



City College Norwich

Transforming education in Norfolk

The educational, economic and political contexts have changed dramatically in the last few years, giving rise to both opportunities and challenges for educational institutions. The opportunities centre on greater autonomy, independence and authority, whilst the challenges include greater responsibility and accountability at the institutional level, systematic reductions in funding due to a restricted public purse, and possible isolation / increased competition at all educational levels.

In Norfolk, City College Norwich (CCN), City Academy Norwich (CAN), Wayland Academy Norfolk and Norfolk University Technical College (UTC) have collectively agreed to both utilise the opportunities and meet the challenges by developing formal institutional relationships to create a Federation thus ensuring that our learners have the best possible learning opportunities to enable them to succeed.

Creating an innovative local structure

City College Norwich's board of governors recognised the significance of partnerships with other educational institutions, particularly

schools, in 2007 when they established the Partnerships and Federations Sub-Committee of the full board which was chaired by the Chair of the Corporation. With hindsight, this can now be regarded as quite a prescient development. In 2010, CCN had over 1,100 14-16 year olds attending from over 30 high schools across the county of Norfolk, all studying one or two days a week, and the College's involvement in the establishment of City Academy Norwich in late 2008 can be seen as the critical starting point in the development of more structured relationships with other educational providers. In its capacity as lead sponsor, CCN has provided a range of support and development services to CAN since 2009 and the College has also developed the governance and operating model for Wayland Academy Norfolk (also in 2009) with a group structure in mind.

The launch of the Efficiency and Innovation Fund in early 2011 (CCN was awarded £100,000) enabled the College to formally scope the range of issues emerging around shared services: partner demand and CCN's capability to deliver; organisational / employee ownership structures; critical success factors; staff consultation and change management; high priority elements and sustainability.

The project – ‘Establishing a Shared Services Company’ – identified how the required support services could be combined into a legal and tax-compliant entity, creating a service model to meet the needs of an educational federation.

Approaching the proposal from the viewpoint of a consumer of the services, CCN identified over 150 distinct services that the different partner institutions relied upon to effectively operate. They then differentiated between those services by identifying those provided by existing staff and those contracted in from suppliers. The College consulted with senior staff from the four organisations to understand which services were most critical and which would require a significant amount of work to make the process efficient and of a high enough quality to be delivered across the Federation.

On the basis of the work undertaken and the significance of the proposals, CCN received substantial further funding from the Association of Colleges / 157 Group Innovation Fund in mid-2011. This funding enabled the College to obtain full legal services to understand tax law as it applied to governance, procurement and employment. This critical investment also supported a full-time project manager, with the College’s Director of Campus Services also allocated to the project for 80 per cent of his time.

The areas for resolution included how changes promoted by the Education Act 2011 might be used to reconstruct the idea of a corporation; how private sector company governance models offer opportunities for federation development; how ‘parent’ governance (ie: establishing a ‘family’ of educational institutions with a ‘parent’ company to oversee the strategy of the Federation as a whole) to represent the federation would work in a group structure; and how to establish coherence cross subsidiaries within the group.

The aim was to establish the Federation during the academic year 2012/13 which allowed sufficient time to gain the required approvals from the Secretary of State for Business, Innovation and Skills (for the College) and the Secretary of State for the Department of Education for the academies and the Norfolk University Technical College (UTC). However, the requirement for CCN to receive this consent was removed under the Education Act of December 2011 and partners moved to complete all staff transfers, enabling the Federation to become fully operational on 1 September 2012, save for the approval of the Secretary of State for Education with regards to the academies and UTC. This involved reconstituting the Instruments and Articles of the College Corporation and the Articles of Association of the academies and the UTC. Members’ resolutions, board decisions and the re-designation of governors (from college-appointed to Transforming Education in Norfolk Group appointees) all had to be undertaken as part of the process.

Transforming Education in Norfolk (TEN)

Transforming Education in Norfolk (TEN) was created as a registered charity in September 2012 and acts as the parent company to the group. TEN’s role is to oversee the governance and strategy of the Federation (including the appointment of directors / governors to the academies, College and UTC boards) and to manage the distribution of funds back into the group; TEN does not own any of the assets of the other organisations nor will it directly receive government funds. The company is supported by a small board of non-executive directors and a Group Chief Executive Officer (previously the principal of City College Norwich and retaining his CEO capacity at the College).

Within the structure is TEN Commercial Services, a new trading company which will

sell services to organisations outside the Federation. The services include the hire of premises and facilities, full cost training (i.e. not funded through the Skills Funding Agency or Education Funding Agency), and other diversification opportunities. With a small board of non-executive directors, staff will be seconded to work with TEN Commercial Services as required.

Norfolk Educational Services

Norfolk Educational Services (NES) was created by separating the business support services within the College and the existing academies to provide shared services to all group members and is constituted as a company limited by shares (49 per cent held by TEN, 51 per cent retained by CCN). This split is particularly significant as the Local Government Pension Scheme – in which most staff of this new company are members – would not accept the new charity (TEN Group) as an ‘admissible body’ for the pension scheme. The structure had to be amended so the College (an existing admissions body) has the majority of shares.

The constitution of NES allows for any surpluses created to be gift-aided, via TEN in its capacity as a charity, to the educational partners. The departments and services offered within NES include:

- Human Resources department – payroll and pension administration, CRB checks, HR consultancy;
- Finance department – management accounting, procurement, contract management, internal auditing;
- Employer Partnerships – employment brokerage;
- New Media, Marketing and Communications department – strategic

marketing, social media, PR, design including websites and print, multimedia, copywriting;

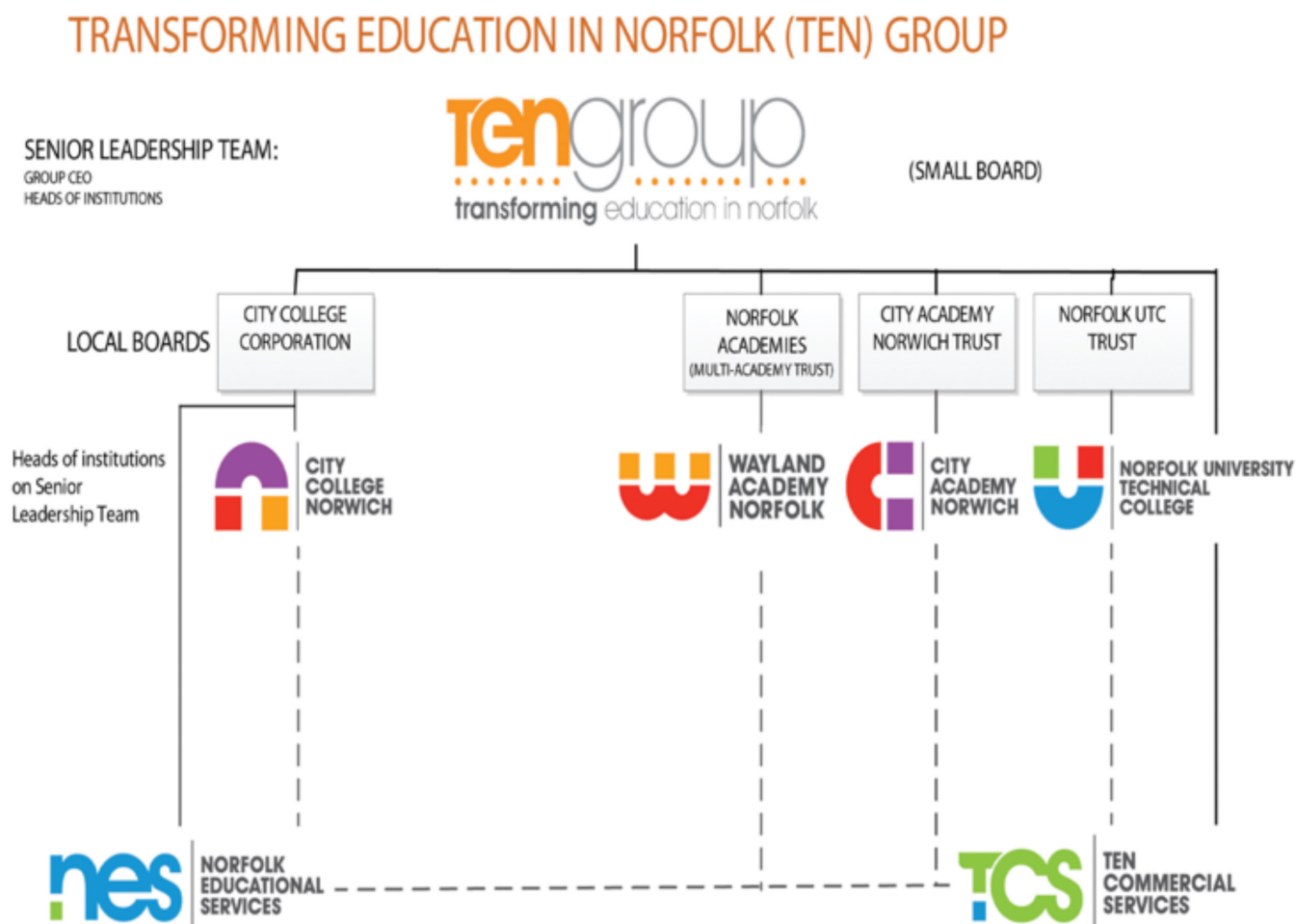
- Health and Safety – workplace assessments, compliance, risk management, continuous improvement;
- Information Store – student services including wellbeing, library, Student Union, IAG;
- IT Services – network design and provision, procurement, data security, solutions and specialist programming, systems integration;
- Campus Services – energy and utilities management, vehicles, caretaking, cleaning and catering, property and grounds maintenance, recycling;
- Student Administration – MIS, admissions and examinations, returns, course planning, funding methodology; and
- ProjectFirst – application writing services, project management and auditing.

The structure has also been developed as a multi-academy trust (MAT), following advice from civil servants in the Department for Education. The MAT currently has only Wayland Academy Norfolk inside the trust but the structure enables additional schools to join, increasing the numbers involved in the partnership without the need for any additional changes. This multi-academy trust is called Norfolk Academies.

CCN set a high value on the involvement of stakeholders from the earliest opportunity – ‘start talking to everyone as soon as possible’ – and it is this sharing of the vision (i.e. where we wanted to get to) and collaboration during the

early stages that enabled the model to evolve. Communication with stakeholders (public, staff and management) included open sessions and advertising and a public consultation on the changes the College needed to make to its Instruments and Articles of governance to enable it to join the Federation. CCN staff were invited to road shows, led by the Principal and were reminded that the subject had been aired in staff newsletters and annual communications since the first discussions.

Governance structures



The structure required the principal and chief executive role at City College Norwich to be split into two: one of principal and the other of chief executive officer. The CEO (post taken up by CCN’s principal, Dick Palmer) acts as chief accounting officer and liaises directly with funders and other primary stakeholders. The principal (post taken up by Corrienne Peasgood, CCN’s deputy principal for curriculum) leads the college and its service delivery.

The Principal is supported by an executive team comprising the directors for Curriculum Services, Planning and Performance, Student Services, Enterprise and Innovation, and Principalship, plus Student Union representatives. Two management teams have been created:

- the Academic Management Team (Heads of Schools, the Teacher Development Manager, Head of HE and the

College's awarding body, City College Norwich Qualifications); and

- the College Management Team which includes the programme managers for Planning and Performance and Curriculum, Curriculum Services, Verification, Enterprise, Functional Skills, Teaching and Learning Development and Advice Shop Managers.

Norfolk Educational Services (NES) created two key senior posts: Executive Chairman (Dick Palmer) and Managing Director. The executive chairman oversees the strategic direction of the company, leading on the establishment and integration of NES within the group and on new business. The managing director (post taken up by the College's Deputy Principal, Geoff Sorrell) leads on the delivery of the services of NES and is supported by an executive team, comprised of the managers of ProjectFirst; Health, Safety and Professional Compliance; and Library Services with the directors of Employer Partnerships; Human Resources; New Media, Marketing and Communication; IT Services; Campus Services; and Student MIS, Admissions and Examinations. The Services Management Team includes key staff from these areas.

The TEN Group Chief Executive Officer, Dick Palmer, oversees the strategic development of the Federation. A single post-holder was sought for the roles of Group CEO, CEO of CCN and Executive Chairman of NES to ensure coherence and cohesiveness across the Federation. The role is supported by a Senior Leadership Team comprising the heads of the Federation institutions (principals of City Academy Norwich, City College Norwich, Head for Wayland Academy and the Managing Director of NES).

No changes were proposed to the senior staffing arrangements for City Academy Norwich or Wayland Academy.

The Chair of Governors of City College Norwich was also fully supportive and the Partnerships and Federations Sub-Committee previously mentioned was charged with focusing on the creation of the Federation; this smaller working party drove through the implementation plan but was also evidence of the Board's commitment. The sub-committee worked with the project management team and brought in CCN's finance and HR departments as key stakeholders. Other departments were involved as the project evolved and specialists were retained as required.

The Director of Campus Services confirms that the external reporting requirements (e.g. quarterly reports to the Association of Colleges) ensured the project remained time-bound and focused the project team on the achievement of outputs.

Since 1 September 2012, each organisation has followed on with their newly constituted, separate board of governors. The Managing Director of NES meets with each Federation head separately and attends the monthly TEN Senior Leadership Team meeting. Within CCN the Academic Management Team meets the College Principal and the NES Management Team meet with the MD each week; prior to setting up the Federation, the College Management Team comprised both academic and business support staff.

Key challenges

The key challenges have been identified as those set by pensions, finance and law.

The financial support that enabled the College to invest in a legal team from the early stages was hugely beneficial, not least because it was a new concept for them as well – “challenge everything from the legal side, ask them to think further and wider and more imaginatively”. (Dick Palmer, TEN CEO, 2012). The outcome is a legal structure which is VAT-compliant and allows flexibility

with regards to shares and pensions. Pensions required a “disproportionate” (Dick Palmer, TEN CEO, 2012) amount of time to resolve through extended meetings with the unions. In order to meet the requirements of the local government and teachers’ pension schemes, the structure of the Federation to be amended, which affected both costs and timing of the project overall. A member of CCN staff was also allocated to lead specifically on TUPE issues.

Since the launch of the Federation on 1 September, NES teams have focused on developing relationships within CAN and Wayland, working with colleagues to understand their role. The focus now is on “listening...understanding that people are going through change and need to know that we’re here to help” (Geoff Sorrell, NES Managing Director, 2012) and developing a very personal service through understanding people’s roles. There have been ‘quick wins’, for example within one school the task of submitting returns was seen as a challenging event which the College’s Planning and Funding team is now undertaking. A saving of 52 per cent on procurement has already been achieved through the Federation.

Responding to freedoms and flexibilities

Our model responds to the wider establishment of academies in the schools sector and in the freedoms and flexibilities (as outlined in **New Challenges, New Chances**, BIS, 2011) afforded to colleges in the post-16 sector. Our federation model directly responds to the call for strategic governance.

The key aim of the Federation is to improve the quality and choice of educational opportunities for learners in Norfolk through:

- a single vision and strategy for learner success across all institutions;

- shared curricula and progression routes for learners from age 5 upwards, including Higher Education in the near future;
- shared staff, resources and facilities providing a wider range of opportunities for learners both pre- and post-16;
- a collective greater influence on local educational policy and practice;
- a collective engagement with national policy and developments; and
- governance and management structures that enable effective strategic planning, relationships, oversight and accountability.

The Federation has been operating for too short a period to effectively measure its impact on learners.

The Group Chief Executive Officer of TEN considers the success of our model will be indicated by the growth of the Federation (another school has already indicated its intention to join and the UTC is on track for completion in 2014); the establishment of single contracts and service contracts; and increased outputs on progression, opportunities and economic development.

The aim of NES is to provide a quality service to Federation members. Given that organisations are starting from quite different points in terms of existing quality and service levels, NES will conduct a survey in January 2013 to set a baseline satisfaction level with a June survey conducted to measure improvement; a target of 80 per cent satisfaction level has been set.

Lessons learned

Timing

The financial year runs from 1 August, so the impact of commencing the Federation from 1 September meant that the institutions are producing accounts for one month as separate organisations. Transfer staff into new organisations on 1 April. This date creates the least issues in terms of income tax for transferor, transferee and affected staff. Involve stakeholders from the earliest possible opportunity, ensuring buy-in from the beginning.

Communication

This is key: listen and respond. Make sure the trade unions understand why you are planning these changes well before formal negotiations (as required for TUPE transfers, etc) start.

Governor and key stakeholder involvement right from the start

Create governance and management structures that enable effective relationships, oversight and accountability. The ambitions to meet the needs of learners, employers and communities in innovative and cost-effective ways required the commitment of all governing bodies and a willingness to create new governance structures. To support these legal and organisational changes, investment in the legal team is critical; this is not an area for cut backs.

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