

<b>CABINET</b>	AGENDA ITEM No. 7.1
29 MARCH 2010	PUBLIC REPORT

Cabinet Member(s) responsible:	Cllr John Holdich, Cabinet Member for Education, Skills and University	
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**14-19 Learning Reform Strategy and the transfer of 16-18 learning responsibilities from the Learning & Skills Council (LSC) to the City Council.**

R E C O M M E N D A T I O N S	
<b>FROM :</b> <i>Cabinet Member for Education, Skills and University</i>	<b>Deadline date :</b> <i>n/a</i>
1. This report is submitted to Cabinet for information on the final stage of the transition and transfer of responsibilities for 16-19 education from the Learning and Skills Council (LSC) to the Local Authority (LA) – known nationally as Machinery of Government changes (MOG).	

**1. ORIGIN OF REPORT**

- 1.1 Cabinet received an initial report on the changes for 16-19 year olds and Government proposals to transfer 16-18 funding from the Learning and Skills Council to the Local Authority in September 2008. This report provides an update on the position.

**2. PURPOSE AND REASON FOR REPORT**

- 2.1 The purpose of this report is to:

Provide additional information to Cabinet on the progress with the MOG transfer of responsibilities for 16-19 education from the LSC to the LA.

- 2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.1 '*to take collective responsibility for the delivery of all strategic executive functions within the Council's major policy framework and lead the Council's overall improvement programmes to deliver excellent services*'.

- 3. TIMESCALE** (*If this is not a Major Policy item, answer NO and delete second line of boxes*).

Is this a Major Policy Item/Statutory Plan?	<b>No</b>
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**4. WHAT IS CABINET BEING ASKED TO DECIDE?**

- a) Cabinet is asked to note the progress to date in the transfer of responsibilities for 16-18 learning, the opportunities and challenges emerging from 16-18 commissioning in delivering the Government's 14-19 Learning Reforms;

- b) Endorse the strategic direction of travel proposed in this paper for integrating the 14-19 strategy and the 16-18 funding arrangements within the Children's Plan and the City's Adult Learning and Skills Strategy.

4.1 In September 2008 the Cabinet received an initial report on the Changes for 16-19 Year Olds and the Government proposals to transfer 16-18 funding from the Learning and Skills Council to the Local Authority.

Cabinet approved the Phase 2 of the Peterborough 14-19 Strategy and agreed:

- That any necessary amendments to the Phase 2 Strategy, following on from further expected guidance from the Department for Children, Schools and Families (DCSF) on partnership, planning and implementation, be delegated to the Executive Director for Children's Services in consultation with the Portfolio Holder for Education, Skills and the University;
- That in order to manage the transfer of responsibilities from the Learning & Skills Council (LSC), Peterborough participate in a formal 'sub-regional partnership' with Suffolk, Norfolk and Cambridgeshire Councils for the purpose of joint commissioning of 16 – 19 provision in the sub-region from April 2010 onwards;
- That the detailed arrangements for the establishment of the sub-regional grouping be delegated to the Executive Director for Children's Services in consultation with the Portfolio Holder for Education, Skills and the University.

Below is an update on progress since September 2008.

## 4.2 14-19 LEARNING REFORMS

4.2.1 The 14-19 Learning Reform programme is the most significant attempt since the second World War to reform post-16 education in England and Wales and to bring it up to the standard needed to compete effectively in the global world of the 21<sup>st</sup> Century.

Overpage is a brief outline of progress to-date in Peterborough in developing the new 14-19 Curriculum:

### *In 2010-11*

- Seven of the new **Diplomas** will be on offer at all three levels across the City.
- **Two Foundation Learning Tier pilots, one at Peterborough College of Adult Education (PCE) and one at Peterborough Regional College (PRC)** have been launched to support young people requiring personalised learning and functional skills support.
- **New Apprenticeship** programmes will have been launched by the National Apprenticeship Service.
- A new **Common Application Process (CAP)** has been put into operation alongside the City's 14-19 Prospectus offering all Young People access to the full range of 14-19 courses on offer and the opportunity to create Individual Programmes of Learning.
- A new **Employer Engagement Strategy** is in operation supporting employer involvement in the new curriculum and expanding the range and type of work-placements and work related activities available.
- A new **Children's Services Workforce Development Programme** will be available to support staff training and team planning for the new curriculum.
- A number of **Stem Centres and Skills Centres** will be developed, one proposed for the city centre within the stadium complex and another focused on manufacturing/engineering at Arthur Mellows Village College.

And all of this will be being delivered, not by individual schools and colleges competing

for students, but by the new Team Peterborough 14-19 Partnership operating across Peterborough under the strategic direction of the Children’s Trust, through the 14 -19 Education Planning Partnership and sub operational groups. The **City Council** will be **The Commissioner** of all education and learning for 16-18 year-olds – replacing the LSC – working alongside its sub-regional partners Cambridgeshire, Suffolk and Norfolk.

4.2.2 Progress on implementing the 14-19 learning agenda in Peterborough has been satisfactory. Through the government office 14 -19 Progress Check the grading of qualitative indicators has improved with the effectiveness of 14 -19 Partnerships being graded as Amber/Green as well as the indicator for whether the area has sufficient facilities to deliver the 14 -19 reforms.

However, the City does face some particularly severe challenges with both participation rates in learning for 16-18 year-olds and the number of young people who are not in education, employment or training (NEET) above the regional average – although there are signs of improvement in recent statistics.

Equally, achievement at both GCSE and A level is below national averages and statistical neighbour comparators and so needs significant improvement to meet the targets set by the Department for Children, Schools and Families (DCSF) and the Local Area Agreement (LAA).

### 4.3 16-18 TRANSITION

4.3.1 Under the Machinery of Government (MOG) arrangements, responsibility for the funding and commissioning of learning for 16-18 year-olds will transfer from the Learning & Skills Council (LSC) to Peterborough City Council/Local Authority in April 2010. This transfer is designed to give local authorities (LAs) responsibility for all learning and training for children and young people aged 0 – 19 (and up to age 25 for learners with special needs) in their area and to make them fully accountable to the DCSF for planning and delivering the Government’s 14-19 Reforms from 2013 onwards.

4.3.2 For Peterborough this 16-18 transition includes the transfer of 5 LSC staff, the transfer of the LSC 16-18 budget, totalling £24,819,197 and a staffing budget of £349,272 (see table below for further detail), the creation of a sub-regional grouping (SRG) comprising Suffolk, Cambridgeshire, Norfolk and Peterborough, and the move to a National 16-18 Commissioning Framework (NCF). The period until March 2010 is referred to by the LSC as the ‘shadowing phase’ during which the new arrangements are due to settle into place ready for April 2010.

Funding Strand	April 2010 - July 2010	August 2010 - March 2011	Financial Year 2010/11
** LSC sixth form funding	3,333,401	6,052,889	9,386,290
** FE providers & Entry to Employment (E2E)	5,285,921	10,146,986	15,432,907
Staffing budgeted			349,272
<b>Total</b>	<b>8,619,322</b>	<b>16,199,875</b>	<b>25,168,469</b>

\*\* This funding is pass ported directly to schools and FE providers

Management of the 16-18 transition programme in Peterborough and the diverse work-streams (from staffing and funding through to learning provision for children and learners with special educational needs and learning difficulties and/or disabilities – LLDD), is being co-ordinated by the Strategic Machinery of Government Group (SMoGG) chaired by the Assistant Director for Learning and Skills (Mel Collins) with operational management and oversight devolved to the Director of 14-19 (Allison Sunley).

4.3.3 Progress to date on the Peterborough 16-18 transition programme can be summarised as follows:

- The LSC team transferring to the City Council has been announced and the officers concerned are currently undergoing appropriate induction arrangements into the City Council. Led by the 14-19 Director, Allison Sunley, the LSC team will continue to organise the allocations of funding to school sixth forms and colleges locally until April 2010 and develop their working relationships with colleagues in the Children's Services Directorate.
- This is an experienced team with established working relationships with local schools, colleges and training providers. This should re-assure both members and stakeholders that this transfer of responsibilities will go smoothly with relatively little disruption.

## 5. 16-18 COMMISSIONING

5.1 The National Commissioning Framework (NCF) for 16-18 learning has now been published. It sets out in detail the Local Authority's responsibilities for planning, commissioning, funding and performance management of the 16-18 learning provision and the new landscape that authorities will be working within in relation to learning for young people aged 16 and over, including:

- the Young People's Learning Agency (YPLA)
- the Skills Funding Agency (SFA)
- the National Apprenticeship Service (NAS)

The roles and relationships of these new bodies are briefly described in Annex B. In particular the National Commissioning Framework (NCF) describes the Sub-Regional (SRG) and Regional Planning Groups (RPG) through which Authorities will be commissioning provision across counties and across the region. Peterborough has joined an East England Sub-Regional Group (SRG) with Suffolk, Norfolk and Cambridgeshire. This is one of the largest SRGs in the country and it reflects the diversity of Peterborough's borders and close proximity to Norfolk, Suffolk and Cambridgeshire. This group now meets regularly and has begun discussions on cross-border issues, joint support and cross-county commissioning.

5.1.1 The new 14-19 landscape is complex. The proposed National Commissioning Framework (NCF) operates to a tight timescale in ensuring that the priorities in each LA's *Local Statement of Need* are effectively negotiated with other unitaries and counties in securing funding from the DCSF. Although the National Commissioning Framework provides extensive detail on commissioning procedures, how the whole system will operate in practice has yet to be fully worked through. The NCF guidance is currently out for consultation and REACT (Raising Expectations Action Programme), the Local Government support programme for 16-18 learning, has itself published a 'high level guide' for local councils ([www.lga.gov.uk/react](http://www.lga.gov.uk/react)). The City Council's response to the NCF consultation and that of its Sub-Regional Grouping (SRG) is currently being developed.

5.1.2 The initial issues that are emerging include:

- The development of a Peterborough City Council *Statement of Need* and the processes that will be needed to agree it within the context of the Children's Plan and to progress it through the Sub-Regional and Regional Planning Framework (Annex C summarises the current Peterborough Local Statement of Need drawn up by the local LSC).
- The nature and role of the Sub-Regional Group (SRG) in supporting the City Council with specialist services such as those for commissioning special educational needs (SEN) and the process by which members of the sub-regional group agree their joint application to the Young People's Learning Agency, negotiate cross-border planning and commission further education (FE) colleges and training providers.

- The actual extent of the local authority's powers to commission new provision, given that most of the 16-18 learning funding, some 95 – 98%, is already committed to post-16 providers such as school sixth forms and colleges.

The number of young people – nearly 1000 per year in all according to the LSC – who choose to study post-16 education outside of Peterborough in Lincolnshire, Bedfordshire, Northamptonshire, Essex, Norfolk and Cambridge. Given that many of these young people choose Sixth Form Colleges or FE institutions, the City is experiencing a significant outward migration of some of its most able students, which inevitably impacts on participation and performance rates within the City.

## 6. THE CHALLENGES & THE OPPORTUNITIES

- 6.1 The transfer of 16-18 learning responsibilities from the LSC to the City Council is undoubtedly challenging. However, with strong support from the local LSC, it is being handled effectively in Peterborough with minimum disruption.
- 6.2 The transfer, however, was also intended to create opportunities for transformational change and for enabling and encouraging LAs to plan for all children and young people aged 0-19 (and up to 25 for young people with special needs), integrating 14-19 planning within the aims of the Children's Plan and linking it effectively with the Economic and Skills strategy for the city and region.
- 6.3 The two key challenges all LAs face are:
- Raising the Participation Age (RPA) to 17 by 2013 and to 18 by 2015 and delivering the new 14-19 Curriculum to ALL young people resident in their area.
  - Delivering more for less in a period when economic recovery will be fragile and public spending highly constrained.
- 6.4 Despite the anticipated restrictions on 16-18 funding and the limited opportunities to fund growth and new provision, the new National Commissioning Framework (NCF) does offer LAs the opportunity to be more innovative, strategic and robust in their commissioning role and more decisive in 'performance managing' the 16-18 learning sector.
- 6.5 The National Commissioning Framework equally has the potential to encourage schools, colleges and training providers to develop more robust and sustainable 14-19 Partnerships; partnerships capable of achieving significant economies of scale, capable of creating their own governance arrangements, capable of serving their wider communities in a more extended form. With one 14-19 Team Peterborough Partnership in Peterborough having a combined budget totalling £24,819,197 and a staffing budget of £349,272 (refer to table in 4.3.2) there is a real opportunity for providers in Peterborough to 'weather the storm' ahead, protect their sixth forms and generate the sort of community engagement or social capital that will form the educational, social and economic landscape of the future.
- 6.6 The rationalisation of post-16 provision is likely to become an essential feature of the future if small school sixth forms are to survive and thrive. The Secretary of State, Ed Balls, has recently argued that only by joining together and by forming trusts or federations, will schools survive the forthcoming restrictions on public funding and protect their staff and their jobs ('Securing our future: using our resources well, DCSF). This is now a timely opportunity for Peterborough to consider combining the power of commissioning and integrated planning at the strategic level with the power of *partnership working* and federations or trusts at the local level. This would create a new and more unified educational framework, one that is capable of achieving substantial economies of scale whilst driving up performance and innovation equally. This in turn would liberate teachers and particularly headteachers from bureaucracy and administration allowing them to focus on teaching and pupil needs.

This is the model that is being explored by the National College of School Leadership (NCSL) and it offers a framework for drawing together many of the key developments in Peterborough such as the 14-19 Education Partnership, the Building Schools for the Future (BSF) programme and the extended schools agenda and for devolving more power and responsibility to the local community through Neighbourhood Councils and locality working.

- 6.7 The 14-19 Entitlement in turn offers the City Council the opportunity to champion the needs of the most vulnerable young people in Peterborough - whether they are young people who are NEET (Not in Education, Employment or Training), have a SEN/LDD, are in custody or in care – and to transform learning not only through the new Diplomas but through Apprenticeships and particularly the new Foundation Learning, so desperately needed by those with low GCSE grades and low functional skills in literacy, numeracy and IT.

With relatively low participation rates for 16-18 year-olds, a high percentage of youngsters categorised as NEET and an educational performance below national averages and statistical neighbours, Peterborough has to make 'step changes' to transform learning and raise participation. The new 16-18 Commissioning framework, 14-19 Strategy for Change have the potential to lead, support and drive the City's vision for transforming learning in communities alongside the other programmes of reform for children and young people in Peterborough. Much, however, depends on the City's appetite for change and the arrangements needed to lead it and co-ordinate it.

- 6.8 The National Commissioning Framework requires LAs to integrate their 14-19 strategies more closely with the Children's Plan and to link it more closely with their strategies on Adult Learning and Skills and Economic Planning. Joint work on the skills agenda and the integration of educational planning with economic planning is a significant opportunity for Peterborough to pursue its plans for community regeneration in pursuit of Peterborough's ambitions.

The Learning and Skills teams and the Young People's Service within children's Services already work closely with the 14-19 team and the notion of a 14-19 Entitlement necessitates a full Needs Analysis to be undertaken that reflects both the needs of young people and the emerging needs of the Peterborough economy. The new Diploma and Apprenticeship programmes will then be able to link up more directly with the economic and employment needs of the future and so provide real inspiration for young people today in their chosen field.

## **7. CONSULTATION**

- 7.1 Consultation has taken place with:

- Providers
- Staff – through 1 to 1 discussions
- Young People through Connexions activity
- Wider staff groups through the consultations around the Children's Services Delivering through Localities statutory consultations.

- 7.2 It is planned that from the 1<sup>st</sup> April 2010 a provider reference/consultation group will be established to ensure that the process of transition does not impact negatively on Peterborough provider's capacity to deliver and secure improved outcomes.

## **8. ANTICIPATED OUTCOMES**

This report is intended to inform the Cabinet on progress with the 14-19 learning agenda in Peterborough and to identify the key issues emerging from the transfer of learning responsibilities for 16-18 year-olds from the LSC. Whilst no specific approvals are being sought at this stage, the Cabinet is asked to endorse the strategic direction of travel proposed and as before, to continue to delegate to the Executive Director for Children's Services and his senior officers specific responsibility for implementing the 14-19 Reforms, for developing the

16-18 commissioning strategy and governance arrangements, and for reporting back to the Cabinet through the Portfolio Holder for Education, Skills and the University as appropriate.

## **9. REASONS FOR RECOMMENDATIONS**

The transfer of responsibilities for 16-19 commissioning is a governmental statutory requirement. Under the Machinery of Government (MOG) arrangements, responsibility for the funding and commissioning of learning for 16-18 year-olds will transfer from the Learning & Skills Council (LSC) to Peterborough City Council/Local Authority in April 2010. This transfer is designed to give local authorities (LAs) responsibility for all learning and training for children and young people aged 0 – 19 (and up to age 25 for learners with special needs) in their area and to make them fully accountable to the DCSF for planning and delivering the Government's 14-19 Reforms from 2013 onwards.

## **10. ALTERNATIVE OPTIONS CONSIDERED**

The LA does not have any alternative option as the transfer of responsibilities for 16-19 commissioning from the LSC to the LA is a governmental statutory requirement.

## **11. IMPLICATIONS**

### **11.1 WHO WILL BE AFFECTED BY THIS DECISION?**

- Peterborough City Council staff involved in the delivery of the 14-19 Strategy.
- LSC 16-18 team & commissioning duties.
- Young people aged 14-19 in Peterborough.
- 14-19 learning providers including schools and colleges.

### **11.2 WHAT ARE THE KEY ISSUES TO CONSIDER?**

- Progress to date on the transfer of LSC staff and responsibilities for 16-18 learning to the City Council.
- The challenges and opportunities arising from the transfer.
- The implications of the new National Commissioning Framework & Commissioning arrangements for commissioning and procurement of 16-18 learning provision.

### **11.3 WHAT ARE THE RESOURCE AND RISK IMPLICATIONS?**

The Resource implications include:

- The successful transfer of the 5 LSC staff to the City Council.
- The transfer of the budget allocation and future 16-18 funds.

The Risk implications include:

- Disruption to the 16-18 funding allocation currently handled by the Learning & Skills Council (LSC).
- Staffing shortages within the LSC team identified for the City Council.

The Machinery of Government (SMoGG) Group has instituted and prioritised a full Risk Register that is regularly reviewed and updated.

### **11.4 WHAT ARE THE TIMESCALES ASSOCIATED WITH THIS DECISION?**

The formal transfer of 16-18 funding and responsibilities takes effect on 1<sup>st</sup> April 2010, and the transition phase or 'shadowing' is currently underway.

## 12. BACKGROUND DOCUMENTS

- a) 'Raising Expectations: enabling the system to deliver' (DCSF March 2008, [www.publications.dcsf.gov.uk](http://www.publications.dcsf.gov.uk))
- b) National Commissioning Framework ([www.dcsf.gov.uk/14-19](http://www.dcsf.gov.uk/14-19))
- c) East Anglian Sub-Regional Group application to DCSF (Dec 2008)
- d) Report to the Cabinet in September 2008
- e) 'Securing our future: using our resources well' DCSF 2009 ([www.teachernet.gov.uk/publications](http://www.teachernet.gov.uk/publications))