

Wiltshire Council

Children's Services Select Committee 23 September 2010

16-19 Learning and Skills - Update on the transfer of responsibility from the Learning and Skills Council (LSC) to the Local Authority from April 2010

Purpose of Report

1. This report presents an update on the Council's progress since taking on its new strategic responsibilities for learning and skills, including the planning and commissioning of education and training for 16-19 year olds. The paper also outlines the changes to the funding arrangements for 16-19 education and training announced by the Secretary of State for Education on 19 July 2010 and proposes how the Council should respond to these changes.

Background

2. The report presented to Children's Services Select Committee on the 18 March 2010 confirmed that the Council had made good progress and was ready to take on its new responsibilities and duties related to 16-19 education and training from April 2010 from the Learning and Skills Council (LSC).
3. The new statutory duties on Local Authorities follow the abolition of the Learning and Skills Council and are set out in the Apprenticeship, Skills, Children and Learning Act 2009 (ASCL). They include the duty to secure enough high quality suitable education and training to meet the reasonable needs of:
 - a. Persons in their area who are over compulsory school age but under 19, and
 - b. Persons in their area who are aged 19 or over but under 25 and subject to learning difficulty assessments.

Section 41 of the Act provides further detail of the duty which requires the Council to take account of quality, location and the time at which provision is made available. The Council is also required to act with a view to encouraging the diversity of provision and increasing the choice available to learners.

4. To support Local Authorities in undertaking these new duties, staff from the Learning and Skills Council (LSC) were transferred under 'TUPE like' arrangements from April 2010. Wiltshire was allocated eight staff, although at the point of transfer only three staff transferred and joined the 13-19 Team. The funding to support the posts and to ensure the outcomes are delivered is within a special purpose grant, as part of the Area Based Grant (ABG). The roles and

duties not covered by transferees from the LSC are being largely covered by existing council staff, particularly members of 13-19 Team.

5. The proposed governance and planning structures, outlined in the March paper to this committee have been established. The 13-19 Strategic Board takes the oversight of the arrangements and monitors progress in relation to the National Commissioning Framework (published in April 2010) and initial business cycle. As part of our governance arrangements we established a sub-regional partnership with Swindon Borough Council and strategic meetings have taken place.
6. In July, in line with the National Commissioning Framework, the LA identified interim commissioning priorities for Wiltshire from 2011. Over the coming weeks these priorities will be confirmed in line with regional and national expectations and will form the basis for future commissioning provision.
7. In April 2010, the Council took over from the LSC the existing contractual arrangements for the academic year. All payments were accurately made to providers on a timely basis through the summer term. By July, arrangements were in place to release funding agreements and contracts for the academic year 2010 - 2011. However, before these were released the Secretary of State for Education announced on the 19 July 2010 the need to simplify and streamline the processes and arrangements related to 16-19 funding. As a consequence the key changes include the following:
 - a. The Young People's Learning Agency (YPLA) are to make the financial payments to General Further Education and Sixth Form Colleges and other training providers. This removes the need for local authorities to manage contracts and grant agreements and reduces the requirement in relation to financial audit and assurance functions.
 - b. The 2011/12 core allocation of funding for school sixth forms and colleges is to be based on the equivalent of 'lagged pupil numbers' (number of learners in the previous academic year) rather than calculated on a projected number with in-year adjustment (known as demand led); and
 - c. There will be an expectation on the YPLA to improve the flow of data and information in order that local authorities are able to fulfil their strategic commissioning and influencing roles, maintaining the strategic overview of provision and needs in their area. This will include identifying gaps, enabling new provision and developing the market in the way the LA feel is the most appropriate.
8. On 9 September 2010, the Secretary of State for Education announced a review of vocational education to be led by Professor Alison Wolf. The purpose of the review is to consider how vocational education for 14-19 year-olds supports full and valuable participation and progression. The intention is that a review report with practical recommendations will be published in early 2011. To secure this outcome the review will consider:

- a. How vocational education for 14-19 year-olds can be improved?
 - b. What the appropriate target audience for vocational education is?
 - c. What principles should underpin the context, structure and teaching methods of the vocational offer, and
 - d. How progression from vocational education to positive employment or further training destinations can be improved?
9. In order to consider the above, it is likely that funding and planning mechanisms will be considered, including planning and partnership arrangements. Alongside the role of the voluntary sector, private providers, employers and awarding bodies. It is therefore likely that Professor Wolf's review will influence the future structure and duties in relation to the local authority's role in planning provision.

Main Considerations for the Council

10. Following the announcement by the Secretary of State on the 19 July regarding the changes to the arrangements for funding 16-19 provision, the Council is advised that the National Commissioning Framework (published April 2010) no longer applies. We should await further guidance regarding the business cycle and associated processes and this updated guidance is expected late September. The duties and responsibilities identified within Section 41 of the ASCL Act remain and as a consequence the strategic planning function of the local authority remains. In order to ensure the local authority is well placed to meet the needs of providers and young people, officers are continuing to develop plans with providers.
11. In order to simplify planning structures, following discussion with Swindon Borough Council we are proposing to dissolve the Sub-Regional Partnership at the strategic level. Cross border working of this nature is no longer a requirement or national expectation. The proposal for Wiltshire is to maintain the governance of the 16-19 commissioning process through the 13-19 Strategic Board. Officers will continue to work with Swindon Borough Council at an operational level where it is appropriate and helpful in securing improved outcomes for young people. The 13-19 Strategic Board will continue to review the current strategic plan for Education and Training and will incorporate wider aspects of the 13-19 agenda as appropriate.
12. Following the Secretary of State's announcement on 19 July 2010, the Council will remain the body responsible for the funding of maintained School Sixth Forms via an allocation which is based on the national funding formula. The Young People's Learning Agency will directly fund General Further Education (Wiltshire College), private training providers (North Wessex Training, Protocol National and Learning Curve) and Academy sixth forms (Wellington, Sarum and Hardenhuish). Although further guidance is awaited it would appear the changes to provider funding through the 'lagged pupil number', should ensure providers have greater in-year stability. However, in the future, it could add to the challenge of reshaping and developing provision in the future.
13. The arrangements for learners with Learning Difficulties and Disabilities have been secured for September 2010. Places for individual learners have been identified

and subsequently commissioned in suitable provision at the most appropriate provider. Overall the numbers of learners attending out of county providers have reduced slightly, although Wiltshire remains a high user of out of county places. Currently the YPLA holds the budget for the Independent Specialist Providers (ISPs). If this budget is transferred at some point in the future this could create a cost pressure and it therefore remains an area of focus for further work.

14. The central funding provided through the Special Purpose Grant to support the costs associated with the transferred staff and for the Council to deliver its new statutory duties is part of the Area Based Grant and is therefore potentially subject to the overall reductions in this grant. Any reduction in the grant will be managed in line with the wider Council strategies to manage overall grant reduction.

Environmental Impact of the Proposal

15. There is no further known knowledge in relation to the 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, potentially reducing the amount and distance of travel.

Risk Assessment

16. The Council has inherited a high level use of out of county ISPs. Early indication suggests this could present a significant cost pressure to the Council if the future responsibility for this budget transfers to the LA from the YPLA. The Special Purpose Grant to support the LSC transfer is part of the Area Based Grant and could be subject to cuts in the future thus putting staffing at risk.

Financial Implications

17. The local authority awaits further guidance from the YPLA regarding the commissioning process, including those associated with young people with learning difficulties and disabilities. At the point of preparing this paper the key financial implications which are known are identified above.

Legal Implications

18. Reference has regularly been made to the Council's legal team through the transfer process. To date no issues have emerged and there does not appear to be any immediate issues regarding the most recent changes.

Conclusion

19. The transfer process has been effectively managed to date and the Council has established a business cycle to deliver the key outcomes for young people and providers. Officers have managed the most recent changes and are adapting

processes and structures appropriately to secure future commissioning of provision.

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The following unpublished documents have been relied on in the preparation of this report:

None