

# CHESHIRE EAST COUNCIL

## REPORT TO: CABINET

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<b>Date of Meeting:</b>	15 <sup>th</sup> November 2010
<b>Report of:</b>	Director of Children's Services
<b>Subject/Title:</b>	<b>16-19 Commissioning Arrangements : <i>Shaping &amp; Influencing 16-19 Learner Pathways</i></b>
<b>Portfolio Holder:</b>	Cllr Gaddum

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### 1.0 Report Summary

- 1.1** Last year, a report was brought to Cabinet outlining the arrangements relating to the proposed transfer of all 16-19 commissioning arrangements from the Learning & Skills Council (LSC) to Local Authorities as from April 2010. Since this agreement, there have been further changes to national arrangements which culminated in July 2010 with the decision that whilst the Local Authority retains its strategic role for all 16-19 learners, the Young People's Learning Agency (YPLA) will take on the majority of financial arrangements to institutions and training providers as well as the management of contracts and grant agreements.
- 1.2** This report captures the current position in terms of 16-19 commissioning arrangements as of mid October. In late November, the YPLA will produce a revised national commissioning framework which will finally clarify the role of the Authority and allow us to establish the appropriate processes to ensure that there is appropriate 16-19 provision for all our young people. This guidance will reflect the findings presented within the latest White Paper in terms of securing high quality learning opportunities for all.
- 1.3** A key part of the process in preparation for new commissioning arrangements has been to undertake a strategic analysis of performance which captures the statistical analysis in terms of the success rates of our providers. The providers are predominantly our Schools with 6<sup>th</sup> forms, FE Colleges and work based learning organisations (i.e. Total People). The attached document - Appendix 1 outlines this strategic analysis and identifies the key priority areas which need to be addressed to improve outcomes for learners. In particular, the outcomes for our vulnerable learners are most crucial especially those who potentially could be NEET (Not in Education, Employment or Training) or learners with specific Learning Difficulties or Disabilities (LLDD).
- 1.4** One of the key decisions taken in preparing the attached document was to ensure that every opportunity was taken which links 16-19

commissioning arrangements with the wider work and skills agenda and progression routes into employment beyond 18. The learning journey of young people should not be seen in fragmented chunks but as a continuum which integrates learner achievements and progression into the world of work and adulthood.

## **2.0 Decision Requested**

- 2.1 To note the detailed process which presents a detailed performance analysis principally based on 2008-9 learner outcomes from which the commissioning priorities have been identified.
- 2.2. To endorse the proposed 16-19 Commissioning priorities which sets out those strategic areas which are seen as essential in improving the outcomes for all 16-19 year old learners across Cheshire East.
- 2.3 To note the steps being taken to integrate Authority Service Teams in terms of establishing real collaboration and effective use of resources which allows the mapping of learner pathways from Pre 16, into Post 16 and then into adult learning.

## **3.0 Reasons for Recommendations**

- 3.1 The 16-19 commissioning arrangements will result in the Local Authority having to take on increased responsibilities, workloads as well as receiving additional funding. This funding will need to be deployed effectively and provide real value for money in terms of improved learner outcomes.
- 3.2 The identified commissioning priorities will shape the strategy by which all providers deliver appropriate learner pathways which meets local needs. Without such priorities, the Authority would not be able to strategically influence what providers deliver and it is essential that learners have to best opportunities to access learning of the highest quality which is relevant to our local needs.

## **4.0 Wards Affected**

- 4.1 All Wards will be affected by the commissioning priorities as the implications of this process impact upon all secondary schools and colleges regardless of whether they have 6<sup>th</sup> Forms or not. In addition, the priorities relate directly to the actions of work based learning providers and employers including learners who currently are on, or aspire to access, a variety of apprenticeships schemes.

## **5.0 Local Ward Members**

- 5.1 No specific Ward Members are identified through this commissioning process.

## **6.0 Policy Implications including - Climate change - Health**

- 6.1 The Corporate Plan outlines the organisation's priorities which reflect the needs to all communities. These priorities are aligned to local partnership arrangements as part of the Local Area Agreement. Some of these localised priorities have specific links to national indicators and the Children & Families system of monitoring performance. These include reducing NEET (Not in Education, Employment or Training) and Post 16 Diploma success rates.

## **7.0 Financial Implications (Authorised by the Borough Treasurer)**

- 7.1 The LSC, prior to its demise as the national funding body for 16-19 learning, commissioned the majority of 16-19 funding to Cheshire East Schools and Colleges for the current academic year 2009-10. In total, this process relates to approximately £45 Million of funding to meet the needs to local learners. Overall, the purposes of this 16-19 commissioning process are to:

- Work towards achieving full participation in education and training for all young people aged 14-19 and 19-24 year olds with LLDD.
- To ensure that there is a full range of education entitlement available to our learners which delivers the highest standards of attainment and, wherever possible, matches the local labour market.
- Support all institutions and providers to deliver collaborative provision.

- 7.2 Whilst the above arrangement relate specifically to this current financial year, it will be the role of the Local Authority, in conjunction with the YPLA and other related funding organisations, to agree new commissioning arrangements for future years based upon a detailed analysis of performance outcomes and agree local priorities. Within the current economic climate, this process will increase in significance in terms of ensuring high quality provision in a period of financial cutbacks and insecurity.

- 7.3 Whilst currently the arrangements relating to supporting Learners with Learning Difficulties or Disabilities remain with the YPLA, it is proposed that this important function will move to Local Authority control from 2013. The process of identification and allocation of appropriate funding is complex and can result in considerable costs being allocated for individual learners with severe difficulties. The revised policies which are emerging are currently unclear which includes the longer term levels of funding which Authorities can expect to access. Clearly this could bring increased levels of financial risk especially in terms of longer term provision and funding beyond the age of 25.

## **8.0 Legal Implications (Authorised by the Borough Solicitor)**

- 8.1 The awaited new White Paper will specifically outline the legal framework within which Local Authorities will fulfil their strategic role for education and children's services including education for 16-19 year olds.
- 8.2. All financial arrangements are undertaken through Local Authority finance teams and are subject to normal legal requirements. Any contractual arrangements with providers are again established through the advice and guidance of legal services.

## **9.0 Risk Management**

- 9.1 The commissioning of 16-19 places from a variety of providers will bring with it a range of risks which need to be effectively managed. The diversity of courses and programmes offered by all providers is based upon a detailed analysis of learner needs in terms of matching learner ability/outcomes to suitable programmes of study. The role of Local Authority Officers will be to influence this matching process to ensure that high quality learning outcomes are achieved.
- 9.2 The recently appointed staff that have transferred from the LSC bring with them a wealth of expertise in terms of the funding arrangements as well as quality assurance. This expertise will be invaluable as the Authority takes on its strategic commissioning function.
- 9.3 The current national economic climate makes the local economy more vulnerable to change especially in terms of employment opportunities and potential apprenticeships. It will therefore be important to closely monitor those young people who are identified as NEET or at risk of NEET to ensure that sufficient resource provision is made available for this vulnerable group.
- 9.4 The current uncertainties within the Authority in terms of financial pressures will mean further revisions being made to the staffing levels within Children & Families. It will be essential that the impact of any potential revisions are minimised in terms of the impact on 16-19 learners.
- 9.5 The increased financial accountability will bring potentially increased pressures on current staff to meet the demands associated with revised 16-19 commissioning arrangements. This financial capacity will have to be monitored closely as part of new commissioning arrangements.

## **10.0 Background and Options**

- 10.1 The Secretary of State letter earlier this year was clear that Local Authorities retain the role of strategic commissioner and influencer for

16-19 learning. It is also clear that the final responsibility for the mix and balance of a provider's curriculum sits with the provider.

- 10.2. The Authority has taken the view, supported by its 14-25 Executive, to articulate its key commissioning priorities for 16-19 learning based upon the strategic analysis provided by the YPLA. It will be the role of the Authority to ensure that local providers are able to deliver against these priorities in terms of delivering high quality learning outcomes for our young people.
- 10.3. This approach – of supporting the key priorities with proposed actions and intended outcomes at provider level – enables the Authority to act as a key influencer in the way in which providers develop their offer. The influence of the 14-25 Executive will grow in terms of providing the forum through which providers can interact with the Authority and shape current and future provision.
- 10.4. There has been extensive consultation with a variety of organisations, key stakeholders as well as providers in terms of shaping the commissioning priorities as set out in Appendix 1. The strategic analysis documentation provided by the YPLA, supplemented by other more local sources of information, has allowed the Authority to be confident that the commissioning priorities are the most relevant and influential in improving outcomes for local young people.
- 10.5. Although the main source of funding for 16-19 year olds is through the Government's Learner Responsive funding stream, the local authority will also commission provision for young people up to the age 25, with a learning difficulty assessment, through the YPLA's Independent Specialist College (ISP) budget. Additionally, provision to address those young people not in education, employment or training (NEET), including provision pre-16 aimed at preventing young people from becoming NEET, will be commissioning using ESF Priority One funding. Other commissioned work will encompass Young Parents to Be, Young Apprenticeships and Education Business Partnerships.
- 10.6. In determining the 16-19 commissioning priorities, due account has been taken of Cheshire East's Sustainable Community Strategy in order to align the 16-19 priorities within the wider corporate vision. In particular, that schools and colleges will provide a consistently high standard and will ensure that every young person reaches their full potential.
- 10.7. An increasing focus of time is currently being given to ensure that every opportunity is taken to engage with other authority services that have links to transition beyond 16-19 and the 'Skills for the Future' agenda. The Work and Skills programme is crucial to the 16-19 commissioning process to ensure that young people are fit for purpose in terms of meeting local economic and employment needs.

- 10.8 A significant amount of work has previously been undertaken across the sub-region as well as within the authority to plan for the closure of the LSC and to take on the strategic role for 16-19 commissioning. The further changes as outlined by the Secretary of State in terms of the widened role of the YPLA has meant further adaptations to our approach to commissioning has had to take place. This paper captures what we know as of now and it will require further detailed analysis of the revised national commissioning framework until we are finally in a position to move forward with full confidence. What should not change however are the commissioning priorities as these are based upon previous data which clearly identify these as being of the highest priority.
- 10.9 The arrangements relating to LLDD learners are complex in terms of the current arrangements for making accurate assessments leading to allocation of funding. Whilst the YPLA currently oversee the funding arrangements, this responsibility is intended to move the Authorities as from 2012. Provision for severe LLDD learners is provided by Independent Specialist Providers (ISP) with Cheshire East having such a institution – The David Lewis Centre. There are currently proposed changes to the process of making accurate assessments using the new ‘Learning for Living and Work Framework’. The Authority is currently deciding upon whether to be involved in a pilot project to test this new framework to see if it is fit for purpose. There is the potential for the framework to integrate current processes commencing at Year 9 (age 14) through to transition into adult services. For 2010-11, 27 learners will access provision within ISP Colleges which costs the Authority £1,625,796.

## **11.0 Access to Information**

The background papers relating to this report can be inspected by contacting the report writer:

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