

**Report of Director of Children's Services**

**Report to Executive Board**

**Date: 19<sup>th</sup> October 2016**

**Subject: Vine – Proposal to Transfer to Leeds City College**



Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: 10.4.3 Appendix number: 1	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

**Summary of main issues**

1. Vine is an adult education service for young people (aged 19-25) with complex needs. The Local Authority is a provider of this service on behalf of Leeds City College who in turn are commissioned by the Local Authority.
2. Vine has been sited within various departments within Leeds City Council since 2001 and was incorporated with the Complex Needs Service in April 2012. It is currently being managed by the Complex Needs Area Lead for the West North West. This was intended to be a temporary arrangement pending negotiations to transfer the provision to Leeds City College.
3. Negotiations with the College had ceased due to financial/resource implications of the proposed transfer. Recent management changes within Leeds City College have changed the previous situation and the college has now indicated that they would now like to proceed with the formal transfer of the service to their portfolio of educational provision.
4. Leeds City Council Children's Services has no statutory duty to provide further education facilities, but does have a duty to ensure all young people are able to access appropriate learning opportunities. Providing an education facility is not core business of Children's Services
5. This report outlines the background, the proposal, rationale and business case to transfer Vine to Leeds City College.

## **Recommendations**

6. Executive Board is asked to:

- Consider the contents of this report and approve the transfer of the Vine Service from Leeds City Council to Leeds City College.
- Note that, subject to approval, the transfer is scheduled for completion on 1<sup>st</sup> November 2016.
- Note that the officer responsible for the implementation is the Complex Needs Area Lead WNW – Disability, Children’s Services Directorate.
- Approve the granting of a lease with detailed terms delegated to the Director of City Development for approval at a rental level set out in the attached confidential appendix (1).

## **1 Purpose of this report**

- 1.1 To describe the current governance situation for Vine.
- 1.2 To outline the potential options for future governance arrangements, benefits and concerns for consideration.
- 1.3 To provide recommendations regarding the future governance arrangements following analysis of the potential options.
- 1.4 To enable Executive Board to make an informed decision and approve the identified recommendations.

## **2 Background information**

- 2.1 Vine is an adult education service for young people (aged 19-25) with complex needs. This provision was moved into the renovated Queenswood Education Centre in 2012 following the closure of the Blenheim building and the West Leeds Learning Centre. The Local Authority is a provider of this service on behalf of Leeds City College who in turn are commissioned by the Local Authority.
- 2.2 Vine has been sited within various departments within Leeds City Council and was incorporated with the Complex Needs Service in April 2012. It is currently being managed by the Complex Needs Area Lead for the West North West. The move to the Complex Needs Service was intended to be a temporary arrangement pending transfer of the provision and TUPE of the staff to Leeds City College.
- 2.3 Negotiations for this transfer with Leeds City College have been on-going since June 2012 via the Vine Steering Group. The delay has been partially due to the need to resolve some pre-existing Human Resource issues and restructure the staffing situation within Vine following the merger of the two sites. However the main challenges to progressing the negotiations and transfer were the cost and terms and conditions of the lease of the building and staffing liability.

## **3 Main issues**

- 3.1 Leeds City Council Children's Services has no statutory duty to provide further education facilities and providing a further education facility is not core business of Children's Services. There is also a potential challenge to the commissioning process and clarity of provider/commissioner relationship.
- 3.2 The current governance arrangements for Vine do not appear to be the most appropriate or relevant to enable efficient and effective management of the service and resource and provide the best quality of service/experience for the learners. Operational management issues present financial and logistical difficulties in providing cover for absence and responding flexibly to the continuously changing needs of the learners. There are also constraints to providing continuous professional development and career opportunities for the Vine team particularly the teaching roles.

3.3 The move to the Complex Needs Service was intended to be a temporary arrangement pending transfer of the provision and TUPE of the staff to Leeds City College. Negotiations for this transfer with Leeds City College had ceased due to finance/resource implications for the college, however due to recent organisational changes they are now in a position to progress the previous agreement to transfer the Vine provision to their portfolio.

3.4 To facilitate the move in the best interests of the learners the proposal is that Leeds City College will lease part of the Queenswood Education Centre for three years during which time a phased move from the site into their purpose built Beeston Centre will be undertaken.

### 3.5 **Background to the College Proposal**

3.5.1 Leeds City Council commissions the service and provides it under the umbrella of Leeds City College.

3.5.2 There is 100% commitment to developing Leeds City College's SEN provision which is being driven by the Principal who has an extensive background in SEN.

3.5.3 Leeds City College has reported that the number of learners with special educational needs and disabilities (SEND) that they are working with has increased significantly. Leeds City College is committed to investing increased funding into developing its offer for these students within the Life Skills Department.

3.5.4 The current partnership with the Local Authority means there is joint oversight of the teaching and learning within Vine with Leeds City College leading on the quality assurance. Vine presents a natural fit with staff already joint working and the manager is part of a settled leadership team within the department.

3.5.5 Leeds City College has recently re-modelled its offer and is focusing on access to independence, community and employment opportunities in line with the principles within the Children and Families Act 2014. The campus at Beeston is identified as being physically well placed to facilitate this approach for learners.

3.5.6 Leeds City College has a successful track record of consultation with learners and their families as evidenced by the recent campus move from Morley to Beeston. This was achieved with 100% of learners continuing to access College provision.

### 3.6 **Benefits of Transfer to Leeds City College**

3.6.1 The local authority reverts to the role of commissioner of the Vine Service which would clarify the commissioner/provider relationship between Leeds City Council and Leeds City College in relation to the use of Education Funding Agency (EFA) funding.

3.6.2 The Vine provision will become part of the Leeds City College offer continuum. This would remove the duplication of cost and effort of two management teams directing one service (Children's Services Complex Needs and Leeds City College).

### **3.7 Benefits for Learners**

- 3.7.1 Consistent management and quality assurance of the provision to continuously improve the curriculum and input to the learners and enhance their experience.
- 3.7.2 There are current challenges to providing a flexible offer to individual learners due to changes in pathways/individual needs year on year. The Local Authority currently engages agency staff to fulfil its obligations and minimise the risk of constant restructures for staff. However this is not ideal with regard to quality of service and experience for the learner and represents an extra cost to the service. Leeds City College has access to a more flexible and continual resource similar to that employed by other education providers. The experience of the learner and quality of care and support they receive will be greatly improved as a consequence.
- 3.7.3 Leeds City College is a large provider which will give the learner greater access to a broader range of learning opportunities, leisure activities, services (e.g. counselling) and enable them to mix with wider groups of young people and adults.
- 3.7.4 Leeds City College is an existing provider with extensive experience of the current cohorts of young people and expertise in high needs best practice, employment and life skills.
- 3.7.5 The proposal places Vine within an organisation that has a statutory responsibility to provide the function and can offer its learners a wider package of tailored learning support.

### **3.8 Vine Team**

- 3.8.1 Leeds City College will offer improved development opportunities, management and flexible deployment of staff as a result of the integration of similar services working in partnership.
- 3.8.2 Leeds City College can provide access to high quality training, development and formal qualifications e.g. the Level 5 Diploma.
- 3.8.3 There has been a review of the Learning Support role which has resulted in a planned salary increase. Learning Support Assistants (LSAs) from Vine are currently on a similar rate of pay and would be eligible for the increase.

### **3.9 Location**

- 3.9.1 The Beeston Campus is well placed with excellent access to local and city centre shops and facilities. There is ongoing development of the partnership with the Community Centre and linked activities.
- 3.9.2 Leeds City College is developing its model so that each service will have its own campus.
- 3.9.3 The intention is to phase the transfer to the Beeston campus over a period of three years to minimize the disruption for learners. Learners who currently access

the Queenswood site would continue to do so with new learners attending the Beeston campus. This will also support the transition for the staff team.

- 3.9.4 In the longer term the transfer enables the current Vine building to become available to be considered as part of the Local Authority's review of its estate and asset requirements.
- 3.9.5 Leeds City College is a large provider which will give the learner greater access to a broader range of learning opportunities, leisure activities and enable them to mix with wider groups of young people
- 3.9.6 Leeds City College is an existing provider with extensive experience of the current cohorts of young people.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 The proposal has been reviewed, considered and overseen by a Steering Group which included union representation by Unison, GMB and the UCU and colleagues from Leeds City Council (Children's Services) and Leeds City College. These meetings were chaired by the Executive Member for Children and Families. It was agreed in the meeting of the 22<sup>nd</sup> July to begin TUPE consultation September 2016 after the college summer holidays.
- 4.1.2 It is important to note that continued consultation and communication has taken place with all unions over the past 3 years in order to establish the most appropriate way forward for the Vine service. All three unions have gained an understanding of the reasons behind the proposal and have not raised any objections at this stage.
- 4.1.3 The TUPE process commenced 26<sup>th</sup> September 2016 which includes union attendance and support. This process should be completed by 24<sup>th</sup> October 2016. The proposed transfer date is 1<sup>st</sup> November 2016.
- 4.1.4 A plan has been developed to ensure that all relevant stakeholders are fully engaged.

### **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 Approved Equality Impact Assessment is attached – Appendix 2

### **4.3 Council policies and Best Council Plan**

- 4.3.1 Central to the Leeds Children and Young People's Plan, and the Children and Families Act 2014 (birth to 25), is the need to ensure that children and young people have access to the best quality of provision and support to enable them to achieve their outcomes. This is key for children and young people with SEND in terms of their preparation for successful adulthood. Critical to ensuring this quality is that the Vine provision benefits from being integrated into an appropriate educational establishment to ensure continuous and expert oversight of improvement of teaching, learning and support. It is equally important for the

learners to be given the opportunity to experience and benefit from accessing a setting that can provide broader opportunities for inclusion and social development. These proposals therefore particularly support the Best Council Plan outcome for everyone in Leeds to 'do well at all levels of learning and have the skills they need for life'.

- 4.3.2 The way the project will be carried out will be in line with the council values by consulting with local service users about changes that potentially affect their lives, and giving adequate consideration to equality and diversity issues when implementing change.

#### **4.4 Resources and value for money**

- 4.4.1 The transfer of the Vine Service will contribute to our Best Council ambition of being an efficient and enterprising organisation by delivering quality and value for money public services as set out in the council business plan.
- 4.4.2 Leasing of the building to Leeds City College will provide an external source of income. Further to the three year phased move of the learners the building will be able to be re-used or disposed of in line with the Council's asset rationalisation programme.

#### **4.5 Legal Implications, Access to Information and Call In**

- 4.5.1 If member approval is received in relation to the transfer of the VINE then it will be necessary to continue with and complete consultation with the staff in respect of the TUPE (Transfer of Undertakings Protection of Employment) transfer from the Council to Leeds City College. The formal consultation will build on the informal consultation with the Trade Unions and staff through the Vine Steering Group that has been taking place for some time.
- 4.5.2 It is the intention to transfer the current staff on the terms and conditions which are applicable at the time of transfer.
- 4.5.3 The Local Government Act 1972 section 123 requires local authorities to dispose of land and buildings at the best consideration (highest price) reasonably obtainable. This means disposals must be at market value unless there is a general or specific consent by the Secretary of State to justify a disposal at less than best consideration.
- 4.5.4 The Local Government Act 1972: General Disposal Consent (England) 2003, now gives a general consent which allows the Council to dispose of certain local authority land at less than best consideration, without first obtaining specific consent from the Secretary of State. This can be applied where the Council considers that the purpose for which the land is to be disposed of is likely to contribute to the achievement of the promotion or improvement of economic social or environmental wellbeing of their area or people living or present there, provided that the difference between the unrestricted value of the land and the actual consideration received for disposal does not exceed £2,000,000. The Director of City Development considers that the proposed use set out in the report is likely to promote the Council's objectives for 2016-17 as set out in the Best Council Plan

2015-20. Although the terms of the proposed lease and the proposed grant aid constitute a subsidy to Leeds City College, given the continuity of service to be provided, it is considered there are no state aid implications.

- 4.5.5 The information contained in the Appendix (1) attached to this report relates to the financial or business affairs of particular persons, or organisations, and of the Council. This information is not publicly available from the statutory registers of information kept in respect of certain companies and charities. It is considered that since this information is to be used as part of one to one negotiations in respect of the leases of these properties in this report, it is not in the public interest to disclose this information at this point in time. Also it is considered that the release of such information would or would be likely to prejudice Leeds City Council's commercial interests in relation to other similar transactions of other similar properties. It is therefore considered that this element of the report should be treated as exempt under Rule 10.4.3 of the Access to Information Procedure Rules.
- 4.5.6 In line with current regulations it is a requirement to publish a notice on the Council's website twenty eight clear days before the related meeting, providing details of any items where a report to be considered by the Executive has an exempt section/appendix. At that time it was not envisaged a confidential appendix was required however the late change to the proposed solution for a lease agreement with Leeds City College required a revised report including a confidential appendix.
- 4.5.7 The agreement of the Chair of the relevant Scrutiny Board that the matter is urgent and cannot be deferred to another meeting was requested. Officers have confirmed that it is necessary for the report to be presented to the October Executive Board. This is because the decision requested by this report is urgent due to ongoing progress with the TUPE process which requires the approval of the Executive Board to confirm that the transfer will go ahead for the learners, colleagues in Vine, the unions and Leeds City College. The current proposed transfer date is the 1<sup>st</sup> November 2016. The Chair of the Children's Services Scrutiny Board has confirmed that she is agreeable to the reasons for urgency supplied for the exempt appendix to this report.

#### 4.6 **Risk Management**

- 4.6.1 Any changes to the management and commissioning of the Vine Service must adhere to related legislation and policy processes. The recommendation will need to be communicated and consulted upon to reassure staff, learners and their families and to hear any concerns that remain to be addressed.
- 4.6.2 There may be resistance to the proposals by families of the young people accessing Vine. There may also be some resistance to proposals for changing the current governance arrangement by the Vine team and associated unions. This has been mitigated by the convening of the Vine Steering Group chaired by the Executive Member for Children and Families. Membership of this meeting included representation from all the unions involved with Vine, the Complex Needs team and Leeds City College to address issues. Actions have included the

development of a comprehensive Stakeholder Engagement and Communications Strategy.

4.6.3 Due to previous changes the Vine Service has experienced, it is important to ensure that the impacts on specific groups are considered and treated proportionately in comparison to previous enforced management changes.

4.6.4 The resulting provision of the Vine Service must be appropriate to the needs of the individuals and most importantly ensure that the young people are safeguarded.

## **5 Conclusions**

5.7 There is a positive and long term rationale for the transfer of the Vine provision to Leeds City College.

## **6 Recommendations**

6.1 Executive Board is asked to:

- Consider the contents of this report and approve the transfer of the Vine Service from Leeds City Council to Leeds City College.
- Note that, subject to approval, the transfer is scheduled for completion on 1st November 2016.
- Note that the officer responsible for the implementation is the Complex Needs Area Lead WNW – Disability, Children’s Services Directorate.
- Approve the granting of a lease with detailed terms delegated to the Director of City Development for approval at a rental level set out in the attached confidential Appendix (1).

## **7 Background documents<sup>1</sup>**

7.1 None

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<sup>1</sup> The background documents listed in this section are available to download from the Council’s website, unless they contain confidential or exempt information. The list of background documents does not include published works.