

Wiltshire Council

Children's Services Select Committee
18 March 2010

13-19 Strategy ~ Update on the Arrangements for Transfer of Responsibility from the Learning and Skills Council (LSC) to the Local Authority from 2010

Executive summary

The purpose of this report is to update the Children's Services Select Committee on the progress and readiness of the Council to take on its new strategic responsibilities for learning and skills, including the planning and commissioning of education and training for 16-19 year olds from April 2010.

Proposal

That the committee:

- a) Notes the work done to ensure the Council is ready to take on its new strategic responsibilities for learning and skills, including the planning and commissioning of education and training for 16-19 year olds from April 2010.
- b) Notes the report and comments as appropriate.

Reason for proposal

To ensure members have the latest information regarding how Wiltshire Local Authority will manage its new responsibilities for 16-19 from April 2010.

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Purpose of Report

1. The purpose of this paper is to update the Select Committee on the progress and readiness of the Council to take on its new strategic responsibilities for learning and skills, including the planning and commissioning of education and training for 16-19 year olds from April 2010.

Background

2. The changes to the current arrangements relate to the July 2008 White Paper, 'Raising Expectations Enabling the System to Deliver'. The White Paper set out a broad vision to ensure strong local leadership in the delivery of the national 14-19 reform agenda. A key component of the White Paper was the transfer of responsibility for the planning and funding of 16-19 learning and training provision from the Learning and Skills Council (LSC) to the Local Authority (LA). The impact of this change in statutory duty and responsibility enables the Local Authority to become the strategic lead for all education and training 0-19 (25 for Learners with Learning Difficulties and Disabilities).
3. In order to take on the new duties and responsibilities all local authorities have been required to develop proposals and submit these on a phased basis to the Government Offices for approval. A report to Implementation Executive on 16 March 2009 outlined the proposals for managing change and sought their approval to move forward on that basis. Implementation Executive agreed the proposals and these were submitted to the Department for Children Schools and Families (DCSF) and the Government Office of the South West (GOSW). The Council received very positive feedback on the proposals and subsequent monitoring of our progress has also been positive.
4. Our proposal to develop the capacity for commissioning of education and training, 16-19, focuses on taking a leadership role to develop, enhance and sharpen existing consultative and strategic groups within the 13-19 Strategic Board, which reports to the Children and Young People's Trust Board. The guidance from government asks that we consider carefully the travel to learn patterns of learners, and where we have significant numbers travelling to other local authorities we consider the development of a Sub Regional Group/Partnership. Following examination of the travel to learn patterns we concluded it was appropriate to develop a Sub Regional partnership with Swindon Borough Council. Swindon Borough Council agreed with this proposal and therefore a key aspect of our structure and developmental work in the last eighteen months has been our partnership work with Swindon. Annex 1 contains an outline of the structural relationships.
5. While local authorities and their Sub-Regional Partnership have local responsibility and accountability at a regional and national level, the accountability will be secured through the Young People's Learning Agency (YPLA) and the Skills Funding Agency (SFA). The Young People's Learning Agency with Government Office for the South West will hold local authorities and the Sub Regional Partnerships to account, ensuring effective flow of data and information alongside

coherent commissioning across the region for identified groups of learners. The Skills Funding Agency have the accountability for adult learning, will oversee the quality in the Further Education sector and the work of the National Apprenticeship Service, who will actually commission apprenticeship provision in line with local authority plans.

6. It is clear in the draft National Commissioning Framework that the legal responsibility for commissioning will rest with the Local Authority. The relationship with both the Sub-Regional partnership (with Swindon) and the Children's Trust Board is to secure the best outcomes for young people through partnership working, rather than any form of legal entity. Funding for providers, which will flow via the Local Authority, is determined by national funding formula and therefore the Local Authority will not be able to determine the funding for individual providers or for a sector. The 16-19 Commissioning plan will require the Local Authority and the Sub Regional Partnership to outline volumes, type and location of learning and from this the funding, against the national formula, will be determined.

Main Considerations for the Council

7. The 13-19 Strategic Board has overseen both the transfer arrangements and will take the lead role in overseeing the commissioning plans and process. To support both the work to date and future detailed commissioning work the Strategic Board has established the Planning & Funding Sub-Group (PFSG) At a national level the DCSF, with the YPLA, have published a draft National Commissioning Framework; the final version is expected mid March for application from April 2010. The National Commissioning Framework will provide an operational framework for both individual local authorities and sub-regional partnerships.
8. The 13-19 Strategic Board at its last meeting confirmed that it will need to review the current strategic plan. This will be done in the light of the new responsibilities, the Raising of the Participation Age and the requirement to establish a commissioning plan. It is proposed that the new plan, reflecting the new responsibilities, is considered in its autumn 2010 meeting.
9. In order to provide local authorities with the capacity to undertake the new responsibilities staff will transfer from the Learning and Skills Council, under TUPE like arrangements. The Learning and Skills Council originally identified that 8 staff should transfer to Wiltshire. Following the various processes the LSC has confirmed that 3 staff will transfer from the Local Office. These staff represent approximately 2.6 FTE of the originally allocated eight staff. In order to secure the remaining capacity the Local Authority is re-organising its existing teams. A new team structure has been identified with existing Council staff adapting and changing their current roles and responsibilities in order to ensure the council can deliver the new responsibilities. The new team have already been working together and will be jointly located in Trowbridge. The DCSF will provide a Special Purpose Grant for 3 years to fund the staffing requirements, including the transferees. It is unclear how funding will be sustained in the future.

10. Wiltshire Local Authority will be responsible for a number of deliverables. From April 2010 these include:
 - Securing the continued funding for the existing LSC contracts and funding agreements which are in place for 2009-10 academic year. The LA has to take on the existing liabilities. This includes funding agreements for Schools and the FE College; contracts with the private Training Providers and Independent Specialist Training Providers (ISP).
 - Ensure that the final Allocations have been issued for 2010-11 and have in place the Funding Agreements for Schools and the College and the Contracts with the Training Providers and ISP.
 - Have in place an Outline Draft Commissioning Plan for 2011-12 by autumn 2010.
11. For the majority of provision the basis of the commissioning plan is the nature and volume of activity and once agreed this will be funded via a national funding formula. There are a number of variables which are at provider level. Early indication is (with the exception of Apprenticeship programmes) that there will be limited growth, this will be primarily based on demographics or changes in travel to learn patterns; therefore changes in provision will need to be managed locally, within the overall volume allocation for Wiltshire.
12. For learners with Learning Difficulties and Disabilities Wiltshire Council will be taking on individual case work and the decision making relating to placements of young people in out of county including Independent Specialist Providers (ISPs). While initially the YPLA will hold budgets the LA will be expected to operate within an allocated budget level. This will be challenging as Wiltshire has inherited amongst the highest levels of out of county ISP placements in the South West. Early indication suggests that this could present significant cost pressures in the future. Consequently this will be an area of significant strategic development work. The Select Committee has already expressed a wish to look at this area in the autumn as part of the programme for the Task Group looking at special educational needs.
13. The planning and commissioning cycle as outlined in the draft National Commissioning Framework suggests that key decision making is likely to follow the pattern outlined below:
 - June/July ~ final decision making and contract decisions as well as planning decisions/recommendations for the following year.
 - October ~ sign off the Local Commissioning Statement for the following September
 - February ~ sign off the 16-19 Commissioning Plan for September
14. The Sub Regional Partnership Groups at both the operational and strategic level have met. The operational group consisting of officers of the two authorities have been regularly focusing on the transfer arrangements and the detail of planning as we move closer to April 2010. These meetings have enabled both authorities to share best practice; the demands of the work associated with the transfer and

developing effective future processes. The strategic group consisting of the lead Members, Directors of Children Services and key officers of the two authorities met on the 4 March 2010. This was a positive meeting with a clear direction of travel identified, including a business cycle. It was agreed that further work was required on the Memorandum of Understanding following the final publication of the National Commissioning Framework.

Environmental Impact of the Proposal

15. At this stage there is no known environmental impact as a result of the transfer of responsibility from the LSC to the LA, especially in the proposals for governance, leadership and management. However as the commissioning framework develops it will be possible to incorporate environment priorities into the commissioning framework for 16-19.

Risk Assessment

- 16 In February 2009 the most significant risk was insufficient central funding to ensure that sufficient staff could be employed to discharge the new responsibilities. Resource has been confirmed and it is sufficient to cover the new duties as they have been identified at this point. The delay of the final National Commissioning Framework means that some processes have not been finally confirmed and this could result in additional resource demands. In the future there could be cost pressures with regard to the placements of learners with learning difficulties and disabilities at 'out of county' independent specialist providers. Discussion has already started regionally and locally in order to manage the risks.

Financial Implications

- 17 The Special Purpose grant to cover the transfer responsibility has been confirmed for three years; beyond this period funding is unknown. Provision is funded against a national funding formula which is managed nationally. The funding will flow from the Young People's Learning Agency to the Local Authority to pay providers. Providers have been set up on the SAP system and the timeframe should allow payments to be made in sufficient time, so the cash flow of providers is secure.

Legal Implications

18. Reference has regularly been made to the Council's legal team through the transfer process. From April 2010 the Local Authority will take over the existing Learning and Skills Council contracts. Legal colleagues have considered outline contracts and have confirmed that these present no significant risk to the Council. From September 2010 provision will be under a Wiltshire Council agreement or contract, these are currently in preparation.

Conclusion

19. The development of the arrangements for the future commissioning of 16-19 is in line with expectation, against a delivery plan. The final publication of the National Commissioning Framework coupled with clarity of expectation from the YPLA and SFA will further support readiness of the Local Authority and Children and Young People's Trust Board to take on its new responsibilities from April 2010. During the summer and early autumn 2010 a new 13-19 Strategic plan, including a commissioning plan will be developed in readiness for the 2011-2012 academic year.

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Background documents

Sub-regional Group Phase 2 Proposal from Swindon and Wiltshire. 27.03.09

Appendices

Appendix 1 - Swindon and Wiltshire Sub Regional partnership Governance Model