



REPORT OF THE CHIEF EXECUTIVE OF EDUCATION LEEDS

EXECUTIVE BOARD: 14 May 2008

SUBJECT: Raising Expectations White Paper Consultation Response

EXECUTIVE SUMMARY

PURPOSE OF THE REPORT

- 1** The purpose of this report is to brief Executive Board on the Government's White Paper, 'Raising Expectations: Enabling the system to deliver' and to suggest how the local authority might respond to the consultation

BACKGROUND INFORMATION

- 2** This paper outlines the Government's proposals to strengthen the key leadership role of local authorities in the strategic commissioning of 14-19 provision. The proposals could significantly enhance the local authority's capacity to narrow the gap and 'Go up a League' by securing stronger local and regional governance of provision that would deliver the skills needs of the region. However, the commissioning will require careful attention to detail and the proposals in the paper are complex. The consultation provides local authorities with the opportunity to press for appropriate devolution of powers to localities and sub-groups of local authorities to deliver effectively.

RECOMMENDATIONS

- 3** Executive Board are invited to comment on the attached initial response to the consultation, note the early work on sub-regional co-ordination and to request an update in October 2008

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Electoral Wards Affected:

ALL

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality & Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call-in

Not Eligible for Call-in
(Details contained in the Report)

1.0 PURPOSE OF THIS REPORT

1.1 The purpose of this report is to brief Executive Board on the Government's White Paper, 'Raising Expectations: Enabling the system to deliver' and to suggest how the local authority might respond to the consultation.

2.0 BACKGROUND INFORMATION

2.1 This consultation document and precursor to legislation follows the Prime Minister's statement to Parliament on the Machinery of Government on 28 June 2007 that funding for 16-18 education and training would be transferred from the LSC to local authorities.

2.2 As this is a White Paper, there is unlikely to be much movement on the core principles but the consultation provides an opportunity to inform some of the detail.

2.3 The consultation focuses on:

- new 16-19 arrangements, particularly the transfer of funding to local authorities and raising the participation age of those in learning to 18 by 2015 (primarily sponsored through DCSF and its agencies)

- post 19 learning and skills, primarily sponsored by DIUS

2.4 Responses are required by June 9 2008 through completion of a 22 question booklet (Appendix 1 to this report). Members may wish to consider including a covering letter as well.

Overall, the White paper strengthens the key leadership role of local authorities, particularly in strategic commissioning of provision. However, the commissioning, re-commissioning and decommissioning of provision will require careful attention to detail and the proposals in the paper are complex. The consultation provides local authorities with the opportunity to press for appropriate devolution of powers to localities and sub-groups of local authorities to deliver effectively.

3.0 **MAIN PROPOSALS**

3.1 The consultation states 'we will need clear local leadership and a single point of local accountability for the whole of the 14-19 phase of learning'. The key elements are identified as:

- a clear role for local authorities to commission provision to meet the needs of young people;
- an operating system in which local authorities can commission the provision that is needed;
- a performance management system which ensures that the system raises standards for young people;
- a funding model which ensures that money reaches providers appropriately; and
- a plan for managing the transition from the present to the future

Local authorities commissioning provision

3.2 The Government states that for local authorities to lead the system they need to be given clear responsibility for commissioning provision and for ensuring all young people are able to access their learning entitlements. Authorities will have to:

- analyse demand from young people,
- ensure that choices are informed by good information, advice and guidance
- understand the shifting pattern of demand
- assess the performance of provision locally, and
- Work with schools, colleges and other providers to identify the best way of filling gaps and promoting quality.

3.3 To do this, the local authority will develop a commissioning plan as part of the Children and Young People's plan and as part of the integrated regional strategy for economic development. The plan will provide the basis for funding to flow to institutions. Local authorities will be funded according to the agreed plan for the institutions which are in their area – not according to the residency of young people.

3.4 The Government states that local authorities will be expected to work together in their commissioning to ensure that every young person has access to the provision they need within reasonable travelling distance; that is, in their 'travel-to-learn area'. Local authorities should work together on the planning and commissioning for learners with learning difficulties and/or disabilities (LLDD)

Operational models for commissioning

- 3.5 The Government suggests that the model adopted should be characterised by:
- A clear requirement to deliver a national curriculum and qualifications entitlement for all young people.
 - Clear levers to commission provision, expand good provision and remove poor provision
 - Coherence for providers so that the model does not distract from the task of educating and training young people.
 - A national funding formula. This will ensure that providers receive comparable rates for comparable provision
 - Budgetary control at each level, to ensure that commissioning takes place within the limits of what can be afforded.
- 3.6 The preferred model of the DCSF is one in which:
- Local authorities will be expected to collaborate in formal groups, generally at a sub-regional level, to consider the coherence of plans across a wider area and agree commissioning decisions.
 - Local authorities would come together by Government Office region informally to consider whether the plans taken together are consistent with one another and meet all the needs of young people and the region.
 - This would not preclude authorities from forming sub-regional groupings which sit across the regional boundaries. These informal regional groups would be chaired by the Regional Development Agency (RDA) and local authorities
 - Sub regional groupings would be supported by a new national Young People's Learning Agency (YPLA) and include representation from the DIUS sponsored new national Skills Funding Agency (SFA) and Government Office. These groups would check affordability within the regional budget, and quality assure provision at a regional level
 - The Young People's Learning Agency will provide an indicative budget for a region; help to resolve issues where a group of authorities cannot reach agreement and secure overall budgetary control. In addition, the YPLA would provide consistent data to support local authorities to carry out their commissioning duties. They would manage national and regional contracts for providers that operate across the whole country or provide highly specialised services. The YPLA would be a non-departmental public body with representation from stakeholders, including local authorities, on its governing body.
- 3.7 Within this model there will be differing degrees of collaboration between local authorities and there should be formal progressive devolution of responsibility as groups of local authorities demonstrate sufficiently robust arrangements are in place to manage this.
- 3.8 The Secretary of State will reserve powers to intervene via the YPLA if necessary. In practice, the Government anticipates that in the time it takes to pass the legislation, all local authorities that wish to, should be able to demonstrate that they have formed a coherent grouping. DCSF will assist local authorities in building their capacity.

- 3.9 Sixth Form Colleges will be defined as a distinct legal category for the first time. A college should be deemed to be a Sixth Form College if it predominantly caters for students aged 16-19 and it is designated as a Sixth Form College by the Secretary of State.
- 3.10 The Government expects that the key differences in the system between the position of Sixth Form and FE Colleges will be a closer relationship between Sixth Form Colleges and their home local authority and a single commissioning and performance management relationship with that authority. Local authorities that have one of the 37 juvenile custodial establishments in their area will be responsible for commissioning their learning provision.

Management of the system

- 3.11 The Government's proposals are clear that whilst institutions will retain responsibility for their own performance, authorities will be able to expand, cease and reorganise provision. There will be intervention where there is serious underperformance.
- 3.12 The system will be supported by effective data, shared efficiently. The Government will explore with learners how a more responsive system can be created, including more learner feedback on courses. The national funding formula will include an element for success rates, i.e. the proportion of young people completing their courses and achieving qualifications. There will be a clear consistent framework for assessing performance which is common across all providers of education and training for young people and adults.
- 3.13 The home local authority will have the lead responsibility for improving quality and raising standards in relation to School Sixth Forms and Sixth Form Colleges, but the local authority would need to work through the DIUS Skills Funding Agency in relation to FE Colleges. School Improvement Partners (SIPs) will continue to hold performance discussions with School Sixth Forms on behalf of local authorities.
- 3.14 The Government will review the 16-19 organisation principles published in 2004. 16-19 competitions will be brought into line with school competitions, managed by the local authority, to make them more flexible. A similar requirement will be extended to processes establishing all publicly funded schools with sixth forms, including Academies.

Funding

- 3.15 The Government proposes to build on the current Learning and Skills Council (LSC) approach for a national funding formula.
- 3.16 The Young People's Learning Agency would provide indicative budget allocations at the start of the commissioning process. Final budgets will be based on the commissioning plans agreed. As part of the process of moderating plans between authorities, local commissioning plans will be aggregated in relation to each provider, so that it is clear what will be bought from each provider. Once final budgets are confirmed, they will flow to local authorities to fund the institutions, in their areas as a 16-18 grant alongside the Dedicated Schools Grant.
- 3.17 The Government would like to extend the way that 16-18 learning provision is

funded to the 14-16 age range to drive a 14-19 sector. This is part of the schools funding review.

- 3.18 The Department intends to bring Sixth Form Colleges within the scope of Building Schools for the Future (BSF), so they can be part of securing the area-wide entitlement. It suggests that the Young People's Learning Agency would hold the 16-19 capital pot in future, transferred from the LSC. It would create new 16-19 places in support of commissioning decisions. The regional planning groups would be a source of advice to the Young People's Learning Agency.

Implementation

- 3.19 The Government plans to legislate at the earliest opportunity so that the transfer of funding to local authorities could be implemented in the academic year 2010/11, with the new system fully in place from September 2010. A move to a 14-19 funding formula, if agreed, would be implemented from the start of the 2011-12 financial year.
- 3.20 The Government wants to put in place a shadow structure, within the current legislative framework, in which local authorities take on greater responsibility and begin to lead the commissioning process locally. Local authorities should begin work in conjunction with local LSC staff to plan provision from September 2008, with arrangements fully in place by September 2009. Formal duties would transfer to local authorities in 2010.
- 3.21 The Young People's Learning Agency will carry out the national functions that the LSC does now.
- 3.22 The National Apprenticeship Service (NAS) will be established from April 2009, under the wing of the Skills Funding Agency of DIUS. Local authorities will undertake needs analysis of placements, which NAS will then commission. The full shadow system would therefore be in place by September 2009 to manage the commissioning of learning for the 2010-11 academic year.

Reforming the post 19 skills system

- 3.23 Part 2 of the White Paper describe reforms to the post-19 skills system leading to a demand-led system to align adult education and training with employers.
- 3.24 The creation of a new Skills Funding Agency (SFA) will come into being when the Learning and Skills Council ceases to exist (in autumn 2010). The SFA will:
- route most of its funding to providers in direct response to customer choices through 'Train to Gain' and 'Skills Accounts'
 - intervene where FE colleges fail to deliver;
 - manage the incentive structure to encourage FE colleges to respond to customer need;
 - manage the National Apprenticeship Service, the new adult advancement and careers service and the National Employer Service;
 - be a next steps agency accountable directly to the Secretary of State for Innovation, Universities and Skills
 - continue to commission provision to support local, informal opportunities for learning and for learners with learning difficulties and/or disabilities.

4.0 MAIN ISSUES

- 4.1 The commissioning approach proposed in the White Paper needs to be set in the context of wider Children's Services commissioning. The transfer of responsibilities from the LSC is in line with earlier decisions to transfer the Connexions services to children's trust arrangements as part of the establishment of integrated youth support services and targeted youth services. The Government clearly sees this 16-19 initiative, (particularly with the reference to wider 14-19 commissioning) as part of this overall approach.
- 4.2 The Council, as the children's services authority, needs to take a strategic approach in terms of the types of new partnerships and federations that may be formed around schools and within local communities to provide an appropriate range of services.
- 4.3 Locality approaches are likely to be an increasing feature of children's trust arrangements and commissioning. Local partnerships already exist among groups of secondary schools, FE colleges and work based learning providers to deliver new 14-19 pathways.
- 4.4 It is not clear how the proposed model in the White Paper (whereby commissioning of FE provision will be at a sub-regional level) will fit easily into this typically more locally based commissioning. Although it is acknowledged that travel to learn considerations do play a part in overall demand for FE provision, the majority of 16-19 provision by general FE colleges in Leeds is to students resident in Leeds; this is even more markedly so in terms of 14-16 provision.
- 4.5 It would therefore seem more sensible, to concentrate the bulk of commissioning at 14-19 local partnership level and ensure this adds up to delivering the 14-19 entitlement across the city. The White Paper, however, is unclear whether commissioning decisions involving FE can be taken locally or whether the entire picture has to be first determined at sub-regional level. This does seem problematic and not properly in line with the consultation paper's statement that "we will need clear local leadership and a single point of local accountability for the whole of the 14-19 phase of learning".
- 4.6 The reform of the LSC is an opportunity to bring the strategic planning, funding, and performance management and quality assurance of 14-19 within a single accountable body (the local children's services authority). The proposals in the White Paper leaves:
- 16-19 capital partly with a national agency (where there are implications for FE college infrastructure) and partly with the children's services authority (schools and sixth form colleges).
 - quality assurance partly with a national agency (the new skills agency in terms of standards of provision at FE colleges) and with the children's services authority (for post-16 provision in schools and sixth form colleges).
 - funding as a direct commissioning and de-commissioning link with the children's services authority in terms of 14-19 provision in schools and sixth form colleges.
- 4.7 However, in terms of services commissioned from the FE sector, it creates a confusing split between commissioning decisions (collectively made at sub-

regional level) and the funding (re-aggregated from sub-regional level to host authority level for onward transmission to the college).

5.0 IMPLICATIONS FOR COUNCIL POLICY AND GOVERNANCE

5.1 The White Paper has far reaching implications for the local authority's role in providing strategic leadership of the 14-19 agenda and how it works with other local authorities in the region to secure each learner's entitlement and improve outcomes. The proposals could significantly enhance the local authority's capacity to narrow the gap and 'Go up a League' by securing stronger local and regional governance of provision that would deliver the skills needs of the region.

6.0 LEGAL AND RESOURCE IMPLICATIONS

6.1 As more detail emerges, officers will assess the legal and resource implications of these proposals. However, it is clear that the local authority will need to systematically plan to develop its capacity to deliver on this agenda.

6.2 As shadow arrangements need to be determined between September 2008 and January 2009, and progress on such matters will be a key consideration of the new Young People's Learning Agency in determining whether FE commissioning can be delegated down to the sub-region, it is important that Directors of Children's Services across the sub-region liaise over a co-ordinated way forward.

6.3 A meeting of Directors of Children's Services for Yorkshire and Humberside has been convened in order to start to look at these matters.

6.4 The local authority should liaise closely with the Learning and Skills Council West Yorkshire with regard to current resources deployed to manage the demand analysis, data collection and funding models for post-16 provision.

6.5 Finally, it is essential that the strategy groups the Government requires to be set up (e.g. 14-19 Strategy Group) properly align with the overall children's trust arrangements. The same will also have to be true for any commissioning body for 14-19 work.

7.0 RECOMMENDATIONS

Executive Board are invited to comment on the attached initial response to the consultation, note the early work on sub-regional co-ordination and to request an update in October 2008

Raising Expectations: enabling the system to deliver

(Joint DCSF/DIUS consultation)

Consultation Response Form

The closing date for this consultation is: 9 June 2008

Your comments must reach us by that date.

department for
children, schools and families

Department for
**Innovation,
Universities &
Skills**

THIS FORM IS NOT INTERACTIVE. If you wish to respond electronically please use the online or offline response facility available on the Department for Children, Schools, and Families e-consultation website (<http://www.dcsf.gov.uk/consultations>).

The information you provide in your response will be subject to the Freedom of Information Act 2000 and Environmental Information Regulations, which allow public access to information held by the Department. This does not necessarily mean that your response can be made available to the public as there are exemptions relating to information provided in confidence and information to which the Data Protection Act 1998 applies. You may request confidentiality by ticking the box provided, but you should note that neither this, nor an automatically-generated e-mail confidentiality statement, will necessarily exclude the public right of access.

Please tick if you want us to keep your response confidential.

Name

Organisation (if applicable)

Address:

If your enquiry is related to the policy content of the consultation you can contact James Addy on:

Telephone: 0207 925 6209

e-mail: James.Addy@dcfs.gsi.gov.uk

If you have a query relating to the consultation process you can contact the Consultation Unit on:

Telephone: 01928 794888

Fax: 01928 794 311

e-mail: consultation.unit@dfes.gsi.gov.uk

Please tick the box that best describes you as a respondent.

| | | |
|---|---|--|
| <input type="checkbox"/> Young person (under 18) | <input type="checkbox"/> Parent or carer | <input type="checkbox"/> Adult learner |
| <input type="checkbox"/> Teaching staff | <input type="checkbox"/> Professional working with young people | <input type="checkbox"/> Headteacher/college principal/leader of educational institution |
| <input checked="" type="checkbox"/> Local authority | <input type="checkbox"/> School | <input type="checkbox"/> General Further Education College |
| <input type="checkbox"/> Private sector organisation | <input type="checkbox"/> Sixth Form College | <input type="checkbox"/> Voluntary and community sector organisation |
| <input type="checkbox"/> Tertiary College | <input type="checkbox"/> Work-based learning provider | <input type="checkbox"/> Large employer |
| <input type="checkbox"/> Small or medium-sized employer | <input type="checkbox"/> Other (please specify) | |

Please Specify:

Chapter 2: Local authorities commissioning provision to meet the needs of young people

1 Do you agree that transferring funding from the LSC to local authorities to create a single local strategic leader for 14-19 education and training is the right approach?

Yes

No

Not Sure

Comments:

We believe that the local authority should be the key strategic leader but we question the extent to which the proposals achieve this for FE.

Chapter 3: Operational models for commissioning

2 Do you agree that the model we have proposed for transferring funding to the local authority is the best way to give local authorities effective powers to commission, to balance the budget, create coherence for providers and retain the national funding formula?

Yes

No

Not Sure

Comments:

Transferring funding is the right way to increase the strategic role of the LA but, the arrangements described are unlikely to achieve this effectively

Do you agree that there is a need for:

3 a) Sub-regional groupings of local authorities for commissioning?

Yes

No

Not Sure

Comments:

The great bulk of commissioning can be done within the LA but, sub regional groups will help in relation to travel to learn and the margins of FE delivery which crosses LA boundaries

3 b) Authorities to come together regionally to consider plans collectively?

Yes

No

Not Sure

Comments:

But, further reasoning is needed for co-chairing by the RDA

3 c) A slim national 14-19 agency with reserve powers to balance the budget and step in if needed?

Yes

No

Not Sure

Comments:

4 Do you agree that we have described the way that these bodies would function in broadly the right way? Is the balance of responsibilities between them right?

Yes

No

Not Sure

Comments:

It is unclear what criteria the new agency will use to determine whether we can operate sub-regional and/or LA level commissioning of FE provision.

5 Do you agree that there is a need for a single local authority to lead the conversation with each provider?

Yes

No

Not Sure

Comments:

There is some ambiguity in the document. We believe the LA should lead for the FE colleges in the LA but, we should respect the autonomy of colleges so they can hold consultations with other LAs about needs and provision

6 Do you agree with the proposed approach for Learners with Learning Difficulties and/or Disabilities?

Yes

No

Not Sure

Comments:

We welcome this and wonder why the same approach is not being adopted for all learners

7 a) Do you agree that local authorities should be responsible for commissioning provision for young offenders in custodial institutions?

Yes

No

Not Sure

Comments:

7 b) Do you favour the 'host' funding model, or the model where 'home' authorities are charged?

Host

Home

Not Sure

Comments:

We are keen to retain responsibility for our young people

7 c) Are there planning or legislative levers other than funding systems which would create the right responsibilities and incentives to promote the best outcomes for this group of young people?

Yes

No

Not Sure

Comments:

The priority is to go for a simple model that works

Chapter 4: Management of the system

Do you agree with:

8 a) Proposals to ensure that informed learner choices should be a key part of shaping the system?

Yes

No

Not Sure

Comments:

This is why a more localised model is essential

8 b) The proposed approach to a common performance management framework based on the Framework for Excellence?

Yes

No

Not Sure

Comments:

This will need closer examination

9 Do you agree with the proposals for managing changes to 16-19 organisation and adjusting the arrangements for 16-19 competitions and presumptions?

Yes

No

Not Sure

Comments:

Leeds has agreed a protocol for working with academies to ensure coherent approaches to planning post-16 provision across all providers. We suggest this should be a requirement.

Chapter 5: Funding

Are you content with the proposals:

10 a) To retain a national funding formula based closely on the existing one?

Yes

No

Not Sure

Comments:

To minimise the impact of transitional arrangements and ensure this extends on a common basis for all providers

10 b) For funding to flow to institutions on the basis described?

Yes

No

Not Sure

Comments:

There needs to be a national tariff for pathways. LAs should be funded to commission the provision needed

11 Would you support a move to a single national 14-19 funding system?

Yes

No

Not Sure

Comments:

12 Do you agree with the proposals for capital funding?

Yes

No

Not Sure

Comments:

LA have liability but without the capital resource to deploy in the development of finely tuned local provision

Chapter 6: Implementation

13 Do these proposals about timescale and transition appear reasonable?

Yes

No

Not Sure

Comments:

The timetable is challenging but, reasonable given the urgency

Chapter 7: Reforming the post-19 skills system to secure better outcomes for adults

14 Do you agree with the proposal to create a new Skills Funding Agency to replace the Learning and Skills Council post-19?

Yes

No

Not Sure

Comments:

15 Do you agree with the proposed role of the Agency?

Yes

No

Not Sure

Comments:

However, we are concerned about the Agency being the sole source of interventions pre 19.

The Agency needs to be effectively connected to local Skills Boards

Chapter 8: Funding and commissioning

16 Do you agree with the funding and commissioning role proposed for the Skills Funding Agency?

Yes

No

Not Sure

Comments:

This is the basis on which funding should work for LAs too

17 Do the proposals in this chapter reflect the right balance of strategic commissioning and individual customer choice?

Yes

No

Not Sure

Comments:

Chapter 9: Sponsorship of the FE system

18 Do you agree with the proposals on performance management and the performance intervention role of the Skills Funding Agency?

Yes

No

Not Sure

Comments:

See comments Q15

19 Have we got the right approach to sponsorship of the FE sector as a whole?

Yes

No

Not Sure

Comments:

There is a risk that proposals will make FE colleges distant from the collaborative arrangements needed to deliver in localities. Is this the first step in a transition which sees FE colleges delivering only adult education?

Chapter 10: An integrated system: other functions of the Skills Funding Agency

20 Do you agree that each of the functions in this chapter should be performed by the Skills Funding Agency?

Yes

No

Not Sure

Comments:

Chapter 11: An integrated system: how the Skills Funding Agency fits into the wider skills landscape

21 Do you agree with this description of the wider skills landscape within which the Skills Funding Agency will operate?

Yes

No

Not Sure

Comments:

See Q 19

22 Have you any further comments?

Comments:

Thank you for taking the time to let us have your views. We do not intend to acknowledge individual responses unless you place an 'X' in the box below.

Please acknowledge this reply

Here at the Department for Children Schools and Families we carry out our research on many different topics and consultations. As your views are valuable to us, would it be alright if we were to contact you again from time to time either for research or to send through consultation documents?

Yes

No

All UK national public consultations are required to conform to the following standards:

1. Consult widely throughout the process, allowing a minimum of 12 weeks for written consultation at least once during the development of the policy.
2. Be clear about what your proposals are, who may be affected, what questions are being asked and the timescale for responses.
3. Ensure that your consultation is clear, concise and widely accessible.
4. Give feedback regarding the responses received and how the consultation process influenced the policy.
5. Monitor your department's effectiveness at consultation, including through the use of a designated consultation co-ordinator.
6. Ensure your consultation follows better regulation best practice, including carrying out a Regulatory Impact Assessment if appropriate.

Further information on the Code of Practice can be accessed through the Cabinet Office Website: <http://www.cabinetoffice.gov.uk/regulation/consultation-guidance/content/introduction/index.asp>

Thank you for taking time to respond to this consultation.

Completed questionnaires and other responses should be sent to the address shown below by 9 June 2008

Send by post to: Consultation Unit
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East Lane
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WA7 2GJ

Send by e-mail to: Raisingexpectations.ENABLINGTHESYSTEM@dcsf.gsi.gov.uk