

## **Explanatory Memorandum to the Gorseinion College Further Education Corporation and Swansea College Further Education Corporation (Dissolution) Order 2010**

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 conjunction with the above subordinate legislation and in accordance with Standing Order 24.1.

### **Minister's Declaration**

In my view, this Explanatory Memorandum gives a fair and reasonable view of the expected impact of the Gorseinion College Further Education Corporation and Swansea College Further Education Corporation (Dissolution) Order 2010. I am satisfied that the benefits outweigh any costs.

*Leighton Andrews*

Minister for Children, Education and Lifelong Learning, one of the Welsh Ministers

21 July 2010

## **1. Description**

The Gorseinion College Further Education Corporation and Swansea College Further Education Corporation (Dissolution) Order 2010 (“the Dissolution Order”) provides for the dissolution of Gorseinion College Further Education Corporation and Swansea College Further Education Corporation, and the transfer of their property, rights and liabilities to Gower College Swansea Further Education Corporation.

The Order will come into force on 20<sup>th</sup> August 2010, which is the date on which the dissolution and transfer will take place.

## **2. Matters of special interest to the Constitutional Affairs Committee**

There are no matters of special interest to the Constitutional Affairs Committee.

## **3. Legislative background**

The Dissolution Order is made under section 26(1)(b) and (5) and section 27 of the Further and Higher Education Act 1992 (the 1992 Act).

The functions of the Secretary of State under sections 26 and 27 and of the 1992 Act were transferred to the National Assembly for Wales by virtue of article 2 of and Schedule 1 to the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672). The functions of the National Assembly for Wales were transferred to the Welsh Ministers by virtue of paragraph 30 of Schedule 11 to the Government of Wales Act 2006 (c.32).

The Dissolution Order is subject to the negative resolution procedure.

Gorseinion College Further Education Corporation and Swansea College Further Education Corporation were established by the Education (Further Education Corporations) Order 1992. There was a typing error in that order, as it referred to Gorseinion College as Gorseinion College (with an extra ‘i’). This Dissolution Order is therefore expressed as dissolving ‘Gorseinion College’ (with the extra ‘i’) but a footnote makes it clear that it has always operated as ‘Gorseinion College’ or ‘Coleg Gorseinion.’

## **4. Purpose & intended effect of the legislation**

The merger of Swansea College and Gorseinion College meets the Welsh Assembly Government’s policy objectives as set out in the *Transformation of Education and Training Provision in Wales*. The merger is expected to improve

the efficiency, effectiveness and flexibility of learners in the City of Swansea, and promote wider access and opportunities for post-16 education and training.

The Gower College Swansea (Incorporation) Order 2010 (“the Incorporation Order”) and the Gower College Swansea (Government) Regulations 2010 came into force on 20<sup>th</sup> May 2010. This was the first stage of the merger between Swansea College and Gorseinon College.

The Incorporation Order appointed 20<sup>th</sup> August as the operative date for Gower College Swansea, that is the date from which the further education corporation is to conduct the institution.

This Dissolution Order dissolves Gorseinon College Further Education Corporation and Swansea College Further Education Corporation and transfers their property, rights, liabilities and staff to Gower College Swansea Further Education Corporation on 20<sup>th</sup> August. This will complete the merger.

## **5. Consultation**

In September 2009 Swansea College and Gorseinon College undertook a consultation exercise which indicated overwhelming support, by key stakeholders, for the merger.

DCELLS has consulted with the Governing Bodies of Swansea College and Gorseinon College throughout the merger process. The Governing Bodies of both colleges are fully aware of the proposal to dissolve the corporations and have no objection to it.

## **Regulatory Impact Assessment (RIA)**

The Dissolution Order has no impact on the statutory duties (sections 77 – 79 Government of Wales Act 2006) and does not impose any additional burdens upon the statutory partners (sections 73 – 75 Government of Wales Act 2006).

## **6. Options (for achieving the policy objective – as set out in paragraph 4 above)**

The options considered included the status quo; collaboration arrangements between the colleges; informal partnership between the colleges and sixth forms in Swansea; and three way mergers incorporating Neath Port Talbot College and Swansea Metropolitan University.

The ‘do nothing’ option is not viable. The corporations of Swansea College and Gorseinon College have concluded that the status quo is not acceptable from an educational and economic viewpoint. This option was expressed in a merger proposal ‘Strategic Outline Case for Merger between Swansea College and Gorseinon College dated December 2009. The Welsh Assembly Government

has considered the proposal and is satisfied that the proposed merger will improve the efficiency and effectiveness of education and training for learners in the area. The status quo option would only provide minimal benefit in terms of improved quality, standards and achievement, meeting future skills needs, increased participation and improved choice and social mobility.

This option does not address concerns in respect of improved access and overlap, and would not contribute to taking forward the aims of the policy for the *Transformation of Education and Learning Provision in Wales*.

The merger option proposed is the only achievable option which will offer the ability to raise aspirations of all learners; address the social mobility agenda; provide regeneration opportunities through the development of a city centre campus and thus improve access; and to engage with employers.

Financial and Legal Due diligence exercises have been undertaken on both institutions, which have identified where efficiencies and savings can be made.

## **7. Benefits**

The option to merge was considered by the further education corporations of Swansea and Gorseinon Colleges, working with the City and County of Swansea, in response to the Transformation Policy. The colleges recognised that they would be better placed to serve the needs of the local and regional community if they were to merge.

The merger will bring two complementary and successful organisations together, and is expected to provide outstanding learning opportunities and experience for young people, adults and employers within the City & County of Swansea

Merger is the best option for meeting the wide-ranging demand for high quality education; delivery through state of the art facilities; improving participation and stimulating community desire to engage in learning.

In addition, a single further education Institution in Swansea will make best use of available resources, enabling development and investment in a more responsive curriculum to meet the need of the local community including employers.

## **8. Costs**

The Incorporation of Gower College Swansea and the subsequent dissolution of Swansea College Further Education Corporation and Gorseinon College Further Education Corporation will optimise the efficient and effective delivery of further education provision in the City and County of Swansea.

Swansea and Gorseinon Colleges forecast savings over the first two years post-merger and this will be used for more and improved front line services:

- To increase participation in learning and employment
- To raise levels of success and attainment
- To increase progression to HE or employment
- To raise levels of adult basic skills (essential skills).
- To provide a transformation curriculum able to meet the future needs of Swansea
- To re-skill and up-skill the population of Swansea to allow people to compete effectively in the job market and attract employers in the area
- To increase levels of entrepreneurship to drive organic growth of businesses within Swansea
- To improve the numbers and range of options offered through the medium of Welsh or bilingually.

## **9. Consultation**

This has been covered in paragraph 5.

## **10. Competition Assessment**

The Dissolution Order will have no impact on the costs of business, charities or the voluntary sector.

## **11. Post implementation review**

The merger process is subject to ongoing review procedures which will be monitored and followed with a comprehensive report 18 months after the date of the dissolution order.

## **12. Summary**

The Dissolution Order is necessary to dissolve the Corporations of Swansea College and Gorseinon College and transfer their property, rights and liabilities to Gower College Swansea Further Education Corporation with effect from 20<sup>th</sup> August 2010.