

CHESHIRE EAST

CABINET

Date of meeting: 8 September 2008

Report of: Linda Brown, County Manager Inclusion and Education

Title: Responsibilities for Local Authorities in Relation to Post 16 and 19 Education and Training

1.0 Purpose of Report

- 1.1 To outline the implications for the joint DCSF/DIUS proposals outlined in the "Raising Expectations: Enabling the System to Deliver" document. This relates to the transfer of commissioning and funding for all 16-19 education and training from the Learning and Skills Council (LSC) to LAs in 2010 alongside changes to the funding of post-19 education provision.

2.0 Decision Required

- 2.1 It is recommended that both Shadow Authorities, together with the County Council:
- 2.1.1 agree that a Project Board be set up with representation and active engagement from all of the relevant teams and identify an appropriate Project Lead,
 - 2.1.2 undertake an analysis of Travel-to-Learn patterns in order to be able to contribute to regional discussions and agree sub-regional groupings once further criteria are known,
 - 2.1.3 engage, through the Project Board, with regional LSC teams to shadow the LSC Business Cycle over the next 18 months,
 - 2.1.4 discuss, through the Project Board, with the local LSC to secure some semi-formal arrangements for closer working on this work.

3.0 Financial Implications for Transition Costs

- 3.1 There are no transition costs in terms of LGR. However, there will be workload additional to any of the existing authorities in order to plan for these changes and to shadow the LSC over the next 18 months or more.

4.0 Financial Implications 2009-10 and beyond

- 4.1 The White Paper proposes that responsibility for the funding and organisation of 16-19 learning is transferred to LAs. The financial implications of this transfer are significant (funding for 2008-09 for 16-18

year olds at the six FE Colleges and 29 School Sixth Forms in Cheshire amounts to in excess of £79 million) but cannot be fully quantified at the present time. For example, whilst LAs will have a significant relationship with FE Colleges in their area, the exact financial relationship will depend on the local commissioning arrangements. The current national funding formula will remain and once plans are agreed through the commissioning process funding will flow through the national formula according to the plan.

- 4.2 The County and Vale Royal District Councils currently draw down funding from the Learning and Skills Council for adult learning. The LSC contracts within the County are held by the Lifelong Service at an average annual value in the region of £2.5 million. However all areas of Local Authorities are in a position to benefit from Adult Education and Skills funding. Some work would need to be undertaken to gather financial information from both the districts and the County in order to quantify the financial implications to the two new authorities.

5.0 Risk Assessment

- 5.1 Given the nature of these changes and the scale of the resource and responsibilities being transferred to Local Authorities, there would be significant risk by not engaging effectively with this work both in terms of planning and shadowing but also in terms of creating appropriate future structures/processes for commissioning. There would be significant risk to future educational provision and to economic regeneration of the area if the changes were not implemented effectively.

6.0 Background

- 6.1 The government has published “Raising Expectations: Enabling the System to Deliver” which is a joint DCSF/DIUS consultation on the proposals which include LAs having a strategic lead across all 14-19 provision. This includes responsibility for increasing participation and attainment by young people by age 19, for reducing NEET and for raising the participation (in education or training) age. The post 19 changes are to herald in the demand led approach indicated by Leitch in order to achieve the target of 95% of the work force qualified to level 2 (5A*-C GCSE equivalent) by 2010.
- 6.2 The participation age (in education or training) of young people will be raised to 18 by 2015. From 2013 every suitably qualified young person should be entitled to an Apprenticeship place.
- 6.3 The DCSF preferred approach has these features:
- LAs will discharge their responsibilities to provide a place in learning for every young person through strategic commissioning.
 - LAs will cluster together in sub-regional groupings reflecting travel-to-learn patterns to commission provision for young people across the wider local area.

- There should be progressive devolution of power and authority to the sub-regional level as the collaborative arrangements become stronger, successful and more formal
- 6.4 LAs will judge demand for different forms of provision, and the extent to which the available supply meets that demand. LAs will decide where to commission more provision, where to expand the best provision to fill gaps, and where to remove the least effective provision.
- 6.5 Central to the proposals are:
- That every young person is and will be entitled to a new curriculum and new qualifications including the 17 new Diplomas alongside strengthened GCSEs and A levels and the guarantee of an Apprenticeship or pre-Apprenticeship place,
 - making sure there is good quality Information Advice and Guidance (IAG) to all young people – through the transition of Connexions to LAs and the development of Targeted Youth Support,
 - making sure that those young people who need it get financial support,
 - supporting every young person to make the transition from pre- to post-16 learning successfully by implementing the September Guarantee and extending this to age 17.
- 6.6 The funding for Post-19 / Adult learning includes the Adult Learning Safeguard funding (Adult Learning, Family Learning , Neighbourhood Learning in Deprived Communities); Employer Responsive Funding (Train to Gain – linked to Public service workforce development including the Children’s Services work force, Skills for Life – English and maths) and Adult Responsive Funding (Adult NVQ’s, Routes to HE, Adult and YP Apprenticeships , Entry to Employment, Skills for Jobs, Post-25 LLDD provision and Offender Learning)
- 6.7 Current expertise within LAs in post -19 education will need to be considered as part of the response to this government agenda.
- 6.8 Further detail on both 16-19 provision and post 19 provision is set out in Appendix 1.
- 6.9 Detail on LSC funded 16-19 provision and staffing is set out in Appendix 2.
- 7.0 Options**
- 7.1 The proposal to create a Project Board is considered to be the only option that would enable the new authorities to plan for this change.

8.0 Reasons for Recommendation

- 8.1 The recommendation will enable the LAs to plan effectively for this major change.

For further information:

Portfolio Holder: Councillor Paul Findlow

Officer: Mark Parkinson

Tel No: 01244 972411

Email: mark.parkinson@cheshire.gov.uk

Background Documents:

Documents are available for inspection at:

16 – 19 Provision

- 1 New national organisations are proposed:
 - A slim national Young People's Learning Agency, which will have responsibilities for budgetary control and for securing coherence in the event that agreement cannot be reached locally.
 - A new body set up to run post 19 funding - the Skills Funding Agency. This will oversee the majority of the £4.5bn to become demand led through the expansion of train to gain, apprenticeships and establishing skills accounts to offer a virtual voucher representing an individual entitlement to be used at an accredited provider of the learners choice.
 - Non demand led funded adult learning will include "A wide range of adult learning" and funding for Post -25 learners with learning difficulties and /or disabilities.
 - Quality management in this area is likely to move towards self regulation under an umbrella organisation.
 - The new agency will also, under the proposals, house the new National Apprenticeship Service (NAS).
- 2 As part of their Children and Young People's Plan, LAs will be expected to produce a commissioning plan for young people's learning.
- 3 Knowing what young people want is important so informed learner choice will drive the system. However, knowing the skills base for the area is also important as is effective Information Advice and Guidance.
- 4 FE Colleges and training providers may draw students from many areas; as a minimum, there is an expectation that LAs will come together in sub-regional groupings.
- 5 The Regional Development Agency (RDA) will co-chair a regional planning group which will be convened by the Young People's Learning Agency and include representatives from the Government Office and the adult Skills Funding Agency.
- 6 It is proposed that Sixth Form Colleges be a distinct legal category for the first time. It is expected that there will be a closer relationship between Sixth Form Colleges and their home LA and a single commissioning and performance management relationship.
- 7 The home LA will have the lead responsibility for improving quality and raising standards in relation to School Sixth Forms and Sixth Form Colleges, but the LA will need to work through the Skills Funding Agency in relation to FE Colleges.
- 8 LAs will be primarily responsible for planning and funding of provision for learners with learning difficulties and/or disabilities (LLDD), who have an

entitlement to education or training up to the age of 25, and for the education and training of young people in juvenile custody.

- 9 LAs will need to work closely with the Skills Funding Agency (SFA) and local providers to ensure adequate and appropriate provision for all adults including adults with learning difficulties and/or disabilities (LDD).
- 10 LAs will be held to account for the outcomes that are achieved, through a new local government performance framework.
- 11 DCSF proposes that following consultation, they will legislate early so that they can transfer funding to LAs in the academic year 2010/11 with the new system fully in place from September 2010. A move to a 14-19 funding formula, if agreed, would be implemented from the start of the 2011-12 financial year (or later).
- 12 The aim is that there should be a shadow structure in place between the LA and LSC (within the current legislative framework) so LAs take on greater responsibility and begin to lead the commissioning process locally. DCSF expects the full shadow system to be in place nationally by September 2009.
- 13 Regionally the intention is to ensure LAs understand the current LSC Business Cycle as part of the shadowing process and that some working groups be set up regionally to advise on transition issues. LA Lifelong Learning Services have worked within the LSC business cycle for many years and have systems in place to respond to this which could bring useful expertise to build on within LAs.
- 14 Sub-regional groups should be worked on between September and December 2008. It has been proposed that we need clarification over the purpose of those groups before any final decision can be made.
- 15 Long-term there are issues structurally about where this work sits, where LSC staff may be placed, etc. There are also obvious issues about pay scales, TUPE, etc.

Implications for Post – 19 Education and Skills

- 1 The funding for Post-19 / Adult learning includes the Adult Learning Safeguard funding (Adult Learning, Family Learning , Neighbourhood Learning in Deprived Communities); Employer Responsive Funding (Train to Gain – linked to Public service workforce development including the Children's Services work force, Skills for Life – English and maths) and Adult Responsive Funding (Adult NVQ's, Routes to HE, Adult and YP Apprenticeships , Entry to Employment, Skills for Jobs, Post-25 LLDD provision and Offender Learning)
- 2 Current expertise within LAs in post -19 education will need to be considered as part of the response to this government agenda.

- 3 The County Lifelong Learning Service has an established and effective commissioning framework with FE colleges and schools.
- 4 There are established partnerships between LA Lifelong Learning and FE and other Adult Skills providers, where delivery organisations have common National Occupational Standards for staff and a common professional institute and therefore shared Professional Qualification Frameworks.
- 5 Post 19 quality and inspection frameworks are common.
- 6 The County Lifelong Learning Service and some district authorities have direct delivery arms in specialist areas. For example, Health & Social Care and Skills for Learning.
- 7 The Adult Safeguarded Learning area is currently central to the Department's (DIUS) national consultation on Informal Learning. The outcomes from this wide ranging consultation will have implications for this area, funded currently by the LSC, and for a wider range of publicly funded learning such as that delivered through Health, Economic Development, Community Development and Cohesion, Safeguarding, Libraries/ Culture and Leisure services, and the 3rd sector.
- 8 This Machinery of Gov paper affords an opportunity to for LAs to develop a more joined up approach to their interaction with FE Colleges, Schools and other learning providers in the local area.
- 9 LGR in Cheshire is an added opportunity to embed new models which enable a multi –service coherent approach in the new authorities as they develop.

Learning and Skills Council (LSC)

Number of 16-18 providers:

Cheshire West and Chester

3 FE Colleges (West Cheshire, Mid-Cheshire and Sir John Deane's)
15 School Sixth Forms (if Woodford Lodge and Verdin are considered as one)

East Cheshire

3 FE Colleges (Macclesfield College, South Cheshire College, Reaseheath College)
14 School Sixth Forms

Warrington

2 FE Colleges (Warrington Collegiate and Priestley College)
7 School Sixth Forms

The LSC also currently manages 17 Work Based Learning (WBL) 16-18 contracts on behalf of the NW region. Within the Cheshire and Warrington area, there are, on average, around 1,100 16-18 year olds in WBL in both West and East Cheshire areas. There are around 1,200 in Warrington.

In terms of 16-18 budgets for 2008-09, these are approximately as follows:

Cheshire West and Chester

FE - £23 million (including some FE funding for TTE)
School Sixth Forms - £15 million

East Cheshire

FE - £25 million
School Sixth Forms - £16 million

Warrington

FE – 13.5 million
School Sixth Forms - £7 million

Work Based Learning

The 16-18 WBL budget the LSC manages for the region is around £13 million. The Entry to Employment provision for the region has just been out to competitive tender and the indicative amounts for this were around £2 million per annum for Cheshire and £700k for Warrington. There are also a number of ESF contracts relating to this age group, mainly funding activity for the NEET and “pre-NEET” groups,

amounting to around £1.2 million. This year the NW region has received £3.5million of the 14-19 Fighting Fund from DCSF and if that continues in future years then the new Cheshire authorities might expect to receive a share of this. The LSC has a local strategic relationship with the David Lewis Centre but the budgets for it come from the regional team.

LSC Staffing

- LSC currently has 16 staff and one vacant post.
- There are two Directors and a PA.
- There are six Partnership Managers and they have local 14-19 and contract management leads. This will be reduced to five when one departs to Warrington BC. They are supported by four Partnership Advisers, one Partnership Administrator and one vacant Administrator post.
- There are also an Economic Development Manager and Adviser.
- However, none of these posts are dedicated to provision for young people. All have some responsibilities for Adult Skills, Employer responsive provision and local economic development. In addition, the local team are supported by regional specialists in areas such as procurement and planning and performance.