

## **Explanatory Memorandum to the Welsh College of Horticulture (Dissolution) Order 2009**

This Explanatory Memorandum has been prepared by the Department for Children Education Lifelong Learning and Skills and is laid before the National Assembly for Wales in accordance with Standing Order 24.1.

### **(i) Description –**

This Order dissolves the Corporation of the Welsh College of Horticulture and enables the transfer of operations to Deeside College and Glyndwr University.

### **(ii) Matters of special interest to the Subordinate Legislation Committee**

None

### **(iii) Legislative Background –**

The Order is made using powers of the Welsh Ministers under Section 27 of the Further and Higher Education Act 1992 and follows the negative resolution procedure.

Under Sections 31 and 32 of the Learning and Skills Act 2000, the Welsh Ministers must secure proper facilities for education and training which are suitable to the requirements of 16-18 year old learners, and reasonable facilities which are suitable to the requirements of learners aged 19 years and over.

### **(iv) Purpose and intended effect of the legislation –**

The dissolution of the corporation of the Welsh College of Horticulture will enable the transfer of all existing Further Education, Work Based learning and commercial operations at the College to Deeside College; alongside the transfer of all Higher Education provision to Glyndŵr University who will establish a University campus at the Northop site. The parties intend to work jointly with each other and with other parties to develop a range of new activities and investments to strengthen and extend land based provision at Northop and secure the development of additional educational facilities and services within the site which will have a beneficial effect on the economic wellbeing of the North East Wales area.

The proposal to merge comes at a time of significant change within the sector. The Welsh Assembly Government's recently published *Transforming Education and Training Provision in Wales: Delivering Skills that Work for Wales* document '*challenges everyone...to work together to transform the network of providers*'. The aim of the Merger and Collaboration policy is to support the implementation of the overarching Transformation Policy to develop post-16 learning provision, in line with the Welsh Assembly Government strategic plans as outlined in 'Skills that Work for Wales'.

The financial situation at the Welsh College of Horticulture has been assessed as Category D since 2000. This is the lowest categorisation and is defined as 'the institution's financial position is weak and does not support its financial strategy or the institutional plan'. Notwithstanding support measures applied in the interim period the College's financial position remains weak and its financial solvency at risk. The proposal to dissolve the Corporation must be viewed in the context of the effect of these long standing financial difficulties on the College's financial health, which remains at category D. Merger with Deeside College which is a Category A institution is considered a prudent way forward.

(v) **Implementation –**

Should the dissolution not go ahead the College will eventually require further advances of funding in order to survive. The opportunity for merger with another partner would need to be explored necessitating a further period of WAG support.

(vi) **Consultation –**

For the purposes of Section 27 of the 1992 Act, the corporation has been consulted with and the transfer of property, rights and liabilities is made with the consent of Deeside College and Glyndŵr University respectively.

(vii) **Regulatory Impact Assessment –**

A Regulatory Impact Assessment has not been prepared as the proposed dissolution and transfer of property, rights and liabilities has no impact on the costs of business