
14-19 COMMISSIONING STRATEGY

Responsible Cabinet Member – Cllr Chris McEwan, Children and Young People Portfolio

Responsible Director - Murray Rose, Director of Children's Services

SUMMARY REPORT

Purpose of the Report

1. This report is to seek approval from Cabinet for the development of future arrangements for commissioning provision for 14-19 year olds in the Borough and in neighbouring authorities. Submissions of intent need to be submitted to the Department for Children, Schools and Families (DCSF) by September 26th 2008.
2. The report is a response to the Machinery of Government changes announced by the Government in June 2007 when it was proposed that responsibilities held by the Learning and Skills Council (LSC) for education and training for 16-18 year olds be transferred to local authorities in 2010.

Summary

3. In June 2008 Cabinet approved the formation of a sub-regional grouping with the Tees Valley authorities for this transfer of responsibility. Subsequent meetings have been held with the sub-regional Chief Executives and with the Directors of Children's Services, as well as consultation with Durham and North Yorkshire. The proposed sub-regional grouping is the preferred model of working in the Tees Valley. Learners may still go out of area for provision, just as learners can still come into local provision from elsewhere. The sub-regional grouping will simply be the body that commissions provision to meet local needs and will not impair the ability of learners to attend whichever provision best suits their individual needs.
4. The report demonstrates clearly the case for a sub-regional grouping by setting the context of the multi-area agreement, by demonstrating the links to local area agreements and by clearly demonstrating that learners in the Tees Valley overwhelmingly get their provision within the 5 authorities. The assessment of what the future arrangements will be in any one area are overwhelmingly determined by the travel to learn patterns of young people. The report presents clear evidence, therefore, that the Tees Valley authorities should form a sub-grouping in which to commission future skills and education, in order to complement the regional economic strategy.
5. After the submission of the proposal to form a sub-regional grouping has been made, discussions will take place between the sub-regional grouping, the DCSF, GONE, and the LSC, to determine the shape of future commissioning arrangements. A future report will be brought to Cabinet to seek approval for whatever commissioning arrangements are proposed. Assuming that the sub-regional grouping, as proposed, is accepted by the DCSF, it is likely that shadow arrangements for commissioning would need to be in place by

September 2009. It is therefore anticipated that proposals will be brought back to Cabinet in April 2009.

Recommendation

- Members are asked to approve the submission to the DCSF of proposals to work in collaboration with the other Tees Valley authorities to secure future education, training and skills development.

Reason

- In order to be able to enter into discussions about how best to secure the most effective provision when responsibility transfers to local authorities in 2010.

**Murray Rose,
Director of Children's Services**

Background Papers

8th July Cabinet report
DCSF guidance documents

Murray Rose: 2099

S17 Crime and Disorder	Effective provision, commissioned locally, should ensure that there is appropriate provision for all learners. In particular, young offenders currently do not access as much provision as expected and these changes should help to improve their access to education and training.
Health and Well Being	There are no specific health and well being issues contained within this report.
Sustainability	There are no specific sustainability issues contained within this report.
Diversity	There will continue to be national and regional commissioning of specialist provision for learners with complex additional needs.
Wards Affected	All
Groups Affected	Learners aged 16-18, and those aged up to 25 if disabled, from 2010.
Budget and Policy Framework	This does not represent a change to the council's budget or policy framework.
Key Decision	This is not a key decision.
Urgent Decision	This is not an urgent decision
One Darlington: Perfectly Placed	The strategic direction proposed in the report will increase the ability of the local authority to effect the delivery of the Prosperous and Aspiring themes of the community strategy by giving more local influence over the commissioning of provision.

MAIN REPORT

Information and Analysis

Summary

8. 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(s). 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 draft summary of the statement of intent from the 5 Tees Valley local authorities, which must be submitted by September 26th 2008.

The Tees Valley city region

9. 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.
10. The Tees Valley City Region is based around the five towns 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.
11. 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:
 - (a) Over the three year period to the end of 2006, 12,800 jobs have been created, primarily in the service industry;
 - (b) Economic activity rates are rising from 71.8% of people of working age in 1999 to 75.6% in 2006;
 - (c) 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%;
 - (d) Unemployment rates have fallen from 6.3% in 1998 to 3.6% in 2007; and
 - (e) 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;
12. If we are to build on these successes, and accelerate growth, however, we continue to face a number of economic challenges, which include:
 - (a) To grow the Tees Valley economy faster than the UK average to narrow the gap in GVA;
 - (b) To improve household income and develop less dependency on benefits;
 - (c) To continue to increase economic activity and employment rates and reduce worklessness;
 - (d) To both upskill the workforce to obtain NVQ3/4 qualifications; and also
 - (e) To reduce the people of working age with no qualifications. It is worth noting that a disproportionately high number of vacancies exist in the region for skilled trades and in

the personal services and sales sectors.

13. The 5 Tees Valley authorities have signed a multi-area agreement (MAA) to establish a mechanism to support the regeneration and skills agenda. To begin with, the MAA is focused around three main capital funding streams but expects in the future to address skills and employability.
14. Clearly the future possible inclusion of skills and employment in the MAA will need to recognise the changes that are proposed to take place as a result of the “Machinery of Government” proposals, specifically the transfer of responsibilities for training young people to the local authorities and the creation of the new Skills Funding Agency.
15. The model that needs to apply to the commissioning arrangements for 14-19 provision will formally consist of the 5 local authorities but with engagement, participation and influence from both Durham and North Yorkshire. This is because the sub-regional grouping can never capture all of the learners within the city region and that, because local authorities are only expected to be in a single sub-region, appropriate arrangements will be put in place to work with North Yorkshire and Durham who provide a significant flow of learners into the city region.
16. 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.

Aligning the MAA with local area agreements

17. The 5 Tees Valley local authorities have agreed some common indicators within the 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 those young people not in education, employment or training (NEETs).
18. Three authorities have set targets around qualification levels by age 19, reductions in child poverty and the overall employment rates.

Travel to learn patterns

19. 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.
20. There are 13 secondary schools in the National Challenge across the 5 authorities.
21. 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.
22. 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.

23. 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.
24. Partnerships focused on 14-19 developments already exist across and within the 5 authorities at 14-19 level, 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 formalised sub-regional group for 14-19 commissioning will add impetus to this work.
25. A sub-regional 14-19 partnership, with representation from all 5 14-19 partnerships already exists, with the mandate to develop a consistent approach to diploma delivery. Formalising the partnership will provide scope for this group to work on a broader focus.
26. BSF Transforming Learning Programmes are underway across the 5 authorities, with close 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.
27. 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.
28. The Tees Valley authorities enjoy a strong and effective partnership across a wide range of areas, as evidenced by the common vision, vastly improved outcomes and ambitions reflected in the 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.
29. 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 operate model B of the two options offered by DCSF/DIUS, namely to appoint a lead authority to commission GFE on their behalf.

Outcome of Consultation

30. Outcomes from consultation were reported to Cabinet in July 2008. Further consultation has taken place with the sub-regional Chief Executives, with the Directors of Children's Services and with the LSC, Government Office and neighbouring local authorities. The proposed arrangement has met with broad approval.