

Meeting: Executive

Date: 21 July 2009

Subject: Changes to arrangements for 16-19 education and training

Report of: Portfolio Holder for Culture and Skills

Summary: This report provides information on proposed national changes to the commissioning of education and training provision for 16-19 year-olds. The report seeks agreement to the Council's participation in a formal sub-regional grouping (SRG) for the purposes of 16-19 commissioning.

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Contact Officer: Sylvia Gibson, Interim Assistant Director, Policy, Planning and Commissioning

Public/Exempt: Public

Wards Affected: All

Function of: Executive

Key Decision No

Reason for urgency/ exemption from call-in (if appropriate) Not applicable

RECOMMENDATIONS:

- 1. That Central Bedfordshire Council joins a formal sub-regional grouping (SRG) with Hertfordshire County Council, Bedford Borough Council, and Luton Borough Council for the purpose of joint commissioning of further education provision in the sub-region;**
- 2. That the stage 2 proposals made by the SRG for establishing readiness for 16-19 commissioning be approved;**
- 3. That the Deputy Chief Executive/Director of Children, Families and Learning be authorised, in consultation with the Portfolio Holder for Culture and Skills, and within the proposed governance arrangements for the SRG, to take forward detailed operational arrangements to ensure effective commissioning of education and training for 16 – 19 year olds, as outlined in the attached final stage 2 submission to the Department for Children, Schools and Families (DCSF).**

Reason for Recommendations: To seek the approval of the Executive to participate in a formal sub-regional grouping (SRG) with Bedford Borough Council, Hertfordshire County Council and Luton Borough Council for the commissioning of education and training for 16-19 year olds in order to meet the Council's obligations when Central Bedfordshire assumes these responsibilities in April 2010.

Background

1. In spring 2008, the Government published the White Paper, 'Raising Expectations: enabling the system to deliver', which proposed significant changes to arrangements for the education and training of 16-19 year-olds and skill development for adults. Since publication of the White Paper, Government has pressed ahead with arrangements for implementing these proposals.
2. Subject to the passage of legislation, the key changes in respect of young people are as follows:
 - Funding for post-16 education and training will pass from the Learning and Skills Council to local authorities, with effect from April 2010.
 - From 2010 local authorities will commission and fund sixth form provision directly. With respect to further education provision, local authorities are required to collaborate in formal sub-regional groupings which will jointly commission further education provision for the sub-region.
 - Formal regional groupings will be established to ensure that the commissioning plans for each sub-regional grouping collectively deliver coherent provision for the region.
 - A national Young People's Learning Agency (YPLA) will be established with responsibility for budgetary control and for securing coherence in the event that agreement cannot be reached locally. The YPLA will have a national and regional presence to support local authorities in their commissioning of 16-19 learning
3. The Local Authority will have a key role as a strategic planner to:
 - meet the learning needs of all learners resident in the local authority area, including learners with specific needs and Young Offenders;
 - meet collective learning needs across travel to learn areas;
 - support collaborative working through the Local Area Agreement, the Children's Trust and the 14-19 Partnership;
 - produce a 16-19 commissioning plan for the establishments for which they are the lead commissioner, informed by the Children and Young People's Plan and the needs of learners who travel in from other local authority areas;
 - develop the market and ensure provider quality.

Establishing the Sub Regional Group

4. The pattern of sub-regional groupings of local authorities takes into account travel to learn patterns for FE provision. Government expects sub-regional groupings to be ready to deliver the new responsibilities in shadow form from September 2009, in preparation for legal transfer of functions from April 2010. Government has indicated that sub-regional groupings will be assessed on their readiness to deliver, and if they are judged not ready to deliver, the YPLA will undertake commissioning of FE on behalf of the sub-regional grouping until such time as it is ready to deliver.
5. The White Paper suggests various models for collaboration between local authorities in sub-regional groupings:
 - *Shared service*: local authorities undertake strategic commissioning collectively with a shared service to commission FE colleges on behalf of the regional sub-grouping.
 - *Lead local authority*: local authorities undertake strategic commissioning collectively and agree for a lead local authority to commission FE colleges on their behalf.
 - *Individual Local Authority*: Local authorities come together to share plans but each local authority commissions provision from providers within its own boundaries.
6. There will be a joint commissioning approach to 16-19 provision for the Central Bedfordshire SRG which will involve the establishment of a joint commissioning team, where each individual will have principal accountability to their home local authority. This team will include shared specialist technical support for the commissioning of further education provision and will work within an agreed joint commissioning framework. This team's work will be led by a co-ordinator who will be accountable to the sub-regional grouping and line managed by the nominated Director of Children's Services Regional Chair of the SRG.
7. The DCSF has published detailed guidance and a timetable for establishing effective sub-regional groupings over the transition period to September 2010. The specific roles set out for SRGs in the DCSF paper are as follows:
 - Providing a forum for LAs to work and plan together to build a picture of demand;
 - Agreeing who will lead the commissioning dialogue with each provider in the sub region on behalf of the SRG;
 - Reviewing individual LA commissioning plans;
 - Deployment of commissioning resources in the most cost effective and efficient manner.

8. SRGs are being established through a two stage assessment process designed to support local authorities in developing effective collaborative arrangements by the start of the transition year in September 2009.
9. In the Eastern Region, local authorities and the Learning and Skills Council have established:
 - a shadow regional forum (Regional Planning Group), consisting of Directors of Children's Services, Government Office, the Learning and Skills Council and EEDA, to steer the strategic implementation of transitional arrangements across the region;
 - an operational transitional planning group of 14-19 leads from local authorities and the Learning and Skills Council, to undertake the detailed work on the transitional arrangements, with an agreed work programme in place;
 - a change management and capacity building programme, funded by the Regional Efficiency and Improvement Partnership (REIP), to manage the 'whole system' change associated with the new commissioning responsibilities for 16-19 education and training.
 - travel to learn patterns across the region and have a proposed pattern of sub-regional groupings that aggregate into a regional whole.
10. The proposed pattern for sub-regional groupings in the East of England is:
 - Central Bedfordshire, Bedford Borough, Hertfordshire, Luton
 - Essex, Southend and Thurrock
 - Norfolk, Suffolk, Cambridgeshire and Peterborough
11. The aims of the SRG are:
 - to provide a greater range of choice and ensure that all young people have access to, participate in and engage with an education that fulfils their potential and stretches and challenges them so that they can succeed in their next stage of education or employment;
 - to give young people the knowledge and skills that employers, the economy and the region need to prosper in the 21st century;
 - to provide all young people with personalised learning opportunities and an equal opportunity to succeed, improving outcomes overall and narrowing the achievement gap between those who do well and those who do less well.

12. The SRG has met regularly since November 2008 to finalise its stage 2 submission to DCSF regarding readiness for 16 – 19. The submission covers:
- Governance arrangements
 - Decision-making processes
 - Dispute resolution
 - Staffing needs
 - Reporting processes
 - Financial and performance accountabilities
13. Following submission, GOEast coordinates views on the proposals from the regional Association of Directors of Children’s Services, the Learning and Skills Council, the Regional Development Agency and provider representative organizations, and engages in a dialogue with each local authority. A National panel then reviews the plans and decides on the readiness of each SRG to move forward. Interim DCSF feedback on the review of the stage 2 proposal states that the proposal is sound and sets out a good collaborative approach with clear roles and responsibilities.

Once final approval is received, the LAs and LSC agree working relationships in preparation for the start of the commissioning year in September 2009. The focus will then move to identifying sub-regional priorities, and to establishing the joint commissioning team so that the SRG and constituent local authorities can take up their shadow responsibilities from September 2009. This work is supported by the regional consultancy and project management secured from the REIP.

Joint Commissioning

14. The Commissioning role will be to:
- meet the needs of all who learn in local authority areas through high quality providers;
 - agree high quality provision with providers;
 - agree learning required across travel to learn patterns ;
 - determining the lead commissioners for all providers as part of SRGs.

15. The areas that the SRG will commission jointly will be FE and apprenticeship provision. This commissioning is set in the context of planning other 16-19 and 14-19 provision such as those young people not in education, employment or training (NEET) and pre-NEET interventions, school sixth form provision, apprenticeships and Foundation Learning Tier/Progression Pathways provision. The SRG will work collaboratively with the Children's Trust and 14-19 Partnership to set strategic priorities. The overall plan will be included in the Central Bedfordshire Children and Young People's Plan and will link to LAA and Children's Trust targets and to the adult skills and economic agendas.
16. The Local Authority will have a direct commissioning relationship with:
 - Schools
 - 14-19 Consortia
 - NEET and pre-NEET/alternative provision
 - Sixth Form Colleges
 - FE Colleges (through sub-regional grouping arrangements)
 - The Skills Funding Agency / National Apprenticeship Service
 - Young People's Learning Agency
17. Central Bedfordshire is involved in a number of joint commissioning arrangements with other bodies agreed through Children's Trust arrangements, and this experience and the experiences of the other LAs has been used to develop the SRG's approach to the new 16-19 commissioning responsibility.

Resources and Capacity

18. The four local authorities will each employ staff that will have responsibility for 16-19 FE joint commissioning. These staff will work collaboratively to ensure joined-up 14-19 planning and commissioning, both in-area and with the other local authorities in the region. They will lead on the commissioning of appropriate FE 16-19 provision for their area and the entire SRG, linked to a team providing co-ordination and specialist technical support for the SRG as a whole. In order to manage the process of commissioning post 16 provision in Central Bedfordshire, four LSC staff (or equivalent budget) will transfer to Central Bedfordshire in April 2010 under TUPE arrangements. The staff transferring will have been identified by the LSC as discharging those functions which are transferring to the local authority under the Machinery of Government changes.
19. In Central Bedfordshire, strategic responsibility for developing the 14-19 curriculum, including the introduction of Diplomas, supporting the work of the 14-19 Strategic Partnership and for working with schools and colleges on raising attainment, will be the responsibility of Learning and Schools within the Children, Families and Learning Directorate. The responsibility for commissioning post 16 provision will sit with Policy, Planning and Commissioning. This provides a clear separation between working with establishments on the 14-19 curriculum and identifying need, and commissioning appropriate provision.

Governance Arrangements

20. Individual local authorities are financially accountable for the resources allocated to them. 16-19 funding decisions in Central Bedfordshire will be routed through the Children's Trust for approval and where appropriate to Schools Forum.
21. Reports on the activities of the SRG will go to the Economic Wellbeing sub-group of the Children's Trust and from there to the Children's Trust Board. This will ensure that there is challenge within the process and full accountability to elected members. These reports will set out the outcomes achieved in the previous year and the commissioning priorities and intentions for the following year. The timing of these reports will be aligned with the 16-19 business planning cycle and the annual review of the Children and Young People's Plan. Additionally, the 14-19 Plan and aggregated SRG plan will be published on the Council's website.

Next Steps

22. The Deputy Chief Executive/Director of Children, Families and Learning will take forward detailed operational arrangements to ensure effective commissioning of education and training for 16 – 19 year olds. Members will be kept informed of progress through regular reports as detailed in paragraph 21 above.

The final Stage 2 submission is attached to this report.

CORPORATE IMPLICATIONS

Council Priorities:

The transfer of LSC responsibilities to the Local Authority will contribute to improvements in educational attainment in line with the Council's Strategic Plan 2009-11.

Financial:

Funding from the REIP will provide approximately 13K for capacity building in 09/10. The establishment of arrangements for the sub-regional grouping will be consistent with the resource level expected following the transfer of funding to the local authority from April 2010, but at this stage funding levels have not been confirmed. These national and local changes will mean that the Council is more directly accountable for value for money for 16-19 education and training, with strengthened ability to hold providers accountable for the value for money provided.

The administrative costs of appointing new local authority staff will be met through the transfer of funding from the LSC to the Local Authority.

Legal:

There are no legal implications other than as set out in the body of the report. It is intended that the sub-regional grouping will have a formal status subject to the passing of legislation to give effect to the 2008 White Paper '*Raising Expectations: Enabling the System to Deliver*'

Risk Management:

There are no strategic or service risks provided the transfer process is completed on time and plans for managing the transition are implemented.

Staffing (including Trades Unions):

Local authorities in the region are working with the Learning and Skills Council to secure the retention of staff with relevant knowledge and skills during the transition process. TUPE arrangements will apply to the transfer of LSC staff to the Local Authority. Arrangements are in place with the LSC to develop Central Bedfordshire staff expertise and understanding of the relevant commissioning and financial accountabilities during the transition period.

Equalities/Human Rights:

The changes proposed will strengthen the Council's ability to ensure that 16-19 education and training provides effective access for all groups of young people and all types of needs.

The transfer process will take account of the Council's responsibilities in these areas.

Community Safety:

None

Sustainability:

None

Appendices:

Appendix A - Sub Regional Grouping Stage 2 Proposal

Background Papers (open to public inspection):

White paper, 'Raising Expectations: enabling the system to deliver', 2008, Department for Children, Schools and Families and Department for Innovation, Universities and Skills ...

Location of papers: Priory House, Chicksands