



Joint report of the Assistant Chief Executive (Planning, Policy & Improvement) & Head of Scrutiny and Member Development

Scrutiny Board (City and Regional Partnerships)

Date: 20th November 2008

Subject: Session 2 – Skills Inquiry

Electoral Wards Affected: All

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1.0 Introduction

1.1 The Board at its last meeting received an introduction to the Local Area Agreement (LAA), Multi Area Agreement (MAA) and Further Education (FE). In particular considered the background and relationships of the LAA, MAA and FE in contributing towards meeting the target indicators with our partners as set out in the Council's Strategic Plan 2008/2011. It also covered the scope and the rationale behind the targets which have been set.

1.2 A copy of the Board's approved terms of reference for this inquiry is attached.

2.0 Session 2 of the Board's Inquiry

(i) Multi Area Agreement

2.1 The purpose of the first part of today's session is to consider the current proposed arrangements for the MAA in Leeds. In particular the Board will consider the rationale for the MAA (evidence based) and the proposed outcomes of the MAA, and impact on Leeds businesses and residents.

2.2 The Multi Area Agreement (MAA) for the Leeds City Region is one of the first of the new style cross-boundary partnership initiatives to be put in place nationally. It seeks to promote and sustain economic growth and prosperity in the City Region.

2.3 The development of the MAA has been informed by the economic evidence base used for the 2006 City Region Development Programme (CRDP), and more recent data and policy developments, including the Leitch Review of Skills.

2.4 The MAA sets out a series of targets for economic development and for improving

the provision of higher level skills and enhancing transport connectivity in the city region. In turn, Government has agreed to the delegation of certain freedoms and flexibilities that will support better delivery by Local Government and other partners including Yorkshire Forward, the Learning and Skills Council and Job Centre Plus.

2.5 The skills component of the MAA will deliver the following delegated freedoms and outcomes over the next three years:

- Government recognition of the city region priority to address gaps in higher level skills
- Commitment of Government and its agencies, such as the Learning and Skills Council, to support the development of a strategic framework for skills investment in the city region, and to consult the city region directly on key national and regional plans and policies.
- In order to boost the skills base in our small and medium sized enterprises, agreement to develop and pilot flexibilities which ease the administrative burden on employers in committing to levels 3 and 4 training for their workforce.

2.6 The MAA agrees series of outcomes with Government which focus on economic performance (productivity and jobs) and specific targets for transport and skills. The table below shows the specific targets which have initially been agreed on skills.

Outcome	Baseline (i.e. 2008)	April 2009	April 2010	April 2011
To improve the skills of the population throughout their working lives to create a workforce capable of sustaining economic competitiveness and enable individuals to thrive in the global economy ¹	Estimated baseline, based on economically active adults qualified at level 4 (28.1%) and level 3 (48.4%)	Pilot programme designed and implemented.	10% above	10% above

2.7 The table above shows the additional higher level skills attained/skills gaps reduced through the proposed relaxed accreditation pilot, with an annual 10% improvement on established baseline within the representative pilot cohort of circa 200 small and medium sized enterprises. Both estimated baseline and improvement were agreed with Government as a holding measure and shall be subject to review in due course.

2.8 The following witnesses have been invited to attend this part of the session on the MAA targets:

Ann Craven, Learning & Skills Council
Mandy – Crawford Lee, Learning & Skills Council
Carson McCombe, Bradford City Council lead officer on the MAA
Rob Norreys Chief Executive's, Leeds City Council
James Flanagan, Chief Executive's, Leeds City Council

¹ Department of Innovation Universities and Skills – Departmental Strategic Objective

(b) The future of FE in Leeds

- 2.9 This part of the session is to consider the proposed merger of 3 FE colleges in the city and the likely impact on employers, individuals and communities and to seek input from LSC, college principals and Leeds Skills Board on the plans for:
- the new college,
 - its governance, and
 - ability to respond to skills needs
- 2.10 The Learning and Skills Council has led a detailed process of consultation and evidence gathering to consider the future arrangements for Further Education in the city.
- 2.11 Detailed reports which set out the process are available from the Learning and Skills Council – including the Cambridge Education post 16 review, GVA Grimley review of the FE Estate, and the Strategic Options review of May 2007.
- 2.12 The outcome of this process is that three colleges are to merge, Park Lane (Leeds and Keighley), Thomas Danby, Leeds College of Technology. The consultation ‘Excellence and Inclusion (May 2008)’ sets out the benefits of this merger and an extract states that it will:
- create a unified and successful FE presence serving Leeds and the region that contributes to improved economic success and social inclusion
 - make broad, coherent and comprehensive provision for young people and adults to the highest possible standards, whilst conserving and extending specialisms
 - place learners and employers at the heart of the system, enabling them to influence what is on offer and how it is delivered
 - ensure full access in localities and neighbourhoods for learners at all levels and all ability ranges, promoting inclusion
 - create excellent opportunities for employment
 - create a new city-wide FE estate for the 21st century
 - establish a new college which is financially healthy and meets national, regional and local needs through the employment of best value principles
- 2.13 It is anticipated the new college will be formed from 1st January 2009.
- 2.14 Leeds College of Building and Joseph Priestley College decided to not participate in the merger and to remain as independent institutions.
- 2.15 The following witnesses will attend this part of the session on the FE Colleges merger:
- Cristina George Learning and Skills Council (Re-organisation of FE Colleges)
Dean Martin, Deputy Chief Executive, Leeds Initiative
Ian Billyard, Principal, Leeds College of Building
Carolyn Wright, Principal, Joseph Priestley College

- 2.16 The three Principals of the FE Colleges which are to merge are unable to attend today as it is their Association of Colleges Annual Conference in Birmingham. It is proposed that an additional session be added to the Board's inquiry so that all the Principals of the FE Colleges have an opportunity to give evidence to the Board. The College Principals of three colleges which are to merge i.e. Park Lane (Leeds and Keighley), Thomas Danby, and Leeds College of Technology have confirmed they are able to attend the Board's next meeting on the 17th December 2008.

3.0 Recommendations

3.1 The Board is asked to

- (i) Receive the joint report of the Assistant Chief Officer (Planning, Policy and Improvement) and the Head of Scrutiny and Member Development) and comment on and ask questions of the witnesses present.
- (ii) Consider what, if any, further information or points of clarification the Board requires to conclude Session 2 of its inquiry.
- (iii) Discuss any subsequent issues.
- (iv) Approve an additional Session for this inquiry on the 17th December 2008 to hear from the Principals of the FE Colleges which are to merge.
- (v) Identify for session 3 of the Board's Inquiry on 15th January 2009 the witnesses it would like to hear evidence from.

Background Papers

None used