

CABINET ITEM COVERING SHEET PROFORMA

AGENDA ITEM 3

REPORT TO CABINET

11 SEPTEMBER 2008

**REPORT OF CORPORATE
MANAGEMENT TEAM**

CABINET DECISION

Children and Young People – Lead Cabinet Member – Councillor Cunningham

RAISING EXPECTATIONS – ENABLING THE SYSTEM TO DELIVER

1. Summary

To update Cabinet on government proposals to transfer funding and commissioning responsibility for the delivery of quality education and training for young people aged 16-19 from the Learning and Skills Council (LSC) to individual local authorities from 2010.

To detail proposals for the development of a sub-regional grouping to deliver the commissioning responsibility.

2. Recommendations

- (1) The 5 Tees Valley Authorities collaborate as a sub-regional grouping to strategically commission education and training for young people aged 16-19 from 2010.
- (2) The proposal attached as **Appendix A** be adopted by the 5 Tees Valley Authorities as the basis for a joint statement of intent to be submitted to Government Office in September.

3. Reasons for the Recommendations/Decision(s)

Local authorities are required to submit a statement of intent regarding their commissioning plans to Government Office in September 2008.

4. Members' Interests

Members (including co-opted Members with voting rights) should consider whether they have a personal interest in the item as defined in the Council's code of conduct (**paragraph 8**) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest (**paragraphs 10 and 11 of the code of conduct**).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting considering the business is being held -

- in a case where the Member is attending a meeting (including a meeting of a select committee) but only for the purpose of making representations, answering questions or giving evidence, provided the public are also allowed to attend the meeting for the same purpose whether under statutory right or otherwise, immediately after making representations, answering questions or giving evidence as the case may be;
- in any other case, whenever it becomes apparent that the business is being considered at the meeting;

and must not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (**paragraph 12 of the Code**).

Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc; whether or not they are a Member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in the business being considered at the meeting (unless the interest arises solely from the Member's membership of, or position of control or management on any other body to which the Member was appointed or nominated by the Council, or on any other body exercising functions of a public nature, when the interest only needs to be declared if and when the Member speaks on the matter), and if their interest is prejudicial, they must also leave the meeting room, subject to and in accordance with the provisions referred to above.

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SUMMARY

To update Cabinet on government proposals to transfer funding and commissioning responsibility for the delivery of quality education and training for young people aged 16-19 from the Learning and Skills Council (LSC) to individual local authorities from 2010.

To detail proposals for the development of a sub-regional grouping to deliver the commissioning responsibility.

RECOMMENDATIONS

- 1 The 5 Tees Valley Authorities collaborate as a sub-regional grouping to strategically commission education and training for young people aged 16-19 from 2010.
- 2 The proposal attached as **Appendix A** be adopted by the 5 Tees Valley Authorities as the basis for a joint statement of intent to be submitted to Government Office in September.

DETAIL

- 1 From 2010 local authorities will have a statutory duty to provide learning places for pre-19 year olds, subject to legislation. By 2013 local authorities will have a statutory duty to deliver full participation for all 17 year olds in education and training, rising to 18 year olds by 2015. In addition, from 2010 they will have a duty to secure sufficient provision for young people up to the age of 19 (including, learners with learning difficulties and/or disabilities up to the age of 25 and young people in juvenile custody up to the age of 18), in line with their responsibility for commissioning all children and young people's services.
- 2 It is expected that local authorities will come together as a regional planning group in each of the 9 GO regions to consider the overall regional plan, and to cluster together in sub-regional groupings reflecting travel to learn patterns to commission from further education colleges. Local authorities will directly commission from their own schools, sixth form colleges and work based learning providers. A slim national agency, the Young People's Learning Agency (YPLA) will have responsibility for budgetary control and for securing coherence across the system 16-19. It is envisaged that the exact delivery model in each area will depend on the strength of collaborative arrangements.
- 3 In order to progress the changes, local authorities are required to identify how they intend to work together to deliver on their new responsibilities by September 26th 2008. This process is set out in two stages in guidance from the DCSF. In the first stage local authorities are required to provide to the Director of Children and Learners of the relevant Government Office a short proposal of their sub-regional grouping outlining:

- Proposed local authorities within sub-regional grouping, and supporting statements from each DCS of the LAs involved in the grouping.
 - Rationale for grouping, including a view about the match with travel to learn patterns; how it will help secure the delivery of the new curriculum offer; proposals to engage with neighbouring local authorities and grouping; and compatibility with other local and regional priorities, plans and proposals.
 - Early indication of whether the group will operate model A (the YPLA Commissions GFE provision for the sub-region) or model B (the sub-region appoints a lead authority to commission GFE provision on their behalf).
- 4 The 5 Tees Valley authorities have signed a multi-area agreement (MAA), which is testament to the strong and effective partnerships which exist, supported by a common vision for the region and vastly improved outcomes.
- 5 Travel to learn patterns indicate that the vast majority of young people remain close to home for their 16-19 phase of learning, this is particularly the case in the Tees Valley.
- 6 On this basis it is proposed that the 5 Tees Valley Authorities group together as a sub-regional delivery group for the strategic commissioning of 16-19 education and training. It is proposed that the proposal attached as **Appendix A** be adopted by the sub-regional group, as the joint statement of intent to be submitted to Government Office by the five Tees Valley Authorities in September. It is proposed that individual Cabinets each sign up to the sub-regional arrangement.
- 7 Stage Two of the process is an assessment, carried out by DCSF in early 2009, to enable a readiness to deliver judgement to be made regarding the group's capacity to operate at sub-regional level. Between September and February work will be co-ordinated by Stockton, as the lead authority, to develop governance arrangements and come to agreement regarding representation across the Tees Valley. Groups are invited to submit proposals detailing their commissioning and other partnership arrangements between November 2008 and February 2009, to enable an assessment to be made by April 2009. This is intended to allow sufficient time for working/shadowing relationship to be agreed within the LSC for the start of the commissioning year in September 2009.
- 8 Given the timescale, and the need for effective co-ordination of this important work for the region, Tees Valley Chief Executives have agreed to identify Stockton as a lead authority to co-ordinate the necessary work and enable a clear focus to be taken on behalf of the sub-region.

FINANCIAL IMPLICATIONS

The machinery of government changes transferring responsibility for funding and commissioning education and training from the LSC to individual local authorities will result in the council being responsible for passporting significant additional resource to schools, colleges and training providers.

Additional capacity will be required within CESC to deliver on the responsibility, which will have an impact on medium term financial planning. Whilst Authorities will receive funding to commission training and education places for all young people 19-19, this money is ring-fenced to the provision of those places and is not available to address the financial implications of LAs assuming responsibility for this role. In the short term, application has been made to the REIP to support capacity until such time as more clarity is achieved during the shadow year 2009/2010. In the longer term, collaborative funding arrangements could be agreed across the 5 local authorities to ensure capacity post 2010.

LEGAL IMPLICATIONS

From 2010 local authorities will have a statutory duty to provide learning places for pre-19 year olds, subject to legislation. By 2013 local authorities will have a statutory duty to deliver full participation for all 17 year olds in education and training, rising to 18 year olds by 2015. In addition, from 2010 they will have a duty to secure sufficient provision for young people up to the age of 19 (including, learners with learning difficulties and/or disabilities up to the age of 25 and young people in juvenile custody up to the age of 18), in line with their responsibility for commissioning all children and young people's services.

RISK ASSESSMENT

The decision to group as a sub-region and submit a joint statement of intent is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

SUSTAINABLE COMMUNITY STRATEGY IMPLICATIONS

Economic Regeneration and Transport

Will contribute to some of the actions relating to travel to learn.

Safer Communities

No implications.

Children and Young People

Will support the Standards Agenda.

Health and Wellbeing

No implications.

Environment and Housing

No implications.

Supporting Themes:-

Stronger Communities

No implications at this stage.

Older Adults

No implications at this stage.

Arts Leisure and Culture

No implications at this stage.

EQUALITIES IMPACT ASSESSMENT

This report is not subject to an Equality Impact Assessment at this stage.

CORPORATE PARENTING

This decision will support the culture shift initiated by 'Raising Expectations – enabling the system to deliver' and as such will increase opportunities for looked after children.

CONSULTATION INCLUDING WARD/COUNCILLORS

The 'Raising Expectations' white paper has been subject to national, public consultation.

Name of Contact Officer: Julia Morrison

Post Title: Assistant Director/Head of Service, Children Schools & Complex Needs

Telephone No. 01642 527042

Email Address: julia.morrison@stockton.gov.uk

Background Papers Raising Expectations White Paper

Ward(s) and Ward Councillors: Not applicable

Property No implications



Stockton-on-Tees
BOROUGH COUNCIL

PROPOSED STATEMENT OF INTENT

PROPOSAL

Tees Valley city region as a delivery group for 14-19 commissioning

1.1 Summary

- 1.1 In order to progress the Machinery of Government changes, groupings of local authorities need to identify how they intend to work together to commission 14-19 provision within their area. This is a two stage process, with the first stage being a short statement of intent and the second stage being a more comprehensive proposal. This is the statement of intent from the 5 Tees Valley local authorities, which must be submitted by September 26th 2008.

2.0 The Tees Valley city region

- 2.1 The 5 Tees Valley authorities are a coherent sub-grouping for this work. They already work together strategically as a city region and have agreed a multi-area agreement which is relevant to the ambitions to be delivered through the changes to the Machinery of Government.

- 2.2 The Tees Valley city region is based around the five local authority areas of Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland and Stockton-on-Tees. The sphere of influence of the Tees Valley extends from Peterlee and Durham City in the North to Northallerton in the South and from Richmond in the West to Whitby in the East. The city region has a population of 875,000, of whom 650,000 live in the 5 Tees Valley local authorities.

- 2.3 The Tees Valley economy is based on the largest integrated heavy industrial complex in the United Kingdom. The economic performance of the Tees Valley has been generally poor both compared to the UK and international comparisons. However, there are signs that the economic performance of the city region is improving:

- Over the three year period to the end of 2006, 12,800 jobs have been created, primarily in the service industry;
- Economic activity rates are rising from 71.8% of people of working age in 1999 to 75.6% in 2006;
- Employment rates are rising – the proportion of people of working age in employment rose from 65.3% in 1999 to 71.0% in 2006, whereas nationally the rise was more modest, from 73.8% to 74.6%;
- Unemployment rates have fallen from 6.3% in 1998 to 3.6% in 2007
- The city region is performing at or above the national average in terms of qualifications except NVQ4 – there are currently 22.3% of adults qualified to Level 4 in the Tees Valley compared to 27.4% nationally.

- 2.4 If we are to build on these successes, and accelerate growth, however, we continue to face a number of economic challenges, which include:

- Growing the Tees Valley economy faster than the UK average to narrow the gap;
- Improving household income and developing less dependency on benefits;
- Continuing to increase economic activity and employment rates and reduce worklessness;
- Upskilling the workforce to obtain NVQ3/4 qualifications; and
- Reducing the number of people of working age with no qualifications.

3.0 Local Area Agreements

- 3.1 The 5 Tees Valley local authorities have each agreed common indicators within their local area agreements. All 5 authorities have set targets to reduce the number of people of working age claiming benefits in the more deprived areas, and all have agreed targets to reduce NEETs.
- 3.2 Targets have also been set to increase qualification levels by age 19, reduce child poverty and improve overall employment rates.

4.0 Travel to learn patterns

- 4.1 Commissioning arrangements for future provision for 14-19 education and training should reflect travel to learn patterns. In the Tees Valley, existing travel to learn patterns, and plans for new curriculum delivery, strongly support a sub-regional approach to strategic planning and commissioning of 14-19 education and training.
- 4.2 Within the 5 Tees Valley authorities there are 7 Further Education colleges, 4 sixth form colleges, 4 Academies, 7 state secondary schools with 6th forms, 35 other state secondary schools, 10 special schools, 4 private secondary schools with 6th forms and 1 private secondary school without a 6th form.
- 4.3 There are 13 Tees Valley secondary schools/academies subject to the National Challenge initiative focused on schools with less than 30% Level 2 Threshold including English and maths.
- 4.4 In 2007 there were 13,892 learners aged 16-18 in FE and Sixth forms resident in the 5 Tees Valley LAs. Of these 13,490 (97%) attend college and FE provision within the 5 authorities and 221 (1.6%) attend provision in Durham or North Yorkshire. The provision in the Tees Valley is attended by 1,195 students from Durham and 2,440 students from North Yorkshire. A large proportion of North Yorkshire students are those from Catterick Garrison who attend outreach provision at the camp which is made by Darlington College.
- 4.5 There are 4,968 learners from the 5 authorities in work based learning, and of these, 4,417 (89%) use provision within the 5 authorities. A further 368 (7%) receive provision in either Durham or North Yorkshire. There are 128 WBL providers operating across the 5 authorities.
- 4.6 There are 1,680 young people in the 5 authorities who are engaged in Entry to Employment programmes and of these, at least 1,635 (97%) of them remain in provision within the 5 authorities. There are 22 E2E providers operating in the 5 authorities.

5.0 Delivery of the new curriculum offer

- 5.1 Partnerships focused on 14-19 developments already exist within each of the 5 Tees Valley authorities, which have seen the successful development of Diploma Gateway bids and subsequent planning for delivery of the new curriculum offer across the sub-region. Each local authority has a common electronic prospectus, which is available for young people from across the region to access, and work is on-going to bring those documents together into a single offer. A sub-regional 14-19 partnership, with representation from all 5 14-19 partnerships, already exists with a mandate to develop a consistent approach to diploma delivery. A formalised sub-regional group for 14-19 commissioning could add impetus to this work and facilitate effective sub-regional commissioning.

- 5.2 BSF Transforming Learning Programmes are underway across the 5 authorities, with alignment to LSC capital programmes where appropriate ensuring maximum benefit and value for money from both initiatives. A co-ordinated approach to 14-19 strategic planning and commissioning across the sub-region would further support this transformation agenda.
- 5.3 The Tees Valley GFE colleges have jointly commissioned KPMG to conduct an audit of quality and provision, to inform a sub-regional mapping exercise. Formalising the commissioning process on a sub-regional basis could build on this strong foundation and support co-ordinated delivery of a diverse offer for young people in the Tees Valley.

6.0 Aligning with the Multi Area Agreement

- 6.1 The 5 Tees Valley authorities have signed a multi-area agreement (MAA) to establish a mechanism to support the regeneration and skills agenda.
- 6.2 The MAA is intended to support the Tees Valley city region, but the MAA proposal is made on behalf of the five local authorities of the Tees Valley alone, as many of the key 'asks' within the MAA could not include the whole of the administrative areas of Durham and North Yorkshire, as required by Government. However, the governance arrangements at sub-Board level include both authorities, and, where appropriate, their lower tier councils, and the benefits of the MAA will be shared across the whole of the city region.
- 6.3 It is proposed that a similar model be applied to the commissioning arrangements for 14-19 provision. The sub-regional grouping will formally consist of the 5 Tees Valley local authorities but with engagement, participation and influence invited from both Durham and North Yorkshire. This reflects the significant flow of learners from parts of Durham and North Yorkshire into the city region and government expectation that any local authority can only be fully engaged in a single sub-region.
- 6.4 The fact that the Tees Valley has been chosen to pioneer the MAA approach demonstrates the enormous progress made in the past decade in developing strong and effective partnerships, with vision for the area – and also proof that the authorities can deliver.

7.0 Conclusion

- 7.1 The Tees Valley authorities enjoy a strong and effective partnership across a wide range of areas, as evidenced by their common vision, vastly improved outcomes and ambitious MAA. As high performing local authorities with a strong track record of partnership working they welcome the opportunity to take a leadership role as a sub-regional group of 5, in strategically commissioning high quality provision so that all young people are able to access suitable learning opportunities and reach their potential. This resonates with the region's vision for regeneration and growth.
- 7.2 The 5 Tees Valley authorities; Hartlepool, Darlington, Redcar & Cleveland, Middlesbrough and Stockton-on-Tees intend to form a sub-regional grouping to strategically commission 14-19 provision from 2010. It is the group's intention to explore the opportunities for operating under model B of the two options offered by DCSF/DIUS, namely to appoint a lead authority to co-ordinate the commissioning of 14-19 education and training on their behalf.