



POST-16 AREA-BASED REVIEWS IN LONDON: A small step towards a more universal and coherent skills system in the Capital?

Final Research Report

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Ken Spours, Ann Hodgson, Paul Grainger and David Smith



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EXECUTIVE SUMMARY

This is the third and final report of the *FE Area-Based Reviews (ABRs)* in London research, a joint project between the Centre for Post-14 Education and Work at UCL Institute of Education (IOE) and the Association of Colleges (AoC). The project duration has been three years (2015-2018) and a report has been produced at the end of each year. Being the final report of the project, this report narrates not only the third year of data as the recommendations of the Area-Based Reviews (ABRs) are being implemented (or not, in some cases), but also provides an overview of the ABR process in London together with a discussion of possible directions of development.

Post-16 Area-Based Reviews were initiated in 2016 by the Conservative Government to create fewer and more viable FE providers in response to the impact of austerity policies on post-16 funding and financial difficulties in many colleges. ABRs were also expected to create closer relationships between colleges and employers in the context of the technical and skills agenda, including the launch of new standards-based apprenticeships. Other relevant policy developments have been the devolution agenda to localities and regions in key policy areas and, of course, Brexit.

This research focused on the ABR process in London (2016-2018), a particularly relevant context due to its scale (London is equivalent in population size to 20 English cities); its highly competitive post-16 market; the low baseline in terms of apprenticeships when compared with other regions of the country; the sheer number of colleges in the capital; the extent of ABR merger activity; and emergent efforts to build a skills system in the city.

The research over the three years found that the rationale for ABRs was broadly supported by different stakeholders although with differing expectations. As the process unfolded, however, the ABR exercise became

the focus of growing criticism – too much attention was being paid to the financial issues of colleges (what we have termed Logic A) and too little to the skills and progression agenda (Logic B). And, critically, the ABRs were seen as not being sufficiently comprehensive because school sixth forms were not included in the reviews. In London, as in the rest of the England, the financial and organisational rationalisation was not as extensive as anticipated. Several large groupings of colleges have emerged – a pattern of merger that is particular to London – but some of the recommended FE mergers failed to materialise for a range of different reasons. The merger picture continues to unfold. By April 2018 20 colleges had merged into eight college groupings, with 10 colleges still standing alone. While the formal ABR process was completed in 2017, in London there is an explicit post-ABR phase with the process of devolution of the Adult Education Budget and the establishment of sub-regional Skills and Employment Boards (SEBs) that are intended to take forward the technical education, skills and apprenticeship agendas under the umbrella of the Mayor's skills strategy.

Given these outcomes from a still unfolding process, how can the significance of the ABR process in London and in England thus far be interpreted? Here we argue that it is important to take a step back both comparatively and historically. Compared to the other countries of the UK (Scotland, Wales and Northern Ireland) where, over the past 10 years, there has been significant FE rationalisation and 'regionalisation', with strong national government steers for colleges in terms of skills development (e.g. outcome agreements in Scotland), the ABR process in England so far looks less planned and more voluntarist; less collaborative and more marketised. In historical and system terms the significance of ABRs in England may be judged by the extent to which they have reflected or challenged

the dominant incorporation model of FE colleges that has held sway since 1993. In this regard, ABRs could perhaps be seen as a catalyst for a very modest move away from competitive, individual institutional thinking and behaviour towards a more coherent and collaborative local and regional approach to skills development. It could also be argued, however, that this tentative step in a new direction has also been affected by the greater national profile accorded to skills development, and the role of colleges within this, that coincided with the ABR agenda.

Evidence at the end of three years of research in London suggests that issues of institutional financial viability in the context of continued austerity and a competitive post-16 market (Logic A) still remain strong. At the same time, however, FE providers are increasingly becoming involved in webs of collaboration and regional/sub-regional skills strategies with a focus on progression pathways and technical specialisation (Logic B). However, opinions differ as to the balance between the trajectories of the two logics. Some want to push more strongly towards greater sub-regional and pan-London co-ordination, while others place greater emphasis on the

freedoms of colleges to decide their own relationships and priorities. What is clear, nevertheless, is that the balance of language and discourse has shifted significantly, with a much greater emphasis on collaboration than competition. In this sense, the marketised orientation of the English FE sector may be weakening, but the evidence for the emergence of a more planned, coherent and collaborative FE 'system' remains at best partial.

Through the ABR process, England may have taken a small step in the collaborative direction, although it still stands out as different from the other countries of the UK. The current situation suggests that English FE finds itself in transition between an increasingly worn out competition logic and relatively new but weak patterns of collaboration. How far this remains the case will depend on how far the partnership agenda accelerates as a result of devolution and the post-ABR arrangements, urged on by a Brexit process that will inevitably place an increasing emphasis on home-grown skills and the need for more and better technical and vocational education.

PART 1 – CONTEXTS

The English policy and political contexts for Area-Based Reviews

ABRs could be seen as the direct result of four related policy contexts – economic austerity and its effects; the reform of technical education and apprenticeships, the local government devolutionary agenda; and the continued academisation of secondary schools. These four policy influences would be played out at differing points in the ABR planning, the review process and its immediate aftermath (2015-2018).

Undoubtedly, the main driving force was the Conservative Government policy of austerity with the need to reduce costs in post-16 education. The decision to launch Area-Based Reviews was taken in a climate of economic difficulty for colleges in which, in 2015, the National Audit Office had warned of rapidly deteriorating college finances (NAO, 2015). The anticipated economic outcome of ABRs was a move towards ‘fewer, larger, more resilient and efficient FE providers’ by reducing backroom costs and the duplication of provision (Boles, 2015). Our research reported here suggests that the financial motive for college reorganisation would become a key driver throughout the ABR process.

The second factor, and the one most favoured in the Government’s narrative, was the context of the ‘vocational turn’ in policy, which became even more dominant after the Brexit vote in 2016. The larger institutional formations that might result from ABRs were seen as having the potential to respond more ably to employer needs on a sub-regional or regional basis and to create higher quality progression routes to employment for young people and adults (Collins, 2016). In its policy document *Reviewing post-16 education and training institutions* (BIS, 2015) published in July 2015,

the Government argued that ABRs would contribute to the Government’s productivity plan, *Fixing the foundations – creating a more prosperous nation* (HM Treasury, 2016), by supporting the development of clear, high quality professional and technical routes to employment and better responsiveness to local employer needs and economic priorities in the context of devolution deals for Greater Manchester, London and Sheffield around the local commissioning of adult provision. Thus ABRs need to be seen as contributing to a wider policy agenda on the reform of technical learning and qualifications and the creation of 15 technical routes (DfE, 2016) and the move from apprenticeship frameworks to a new standards-based apprenticeship model (BIS, 2015). Both these reforms are focused at the higher technical and vocational levels – 3, 4 and 5 – thus suggesting the opportunities for colleges to partner with both large and small companies, as well as higher education institutions (HEIs), in building the skills escalators from Level 2 to Level 6. This wider policy, however, would not prove as influential in the London ABR process as government rhetoric in 2015 might have suggested.

The third policy context concerned the ‘devolution agenda’. The Cities and Local Government Devolution Act 2016 was designed to introduce directly-elected mayors to combined local authorities in England and Wales and to devolve housing, transport, planning and policing powers to them. The London devolution deal also included the devolution of the Adult Education Budget (AEB), discretionary support for 19+ learners and the creation of a Skills Commissioner for London. The London boroughs, together with the Greater London Authority (GLA), submitted to government a number of plans for sub-regional development within the London Skills Devolution Plan (London Councils and London Enterprise Panel, 2015). The devolution agenda would not feature strongly during the ABR process, but would come to the fore in its aftermath.

The fourth policy influence was indirect, yet powerful. Academisation of secondary schools and proliferation of new sixth forms presented a challenge, in particular, for sixth form colleges (SFCs). Schools, unlike SFCs, were not required to participate in the ABR process but their absence would be continually referred to throughout the research. This would prove to be a relatively silent but nonetheless influential background factor fuelling perceptions that the ABRs would fall well short of being full Area-Based Reviews.

While the relevant policy contexts have remained fairly stable since 2015; political life has become much more unpredictable although actually quite helpful to the skills agenda. Since the inception of ABRs there has been an EU referendum vote (June 2016) and a general election (May 2017). While the precise nature of Brexit outcomes remains unclear (e.g. hard or soft Brexit), either path will focus attention back on UK skills. The outcome of the General Election produced a Conservative minority government dependent on support from the Northern Ireland Democratic Unionist Party (DUP), followed by shifts towards Labour locally and regionally. Mayism, as the latest incarnation of Conservatism, has attempted to balance different wings of the Conservative Party and to garner UKIP votes. The result has been a 'soft nationalism' (Kenny and Pearce, 2017) that has employed a mild regulatory discourse marked by a shift in tone away from competition and towards the themes of collaboration and national interest. This, together with the strengthening of the devolution agenda and the growing role of Labour in the city regions, arguably points to a greater emphasis on a more co-ordinated approach to FE and skills at the local and regional levels in the future; this was a theme that was to come through strongly, particularly in the third and final year of the research.

The wider UK context – the English approach to ABR compared

However, the ABR process in England up to 2018 continued to reflect historical assumptions about FE college autonomy with an emphasis on a rolling programme of local and institutional decision-making. The first wave of ABRs began in September 2015 with five further waves beginning every three months until December 2016. All ABRs were initially expected to be completed by March 2017, although implementation of their recommendations would potentially take substantially longer. Each ABR was expected to last three to four months and to consist of five steering group meetings – analysing the context; identifying opportunities for improving and rationalising curriculum; reviewing the potential for estate rationalisation and for delivering more efficient back office services; analysis of feasible options and recommendations; and, finally, feedback on decisions from colleges and a discussion on implementation. After the fourth meeting, college governing bodies were required to decide whether they agreed with the recommendations for their organisation and, if not, they would need to provide a rationale for why a particular college did not support the proposals.

College mergers have already taken place in the other three countries of the UK under the banner of 'regionalisation'. In Northern Ireland in 2007, a total of 16 colleges were merged to form six 'super', area-based regional colleges that kept local campuses and had a focus on economic and social regeneration. In Scotland in 2013 some 40 colleges were merged into 12 large regional institutions with a number of smaller ones being retained in the remote north and islands. In Wales since 2008, a total of 35 colleges have been merged into 20 organisations. In both the Scottish and Welsh cases, these reforms were characterised as 'post-Incorporation' because of the changes

to college governance that accompanied regionalisation (Hodgson and Spours, 2017).

In comparison to the nationally-led, 'co-ordinated' approach in the other countries of the UK, the ABR strategy in England looked relatively permissive and unpredictable. The English approach to rationalisation did not employ such a planned approach, nor did it make commitments to the concept of regionalisation. Interestingly, official policy documents of 2015/16 did not make any reference to the FE rationalisation process in Scotland, Wales and Northern Ireland. Instead, the language of institutional autonomy was retained, although there would be a 'steering' role in the form of the FE Commissioner. College governing bodies were free to reject ABR recommendations and, as it has transpired, to do so with little financial risk. As we will see in Figure 2, the English voluntarist approach to ABR would result in a number of college groupings, but this still does not constitute the type of nationally-led, planned 'FE system' that has been the case elsewhere in the UK.

The London context

London is unique within the UK due to its size (its population is equivalent to 20 English cities), the dynamism of its economy and the projected population growth from 8.7 to 10.5 million over the next 20 years. Overall, it is a very wealthy city, but also highly socially polarised with large pockets of poverty (Trust for London and New Policy Institute, 2016). It also has particular education and training specificities – high post-16 participation rates particularly in GCE 'A' Level provision; a highly competitive post-16 market enabled by good transport links with over half of learners travelling beyond their borough boundaries; and compared nationally, a large proportion of 16-year-olds accessing school sixth forms, although this falls away at 17+. At the same time, the role of the FE sector has declined in terms of 16-19 participation and there are low levels of apprenticeships compared nationally

(Thompson *et al.*, 2016). This is due to the fact that London employers, particularly in the financial and technology sectors, tend to recruit graduates. Put another way, for a dynamic global city, London has a relatively under-developed technical and vocational sector – a factor very relevant to ABRs.

Conscious of these city-wide characteristics, the GLA, in conjunction with a range of major stakeholders, developed a city-wide *Skills Vision* (GLA, 2016) to meet the needs of an expanding and increasingly diverse population and a vibrant but rapidly changing economy. This has been further elaborated by the Mayor's *Skills for Londoners: A skills and adult education strategy for London* (GLA, 2018a).

There were attempts at London-wide co-ordination of the ABR process through, for example, a London ABR Steering Group tasked with overseeing the sub-regional reviews and ensuring that the recommendations and outcomes of the reviews were coordinated. However, this committee and the city-wide frameworks did not appear to have strongly guided the ABR process in London in 2016. This may have been due to a confluence of political, organisational and governance factors – London's Mayor, Sadiq Khan, was elected part-way through the ABR process so could not become directly involved; the ABR process itself was devolved to four sub-regional levels and, most importantly, the responsibility for the review lay with the review groups and the FE Commissioner. It is quite possible, however, that these city-wide frameworks will prove more influential in the post-ABR period which will coincide with the AEB being devolved to the regional level.

London was also unique in another sense. In anticipation of things to come, just over half of the colleges in London were involved in discussions about alliances, mergers and federations prior to the ABR process, so much of London's new FE organisational map had started to be drawn before a single official meeting took place. In the event, the London

ABRs involved 30 general further education colleges (GFEs), 12 sixth form colleges (SFCs) and five specialist-designated institutions (SDIs) that chose to opt in to the process. A separate review of adult and community learning (ACL) provision was undertaken due to interest from ACL providers. Because of its size and the number of institutions involved,

London structured its ABR process around four sub-regional reviews – West, Central, East and South (see Figure 1). The reviews of West and Central London began at the end of February/early March 2016 (Wave 2) and East and South London in May 2016 (Wave 3), following the Mayoral Election.

Figure 1. London Area-Based Review sub-regions



Source: GLA/London Councils, 2016

Each of the review groups published its ABR report in February 2017 (see www.gov.uk/government/collections/post-16-education-and-training-area-reviews).

These contained background information on the respective London sub-region – its demographics and the economy; patterns of employment; sub-regional priorities; and the quality and quantity of current provision and providers. The reports proceeded to articulate the case for change and suggested recommendations largely concerning FE college mergers/alliances, the academisation of SFCs and the position of stand-alone institutions. The organisational recommendations appeared, in some cases, simply to support merger discussions by colleges prior to the ABR process, although there were hotly contested recommendations, notably in the south and west sub-regions.

However, the future organisation of provision and the lines of specialisation were not, by and large, discussed. The implications of the reorganisation proposals for provision at each

of the levels and in full-time and work-based learning would be taken forward by the new sub-regional Skills and Employment Boards supported by the London Economic Action Partnership (LEAP), the Skills for Londoners Taskforce and, in some cases, by ABR transition grants worth between £50,000 and £100,000.

The multiple contexts for ABRs in England and London pointed to a potentially ambiguous and unpredictable process in which the historical forces of institutional autonomy and competition would meet up against a new emphasis on co-ordination and collaboration. Crucially, and for a complex set of political reasons, there would be no strong leadership either nationally or regionally to tip the balance one way or the other. As we will see, ABRs in London set out on a journey that has thus far involved advances, retreats, twists and turns and is far from complete.

PART 2 – RESEARCH APPROACH AND THEORETICAL FRAMEWORK

Research approach

This three-year collaborative research project (September 2015-August 2018) aimed to capture the views of key stakeholders as the ABR process in London evolved. The longitudinal approach to the project allowed researchers from the Centre for Post-14 Education and Work, in collaboration with AoC London, to monitor whether and how the perceptions and actions of key actors changed over time. The fieldwork over the three years revolved around three key research questions.

1. How did the various social partners perceive the forces behind ABRs and what hopes did they have of the process?
2. What were their perceptions of the changes that took place to FE organisation in London (2016-2018) as a result of ABRs?
3. What views did they have of the post-review period and where it might lead?

The overall research approach comprised four elements 1) documentary analysis particularly in relation to policy developments; 2) interviews with key policy actors on the London ABR process (i.e. GFE and SFC principals and chairs of governors; college

curriculum specialists; chairs of the four sub-regional ABR committees; and the DfE Joint Area Review Delivery Unit (JARDU); the GLA and London Councils); 3) seminar consultations with college staff responsible for the curriculum, together with feedback seminars and conferences that also responded to published annual research reports; and 4) an international comparative aspect in 2018 through a link-up between the London/England ABR research and a neighbouring project 'FE and Skills Across the Four Countries of the UK'.

All interviews were semi-structured and carried out by one researcher from the UCL IOE Centre for Post-14 Education and Work, except in the case of the sub-regional chairs, where two researchers were sometimes deployed because of the significance of these interviews. This fieldwork started in April 2016 when the ABR process was already underway and was repeated in the Spring of 2017 (when the formal ABR process had been completed) and in Spring 2018 when the main focus was around the aftermath and implementation. Notes were made at these interviews and were shared with interviewees to ensure accuracy. In all cases participants were assured of anonymity, although in the case of the regional chairs this is likely to be more difficult and they were informed about this issue. Interviewees were also given the opportunity to comment on or amend the reports that resulted from these first three strands of the research project prior to publication.

Year 1 – 2015/2016

The first year of research drew on the analysis of relevant national, regional and sub-regional documentation on the London ABR; an initial scoping seminar for London college principals and chairs of governors held at UCL IOE in October 2015; four seminars (one in each of the London sub-regions) for those responsible for the curriculum in London colleges; individual interviews with the principal (and in some cases the chair of governors) of one GFE and one SFC from each of the four

sub-regional areas (eight colleges in total); a representative from the GLA and the Joint Area Review Delivery Unit (two interviews in total); and three of the four chairs of sub-regional ABR committees (the fourth chair declined to participate). This fieldwork was carried out between April and July 2016 when the ABR process was already underway. The main focus of the Year 1 research was on the ABR process itself.

Year 2 – 2016/17

The second year of the project started with a seminar in October 2016 held at UCL IOE where the findings from the report of Year 1 were disseminated and discussed. The seminar was also used to further shape the research for Years 2 and 3. This was followed in Spring 2017 by a second series of interviews with the same set of interviewees after the publication of the official London ABR reports in order to gather participants' views about the decisions and recommendations. These interviews were followed by a conference in July 2017 to disseminate the findings to date.

Year 3 – 2017/18

The third year of research involved documentary analysis of the wider results of ABRs across England to compare the London process nationally; a final set of interviews with a selection of college leaders; representatives of pan-London organisations; and the chairs of the four regional sub-boards, focusing particularly on the follow-on arrangements and the extent to which ABRs had been affected by technical education and apprenticeship reforms. In 2017/18 the London ABR research was also cross-referenced with a UK-wide project – *FE and Skills Across the Four Countries of the UK* – to strengthen the comparative theoretical framework in order to assist conceptualisation of the overall effects of England's ABRs in wider political and governance terms.

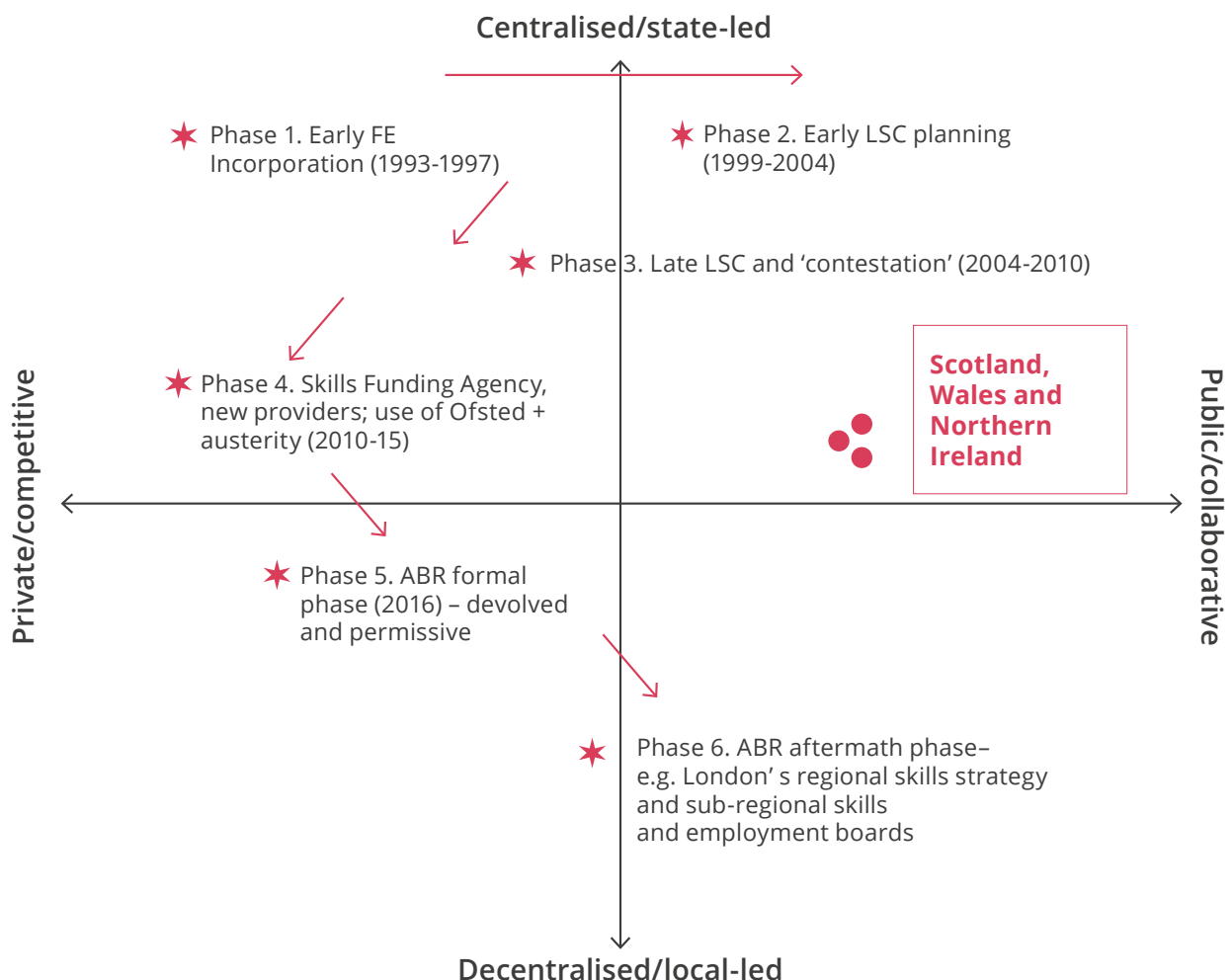
Theoretical framework

The theoretical approach underpinning this research is historical and system-based. The theoretical framework illustrated in Figure 2 uses two fundamental dimensions – private/public (economic) and centralised/de-centralised (political). These dimensions are represented by two intersecting axes (adapted from Newman, 2001: 97; Pullen and Clifton, 2016: 17). The centralised/decentralised axis is a political continuum that represents tension between top-down managerialism and more devolved forms of power within the modern expanded state. There has been a constant tension between the poles of this axis resulting from a struggle between forces for centralisation

or decentralisation, with the centralising tendency having been more dominant over the past 35 years despite rhetoric from successive governments that they wish to devolve powers to the local level (Hodgson and Spours, 2012; Keep, 2015). The private/public axis is an economic continuum that has been shifting over the past three decades, in this case to a more marketised and less public economic life (Keep, 2016).

These dimensions are used in order to track the historical development of English FE – a part of the education system that has been both highly marketised and heavily centrally steered – in order to situate the ABR phase in historical system terms. The diagram also situates the FE systems of the other countries of the UK in 2018.

Figure 2. English FE 'system' trajectories 1993-2018



In historical terms, the application of this framework suggests five phases of further education since Incorporation in 1993.

- Phase 1 (1993-97) Early Incorporation was highly fragmentary but also heavily steered by the FEFC – a demand-led crisis led to New Labour’s more managed approach.
- Phase 2 (1999-2004) The ‘John Harwood’ planned early LSC approach with 47 local arms.
- Phase 3 (2004-2010) The ‘Mark Haysom’ phase of ‘contestability’ of FE and the return of a mild marketisation – heavy financial investment in FE.
- Phase 4 (2010-15) The Coalition era marked by the ‘bonfire of the quangos’ and introducing new providers, but colleges continue to be steered by Ofsted and

funding. Coalition period also marked by austerity that eventually creates a funding crisis requiring rationalisation and the birth of the ABRs.

- Phase 5 (2016-18) English ABRs are relatively devolved but with a limited financial focus (Logic A), possibly, however, leading to more co-ordinated local outcomes (Logic B) and a Phase 6.

The analysis contained in Figure 2 also suggests that the ABR process represents a shift in the character of English FE away from a strong marketisation approach. However, compared to the centrally driven planned approach in other countries of the UK, it is not a noticeably planned and collaborative FE system. We return to this point in the final section of the report.

PART 3 – FINDINGS FROM THE LONDON RESEARCH 2015-2018

Approach to reporting findings

This part of the report comprises three parts. In an FE system that appeared poised between competition and collaboration, it was quite possible that there might be differences of emphasis and priority of the various actors involved. The three-year duration of the research offered the possibility of mapping the perceptions of the different stakeholders over time as the ABR process moved through its various phases. The first section therefore focuses on the views of the different actors – notably those within colleges, distinguishing between general further education and sixth form colleges, and those at a local authority/ regional level. These actor-based perspectives have been tracked over time and reported as Years 1 and 2 and then Year 3. The final part of the section summarises the evolution

of stakeholder views over time and briefly compares the London ABR experience with that of ABRs in the rest of England so as to assess typicality or difference.

Stakeholder views 2015-2018

Principals/governors of general further education colleges

Years 1 and 2

A necessary exercise with potential benefits

In 2016, at the beginning of the ABR process the leaders of GFEs in London were broadly supportive of ABRs because of the perceived need to examine college finances, core missions, structures and areas of college specialisation. They recognised that ABRs

were a necessary move to financially strengthen FE and to improve both its national profile and its relationship with employers and economic life. ABRs were viewed as a catalyst for this discussion rather than a cause. Beyond this, however, the various colleges found themselves in highly differentiated situations particularly in the light of the initial emphasis of the ABRs on financial viability. Each college had its own particular agenda according to financial health; its Ofsted grade; its position within the education and training market and its relationship with surrounding providers.

By the second year this view remained broadly unchanged. ABRs continued to be seen as a galvanising process to strengthen the FE sector with one principal commenting:

“The principle of the ABR is probably a good one; there is a need for reform and a need to strengthen the further education and skills sector. It has now been accepted that the ABR process needed to happen.”

Furthermore, some college leaders recognised that it had been good to bring local authorities to the table to address skills issues together. As another principal put it:

“Local authorities are not a threat; they have no resource to take over FE. There is a need for colleges to work in social partnerships to build the skills required to meet the needs for jobs, apprentices and TVET in general.”

In reality, ABRs were becoming a weak and disappointing process

While supportive of the broad aims of the ABR, GFE leadership was critical of the process from the beginning – the meetings were seen as slow and cumbersome with the prospects of producing little of value. Moreover, they were conscious that many colleges had already taken the initiative to initiate merger or alliance talks and the prospect was that ABRs would simply support these. This criticism of the ABR process was repeated in second year interviews – it was viewed as either too top-down or chaotic and

lacking power to make decisions stick. One college chair of governors had become quite disillusioned:

“The ABR lacked the muscle to make key decisions and make them stick. What it could do was to get behind the voluntary decisions that had already been made and then claim them as decisions made as part of the ABR.”

Year 3

Have ABRs made any real difference?

By the third year there was a continued perception, reflecting earlier observations, that the ABRs had been excessively focused on college finances (what we had termed Logic A) and this had distracted attention from learners and employers. It was not surprising, therefore, that there was little discussion of government vocational qualifications policy, T Levels and the curriculum at the different levels.

Taking into account the dominance of Logic A, and looking back over the ABR process, there was a general perception that the ABRs had made little real difference, not least because many London colleges had anticipated ABRs and initiated a series of merger discussions that ABRs, in some cases, simply supported.

However, even amongst this small sample of college leaders there were differing shades of opinion. The first and most prominent view was that despite the proactive approach of some colleges ABRs had not resolved any of the difficult organisational issues involving both GFEs and sixth form colleges across the capital, reflected in the remark that: *“the whole thing is still largely about preserving institutions rather than bringing coherence to the education and skills system in London.”*

Another put it that the ABR “was the dog that did not bark”, referring to a number of potential merger arrangements that fell apart. One principal/CEO went as far as to argue that ABRs had had negative effects.

“The outcome has been confusion, lack of clarity and distressed working partnerships. Where partnerships were already dysfunctional the ABR process has exacerbated those divisions.”

On the other hand, there was a recognition that ABRs had led to a more differentiated London FE landscape with the emergence of a number of large college groupings that were able to discuss, for example, the proposed specialist Institutes of Technology.

The consequences of increased college size and the relationship with local and regional government

As a result of ABRs colleges in London have become bigger as they have organised into groupings, but these types of mergers allow the individual colleges within the group to maintain some local identity. Due to their increasing scale their general and specialist ‘footprints’ can be simultaneously local, sub-regional and regional. While the issue of college size and spatial identity is not new, ABRs have made it more prominent.

Differences in size have meant that colleges have been finding it challenging to navigate the new local government terrains. Some are very closely tied to a particular local authority while others perceived difficulties concerning the lack of symmetry between the college that is spread over a large area and a local authority that runs very local services for its citizens and support for its businesses.

Amongst all of this, during the research, differing views emerged about the role of local authorities and regional government. While some embraced the idea of regional or sub-regional skills leadership, others wanted to see a more equal relationship between colleges and local government. This was articulated through the perception that, despite the ABRs, colleges were still not being invited to the major decision-making fora. As one principal complained:

“University vice chancellors are trusted, yet college principals are not, even though they

have established a good track record of policy implementation.”

Others would be happy to see a more regional plan with one interviewee stating that the Mayor’s Skills Plan for London, rather than the ABR, would be setting the future direction. In this regard comparisons were made with other countries of the UK – Scotland in particular – in making the comment that London thus far had no clear regional rationalisation strategy. According to one college leader, the number of colleges should be reduced to five groupings – one in the centre and one in each of the quadrants – accountable to the Mayor and the regional skills agenda.

There was, nevertheless, some emerging evidence that post-ABR structures might work and produce an improved level of consensus amongst college leaders. All were clear that a greater focus on employer partnership working was vital. There was some recognition that progress had been made at the sub-regional level in one quadrant in particular as a result of *“powerful and visionary civic leaders”* bringing social partners together and establishing a sense of direction. But even here there were perceived challenges of working with the regional level and the Mayor’s skills strategy, partly because the join between the sub-regional and regional levels was not clear, along with a lack of clarity of relationship between these levels of local government and the new college groupings.

Institutions and their leadership personalities remain very strong

The fact that some colleges merged and others did not was, it was claimed, often down to the views of particular college leaders and their ‘management personalities’. This view was not only found in the college-based interviews, but was even more strongly held by local government representatives. Large college formations have become very powerful. At the same time, however, size presents new internal institutional challenges. When talking about collaboration some college leaders were referring to ‘internal’

collaboration – they noted that the increased scale of colleges meant the need for a greater recognition of the different cultures, specialisms and community relations of each of the college sites. As a consequence, larger colleges were perhaps placing less emphasis on a single, common college culture (apparently much regarded by Ofsted) and seeing the role of the contemporary college as promoting varying relevant local and employment cultures at different sites. The proposal that Lambeth College join the London Southbank University family of institutions, joining a further education institution to a university, adds a further layer of complexity to the identity of merging institutions. As we will see in the final section, an appreciation of colleges as complex organisations embracing a range of cultures also has implications for college leadership and a more distributed management style including the role of governors. Local government leaders indicated that the scale of the large college formations could lead to governors being less directly accountable to localities. Indeed the merger of Lewisham Southwark College with the Newcastle College Group indicates a move towards a change in the nature and scope of governance.

Sixth form college principals and governors

Years 1 and 2

Feeling on the edges of the process

Sixth form college leaders had a different perception at the beginning of the ABR process – initially feeling on the edges of the ABR process due to its vocational focus, whereas most sixth form colleges (SFCs) are overwhelming oriented towards general education.

“The involvement of sixth form colleges appeared to be an afterthought. One had to question why sixth form colleges were at the table. We did not feel part of the process. We

were required to consider various propositions all of which came to nothing.”

Nevertheless, many London SFCs had built considerable volumes of vocational provision over a number of years, one having left the GCE ‘A’ Level market altogether, and felt they had something to offer the skills discussions in London. However, London SFCs were not part of the initial voluntary merger discussions and faced a specific set of challenging conditions – with government preoccupied with academisation (it transpired that no London SFCs opted for academy status), financial issues and pensions. Several London SFCs are Catholic and therefore Diocesan factors came into play, with the governing bodies of these institutions not having the same freedoms as those from other FE and sixth form colleges. When interviewed in the first year, SFC leaders argued strongly for the need for 11-18 school involvement and a review of general education provision not just vocational. All were clear though that the SFC experience is distinctive for those learners that enrol on SFC provision, there being a focus on the needs of 16-19 year olds in much smaller learning communities.

ABRs turned out to be a better experience than expected

Despite these specific conditions, those interviewed in the second year thought that the ABR had turned out to be more useful than they had at first thought because it had brought SFCs and school sixth forms into view and, in some cases, had stimulated a more collaborative environment.

One Chair of Governors commented:

“The process has brought people together, chairs and principals from the sub-regions in particular, and this has helped them to look beyond the boundaries of the institution and consider wider regional needs. It has forged new relationships.”

One London SFC grouping was established during the ABR process, with a focus

on collaborative quality assurance and Continuing Professional Development (CPD), whilst the Catholic SFCs seriously explored their own governance models. The ABR process also provided the forum in which to establish a regional understanding of the distinctiveness of SFC provision.

Year 3

Nevertheless, it was a lost opportunity

By the third year there was a view (albeit based on a smaller and not very typical sample) that ABRs had recognised the independence of SFCs and had not forced through mergers. At the same time, ABRs were seen as a missed opportunity to look holistically at skills and qualifications opportunities in the local area and that there needed to be more flexibility in the national apprenticeship system and in the GLA strategy – both looked top-down from the SFC perspective. Principals of SFCs reported that they remained open to more collaborative models of working with other SFCs and with larger FE colleges in their localities. They had a fear that they might get lost between the academic focus of school sixth forms recruiting from within and larger vocational, skills-focused FE colleges recruiting the vocationally committed and those learners seeking skills at higher levels. SFCs would welcome local collaborative models that promote 16 plus progression for all learners. One principal said that the ABR “... *could have been a ‘consultation’ and a consideration of various modes of collaboration.*” Greater consideration of Logic B, with preparations for apprenticeship and T Level reforms, would have been welcomed by SFCs providing local solutions to local needs.

One SFC principal concluded that:

“The ABR let FE colleges think much grander thoughts about large organisations and as such the ABR could have led to missing the point at a ‘local’ basis.”

FE curriculum leaders

Years 1 and 2

A desire for curriculum development and network building

In the focus groups in Year 1, FE curriculum leaders across the four London quadrants had raised the issue of the potential costs of mergers and lack of organisational stability at a time of considerable national policy change. Like the SFC leaders, they stressed the importance of a focus on curriculum and quality going forward. They pointed up the need for pan-London college collaboration and building a capital-wide network; a discussion of specialised and niche provision and the creation of clear progression routes/road maps for learners (particularly from the lower levels) and regular feedback to staff in colleges. These issues raised by curriculum leaders were echoed in the seminars in the second year. However, with the experience of the first year of the ABRs, curriculum leaders’ views became increasingly wide-ranging and strategic regarding the ABR process as a whole. They wanted to see more discussion about what defined a specialism; the role of proposed specialist institutions such as Institutes of Technology; and issues of learner mobility across London and not restricting access to provision. They were strongly of the opinion that developing specialisms was partnership-based rather than just a single college activity.

Unfinished business

Curriculum leaders were not interviewed in the third year. However, their views (overwhelmingly associated with Logic B) were echoed by other stakeholders as they continued to complain that issues of learner progression, the development of the curriculum, specialisation and employer relations had hardly been addressed in the finance-dominated ABR process. These critical economic productivity-related issues – that according to government rhetoric were

arguably the main strategic reason for the reviews – would be left to be the post-ABR deliberations.

Local and regional government actors

Years 1 and 2

Colleges are well placed to meet the needs of the community and local business

The starting point for local authority representatives was somewhat different than that of the colleges, because of their responsibility to local residents, their children and economic and social actors such as local businesses. They were also acutely aware of the complexity of London and the importance of factors such as transport and housing and travel-to-learn-and-earn patterns.

Arguably for the first time since Incorporation, ABRs in London brought colleges and local authorities into a strategic dialogue. Local civic leaders chaired the four sub-regional meetings and the ABRs were seen as an important, valuable and unique opportunity to look at colleges, post-16 provision, and how to match this to employer and skills needs as well as to the demands of young people. Colleges were also viewed as well placed to support the development of skills, communities and local economies and to respond to a local authority priority about improving the life-chances of young people. So, ABRs brought colleges into the line of sight of local authorities, whose education agenda had previously been dominated by their local schools.

Colleges are often too competitive and not sufficiently engaged with the local economy

The appreciation of an opportunity for a new dialogue, however, was also accompanied by criticisms that FE colleges were not meeting the needs of residents and local businesses. Local authority representatives

complained that they were too competitive when they should be more collaborative; relatively knowledgeable about each other from a competitive perspective, but less knowledgeable and engaged with the local economy, employers and, in some cases, the local community. FE colleges in London were seen as having a relatively weak relationship to the regional economy compared with other parts of the country. The local authority argument was that it had been too easy for them to respond to a vibrant full-time student market (aided by FE funding mechanisms) to grow and to reduce unit costs (the 'Incorporation' logic). Prior to the ABR process, local authority and college relationships varied across the capital – some were very close, but others were virtually non-existent or even hostile. The scale of London and travel to work patterns makes it more difficult for colleges to focus on 'regional' employers in the way that provincial colleges can. The very scale of London is a limiting factor here.

The ABR process was perceived to be too narrow and too short to consider the strategic issues

Given the complexity of London, the ABR process was viewed as rather rushed, with a limited number of meetings and an (overly) dominant steering role for the FE Commissioner. As with college leaders there was a perception that the ABRs had been focused too much on college financial viability without sufficient holistic understanding of the structural factors affecting the economy, people's lives and post-16 provision in the capital. Consequently, it was felt that there was a need for greater employer and community voices to balance the dominance of provider representation. Accordingly there was a view that the ABR process should be extended to involve the views and priorities of the new Mayor and an expectation that the legacy of the ABRs would last significantly beyond the official end of the official process.

Regional actors wanted to see an FE system working with London-wide complexities

Other regional actors were interviewed – The Joint Area Review Development Unit (JARDU) and the Greater London Authority (GLA). The JARDU representative saw its role as a ‘facilitator’, making sure the process was working and bringing it to a helpful conclusion. Officials were pleased that mergers and strategic alliances were taking place as the ABR process proceeded. They also emphasised the fact that London has its own vision for skills and saw the ABR process as being very much tied up with the Government’s devolution agenda. The GLA was aware that the ABR had not fully addressed the curriculum and provision issues and that this challenging aspect required further work.

Both organisations wanted to see a better recognised role for colleges in creating higher status progression routes with HEIs and employers; the development of FE centres of excellence across London; and colleges that were more aware of their sub-regional and regional mission.

A sense of missed opportunity

By Year 2, the ABR process had confirmed local and regional government hopes and fears for greater partnership working. On the positive side, the ABR had encouraged dialogue and relationship building:

“By the penultimate ABR steering group, the principals were talking to each other in a much more collaborative way and the relationships between local authorities and colleges had really strengthened, which was seen as particularly important – this was not happening in all LA areas before.”

However, these actors confirmed the dominance of the focus on college finances and that the process was too rushed and had not been able to confront the complexities of skills needs in London. In particular, they highlighted some notable cases of college autonomy where at least two colleges had gone against the expressed view of the local

authority and the FE Commissioner. This had highlighted the limits of both the ABR process and of local authority influence, which was a source of some irritation and frustration:

“There has been far too much concentration on financial issues rather than creating a system fit for learners and the local economy. It has ended up like a series of deals that have been concocted behind closed doors, where the sub-regional boards and FE commissioner have been asked to sign these off. There have been no serious challenges to these deals despite the fact that in some cases they do not made a great deal of local sense.”

There was a strong sense of a missed opportunity in terms of discussion about specialisation, employer demand and meeting the needs of the sub-regional and regional economies and surprise at the amount of autonomy FE colleges have:

“There is a gap in the type of FE provision that is offered and what employers want so the ABR in my view was about how we make sure that the FE colleges have the right curriculum for business. However, before I started this work I had not understood how independent colleges are. I underestimated the self-interest that they would show.”

Year 3

More joined up thinking is emerging

By Year 3, and where there was strong sub-regional leadership, there was a perception that some progress was being made. There was a sense of enhanced “joined up thinking”, with participants coming to a consensus on what is to be done to create more choice and flexibility of provision as well as a greater understanding of the skills needs of the sub-regions. The process has also been a step in the direction of devolution, starting with the Adult Education Budget. Overall, local authority and regional representatives saw more collaboration taking place, but not on the scale that had been envisaged at the beginning of the ABR process. And within this, the role of the ABR itself in

bringing about this type of new thinking was questioned. One sub-regional representative reflected wearily on the ABR process:

“I wouldn’t say that the ABR was driven by anything except finance – it was about mergers and structures – the idea that big is beautiful.”

The process had no teeth and colleges could reject the findings of the ABR committee

At the same time, while the prospect of dialogue had improved, there was a view among sub-regional representatives that the ABR process had been of little consequence with regard to mergers: individual colleges had made their own decisions and the Review was flawed by having no teeth; the high expectations of ABRs were not fulfilled and colleges too often were guided by a sense of what was best for their learners and their college.

The sub-regional Skills and Enterprise Boards and future trajectories

Given the under-development of the skills discussion in ABRs, a key to the future was seen to be the Sub-Regional Skills and Employment Boards and working out a relationship with the Mayor’s skills strategy and the GLA regional approach. However, there was a perception by some that the London skills strategy had become ‘top-down’ and that a more equitable relationship needed to be established between the local, sub-regional and the regional levels. Moreover, views were articulated that the area-based approach had to become more comprehensive in the post-ABR phase – that it was important to involve 11-18 schools and not only the large companies, but also the thousands of SMEs that are contained in each of the sub-regions.

The different sub-regional boards are, nevertheless, at different stages of development. There is also a view coming from both the sub-regional and regional levels that the next stage will need to involve some alignment of developments with the new T Levels and apprenticeships, something that has not taken place so far.

There may also be differing views emerging regarding the nature and role of partnership and issues of skills supply versus co-production. The dominant discourse currently is what might be termed ‘inclusive skills supply’ in which the role of FE colleges is to provide skills development opportunities and progression ladders to meet the needs of employers and the community. A less dominant view, but one which is likely to prove more sustainable in the future, is that that a new vocational system should be co-constructed between the social partners in order to produce skills development opportunities that will result in local people obtaining jobs and progressing within them.

The evolution of stakeholder views over time (2015–2018)

Despite the fact that different stakeholders in the ABR process took differing perspectives based on the nature of their organisation and role, there were some commonalities of view throughout.

It would be fair to say that all parties had invested hope, from their own perspective, that some kind of coherent FE system would emerge in London. This accounts for the high degree of consensus at the beginning that ABRs were needed. However, this soon gave way to a realisation that college financial viability discussions would dominate (Logic A), given the context of continuing underinvestment in the sector, and that the anticipated discussions about learner progression routes, specialisation and skills needs would be delayed or relegated.

Amongst those anticipating organisational change there was also a growing scepticism as to whether any real change would emerge in London. While the proactive approach by London colleges marked it out in the early phase of ABR, leading to several new FE groupings, this anticipation of change was fading in the second and final years of

the research as it became clear that some reorganisations had stalled. There was also a widespread perception that the ABRs were far from comprehensive in terms of post-16 provision and that schools remaining outside the discussions would limit the degree of change required.

As the post-ABR scenario came into view, so attention started to turn to the Mayor's skills strategy and the role of sub-regional Skills and Employment Boards. Perhaps at this point, perceptions have started to diverge more with some wanting to see very clear regional leadership while others emphasise a more devolved approach – more trusting relationships between colleges and the new regional and sub-regional structures and a more balanced relationship between the region and the sub-region. Much will now depend on how the new regional and sub-regional structures and strategies develop during 2018 and how far they engage with the new college groupings.

What has happened elsewhere in England?

Area-Based Reviews in England that ran from September 2015 to March 2017 had a central aim of reducing the number of FE institutions while also meeting local skills needs and increasing the level of specialisation in the

FE sector. The experience across England was that the reviews took longer than the three months envisaged due to the complexities of the process and political tensions, particularly in the Manchester review. ABRs produced fewer mergers than the 80 originally envisaged with 52 being planned and of these no fewer than 15 have collapsed or substantially changed. While ABRs nationally may have fallen short of the merger target, the FE Commissioner Richard Atkins still declared them a success, stating *"Before this, local authorities, colleges and local enterprise partnerships were not sitting round the same table and now nearly every area has agreed to a strategic group to do that"* (Burke, 2017). However, the most pressing criticisms have been that ABRs do not include all post-16 institutions and that there is a lack of real change on the ground (Foster, 2017). The London experience of ABRs appears not to be that different from the rest of England despite the fact that London's colleges appeared very proactive at the beginning of the ABR period. Like England, London's process was not comprehensive (schools were not involved) and some of the recommendations were not followed through. However, mergers are continuing and discussions about further mergers are still taking place. Like elsewhere in England, strategic fora are being established, but there is a sense that the real changes sought by ABRs have yet to be realised.

PART 4 – DISCUSSION

Introduction

The final part of the paper comprises two related parts – a summary of themes arising from the three years of research and a wider discussion of the historical, comparative and system significance of ABRs seen from the London experience. Through

these discussions, the paper concludes by attempting to address five wider system questions.

1. What has been the scale of organisational change arising from ABRs in London?
2. What is likely to be the impact of merger on the London skills agenda, educational inclusion and vocational specialisation?

3. What are the anticipated effects and role of the new sub-regional skills and employment boards and the Mayor's skills strategy?
4. What are the various leadership challenges arising from the ABR process?
5. How far is the fragmented London FE 'sector' transitioning to a more coherent London FE 'system'?

London's FE organisational landscape has changed shape

A distinguishing feature of the ABR process in the capital was that several of the proposed mergers and institutional collaboration processes existed as part of discussions in advance of the ABR sub-regional

deliberations. In this sense, the proposed ABRs functioned as a catalyst and the ABR meetings served to consolidate thinking that in many cases had already been set in motion. A summary of merger activity (March 2018) is summarised in Figure 3 overleaf. What it shows is that a total of 20 London FE colleges have so far merged into eight college groups. In prospect is the further expansion of one grouping - New City College - involving another four institutions and a final grouping arising from the merger of Lambeth College and London Southbank University (LSBU). Moreover, as Figure 3 suggests, several ongoing discussions are taking place with the prospect of the formation of one or two additional FE groupings. While the formal ABR process may be over, the merger process clearly is not.

Figure 3. FE merger activity in London (March 2018)

Completed mergers March 2018		
Colleges merged	New Merged college	Senior Leads
Bromley College Greenwich Community College Bexley College	London South East Colleges	Sam Parrett, Principal and CEO
Tower Hamlets College Hackney Community College Redbridge College	New City College	Gerry McDonald, Group Principal and CEO Linnia Khemdoudi, Borough Principal of Hackney Community College Alison Arnaud, Borough Principal of Tower Hamlets College Janet Smith, Borough Principal of Redbridge College.
Westminster Kingsway College City and Islington College CONEL	Capital City Colleges Group <i>CONEL joined the group 1 November 2017</i>	Andy Wilson, CEO Kim Caplin, Principal of Westminster College Andy Forbes, Principal of CONEL and City & Islington College

Harrow College Uxbridge College	HCUC	Laraine Smith, Group Principal and Chief Executive Officer Pat Carvalho, Principal and Deputy Chief Executive Officer
Carshalton College Kingston College South Thames College	South Thames College Group	Peter Mayhew-Smith, CEO
City of Westminster College College of North West London	United Colleges Group	Keith Cowell, CEO
Lewisham Southwark College National Colleges Group (NCG)	National Colleges Group (NCG) – Lewisham Southwark College	Joe Docherty, NCG CEO Principal TBC
Richmond Adult Community College Hillcroft College	Richmond and Hillcroft Adult and Community College (Note: newly merged college will retain SDI status) Completed 1 October 2017	Gabe Flint, Principal
Merger Proposals – subject to Due Diligence		
Lambeth College LSBU	Potential Date: September 2018	
New City College Havering College of F&HE Havering Sixth Form College	Potential Date: September 2018	
New City College Epping Forest College	Potential Date: September 2018	
Colleges still exploring merger proposals		
Kensington & Chelsea College		

Source: AoC London

Figure 4. List of mergers explored but not proceeding - London colleges 2015-18

Colleges involved	Type of alliance	Date of announcement	Notes
Barking & Dagenham College Havering College	Merger	25 August 2015 (strategic alliance)	Following Due Diligence decision taken not to proceed
Lambeth College South Thames College	Strategic alliance	15 October 2015	Did not proceed to full merger proposal
College of North West London Kensington and Chelsea College City of Westminster College	Strategic alliance	23 October 2015	Decision taken to proceed only on the basis of College of North West London and City of Westminster
Harrow College Stanmore College	To be defined	23 October 2015	Did not proceed to full merger proposal
Barnet and Southgate College Waltham Forest College	Merger	24 November 2015	Following Due Diligence decision taken not to proceed
Harrow College Uxbridge College West Thames College	Merger	6 June 2016	Decision taken (January 2017) to proceed only on the basis of Harrow and Uxbridge. Discussions will remain open in future.
Kensington and Chelsea College City Lit	Merger		Did not proceed to full merger proposal. Kensington and Chelsea College to seek a new merger partner.
Stanmore College West Herts College	Merger	21 February 2017	Did not proceed to full merger proposal
Ealing, Hammersmith and West London College Kensington and Chelsea College	Merger	28 June 2017	Decision taken (Jan 2018) to halt the merger process and for Kensington & Chelsea to seek a new merger partner
Barnet and Southgate College Epping Forest College	Strategic collaboration	3 July 2017	Did not proceed to full merger proposal. Epping Forest College to seek a new merger partner.

Source: AoC London

Figure 5. The London FE map (April 2018)



Source. AoC London

<ul style="list-style-type: none"> ○ Completed mergers □ Planned mergers ▲ No planned mergers ✦ Sixth Form Colleges ✦ Institute of Adult Learning ✦ Capel Manor College ✦ Ada, the National College for digital Skills 	<ul style="list-style-type: none"> ○ Richmond and Hillcroft Adult Community College (RHACC) Richmond Adult Community College, Hillcroft College ○ South Thames College Group Carshalton College, Kingston College, South Thames College ○ United Colleges Group City of Westminster College, College of North West London
<p>Completed mergers</p> <ul style="list-style-type: none"> ○ Capital City College Group Westminster Kingsway College, City and Islington College, College of Haringey, Enfield and North East London (CONEL) ○ HCUC Harrow College, Uxbridge College ○ Lewisham Southwark College part of Newcastle College Group (NCG) ○ London South East College Bromley College, Bexley College, Greenwich College ○ New City College Group Hackney College, Tower Hamlets College, Hillcroft College 	<p>Planned mergers</p> <ul style="list-style-type: none"> □✦ Havering College FE and Havering College Sixth Form College with New City College Group □ Lambeth College with London South Bank University <p>No planned mergers</p> <ul style="list-style-type: none"> ▲ Barking and Dagenahm College ▲ Barnet and South College ▲ Croydon College ▲ Ealing, Hammersmith, and West London College ▲ Kensington and Chelsea College ▲ Newham College ▲ Richmond upon Thames College ▲ Stanmore College ▲ Waltham Forest College ▲ West Thames college

However, as Figures 4 and 5 illustrate, not all merger discussions have succeeded and there remains a total of 10 standalone FE colleges with no further plans for merger. In addition, all but one sixth form college remains outside of these new FE formations and the plethora of 11-18 schools thus far remain unaffected by the ABR process. From this perspective ABRs have not yet led to a coherent post-16 London system in any recognised sense.

Nevertheless, the fact that some mergers did not proceed should not necessarily be defined as a failure of the ABR process. What appears to be happening is that some original ideas about 'coupling' are being replaced by others when financial and local factors are taken into account. The picture in the short- to medium-term would suggest, therefore, that the FE landscape in London will be defined by about 12 college groups derived from an original 30 institutions.

Will the new college groupings make any real difference?

The London FE organisational landscape has been changed by ABR, albeit partially. As has been highlighted earlier, the form of merger that has been and is taking place in London – i.e. large college groupings – is specific to the capital. But the big question remains – how significant will this change be? Will these new groupings make a significant difference to vocational provision, progression routes for learners and college/employer relationships? The answer in July 2018 is that it is too early to tell. It is, however, worth rehearsing some of the basic arguments about the cost/benefits of college mergers in order to see what might happen.

The theory behind ABRs was that larger FE formations would have the potential to achieve economies of scale in terms of administration, facilities and provision, allowing larger colleges the possibility of offering a wider range of options at a lower

unit cost and to concentrate resources in vocational areas that require specialist facilities and staff expertise. So far, however, evidence from the other countries of the UK and previous mergers in England suggest that there have been no clear organisational and financial gains. In fact, the reasons for this are not difficult to fathom. Large and dispersed organisations are difficult to run and quality assure throughout their many layers; they are at risk of losing their local identity and can incur high transactions costs in the change process that adversely impacts on teaching and the learner experience. It takes time for a newly merged organisation to settle down which suggests that some losses may be incurred before any benefits can be reaped. Currently, in London, some of the most ambitious college mergers are experiencing industrial action by lecturing staff. This may further delay internal reorganisation and deflect attention from the focus on developing inclusion-oriented provision for localities and communities and more specialist vocational provision across a sub-region/region.

Logic A and Logic B – so far one has been much stronger than the other

The longer-term impact of the ABR process will not only be determined by the inevitable transition challenges of the new college groupings, but also the conduct of the ABR process during 2016/17. So far ABRs have not made any noticeable difference to vocational provision. This is not only down to the time factor, but the emphasis of the ABR process and its focus on college financial viability. It has been clear from the beginning of the research that the ABRs in London set in motion two related processes or trajectories. The first, already discussed, was the Government concept of an education market and cost reduction in which ABRs were meant to result in larger and more economically viable FE institutional formations better able

both to compete and to respond to the needs of employers (what we have termed Logic A). The second has been that of a more planned, co-ordinated, collaborative system-based approach in which the new college formations become involved in sub-regional and regional discussions and decision-making in order to support improved vocational provision, clearer progression pathways from education to employment and closer working relations with employers (Logic B).

Research throughout the three years has suggested that Logic A dominated the ABR process and served to relegate or displace Logic B. However, it was also argued that these two logics should not be viewed as mutually exclusive and that, in theory at least, more viable, area-based FE college formations could assist in the development of specialist vocational provision and relationships with employers. At the same time, experience from previous mergers and from Scotland, Wales and Northern Ireland suggests that mergers in themselves do not guarantee these outcomes. The key question will be how quickly the new college formations will cohere as new and more diverse entities and how they will work with other stakeholders, including local and regional government. This brings us to the role of the new sub-regional Skills and Employment Boards and the Mayor's Skills Strategy that by Year 3 of the research were coming into view to promote the post-ABR collaborative skills, progression and employment agenda.

The role of the new sub-regional Skills and Employment Boards (SEBs)

SEBs comprising representatives from local and regional government, the employer community and FE providers are being formed in the post-ABR period to take forward the skills agenda at sub-regional level in London. The first of these was established at the beginning of 2018 and is forming its

terms of reference and scoping its potential role. Others have gradually followed suit. Like the formal ABR meetings, collaboration and inclusion have to be balanced with manageability and, therefore, individual FE colleges or college groupings do not necessarily have a seat at the table – the more normal approach is for representation. The same applies to employers. A key question, therefore, is the degree of inclusivity in these new sub-regional strategic bodies. Effective partnerships should not only involve colleges, employers and local authorities, but also schools, HEIs and independent training providers and this would suggest that a key role will be played by the sectoral sub-boards as they gather together the main potential players in the sub-region.

A key question will be the strength of the new regional and sub-regional fora and strategies. Each of the sub-regional partners is developing a sub-regional skills plan (e.g. South London Partnership, 2018) although these fora do not have specific powers over colleges to enforce particular behaviours. However, this collaborative effort is taking place against a background of continuing competition in which London will comprise a dozen or so large college formations together with a large number of much smaller free-standing organisations (hundreds of Independent Training Providers and small sixth forms) that serves to fuel a great deal of 'functional competition' between different types of institutions (e.g. colleges, schools and ITPs competing over sub-degree provision and colleges and HEIs competing over higher level provision).

At the same time, it was recognised in the research that historically there have been different levels of collaboration across the sub-regions, influenced not only by civic leadership but also by a sense of local identity and the potential for urban regeneration. In this regard, eyes may well be on the East sub-region, which enjoys some of these facilitating factors, to see how far the ABR process can result in longer-lasting change.

The Mayor's pan-London Skills strategy – a growing influence?

The overall governance of FE and skills more generally in London remains an issue. While London's colleges have been proactive in relation to the ABR process, their actions have not thus far been guided by a London plan. This means that the new college formations are not necessarily aligned with the sub-regional boundaries and that the activities of these bodies and their memberships will have to be highly adaptive if they are to respond effectively to London's scale and its skills needs.

Meeting the economic and skills demands of London as a global city is highly challenging given the dynamics of its economy and education system. London has over eight million people, representing a population size equivalent to no fewer than 20 other English cities. It also has a highly financialised economy that acts as a magnet for educated migrant labour, both from abroad and from within the UK. This dynamic between London's dominant economy, its centrifugal labour market, high number of higher education institutions and the fact that London's schools tend to have primarily academic sixth forms with a focus on progression to higher education, has served to restrict the development of its technical and vocational skills system. FE colleges have often been left to cater for those young people who have been denied access to general education post-16. At the same time, the concentration of companies in the city's centre has produced what we have termed a 'supernova effect', in which millions of workers travel into a very large central business district, often from great distances in part because they cannot afford to live within easy reach of work. The urban supernova that is London also suppresses the development of vocational skills because it is based on an assumption of travel and migration rather than a dispersal of business with related local and sub-regional skills

development (Hodgson and Spours, 2018).

The London policy landscape, however, is rapidly changing through the role of the London Mayor's Skills Vision for London (GLA, 2016a) and the Skills for Londoners Task Force (GLA, 2018a). There is also the shaping influence of the £311 million devolved Adult Education Budget and the Mayor's Construction Academy (GLA, 2018b). There was an emerging view in the research that these pan-London strategies will become more influential over time, shaping not only the agendas of the SEBs, but also the approaches of colleges that seek to access regionally-held funding.

The impact on educational inclusion and vocational specialisation

While the discussions in London have thus far focused on scale – the size and reach of the new college formations and, to a lesser extent, on the scale of London and its specialist needs -- the research also raised the issue of meeting local needs, particularly at lower skill levels. Current government policy on technical education and apprenticeships is primarily targeted at the higher levels, whereas colleges and local authorities in London have legitimately focused on putting the lower levels of the skills ladders in place and working with employers in the position they find themselves in and not just where they might wish to be in the future. A legitimate fear is that large college formations, functioning increasingly at the higher levels to prioritise technical and skill specialisation, will inadvertently leave local populations behind. Thus the new strategic sub-regional bodies will have to discuss all levels of provision and their relationship in the creation of effective progression opportunities into employment and higher study.

New dimensions of institutional and area-based leadership?

What is clear from the research so far is that new college groupings will not on their own be able to transform London's skills development. They will have to work with the new sub-regional boards and with the Mayor's pan-London skills strategy. This will require new types of institutional thinking and leadership capacities in FE that focus on managing more dispersed and polycentric organisations. This will have an impact on governors, and the skills sets required of governing bodies. They, with college managers, will need to think strategically about different levels of skills and social needs associated with local populations of all ages, thus preserving and developing local identities, but at the same time also opening up mobility through progression to higher level skills and specialised vocational provision. Deep collaboration and engagement in relationship-building with local and authorities, regional government, higher education institutions and leading employers will be required to reach long-term strategic agreements. Many FE leaders would maintain that they already think and act in this way. The institutional dramas that surfaced in the London ABR process would suggest, however, that there is still some way to go in this regard and certainly there does not yet appear to be a universal effort to build a coherent London-wide FE and skills system.

How far is English FE transitioning from a marketised college sector to a collaborative college system?

How far do the ABRs signal a move from a 'marketised college sector' to a more 'collaborative local college system' in the English context? By the English college sector we are referring to FE colleges, including

SFCs, being defined by a set of national policy, funding and regulatory levers; having a distinctive role compared with other institutions such as school sixth forms and universities; and following a highly marketised philosophy marked by Incorporation status since the early 1990s.

The concept of an 'FE system', on the other hand, suggests a set of local, sub-regional and regional collaborative relationships in which FE colleges make a distinctive contribution to a local learning and skills system, particularly by supporting progression pathways from lower to higher levels of knowledge and skill and responding increasingly to a policy and funding framework organised at the sub-regional and regional levels. The idea of a discrete national sector gives way to a more integrated and coherent pattern of local and sub-regional relationships.

According to these definitions, the evidence collected so far would suggest that ABRs could be seen as a step in the direction of the formation of coherent local and sub-regional skills and progression systems. However, if we reference back to Figure 2 and the comparison with FE organisation in the other countries of the UK, then the move from sector to system by April 2018 would appear modest. Due to the size of the English FE sector we also have to look at its different levels. While national funding mechanisms and policy arrangements remain sectorally discrete, what we may be witnessing is that the national FE college sector is becoming more regionally and sub-regionally systemic, interpreted as a sign of the emergence of a post-incorporation phase for FE (Hodgson and Spours, 2015).

The evidence collected so far in the ABR process suggests, therefore, a 'hybridised' moment and a form of transition between a marketised sector and a more public collaborative spatially located system with an increasing focus on partnership working in localities and regions. However, this type of partnership working is full of tensions and contradictions and currently might be most

accurately described as at best partial and ‘weakly collaborative’ (Hodgson and Spours, 2006). The fact remains that FE colleges in England are not yet bound by specific national skills policies in the same way as other countries of the UK, such as Scotland with its regional outcome agreements. Relatively speaking, English FE colleges enjoy greater autonomy in terms of governance and have more freedom to decide what they offer as long as they can remain financially viable and do not fall foul of Ofsted. On the other hand, they face greater competition from other providers, London being a prime example. Since ABRs, however, there is a growing influence of sub-regional skills strategies and bodies. In London there is also an ambition at sub-regional and regional levels to provide overarching skills strategies backed up by financial incentives.

The tipping factor in terms of outcomes, therefore, may not simply be college effectiveness and its leadership, important

though this is, but the effects of the ‘system environment’ on all the constituent organisations. Research from the OECD (Ross and Brown, 2013) suggests that it is the system environment – the relationships between institutions and wider social partners working in a dynamic and collaborative way in what we have referred to elsewhere as an ‘ecosystem’ (Hodgson and Spours, 2018) – that may prove critical to innovation and growth in London. It is through these ‘local systems’ that wider opportunities for involvement in skills development and increased investment may lie in an era of urban regeneration and infrastructure development involving both the private and public sectors. In retrospect, ABRs may be viewed as a partial but nevertheless important step on the way to building a coherent, fully functioning FE system at the local, sub-regional and regional levels and assisting in the replacement of the historical language of competition with new narratives of collaboration.

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www.aoc.co.uk

Association of Colleges
2-5 Stedham Place, London WC1A 1HU
T: 020 7034 9900 **E:** projects@aoc.co.uk

www.ucl.ac.uk/ioe

UCL Institute of Education
20 Bedford Way, London WC1H 0AL
T: 020 7612 6000 **E:**