

**Executive Member for Children & Young
People's Services and Advisory Panel**

Thursday 12 March 2009

Report of the Director of Learning, Culture and Children's Services

Update on Machinery of Government changes and progress of 14-19 Reforms.

Summary

1. This report presents an update on further progress within the city in taking forward the Machinery of Government (MOG) changes, including the transfer to the LA of funding for 16-19 education, and the 14-19 curriculum reforms, since the report presented to EMAP on 6 November 2008.
2. Whilst the November report (and its predecessors covering 14-19 issues) largely focused on the curriculum reforms, the priority within this report is to explain the proposals, developed in collaboration with sub regional partners, for the future commissioning of post 16 education under the MOG changes. In particular, a stage 2 proposal was submitted to Government Office for Yorkshire and the Humber (GOYH) and DCSF on 27 February. This sets out the key principles underpinning sub regional working, the annual cycle of activity and some supporting protocols and procedures.
3. In order that the LA can carry out its statutory duties relating to commissioning and funding an expanded 14-19 team is being created within School Improvement and Staff Development (SISD). An action plan covering the period January 2009 – September 2010 (when the first provision commissioned under the new arrangements will be delivered) has been drawn up.
4. The second part of the report will provide a brief update on progress within the York partnership on implementation of the 14-19 curriculum reforms.
5. Members are asked to endorse the Stage 2 submission and proposed arrangements for sub regional working. They are also asked to note progress on the curriculum reforms.

Background

6. In the summer of 2007, proposals were published for machinery of government changes including the transfer of funding for post-16 education to local authorities. Within the Yorkshire and Humber Region, an Interim Regional Strategic Planning Forum operating at Director of Children's Services level was

established (July 2008) to progress the transfer. The four authorities of York, North Yorkshire, East Riding and Hull submitted stage 1 proposals to GOYH and DCSF (October 2008) outlining why they should form a sub regional grouping. Following a successful assessment the local authorities moved on to stage 2.

7. The 14–19 Curriculum Reforms set out a national learner entitlement to be in place for September 2013 comprising four pathways:
 - Academic (GCSE/A Level)
 - Apprenticeships
 - 14–19 Diplomas
 - Foundation Learning Tier

Alongside this is a requirement, for all young people to remain in education or training to age 17 (from 2013) and ultimately age 18 (from 2015).

Machinery of Government Changes

8. The City of York Stage 1 submission (Annex 1) explains why the North and East Yorkshire grouping is the most appropriate for this local authority, its learners, providers and broader stakeholders such as employers. It includes details of existing collaboration and travel to learn patterns and demonstrates consistency with other local, regional and national development plans.
9. The four sub regional submissions passed stage 1, but feedback emphasised the need for the stage 2 submission to show that the sub regional arrangements would be able to meet the needs of learners in the differing contexts of each local authority.
10. In November 2008 a Sub Regional Steering Group (DCS Level) and Task Group (Lead Officers) were formed and terms of reference agreed. Both groups include Learning and Skills Council (LSC) and GOYH representatives. In due course LSC representation will transfer to the Young Peoples' Learning Agency (YPLA).
11. The Steering Group agreed to retain Sector Training as consultants to support the compilation of the Stage 2 submission. Sector Training are approved by REACT (DCSF support organisation) and their involvement has been paid for with some limited additional funding from GOYH.
12. DCSF Guidance (Annex 2) on Stage 2 submissions stated that they must address arrangements for the following aspects of strategic commissioning:
 - Governance
 - Collaboration and Strategy Contributions
 - Resources and Capacity
 - Policy and Planning
 - Quality and Targets

Since the Stage 1 submission two meetings of the Steering Group and four of the Task Group have taken place. The LA has also been appropriately

represented at a GOYH event supporting the development of submissions (14 January 2009). Work has been progressed against the five criteria above which have also been the basis for individual LA action planning.

13. The Sub Regional Proposal is for a light touch model underpinned by the continuation of the existing Steering and Task (or Operational) Groups. The sub regional grouping will have no permanent infrastructure or staffing. Rather it will rely on the Task Group, through bilateral working and interaction with stakeholders, to carry out the majority of its functions. In this way it is expected that activity supporting commissioning will remain localised and responsive to the needs of learners in particular areas. The proposed annual cycle of activity (Annex 3) sets out clearly the business cycle for commissioning and identifies the key decision points and accountabilities.

14. The Steering Group has agreed some principles for sub regional working and commissioning activity:

- A focus on the learner first, not the provider first
- A commitment to align with local and regional economic and skills needs
- A commitment to integrate 16-19 commissioning with other strategic priorities for children, families and communities
- A commitment to a mixed economy of providers in which all sectors are treated equitably
- A commitment to operate in a transparent and inclusive way locally and sub-regionally
- A commitment to co-operate well sub-regionally, particularly in meeting agreed timescales for the annual strategic commissioning cycle
- A commitment to incorporate sub-regional needs and issues into planning at local level

These principles have been well received by stakeholders across the sub region during consultations leading upto the stage 2 submission.

15. Another key issue which the Steering Group prioritised for agreement was a procedure for resolving disputes between partner LAs. Clearly, it is expected that issues will be resolved at Officer level. The next stage would see referral to the Sub Regional Steering Group. If no resolution could be found, arbitration at the Regional Strategic Planning Forum or, ultimately, national YPLA would take place. If a major issue with particular significance for York were to arise, Officers would engage with members to establish their views on possible ways forward.

16. Otherwise, within the annual cycle of activity, reports on progress will be presented to key partnership forums such as the YorOK board, the Learning City York Board and 14-19 Partnership structures. Members will also receive reports on Key Performance Indicators included in the Local Area Agreement and Service Plan monitoring. In the current EMAP framework there will be three reporting points each year. These would be in the Autumn term (Sub Regional Statement of Need), Spring term (Sub Regional Commissioning Plan) and late in the Summer term (annual review of local 14-19 Plan).

17. The Stage 2 Submission (Annex 4) clearly identifies agreements made and achievements against each of the five criteria. It also identifies areas where work

is still in progress. Through an iterative process Sub Regional Partners will work through each of these to ensure that agreements and protocols are in place. It is hoped to have most of these in place for the transition year of 2009/10 when LAs will lead in commissioning for 2010/11, although the LSC will retain overall responsibility. All procedures must be in place for the actual funding transfer in April 2010.

18. A Transition Plan (Annex 5) has been drawn up to support the development of capacity and procedures within the LA and to ensure completion of necessary sub regional activity. It, too, is framed against the DCSF Stage 2 criteria and will be taken forward by a Transition Group Chaired by the Assistant Director (SISD) and whose membership includes colleagues from HR and Legal Services.
19. A key issue is the transfer of LSC staff to the LA. With LSC colleagues, an audit of skills and capacity within the LA has been carried out in order to identify future needs which will inform the final transfer. With the dissolution of the LSC in 2010, current LSC functions will be transferred to a number of new organisations which means that some LSC staff will be joining the National Apprenticeship Service, and transfer to the YPLA and Skills Funding Agency (for Adult Provision), as well as the LA. The details of the staff transfer arrangements are not yet clear, but the expectation is that by September 2009, LSC staff to transfer to LAs will have been identified and 'shadow structures' will be in place and operational in anticipation of the formal transfer in 2010.
20. The DCSF will be publishing a "template" for the Local Authority role following the funding transfer which will set out the number of LSC staff to transfer. Indications are that the template will allocate only two or three LSC colleagues to the City of York LA. In order that LSC colleagues could be fully informed about working for York a briefing was held at their offices (2 February 2009).

Progress on 14-19 reforms

21. The previous report to EMAP (6 November 2008) highlighted two immediate actions. A Gateway 3 submission was completed for the end of November deadline covering the Diplomas in Construction and Built Environment, Travel & Tourism, Retail Business, Public Services and Sport & Active Leisure. The aim is to deliver these for the first time from September 2010 and the outcome should be received from DCSF before the end of March.
22. The Diploma Roadshow was held on the evening of 4 December and throughout 5 December. The evening session for parents and other stakeholders was very well received and, despite the intervention of the first snow of winter, well attended. Over 400 learners attended in school groups and a detailed evaluation was carried out by DCSF consultants. Plans are in hand to run a Diploma Roadshow again next year, but to incorporate it into a broader based Information, Advice and Guidance Event in October 2009.
23. Plans are in hand for the first delivery of six Diplomas in September 2009 (Environment & Land Based, Manufacturing & Product Design, IT, Creative & Media, Hair & Beauty and Business, Administration & Finance). Coordinated

recruitment and allocation of learners to Diplomas in Key Stage 4 is underway and should be completed by the end of this term.

24. Running in parallel with this process, York College is working with all schools on the sixth cohort of the Young Apprenticeship programme. This covers five fully endorsed lines and two where learners can achieve the linked accredited qualifications without the Young Apprenticeship badge.
25. Huntington School has successfully completed accreditation as an International Baccalaureate Organisation affiliated school (December 2008) and will be running an International Baccalaureate Diploma course in its sixth form from September 2009. This has been well received by learners and parents and represents a significant investment by the school in terms of committing staff to development work and training programmes.
26. York College, working with Young People's Services, has initiated a "roll on, roll off" short term and flexible provision strand to re-engage young people who are not in employment, education or training (NEET). This twelve week programme, which is being delivered at the Danesgate Skills Centre, attracted over 20 young people.
27. A bid for a Diploma Exemplar facility to support delivery of the Creative and Media across the City has been submitted. It is one of 35 projects from a national field of over 200 to pass the first stage assessment. The DCSF will ultimately fund 15-18 projects. The bid has been taken forward by a group led by John Tomsett (Headteacher, Huntington School) and, if successful, will realise £3m for a building at Manor School and £1.5m to equip it. The facility would also provide significant community facilities, support the work of the York Arts Academy and align with Science City York priorities.
28. This bid is being taken forward alongside a plan to invest upto £1.5m of Targeted Capital Funding (TCF) on minimum required equipment and facilities (to be within existing buildings) to ensure that the Creative and Media Diploma can be delivered and learners supported in schools and at York College.
29. The 14-19 Partnership continues to be well regarded and widely viewed as an example of good practice. Our planning for the 2013 entitlement is included as a case study in a new DCSF publication ("14-19 Partnerships and Planning", January 2009). We will be hosting a DCSF Learning Visit as part of the national support programme (Working with Higher Education Partners, Progression and Employer Engagement, 19 March 2009) and hosting a visit from the Services Schools (Germany) (5 – 6 March 2009).
30. Archbishop Holgate's School fully opens its post 16 Applied Learning Centre in September 2009. It has agreed a learner funding allocation for the first year of 65 learners.
31. The programme of courses offered to learners at information evenings comprised Diplomas, other vocational courses (in lines of learning where Diplomas are not yet available) and a work related learning strand which supports learners across Entry Level, Level 1 and Level 2. The school remains

committed to the vision of an Applied Learning Centre offering distinctive provision which expands the breadth available to York learners in a school based setting.

32. However, the offer for 2009 does contain two A Levels to be taught at the school.
33. With LSC colleagues, we have continued to engage in dialogue with the school over the offer of A Levels, which could be seen to be at variance with the school's previously stated intentions. The school suggests that it is offering an Applied Science (Double Award) A Level as an interim measure because the Science Diploma will not be available until September 2011 and there is currently no other suitable qualification in its first specialist subject area. In particular a BTEC course is, the school feels, too closely aligned to technician careers.
34. The school is also offering Mathematics A Level. It says that this is a result of Universities requiring A Level Maths as an entry requirement for their courses as additional/specialist learning within the Engineering Diploma framework. There are two other schools local to Archbishop Holgate's which offer A Level Mathematics and where the school's learners will access some courses. Archbishop Holgate's suggests that this is not possible with Mathematics for two reasons. Firstly, the Diploma Principal Learning requires the A Level material to be delivered in an order matched to Engineering requirements rather than in the conventional syllabus led sequence. Secondly, there were insurmountable timetabling issues. The school had originally intended to deliver the specialist Diploma module "Mathematics for Engineering".
35. The LA welcomes the school's continuing commitment to developing complementary, distinctive provision focused on Applied Learning and including a substantial element for learners at Entry Level, Level 1 and Level 2.
36. The LSC and LA have expressed misgivings about the development of an Applied Science A Level, but accept the school's assurances that this is interim provision which will be superseded by the Science Diploma when it becomes available.
37. We do believe that the issues described in para 34 can be overcome. As the provision becomes established and collaboration with neighbouring schools is embedded there should be no need for a separate A Level Maths strand at the school. We trust that all relevant partners will work to address this issue for courses starting in September 2010.
38. Further to paragraph 17 of the EMAP report of 6 November 2008, the "visioning" process has continued and now covers provision for Learners with Learning Difficulties or Disabilities (LLDD).
39. In order to support planning for the 2013 entitlement and facilities planning the Learning and Skills Network (LSN) has been commissioned to produce an independent study on possible patterns of provision. This piece of work will underpin strategic planning to 2013 and provide a basis for the next 14-19 Education Plan. It is expected that this plan will be developed in the second half of the summer term 2009.

Consultation

40. The post 16 funding transfer is a significant and complex issue. In order to progress it:
- Officers are working in close consultation with the LSC (York and North Yorkshire Office) and sub regional partner Local Authorities.
 - The Director and 14-19 Partnership Manager are members of the Interim Regional Strategic Planning Forum which is the primary body consulting on regional issues.
 - The Director is working closely with the Chief Executive and ensuring that the Executive and Shadow Executive members receive regular briefings.
 - Through 14-19 Partnership structures all post 16 providers and a wide range of other stakeholders are being kept fully informed, as are the Board of Learning City York (Lifelong Learning Partnership) and the YorOK Board (ultimately accountable for 14-19 Education).
 - A stakeholder consultation event was held on 5 February 2009.

Options

41. Not applicable to the specific contents of this report.

Analysis

42. The MOG changes and associated post 16 funding transfer present significant challenges and opportunities for all Local Authorities. A number of factors contribute to this LA being well placed to progress this agenda. These include:
- Existing close and productive relationships between the Local Authority, the LSC and providers
 - Positive and productive relationships with sub regional partner LAs, which have facilitated significant progress within the very short time available for the preparation of a Stage 2 submission.
43. Over the next year the Directorate of Learning Culture and Children's Services (LCCS) will have to develop structures and capacity which will enable it to effectively discharge new statutory duties. In particular this will mean managing a much larger budget which will be distributed through commissioning methodology focusing on quality, learner choice and economic alignment rather than through a simplistic formula. This will require some revision of 14-19 structures to ensure separation of providers from commissioning decisions and the creation of an expanded 14-19 team with capacity to carry out, monitor and evaluate the commissioning process.

Corporate Priorities

44. The 14–19 Strategy is central to success of the Children and Young People's Plan and the Council's strategies around economic development, and in particular to Corporate Priorities 7 (Skills and Knowledge) and 9 (Narrowing the Gap).

Implications

Financial

45. The MOG changes are expected to be achieved within the context of no overall budget growth beyond existing LA and LSC budgets. This may be possible when the new structures have been fully implemented. However, in the short term there are capacity issues around the tracking (2008/09) and transition years. The only additional funding to support this process has been £15k from GOYH to the sub regional grouping, which has been allocated to consultant support for the development of the Stage 2 submission. Other additional capacity during the transition phase has had to be found within existing budgets.
46. In the longer term, growth (ie the introduction of new provision to meet the needs of the raising of the participation age) has to be funded by savings resulting from smaller cohorts (demographic decline). The LA, in its commissioning role, will have to work within this constraint, as will providers when developing strategic plans at institutional level.
47. At the present time, no information regarding capital support for 16–18 education following the funding transfer has been provided. This means that there is currently no scope to plan for coherent development of facilities to support the introduction of relevant provision, although some limited investments (see report of 17 July) have been planned from a Targeted Capital Fund grant.

Human Resources

48. When the LSC ceases to exist in 2010 its various functions will be carried out by a range of different organisations including LAs. The arrangements for transfer of LSC staff to the various bodies are not yet clear. As well as capacity issues for the LA the capacity of the LSC will have to be maintained throughout the transition.
49. HR advice at present centres on preparing a clear understanding within the authority of what York's staffing establishment requirements are likely to be in order to carry out the new functions of commissioning. This staffing structure will be developed as part of a wider review within SISD and proposals will be brought forward through the usual Directorate channels.

Risk Management

Machinery of Government Changes

50. Key LA staff are devoting significant time and energy to progressing the changes and managing the tracking and transition years. Despite extensive lobbying by national organisations linked to the agenda (Association of Directors of Children's Services, Local Government Association) only very limited additional funding has been provided by GOYH.
51. The Local Authority will need additional staff to support commissioning from 2010 onwards. The transfer arrangements for LSC staff have yet to be clarified and we are reliant on this process to deliver suitable individuals – this is not a recruitment process.

14–19 Curriculum Reforms

52. DCSF emphasises the role of the LA as Lead Strategic Partner in 14–19 developments. It also highlights the involvement of stakeholders through a 14–19 Partnership. In common with all such partnerships, Learning City York has no legal status and relies on City of York Council for support in a range of key areas such as HR and procurement.
53. During the transition to 2013, Diploma Support Grant funding, and the sustainability of provision, depends on the numbers of learners choosing to follow these courses. The Partnership needs to develop a long term and sustainable funding model based on the transfer of core budget funding at Key Stage 4. Ultimately schools will have to displace existing provision with the resulting potential need for revisions to staffing structures.
54. The new provision is central to efforts to raise participation and achievement, improve progression, reduce NEETs and support economic development in York. Nonetheless it remains vulnerable in the early stages to unpredictable national press publicity and political influences.

Recommendations

55. Executive Member and Advisory Panel are asked to endorse the Stage 2 Submission from the North and East Yorkshire Sub Regional Grouping and the associated arrangements for sub regional working. They are also asked to note the opportunities and challenges presented by the Machinery of Government changes, the sound initial position of the Local Authority, LSC and sub regional partners and the progress already made.
56. Further, Executive Member and Advisory Panel are asked to note the continuing good progress on developments linked to the 14–19 Curriculum Reforms, including successful completion of activities signposted in the report of 6 November 2008.

Reason: to ensure that the LA is in position to assume new statutory responsibilities associated with the post 16 funding transfer, that it can continue to make progress to this end through the tracking and transition years and that progress towards the 2013 learner entitlement in the city can be maintained.

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Report Approved **Date** 02-03-09

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Specialist Implications Officer(s) *List information for all*

Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the author of the report