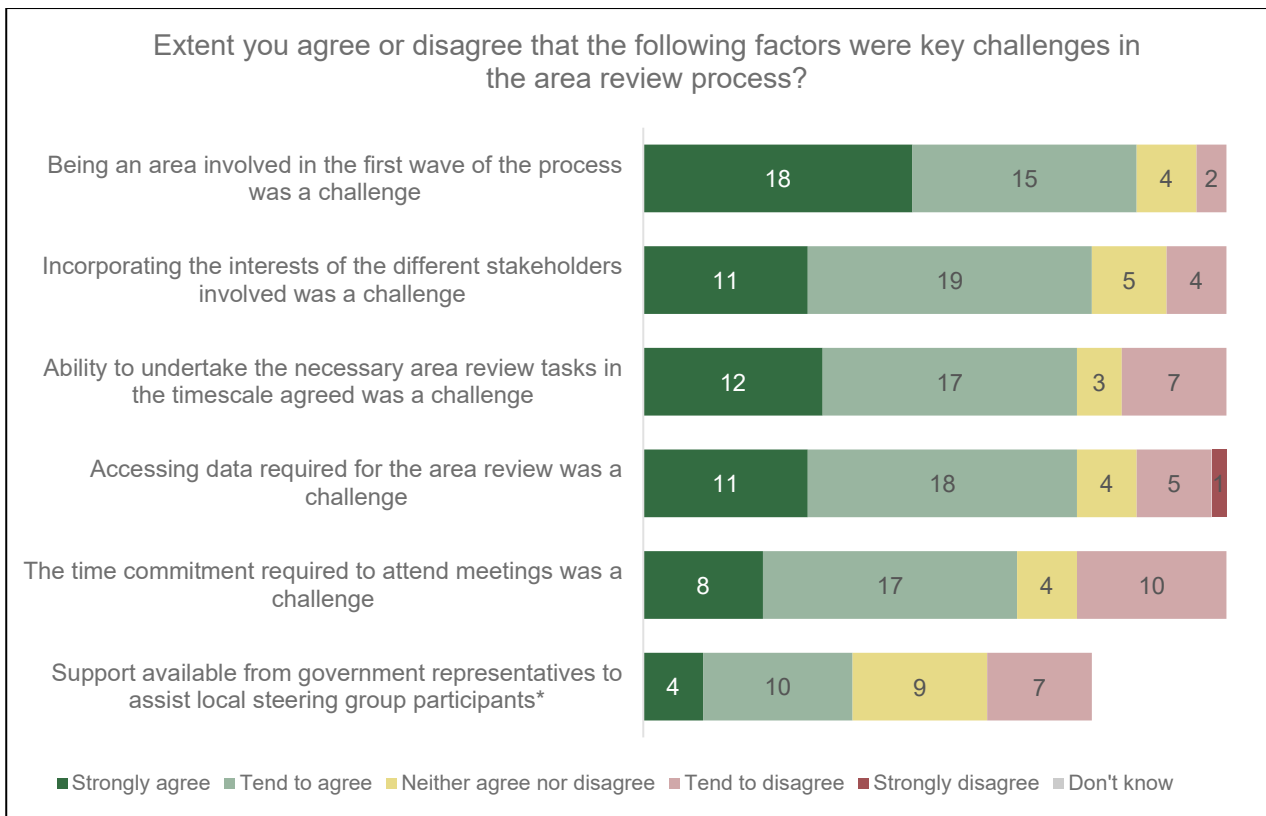
Respondent type – Colleges were less positive than others, particularly regarding *developing options for the colleges for testing* (9 out of 22 disagreed versus 0 out of 17 respectively).

Other local stakeholders

When asked how well they believed the engagement of stakeholders and consultation of wider stakeholders who understand local post 16 provision had gone, other local stakeholders had mixed views as only 2 out of 5 of respondents to these statements at least *tended to agree* it had gone well.

Figure 3: Elements of area review process which worked well (statements arranged in process order) (base = 39)

Source: Steering group survey Q11 and other local stakeholder survey Q9.



Steering group similarities or differences

Area – Generally similar but more B&S respondents agreed that *being an area involved in the first wave* and *support available from government representatives* were a challenge than those in TV (14 out of 15 compared to 19 out of 24 and 7 out of 10 versus 7 out of 20 respectively).

Respondent type – Generally similar but non-college representatives were less likely to agree that *the time commitment to attend meetings* and *support available from government* were challenges than their counterparts from colleges (9 out of 17 versus 16 out of 22 and 2 out of 8 compared to 12 out of 22 respectively).

Figure 4: Key challenges in the area review process (base = 39; except * base = 30 as not asked of government department representatives)

Source: Steering group survey Q14.

Steering group survey respondents were also invited to identify other factors which they perceived as challenging in the process. Twenty-nine of the 39 respondents provided a response, and these were wide ranging. The most commonly occurring challenge, cited by eight respondents, was the narrow scope of the providers of post-16 education and training involved in the area reviews. This issue is explored in more detail later in this chapter (see Composition of steering group and other local stakeholders).

Perceptions of the rationale for the policy

According to the area review guidance the process takes place as a result of a risk assessment that identified the area as a priority due to problems arising from one or more institutions or a local area bringing forward a proactive proposal.⁹ Our interviews with policy makers suggested that the majority of the Wave 1 areas were identified through a risk assessment and our follow up interviews in Birmingham & Solihull and Tees Valley confirmed that they had been approached via letter from the FE Commissioner rather than making a proactive request.

Our in-depth interviews with steering group members in both Birmingham & Solihull and Tees Valley suggested they interpreted the key objectives of the process as a review of post-16 training and education provision to ensure it was financially sustainable, met the needs of learners, and addressed the requirements of local businesses. These views were based on interpreting the area review policy and guidance documents and initial communications inviting them to participate in the process.

A large number of interviewees in both areas agreed that such a review was required as:

- Both areas had a college which faced significant financial issues;
- Representatives in Tees Valley understood that fewer young people (aged 15 or younger) coming through school was likely to lead to duplication in provision and over-capacity; and
- Representatives from both areas recognised that they could better meet local economic needs.

Many of the follow up and some of the national stakeholder interviewees said that after embarking on the process, they felt the primary driver for the review was to address financial concerns. Interviewees did not suggest that such a focus was wrong given the economic constraints facing the FE and skills sector. However, many interviewees said it was unfortunate and sometimes frustrating that the needs of learners and local businesses were not considered in the same level of detail as financial issues. Several interviewees referred to this as a missed opportunity.

I see the purpose [of the review] to be predominantly [about] financial efficiency. I am surprised that there's less [of an] education/quality element of it, compared to how I thought it would be, but I do see it as predominantly a financial analysis around making the FE sector more efficient.

Follow up interview with college representative on Birmingham & Solihull steering group

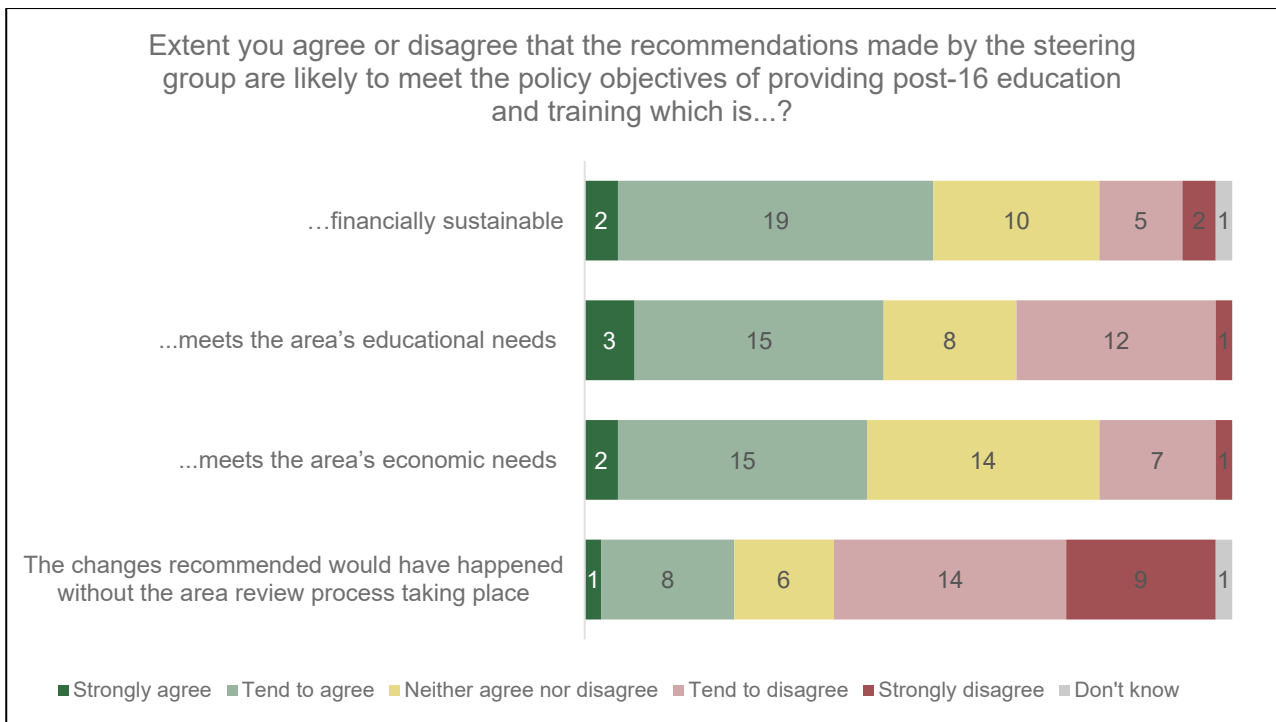
⁹ BIS (September 2015) [Reviewing post-16 education and training institutions: guidance on area reviews](#)

This finding is highlighted in the steering group survey results on whether area review policy objectives were met (see Figure 5 overleaf). Just over half of respondents believed that the area review recommendations met the objective of post-16 education and training to be financially sustainable (21 out of 39 agreed) but less than half considered that they met the area's educational or economic needs (18 and 17 out of 39 respectively agreed).

The colleges' perceived emphasis on financial sustainability was also reflected in follow up interviews. For example, one of the 'other' representatives on the steering group in Birmingham & Solihull noted how the recommendations for their area were predominantly focused on restructuring the post-16 institutions.

It would definitely seem to be focused more on solving structural issues... I have seen a summary of recommendations [from other areas] and very few of them are not structural across the country, and that mirrors our experience in Birmingham & Solihull. So whilst the recommendation around an apprenticeship organisation and an IoT [Institute of Technology] will support that economic need, the other ten or however many it was, recommendations are all structural.

Follow up interview with other representative on Birmingham & Solihull steering group



Steering group similarities or differences

Area – Generally similar but TV respondents were less likely to agree that *the changes recommended would have happened without the area review process* than their B&S counterparts (2 out of 24 at least agree compared to 7 out of 15) – this reflects similar doubt that *local steering group partners would have worked together to ensure provision met local need in the absence of the process* (see Figure 7).

Respondent type – Generally college representatives were less positive than other stakeholders.

Other local stakeholders

Only 1 out of 5 respondents agreed that *the recommendations are likely to be financially sustainable or meet the area's educational or economic needs*. Yet 2 out of 5 respondents agreed *the recommended changes would have happened without the area review process*.

Figure 5: Views about the recommendations made by the steering group (base = 39)

Source: Steering group survey Q13 and other local stakeholder survey Q10.

Some interviewees also commented that the timescale of the reviews only allowed for the consideration of a limited number of objectives. It therefore made sense to them that the financial objective was the first to be addressed given the financial vulnerability of specific colleges in each area. One of the most commonly cited improvements to the process suggested by steering group members was to clarify expectations about what can be achieved in a short timeframe.¹⁰ Greater transparency of purpose and the management

¹⁰ Suggested by 6 of the 28 steering group survey respondents who made suggestions for improvement from the sample of 39.

of steering group members' expectations about the primary focus of such reviews could have helped reduce frustration and increase satisfaction with the process. This would have been an important consideration in areas where resolving issues of financial stability were less imperative.

On a more positive note it is clear from Figure 5 that only a few respondents agreed that the changes recommended would have happened without the area review process being undertaken (9 out of 39 agreed). This is particularly the case in Tees Valley where analysis suggests that before the process commenced the relationships between colleges were less well developed compared to Birmingham & Solihull.

They had ten chairs of governors coming together to talk about the landscape of the Tees Valley. It wouldn't have happened without area review. The colleges that wouldn't have thought about alternative futures, had to think about it.

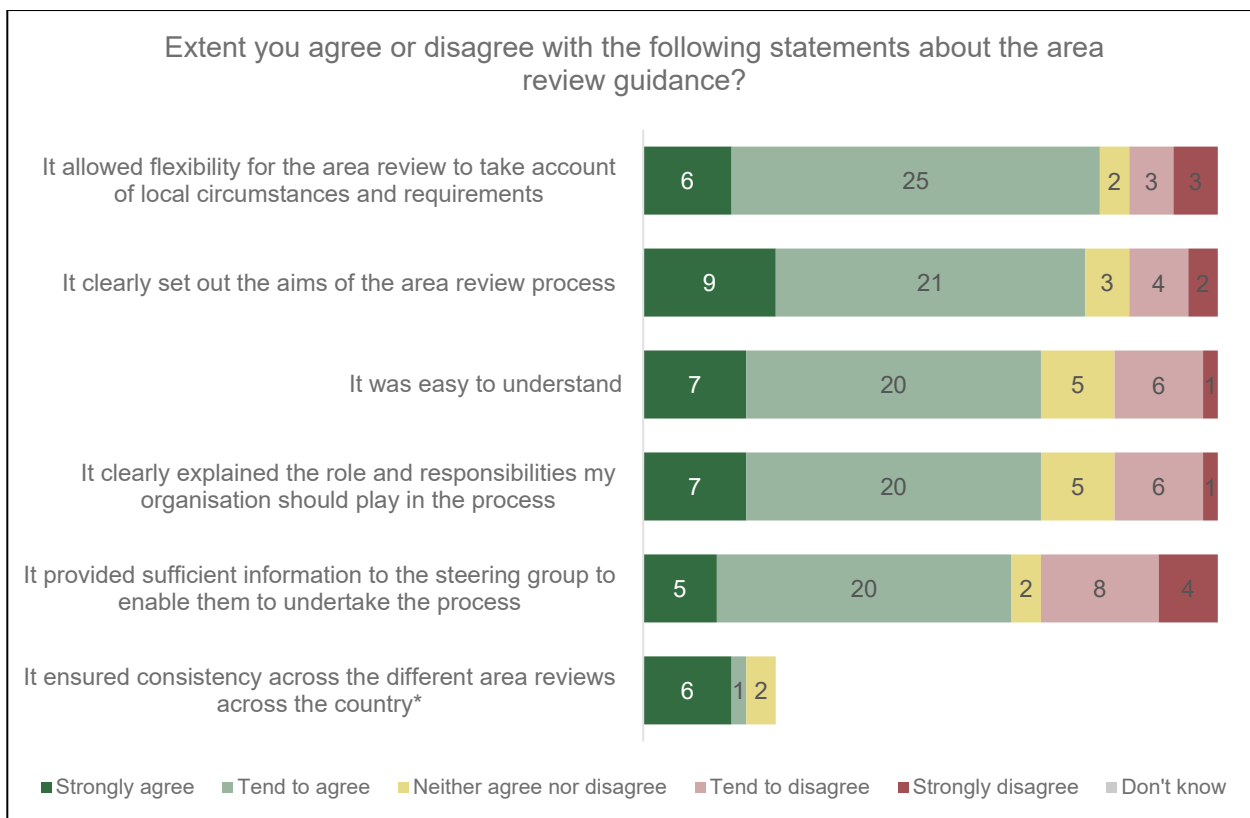
Follow up interview with college representative on Tees Valley steering group

Usefulness of area review guidance and support

The area review process was explained in a guidance document published in September 2015 and updated in March 2016. The latter was published as the process in Birmingham & Solihull and Tees Valley was drawing to an end and as mentioned in the introduction, it drew lessons from experiences in both areas.

Steering group survey respondents were asked to consider their views regarding the area review guidance. The findings are illustrated in Figure 6 overleaf. The data shows respondents believed guidance provided an opportunity to tailor the approach to the local context (31 out of 39 agreed) and also be a framework that could be applied consistently nationally (7 out of 9 agreed). The vast majority of respondents also believed the guidance clearly set out the aims for the process and was easy to understand (30 and 27 out of 39 agreed respectively).

However, as highlighted in the steering group comment box in Figure 6, college representatives on the steering groups were less likely to agree with these statements. Our follow up interviews suggest that this is partly because members' experience of the process differed from their interpretation of the guidance (as set out earlier in Perceptions of the rationale for the policy) as they thought financial sustainability took precedence over other stated review objectives.



Steering group similarities or differences

Area – Generally similar.

Respondent type – Generally college representatives were less positive than other steering group members particularly regarding the number who agreed that the *guidance was easy to understand* (10 out of 22 compared to 17 out of 17 respectively) and *clearly set out the aims of the process* (13 out of 22 versus 17 out of 17 respectively).

Other local stakeholders

They were quite positive about the aspects of the area review guidance they were asked to consider. Most of the 7 respondents agreed that the area review guidance:

- *Was easy to understand* (5)
- *Allowed flexibility to take account of the local context* (4);
- *Clearly set out the aims for the process* (4); and
- *Clearly explained their responsibilities and the role they should play* (4).

Figure 6: Views about the area review guidance (base = 39; except * base = 9 as only asked of government department representatives)

Source: Steering group survey Q3 and other local stakeholder survey Q2.

Updated guidance in March 2016 and supplementary guidance, particularly regarding considerations for putting in place the recommendations (e.g. Implementation Guidance

and Restructuring Facility Guidance),¹¹ were produced when the reviews for the two areas evaluated were underway or had finished. As a result some steering group members felt the process was being tested on them and that the advice they received changed as the process developed.

At the outset, there was no guidance, [then] guidance came throughout the process and ...it quite often changed from one steering group to the next.

Follow up interview with college representative on Tees Valley steering group

However, another college representative from Birmingham & Solihull felt positively about being in the first wave of the area process. He believed that this meant they received more support and time from the government representatives which was tailored to their needs.

I think it was great for us to be in the early wave. I think we got all the positive attention from the team that weren't tired and bruised by having gone through bad area reviews, which I understand, maybe have been some tougher ones around the country. There was goodwill all round.

Follow up interview with college representative on Birmingham & Solihull steering group

As illustrated in Figure 6, 27 out of 39 steering group respondents agreed that the area review guidance clearly set out the roles and responsibilities for their type of organisation.

Follow up interviews also suggest that the Deputy FE Commissioners played a key role in supporting colleges in both areas to help address specific needs. In Birmingham & Solihull, interviewees said the FE Commissioner's teams were important in helping sub-groups of college principals work through the options available to them. In Tees Valley one college representative described the valuable support they had received during a pre-review visit by the Deputy FE Commissioner. This individual said this visit enabled them to focus their thinking and set up internal discussions regarding the collation of necessary data prior to the process beginning. This support role was not outlined in the original area review guidance but is covered in the updated version.

Practicalities of the steering group

This section considers the strengths and weaknesses of the steering group process. The September 2015 area review guidance available at the time outlined how the process in each area was expected to be undertaken by a local steering group formed of FE and

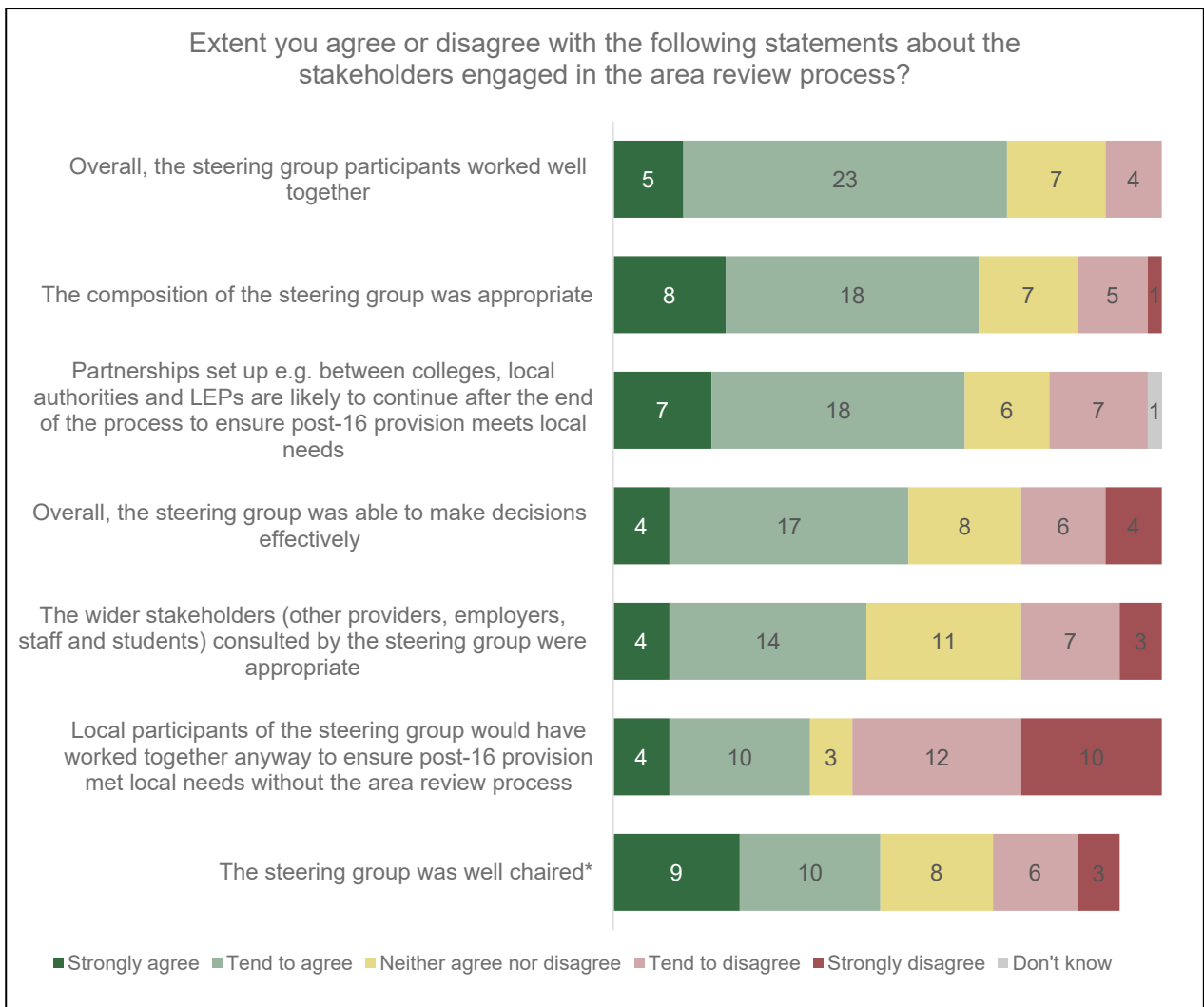
¹¹ DfE (July 2016) [Area reviews of post-16 education and training institutions – Implementation guidance \(DRAFT\)](#) and BIS (May 2016) [Restructuring Facility – Guidance for applications \(DRAFT\)](#)

sixth form college chairs, local authorities, the LEP and/or combined authority, the Regional Schools Commissioner, the FE and Sixth Form College Commissioners and representatives from the government departments involved. The steering groups were chaired by the FE or Sixth Form Commissioner or a representative of the combined authority in areas securing devolution powers.¹² The data collected in this study showed:

- College principals played a key role on the steering groups as well as the chairs of governors; and
- In line with the guidance assertion that where devolution deals were in place the Combined Authority would be expected to chair the group, in Tees Valley once devolution was agreed the leader of Combined Authority took over the chairing of later meetings from the FE Commissioner who had chaired the first few. This resulted in slightly different approaches being taken at meetings causing some confusion for participants.

Steering group and other local stakeholder survey respondents were asked a number of questions regarding those involved in the steering group (see Figure 7).

¹² BIS (September 2015) [Reviewing post-16 education and training institutions: guidance on area reviews](#)



Steering group similarities or differences

Area – Generally similar but B&S respondents were more likely to say *local steering group partners would have worked together anyway* to ensure provision met local need than their TV counterparts (9 out of 15 agreed compared to 5 out of 24) and TV respondents less sure about whether *the steering group was well chaired* (8 out of 22 *neither agree nor disagree* versus 0 in B&S).

Respondent type – Generally college representatives were less positive than others particularly regarding whether *the wider stakeholders consulted were appropriate* (6 out of 22 agreed compared to 12 out of 17 respectively), whether *the steering group was well chaired* (7 out of 22 versus 12 out of 14), and whether *the steering group was able to make decisions effectively* (8 out of 22 compared to 13 out of 17).

Other local stakeholders

They were asked to rate a number of statements regarding the engagement of other local stakeholders in the review and the results are not favourable: One respondent agreed that *the wider stakeholders consulted were appropriate*, and 2 in 6 agreed *they were consulted effectively regarding the process*. The main explanation given for this response was that staff, students and other providers (particularly higher education) were not given the opportunity to contribute directly and/or in a timely manner.

Figure 7: Views about the composition and running of the steering group (base = 39 except * base = 36 as not asked of steering group chairs)

Source: Steering group survey Q6 and other local stakeholder survey Q5.

The results in Figure 7 show the majority of steering group survey respondents agreed that the stakeholders involved worked well together (28 out of 39), the composition of the groups was appropriate (26 out of 39), and that the local partnerships developed through the process are likely to continue after the area review ends (25 out of 39). Furthermore the majority of respondents (22 out of 39) disagreed that the local steering group partners would have worked together to ensure their post-16 provision met local needs without undertaking the area review process.

Evidence of continued partnership working in the area review process was recorded in our follow up interviews. For instance:

- In Birmingham & Solihull the partners have established six monthly meetings to update each other on progress; and
- In Tees Valley the Combined Authority is due to hold a meeting with partners to take stock of post area review process progress.

These activities demonstrate how the area review process has been effective in both areas by bringing a number of key partners of post-16 education and training provision together to improve their offer in their localities.

It got the FE principals really working together...I think that's the really big outcome, is that we are cooperating, as in, not in a, kind of, trivial, 'just being nice to each other' way and then going back and doing our own thing. In a proper way, which is, we have put our destinies in each other's hands, which is really, I think, a great thing.

Follow up interview with college representative on Birmingham & Solihull steering group

Effectiveness of the steering group working together

Steering group survey respondents were asked to rate the extent to which all members of the steering group contributed to making the area review process work effectively. The majority of respondents (28 out of 39) agreed with this statement. Again, the results across the two areas of study are similar and college representatives are slightly less positive than other steering group members (13 out of 22 tend to agree compared to 15 out of 17). The seven respondents who provided a negative rating were asked to clarify their answer. The most common response, and provided by three of these respondents, was the lack of contribution from some members. Respondents in follow up interviews said representatives from local authorities and LEPs made a lesser contribution to the steering group meetings.

I think [local authorities and LEPs] didn't quite understand or didn't rise to the challenge of the input that we would have expected and that's something that we've had to work on with successive [reviews].

Follow up interview with 'other' representative on Birmingham & Solihull steering group

As noted elsewhere in this report however, there is revised guidance on the role that local authorities, LEPs and combined authorities¹³ play in the process. Furthermore the size of the meetings themselves, particularly in Tees Valley, were a barrier to the effective involvement of all parties at the steering group (see Size of steering group).

The effectiveness of the steering groups working together in both areas was reliant on existing relationships, including recently established ones in the case of Tees Valley. In Birmingham & Solihull, existing relationships predated the area review and helped some key individuals better understand others' perspectives. In Tees Valley, respondents described how some colleges came together in advance of the first area review steering group to try to determine each other's views before the process commenced. This is something that the updated guidance recommends steering groups consider.

One piece of advice was that [preparatory meetings for area review are] absolutely essential because if you stick to the letter of the law, the area review is five meetings. If you've got to achieve something in five meetings, [and] the first meeting people haven't even met before. It's just not possible...You get the clash of personalities and all that sort of stuff...you don't even know what other people's views are, where there's consensus and where there isn't.

Follow up interview with college representative on Tees Valley steering group

It should be noted that the steering group meetings were designed to be milestones and that it was always anticipated that additional meetings and contact between steering group members would take place in between in order to review progress to date and undertake activities to drive the process forwards.

Size of steering group

Interviewees in follow up interviews believed those involved in the steering group needed to be part of the area review process but that the size of the group c.30 in Birmingham & Solihull and c.40 in Tees Valley was too large. In practice this meant that the steering group meetings tended to be the forum where information was shared and decisions ratified but that many of the actions were undertaken by, and discussions took place in, sub groups. These were most often composed of college chairs, senior staff or principals outside of the meetings.

I think everybody you interview will say that the discussions outside the four steering groups were what led to the conclusions, rather than the steering groups themselves.

Follow up interview with college representative in Tees Valley

¹³ <https://www.gov.uk/government/publications/further-education-area-reviews-guidance-for-leps-and-las>

The updated guidance has already taken this into account by promoting the establishment of workshops between steering group meetings to discuss key issues in more detail. These should permit the providers more time and space to consider their options before proposing, debating and agreeing these with other steering group members such as local authority and LEP representatives within the steering group meetings.

The particularly large size of the steering group in Tees Valley had implications on the suitability of meeting venues and members' satisfaction with these. The original venue of a board room was too small whilst later meetings were held in large rooms in public venues but several interviewees found it challenging to follow information shared by PowerPoint on a relatively small screen. This situation did not make it easy for members to effectively participate in the discussions. The practicalities of meeting space should be considered to ensure the smooth running of such meetings and the effective engagement of the participants.

Forty-one people sitting around the room in a gymnasium with dreadful acoustics and gym equipment banging away in the background, was not conducive to informed policy making.

Follow up interview with college representative on Tees Valley steering group

Composition of steering group and other local stakeholders

Figure 7 illustrates that under half of the steering group survey respondents (18 out of 39) believed that the wider stakeholders consulted during the area review process were appropriate. This finding reflects the view highlighted in the overall satisfaction sub-section that the consultation of the other local stakeholders was the element in the process considered to have worked least well (17 out of 39 disagreed that it worked well). The ten steering group survey respondents who thought the other local stakeholders were inappropriate gave a variety of reasons, the most frequent being that the views of the following groups had not been well established:

- Other post-16 providers e.g. independent providers, schools, and HE providers;
- Students;
- Staff; and,
- Employers.

This viewpoint that key stakeholders, for instance university representatives, learners and local representatives, had insufficient opportunity to feed into the process was also recorded in many of the follow up interviews, for example:

The extent to which the stakeholder engagement saw the discussion with universities, students and employers, the extent to which that information was played back into the process and influencing the outcome as limited, I would have said.

Follow up interview with 'other' representative on Tees Valley steering group

The area review guidance advises steering groups to provide opportunities for the engagement of other local stakeholders. However, it should be recognised that it would be impossible to force those contacted to respond.

Providers

The 'narrow' scope of post-16 providers involved in the area review process was the most commonly identified factor by steering group survey respondents asked a non-prompted question on challenges in the process (8 out of 29 respondents). It was also an issue highlighted by those involved in area review policy at the national level.

I think what was needed was a genuine process of area reviews that included all providers on the patch.

Interview with a member of the National Area Review Advisory Group

The follow up interviewees in both areas felt that school sixth forms, representatives from local authority adult education bodies, and independent providers were not fully engaged in the review process. Their argument centred on the premise that a review of post-16 education and training institutions should include all providers in an area, especially those receiving significant amount of government funding. Particular concern was raised about school sixth forms not being included as many college representatives in both areas consider these to be in competition with their own corporations and affecting issues regarding financial sustainability. Furthermore in Tees Valley, several interviewees highlighted how the lack of adult learning providers limited the options to consider how best to address the upskilling and/or retraining of residents recently made redundant by key large employers in the area. A prime opportunity to ensure provision meets learner needs and rationalise any duplication in provision was therefore arguably missed.

There was also some concern raised during follow up interviews about the involvement of sixth form colleges. On the one hand, in one of the areas representatives of a sixth form college expressed they had felt they had been side-lined in the process and that their contributions to the meeting were not valued. On the other hand, in the second area one of the representatives of a FE college believed that sixth form colleges in the area had been able to avoid scrutiny in the review process by choosing to academise following the

announcement of this option in the Government's autumn statement in 2015.¹⁴ These findings indicate that steering groups need to strike a careful balance in the involvement of sixth form colleges in the area reviews.

Our interviews with policy makers suggest that the decision to focus on FE and sixth form colleges was made purposefully in order to ensure the scope was manageable. This was based on previous experience of review-type activities with a broader range of providers. Too large a number of participants was perceived to be unwieldy and ineffective. In addition the policy makers argue that the area review process allows for other providers which the steering group believes important to the discussions to be engaged. This point is emphasised in the updated guidance.

Students

The follow up interviews suggest some consultation with students did take place during the visits of the FE Commissioner's team to the colleges. However, college representatives indicated this was more of an awareness raising session rather than an opportunity to consult learners on the issues they face regarding education and training provision and how these might be overcome. For example, one interviewee noted that those conducting the review did talk to students but, those students said their conversation with reviewers was to provide reassurance about the possible outcome rather than to consult. Another interviewee described how they had learned from previous experience and had planned interviews with student representatives organised through the Student's Union early into the process for an upcoming review. This is despite the fact that as part of the process the NUS held a roundtable event with student representatives in each area to enable post-16 learners to feed into the area review process more formally.

Staff

Interviewees suggested that staff engagement for the steering groups in both areas was ad hoc. Policy makers indicated it was the responsibility of the institutions to keep staff informed and feed in their views but the extent to which this was done varied between colleges causing some staff frustration and anxiety. In Birmingham & Solihull provision was made for staff unions to be briefed by the FE Commissioner just in advance of the steering group meetings. However as one college representative commented, this did not give the unions much time to respond or engage fully in the process. Comments from other local stakeholders in the online survey support this viewpoint. The union representatives surveyed suggested that they would like to be involved directly in the steering group meetings. The updated guidance emphasises the responsibility of the steering groups to put in place robust communication systems to ensure staff are

¹⁴ See https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/520838/BIS-16-118-reviewing-post-16-education-and-training-institutions-updated-guidance-on-area-reviews.pdf

engaged but does not advocate direct representation for unions on steering groups given the importance of ensuring that colleges can be as open as possible in their discussions about options.

Employers

In interviews, policy makers said that LEPs had emphasised that one of their roles on steering groups is to represent the views of, and feed back to, businesses on the process. However, several steering group members in both areas suggested that employers should have been more involved in the process, particularly engagement in the development of the proposed recommendations. The more recently drafted guidance outlines the roles and responsibilities of local authorities, combined authorities and LEPs towards employer engagement.

Chairing of steering groups

Just over half of the steering group members surveyed (19 out of 36) said that the steering groups had been chaired effectively. The survey results indicate that representatives in Tees Valley, and college representatives more generally were less content with this element of the process. The follow up interviewees gave a number of explanations for these findings.

Firstly, in Tees Valley, the meetings were chaired by two different people: early meetings were chaired by the FE Commissioner at the time (Sir David Collins); and the latter ones by the lead for the Combined Authority when the devolution settlement had been agreed. Follow-up interviewees felt that the two individuals had different ambitions for the review. Interviewees said the FE Commissioner was seeking to achieve greater efficiency for the sub-region as a whole whereas the lead for the Combined Authority was more open to trying to achieve efficiencies whilst maintaining college provision within each of the five local authority areas. The change of chair therefore caused some confusion for steering group members regarding the purpose of the review and led to a change in the options being considered. The change of chair therefore impacted members' perceptions about the effectiveness of the process and the recommendations proposed.

Secondly several interviewees in the two areas (most commonly college representatives) gave polarised views on the FE Commissioner's chairing of steering groups. A few interviewees, particularly in colleges not involved in structural change, said they liked the chair's approach and considered him to be "very tough but not in an aggressive way."¹⁵ Furthermore some government representatives interviewed said the chair's ability to influence steering groups was a critical skill due to the lack of powers to enforce change as part of an area review. However, some of the chair's critics said he tried to influence

¹⁵ Follow up interview with college representative on Birmingham & Solihull steering group

the outcome of the reviews before the evidence base for potential options had been fully developed. They felt this potentially risked the effectiveness of the process.

Our analysis of the interviews suggests that whilst the chair's style may not have been favoured by all it did not significantly affect the outcomes of the process. For example as the report noted earlier, area review partners are likely to continue working together in future.

These findings suggest the review process may benefit from a chair who:

- Is the same person throughout the process with a clear agenda;
- Appreciates that participating colleges may feel threatened by the process and supports them to engage effectively; and
- Allows for the options to develop out of the evidence base collated and appraised.

Gathering the evidence base

The local steering groups have the opportunity to review a wide range of data and analysis in order to develop and consider options for change as a critical part of the area review process.

The follow-up interview findings suggest that data outlined in the area review guidance was collated during the process in both areas. The LEPs and the colleges in particular provided data relating to travel to learn patterns, skills gaps, enrolment data, curriculum data, quality of provision and college financial figures. Interviewees were positive about a number of factors. They felt the type of data was appropriate for the reviews' purposes and that it provided an opportunity for previously competing institutions to share information with each other and gain a better understanding of the provision in their area.

Interviewees in Birmingham & Solihull highlighted how the FE colleges established working groups to collaborate on undertaking the area review tasks. Senior members of the colleges' leadership teams met to carry out marketing activities and analyse and prepare data on curriculum provision and college finances. The principals in their own sub-group then used this information to discuss and debate potential options. This was felt to have been an effective way to drive the work forwards and for colleges to understand each others' perspectives before the options were discussed more widely at the steering group meetings.

However, the follow up interviewees also highlighted several weaknesses in the evidence gathering stage of the area review process:

- Many of the actions in the first wave of area reviews were undertaken by college principals and their teams in addition to their day jobs which placed a burden on them;

...we, the FE principals, did 80%-90% of the work. So we provided all the data, we provided most of the papers for the meetings, we ran the actions in-between meetings.

Follow up interview with college representative on Birmingham & Solihull steering group

- There were perceived gaps in the data received for example information from sixth form colleges, particularly in Birmingham & Solihull, and local authorities regarding adult education, which meant the review was unable to consider the whole picture of post-16 provision in their areas;
- The data was often considered in the context of individual institutions / organisations. This meant that a thorough analysis for the area as a whole was not undertaken which several interviewees said weakened the basis of the options developed; and
- There was a technical problem in data sharing in Tees Valley, whereby colleges could access the data for all institutions rather than just their own. This undermined some participants' faith in the process.

We understand from the updated guidance and through interviews with policy makers and government representatives at the local level that these issues have been resolved. The support and delivery team for the area reviews has increased its resources, expanded its skills in terms of data analysis, and established data sharing agreements between the key parties, including through the department contracting with RCU to supply specified analysis and data reports into the later reviews.

College visits by the FE and Sixth Form College Commissioners' teams are a key part of the data and information collation stage in the area review process. As Figure 3 illustrated just over half (22 out of 39) of the steering group survey respondents agreed this element of the process worked well. The guidance states a key purpose of a visit is to discuss the institutions' performance in terms of finances and provision. A number of college representatives reported concerns about the approach taken to this by the FE Commissioner's advisers. These concerns centred on lack of consistency regarding:

- The level of scrutiny, with a sense that some colleges were investigated in much greater depth than others; and,
- That different advisers visited different colleges.

Both points can be easily explained; the former issue is no doubt influenced by the level of financial risk posed by an institution and/or the extent to which the team are already aware of the college's issues following previous interventions; and, the latter by the infeasibility of the number of visits one individual would have to make. However, such an approach does open itself up to concern for not treating all partners equally.

Figure 8 (overleaf) illustrates the extent to which steering group survey respondents believed they had received the right level of information about various aspects of post-16 provision in their area. Over half of the sample agreed that most of the information

received was at the right level. Under half of the steering group respondents (17 out of 39) however agreed that the right level of information had been received for how current teaching provision meets the needs of the area (with Tees Valley respondents being less certain), and only just over half (21 out of 39) agreed that they received the right level of information regarding the options for change (with colleges particularly less positive).

As per Figure 8 all, bar one government representative, agreed they received data from the local participants on time (8 out of 9).

In line with the survey findings, the follow up interviewees suggested that more time was spent considering the financial data rather than data on facets of teaching and learning, such as curriculum analysis. This underscores comments made on the greater review focus on ensuring financial sustainability (as highlighted in Perceptions of the rationale for the policy) and the time pressures on the process (see Figure 4 in which 29 out of 39 steering group survey respondents agreed that the timescale to undertake the tasks was a challenge).

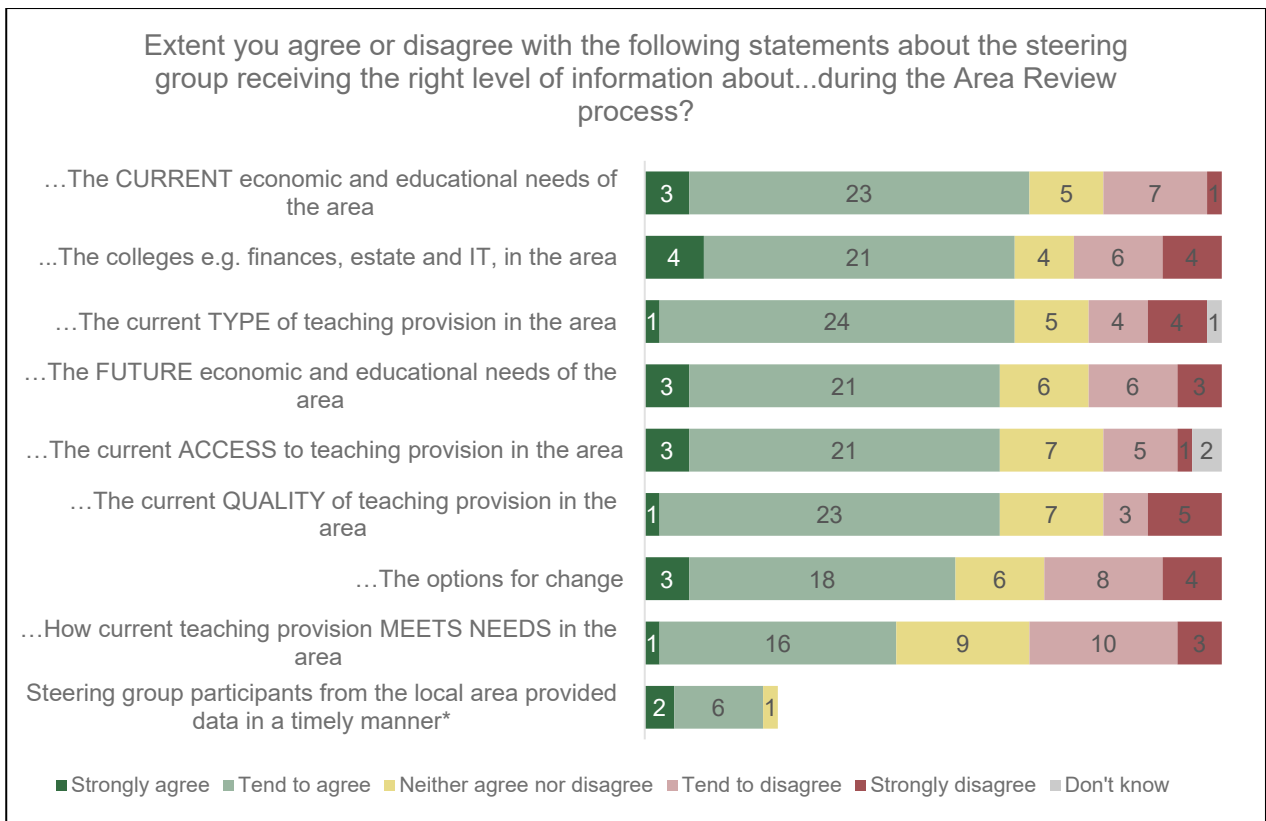
If the wider objectives were the objectives [of ensuring provision met learners' needs] we probably, honestly, didn't have enough time to achieve them anyway.

Follow up interview with college representative on Tees Valley steering group

As a result, curricula and potential rationalisation are considered in depth during the current implementation process. This could derail the implementation of the reviews' recommendations if this later analysis finds that a new partnership/merger is not viable or in the best interests of one of the parties. Resolving this issue is challenging as interviewees said that they had already invested a significant amount of time in the process and lengthening it would be infeasible. Once again the lesson to draw is for steering group members to have been clear on the limits of what could be achieved and what would be appropriate during the process itself and what elements the parties should have been responsible for continuing to develop once the process has ended.

I think that people should accept that the area review is not creating a proper detailed business case. It's creating a pre-business case that then allows people to look at those options and scope them properly. It's not a final decision.

Follow up interview with college representative on Tees Valley steering group



Steering group similarities or differences

Area – Generally similar but TV less certain than B&S that they had received the right level of information *how current teaching provision meets needs in the area* (9 out of 24 agreed compared to 8 out of 15).

Respondent type – Generally fewer college representatives than others agreed that the steering group received the right level of information about *the options for change* (7 out of 22 versus 14 out of 17 respectively).

Figure 8: Views about the information received by the steering group (base = 39 except * base = 9 as only asked of government representatives)

Source: Steering group survey Q9.

Follow up interviewees in Tees Valley said that support from an FE adviser was engaged to assist in the data gathering and analysis stage of the area review. The consultant helped collate and interpret the financial projections provided by each college. This was seen as beneficial as this saved the college principals and their staff time in doing so. This individual was also able to use the financial information to provide an independent objective view of the possible restructure options and their potential implications for the area. Support to help resource the key tasks of the process and provide an independent viewpoint could have been a useful approach for other areas. Alternatively, our interviews with policy makers suggested that JARDU delivery support became much better resourced on data collation and analysis after Wave 1 therefore making additional support superfluous to requirements.

There was appetite amongst other local stakeholders to have timely access to the evidence base being used to develop review options. When surveyed, staff and student

union representatives said that they would like to be able to review the data and propose their own options based on the evidence to feed into the process. However this would be unworkable in practice given the data sharing agreements between steering group members.

Deciding the options and recommendations

The data reviewed by the steering groups during the area review process informs the development of options for consideration and for steering groups to agree recommendations, normally during meeting four. These recommendations are then considered for agreement by the individual corporations in time for the final steering group meeting. This stage was identified by several follow up interviewees as a particular pinch point in the process. Some of the colleges wished to delay the date of the final steering group meeting as first they wanted to hold planned meetings of their governing boards. This would be to ensure key members in their organisations were fully informed of the developments in the process and agreed to/commented on the review options presented. Interviewees suggested a couple of ways in which these challenges could be overcome:

- Emphasise to governing boards that the options are to be agreed in principle only, therefore not binding and allowing for further interrogation at a later date; or
- Extend the time period between the latter steering group meetings in particular to enable the data and options to be analysed and appraised by other local stakeholders.

[The solution is] not necessarily adding extra steering groups, it's possibly...putting a six-week window between each steering group so that you can do more work between them and come better informed to the next steering group...You have to bring people with you and possibly that extra time between steering groups would allow you to do that.

Follow up interview with 'other' representative on Tees Valley steering group

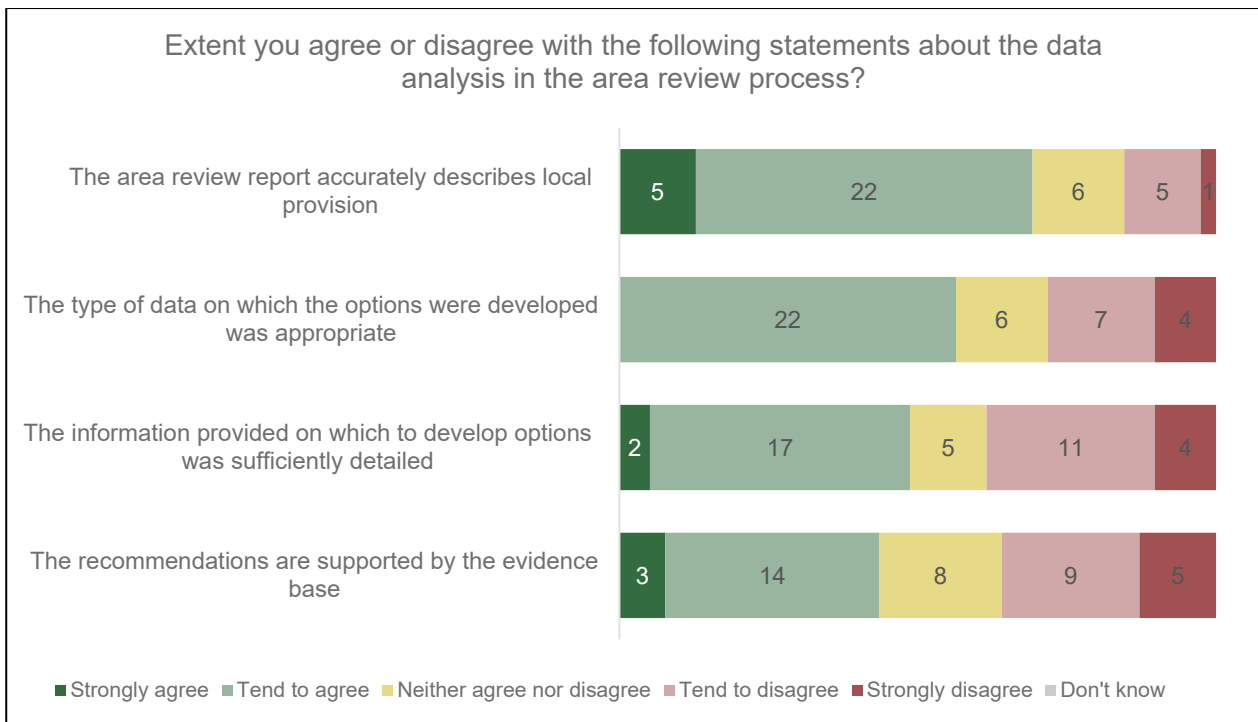
Figure 9 demonstrates that over half of the steering group survey respondents agreed that their area review report accurately depicts the post-16 education and training provision in their area and the type of data used to develop the options was appropriate (27 and 22 out of 39 agreed respectively). Follow-up interviewees suggested the reports were accurate because they are compiled from the information colleges and LEPs provided the government representatives. The key criticism about the reports was that they were not yet published by the time of the interviews (August to October, 2016).

We had six months to do the area review including making major decisions and consultations on nine colleges' futures. Nine months down the line, we still haven't got a report which was promised.

Follow up interview with college representative on Birmingham & Solihull steering group

There were a number of reasons for the delay such as clearance and sign-off procedures and, critically, the political fall-out from the result of the referendum on the UK's membership of the European Union. At that point, there was significant changes in ministerial and parliamentary roles. The reports were published in November 2016. The delay meant it was difficult for steering group members and other local stakeholders to access the finalised findings. It also means that areas involved in later waves of the review process would have been unable to easily access the findings in order to learn from those which had been conducted earlier.

The survey findings (see Figure 9) also indicate that slightly less than half of the survey respondents agreed the information used to develop the options was sufficiently detailed or that the recommendations are supported by the evidence base. Of the 39 respondents, 19 and 17 agreed respectively with these statements. College representatives, and those in Tees Valley were less likely to agree than others.



Steering group similarities or differences

Area – Views by area were generally similar but those in TV were more content with the *accuracy of the report in describing local provision* (19 out of 24 agreed compared to 8 out of 15) and B&S were more likely to agree that *the evidence base underpins the recommendations* (8 out of 15 agreed versus 9 out of 24).

Respondent type – Generally college representatives were less positive than other steering groups members, particularly regarding the number who agreed that *the information on which the options were developed was sufficiently detailed* (6 out of 22 compared to 13 out of 17 respectively) and *the recommendations are supported by the evidence base* (5 out of 22 compared to 12 out of 17 respectively).

Figure 9: Views about the data analysis conducted during the area review process (base = 39)

Source: Steering group survey Q12.

Follow up interviewees provided some explanation for the findings that the information for developing the options was not sufficiently detailed or the recommendations based on the evidence base. Interviewees said that many options and decisions emerged from sub-group meetings attended by the colleges. A number of concerns about the process were raised in the interviews which relate to these meetings. These include:

- In both areas college principals and/or governors were meeting in bi- or multi-lateral meetings outside of the steering group process to discuss various options to ensure financial sustainability. On the one hand this meant that options were progressed in a more timely manner, however it also meant that the discussions were not transparent;

[When the decisions were made] I actually think that it was the deal struck between the college principals and the chairs of governors. It happened outside the [formal steering group meeting] process. Meeting after meeting,

it was like a game of poker. It was waiting for someone to declare their hand. That hand wasn't really declared until the fourth meeting.

Follow up interview with 'other' representative on Tees Valley steering group

- Some Tees Valley interviewees said that a significant tertiary option to combine FE and sixth form colleges was proposed at the fourth meeting which had not been discussed earlier nor had emerged from the data analysed; and
- The extent to which the options were appraised in both areas was relatively light touch, with the emphasis being on pragmatic partnerships between colleges to merge rather than a detailed analysis of the data to suggest which merger options would be best based on the evidence base.

We went into a conversation with the colleges which felt ultimately more like a speed dating process than something which was driven by robust data analysis...everybody just jumped to what the possible merger models would be, rather than what your checklist would be for determining whether one merger model was better than another.

Follow up interview with 'other' representative on Tees Valley steering group

Some follow up interviewees said that colleges made the key decisions in the area review process. The principals suggested the proposed options and their college boards decided whether to agree or reject them. The extent to which colleges felt empowered in the decision making process related to their financial viability. Interviewees from institutions with less promising financial outlooks were more likely to think representatives from financially stronger colleges were the decision makers. The role of the chairs of the steering groups should not be overlooked in the decision making process either as interviewees suggested they were important influencers in the process. This was seen in Tees Valley in particular where the change in chair also resulted in an apparent change in focus (see Chairing of steering groups).

Mostly we [college principals] decided [options] ourselves and proposed ourselves... [But] where he [FE Commissioner] needed to, he stepped in and in no uncertain fashion drove the agenda in a particular way.

Follow up interview with college representative on Birmingham & Solihull steering group

A further challenge in the development of options in Tees Valley, the geographical limitations of the proposals, was identified by follow up interviewees. Local authorities to the north and south of the sub-region have historical travel to learn relationships with the bordering counties outside of the areas in the scope of the review process. Some of the college representatives interviewed in this area reported they had made suggestions during the process for aligning their provision with providers outside of the sub-region but that these had been rejected at the steering group meetings. This meant that they felt there was limited opportunity to develop options with institutions with whom they felt they had a stronger fit and could best serve learners. This caused some dissatisfaction with

the process for these institutions. Allowing greater flexibility in the geographical scope of the area reviews might lead to better financial, educational and/or economic outcomes for the process.

The main cross-boundary traffic into Hartlepool is from East Durham, not Stockton. It's just partly to do with transport routes and to do with history and culture and Hartlepool used to be part of East Durham, and people have families living in Peterlee, and things like that...Durham made a similar point. Darlington made a similar point, because they have quite a big cross-border flow from North Yorkshire and Durham.

Follow up interview with 'other' representative on Tees Valley steering group

Likelihood of recommendations being taken forward

Whilst the focus of this evaluation is on the process of area reviews and not their impact, the surveys and interviews did consider the likelihood of the recommendations proposed by the process being implemented.

The overwhelming majority of steering group members representing colleges who completed the survey indicated that they were “likely” or “very likely” to implement the recommendations proposed by the process (see Figure 10 overleaf). More college representatives in Birmingham & Solihull said they were likely to implement changes compared to those in Tees Valley (7 out of 8 are very likely compared to 7 out of 13 respectively). Follow up interviewees said that the merger between two colleges in Birmingham & Solihull is well underway and that plans are being developed for the apprenticeship organisation and Institute of Technology which were also recommendations arising from the review.

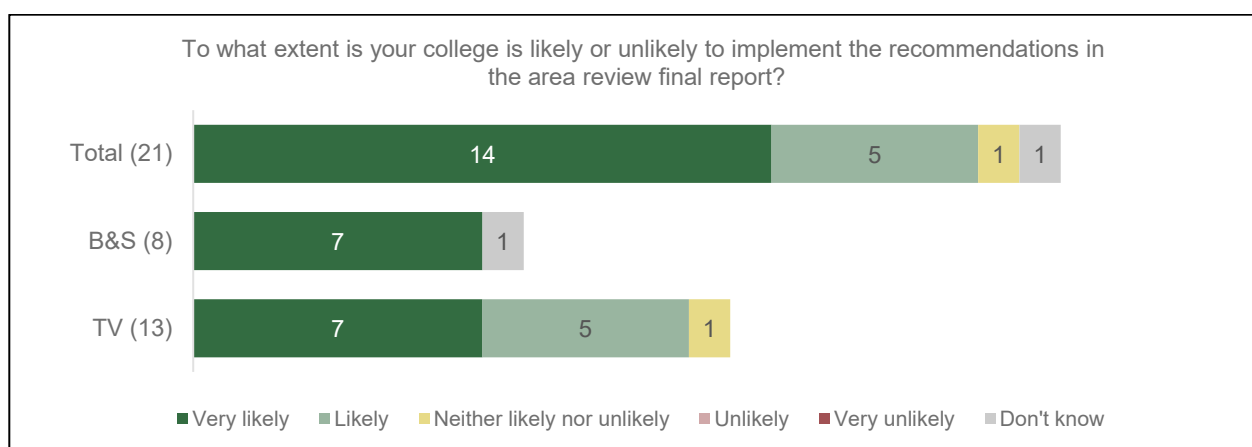


Figure 10: Likelihood of colleges implementing recommendations made during area review process (base = 21)

Source: Steering group survey Q17.

Follow up interviewees suggested that whilst the colleges involved in the two areas were pursuing the implementation of the area review recommendations, their execution is not

guaranteed. They reported that many of the colleges were having to continue the process of assessing financial viability after the end of the official review period as part of the due diligence process (as per the due diligence guidance issued by DfE¹⁶). If the outcome of this analysis is negative then the implementation of the changes may be jeopardised.

In terms of the support colleges require to implement the recommendations, 17 of the 22 college representatives responding to the steering group survey provided suggestions. A wide range of responses were offered and the most frequently occurring, cited by eight respondents, is additional funding from government to secure the financial sustainability of the mergers proposed.

In terms of barriers to implementation a number of factors were raised during the interviews, in particular:

- The risk that deeper analysis of the data than undertaken during the review process may suggest that the proposed changes are unviable;
- The lack of incentive to restructure provision if finances to support mergers are based on loans. Many of the colleges already carry a high level of debt so to take on more debt to meet the costs of restructuring is challenging particularly if they have to repay the loan accessed via the restructuring facility;
- Uncertainty amongst some steering group members regarding who is responsible for ensuring the changes are implemented. At the time of the interviews, respondents cited changes to ministerial responsibilities, the transfer of the team which originally led the process from the Department for Business, Innovation and Skills to the DfE, and the expected change of the FE Commissioner in November 2016.

The government has since published guidance to assist steering group members to implement the recommendations set out in the area review reports.¹⁷

¹⁶ Documentation held at the DfE microsite "*Further education area reviews: due diligence framework*": <https://www.gov.uk/government/publications/further-education-area-reviews-due-diligence-framework>

¹⁷ DfE (October 2016) [Area reviews of post-16 education and training institutions – Implementation guidance](#)

Conclusions

The findings chapter outlined a number of strengths and weaknesses in the area review process as experienced by the research audience in Birmingham & Solihull and Tees Valley. Table 1 summarises the elements that worked particularly well in the process. The issues raised by respondents and lessons already implemented by policy makers are discussed in Table 2. In both tables further improvements which could have been implemented are suggested based on a thorough consideration of the evidence emerging from the fieldwork for this piece of research. Again, it should be noted that:

- The conclusions are based on the experiences of participants involved in two area reviews commenced in autumn 2015 and completed before this evaluation was commissioned;
- The fieldwork on which the findings are based was conducted between August and October 2016; and
- Many changes to improve the area review process were made in advance of, and since, the research for this evaluation took place.

Appendix 1: Methodology

The evaluation methodology was designed in close partnership with DfE and involved both quantitative and qualitative research. The fieldwork took place between August and October 2016. The methods employed are outlined below.

Steering group member survey

A short online survey (around 10 minutes completion time) was designed to collate feedback on the experience of individuals who had participated in the area review steering groups in Birmingham & Solihull and Tees Valley. The survey enabled the collation of quantifiable data to measure:

- How effectively and efficiently the process was managed;
- Perceptions of the structure provided by the area review guidance;
- The number and type of stakeholders engaged;
- The number and timing of the steering group meetings;
- The type and quality of the data available to the review team; and
- The overarching strengths and weakness of the process and areas for improvement.

A representative from JARDU in both areas provided the contact details of the individuals who had participated in the area review steering group. Steering group members were invited to participate in the survey by email, and non-respondents received up to three email reminders and were also contacted by telephone where their number was provided.

39 responses to the steering group member survey were received as follows:

- Birmingham & Solihull: 23 people in sample, 2 of which excluded themselves from the survey; 15 responses (71%)
- Tees Valley: 35 people in sample; 5 of which excluded themselves from the survey; 24 responses (80%).

Given the number of total responses achieved (39) the results of this survey are reported in actual numbers rather than percentages in the report. Table 4 outlines the breakdown of the steering group survey respondents.

	B&S	TV	Total
Total	15	24	39
Government (BIS, DFE, JARDU, EFA)	5	4	9
Regional Schools Commissioner	1	1	2
College	8	14	22
LEP	1	1	2
LA	0	4	4
Institutions	6	9	15
Completion versus target	15/21	24/30	39/51
Completion rate	71%	80%	76%

Table 4: Breakdown of steering group survey respondents

Survey of other local stakeholders not directly represented on the steering groups

In addition to the steering group member survey a short five minute online survey was designed for individuals who represented other groups in the two areas e.g. staff, students, and independent training providers who may have been engaged during the area review process. This survey sought to understand the experience of the process from the perspective of those engaged in the area review steering groups.

The sample of other local stakeholders were invited to participate in the survey by email and non-respondents received one email reminder.

Seven responses to the other local stakeholder survey were received as follows:

- Birmingham & Solihull: 4 people in sample; 2 responses (2 partial responses)
- Tees Valley: 4 people in sample; 3 responses.

In-depth interviews

To complement the quantitative data collected via online surveys the evaluation conducted a number of depth interviews as follows:

- Five scoping interviews with individuals in government departments and agencies responsible for developing and delivering the area review policy to understand the rationale for the area review process as well as the opportunities and challenges presented by it;
- 28 follow up steering group member interviews (11 in Birmingham & Solihull, 17 in Tees Valley) to explore the issues raised in the survey in more depth focusing in particular on how the review was carried out, the quality and relevance of the data, and the extent to which the review met its objectives; see Table 7 for the breakdown of the interviewees; and

- Seven national stakeholder interviews covering college, sixth form, FE, LEP, LA, and student representation to provide a broader view of perceptions at a national level about the area review process.

	B&S	TV	Total
Total	11	17	28
Government (BIS, DFE, JARDU, EFA)	1	2	3
College	8	11	19
LEP	1 (also LA)	1	2
LA	1	3 (1 x also CA)	4
Institutions	5	7	12
Completion versus target	11/15	17/15	28/30
Completion rate	73%	113%	93%

Table 5: Breakdown of steering group follow up interviewees



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