

Open Report on behalf of Debbie Barnes, Executive Director of Children's Services

Report to:	Councillor Mrs P A Bradwell, Executive Councillor responsible for Children's Services
Date:	27 September 2016
Subject:	Post 16 Area Based Review
Decision Reference:	I011945
Key decision?	Yes

Summary:

The report summarises the current situation in relation to post 16 (up to 25 for young people with Education, Health and Care Plans) education and training in Lincolnshire and seeks approval for the Council's position in relation to the forthcoming area based review of post 16 education and training institutions in Greater Lincolnshire.

Recommendation(s):

That the Executive Councillor approves the position set out in Appendix C to this Report as the outcomes to be required by Lincolnshire County Council from the Area Review of post 16 education in Greater Lincolnshire.

Alternatives Considered:

That the Council adopts different outcomes for the Area Review.

The outcomes proposed in Appendix C are considered to be the most appropriate for addressing the Council's statutory responsibilities in the context of the significant and increasing challenges within Lincolnshire arising out of a declining cohort; increasing competition; reducing funding in real terms; and a funding mechanism that encourages competition rather than collaboration.

Reasons for Recommendation:

Under sections 15ZA and 18A of the Education Act 1996 (as inserted by the Apprenticeships, Skills, Children and Learning Act 2009) local authorities have a duty to secure sufficient suitable education and training opportunities to meet the reasonable needs of young people in their area, and to make available to young people aged 19 and below, support that will encourage, enable or assist them to

participate in education or training (section 68, Education and Skills Act 2008).

The Education and Skills Act (ESA) 2008 also places a duty on all young people to participate in education and training. From 2015, they will be required to remain in learning until their 18th birthday.

The Education and Skills Act 2008 places duties on local authorities in relation to 16 and 17 year olds. These relate to Raising the Participation Age:

A local authority in England must ensure that its functions (so far as they are capable of being so) are exercised so as to promote the effective participation of education or training of persons belonging to its areas to whom Part 1 of ESA 2008 applies, with a view to ensuring that those persons fulfil the duty to participate in education or training. Lincolnshire County Council therefore has a significant interest in the outcome of the area review in terms of ensuring that the review delivers an infrastructure for post 16 education that enables the Council to meet its statutory duties. The Council will be represented on the area review steering group, and will be expected to outline its position in relation to the local area and the needs and challenges that can be addressed through the review. It will also be expected to have a role in providing challenge on emerging options to ensure that the needs of all learners and employers will be met by any potential changes.

Failure to establish the required outcomes will mean there is a risk that the review will result in a structure that is not able to provide the education opportunities young people require to enable them to meet their duty to participate in education to the age of 18. There is also a risk of additional cost to the council if young people, in particular young people with high needs (those with special education needs and disabilities and who have Education Health and Care Plans) are required to travel further or go out of county to access education.

1. Background

In 2015 the Government launched a programme of reviews of post 16 education and training institutions. The first wave of these is currently reaching the conclusion stage. The purpose of the reviews is to ensure that there are strong education and training institutions which have high status and are genuine centres of expertise, and that there is the right balance of provision to meet the Government's objectives in relation to raising productivity. Although the latest spending review provided some protection to colleges, and many are performing well, there are a number that are treading a tight financial line and in some cases requiring exceptional support.

The purpose of the review is to ensure these providers are in a strong position for the future. Support, including financial support for restructuring as well as consultancy, analysis and advice and support will be available for those institutions implementing the recommendations following the review. However, the Government has made it clear that this support is time limited and that once the process and any restructuring is complete there will be no further financial support (colleges will be allowed to go bankrupt). In addition the Government expects that the funding agencies and local areas with devolution powers to 'only fund

institutions that are taking action to ensure they can provide a good quality offer to learners and employers, which is financially sustainable for the long term’.

Reviews should deliver:

- Institutions which are financially viable, sustainable, resilient and efficient and deliver maximum value for public investment
- An offer that meets each area’s educational and economic needs
- Providers with strong reputations and greater specialisation
- Sufficient access to high quality and relevant education and training for all
- Colleges that will be well equipped to respond to the reform and expansion of the apprenticeship programme

Emerging recommendations and outcomes from earlier reviews include:

- Mergers/Federations/Alternative structures
- Agreements as to affordable levels of service
- Greater degrees of specialisation
- New Institutes of Technology
- Shared back office functions
- Common marketing
- Local outcome agreements
- Jointly owned apprenticeship companies

The review will cover the Greater Lincolnshire area as that is conterminous with the area covered by the Greater Lincolnshire Local Enterprise Partnership (GLLEP) and the proposed combined authority resulting from the devolution deal.

The first meeting of the steering group will take place on 3 October 2016.

Scope of institutions to be covered:

The institutions that are in the core scope of the area reviews are General Further Education (GFE) colleges and Sixth Form colleges (SFCs). Other providers can seek to opt in to the review process if they wish and the local steering group agrees.

Information on all post 16 providers, including schools and academies, will be included in the initial analysis phase and arrangements will be put in place to communicate with all providers and give them the opportunity to engage.

The core institutions that will be in scope for the Lincolnshire review are:

- Boston College
- Franklin College
- Grantham College
- Grimsby Institute for Further and Higher Education
- John Leggott Sixth Form College
- Lincoln College
- New College Stamford
- North Lindsey College

The analysis will look at how young people progress through the system, the effectiveness of progression routes, and how the provision and its quality aligns with local educational and economic need.

Role of the local authority

Lincolnshire County Council will have representation on the steering group and will be expected to present a position statement at the first steering group meeting. As a member of the steering group the Council will be able to make and contribute to recommendations. The statement will need to cover the Council's position in relation to education and training for 16 - 18 year olds as well as for adults. Meetings will take place in September 2016 with colleagues in North and North East Lincolnshire to agree how we do this including identifying where our position is common and where there are differences.

Context and current situation: 16 – 18 education and training

- Participation of 16 – 18 year olds overall in Lincolnshire is good, and is above the national average.
- Participation is around 5% lower at age 17 than age 16.
- Vulnerable young people are more likely to not be in education, employment or training (NEET) than their peers.
- Participation of young people with Special Educational Needs and Disabilities (SEND) is slightly below that of the overall cohort.
- Some young people age 19 – 25 with SEND but who are not eligible for an Education Health and Care Plan (EHCP) experience difficulty accessing further education as they are not eligible to participate in Education Funding Agency (EFA) funded study programmes.
- A relatively high number of young people (currently 44) with SEND access Independent Non Maintained Special and Independent Special Schools outside Lincolnshire, often on a residential basis. This is in part as result of continuation of pre 16 placements continuing into post 16, and a lack of local provision for young people with more complex needs in relation to Autism, behavioural difficulties and mental health issues.
- 18% of young people commencing A-level courses in school sixth forms do not continue into the second year of the course and complete full A-levels.
- Overall attainment at age 19 is above the national average.
- The gap in attainment between young people who are or have been eligible for free school meals (i.e. experiencing poverty), and those who have not is large and growing and is among the highest in the country.
- The size of the 16 – 18 cohort will continue to decline (there are currently 8,233 children in the Year 11 age group falling to 6,834 in Year 7) until 2020 when it will plateau before starting to rise again in 2022.
- The Greater Lincolnshire Local Enterprise Partnership (GLLEP) has identified a requirement for 200,000 new employees by 2022 to meet replacement and growth requirements. There will be insufficient school leavers to meet this requirement even if all achieve the required skills and qualifications that match local economic requirements. Furthermore, anticipated increase in 16 – 18 year olds as a result of housing development will be insufficient to fill the gap.

- There has been little change in the total curriculum offer for 16 – 18 year olds over the last 5 years or any significant increase in programmes that reflect the priorities identified in the Greater Lincolnshire Local Enterprise Partnership (GLLEP) skills strategy.
- There is over sufficiency of school sixth form A-level provision, with many small sixth forms and an increasing proportion of small classes giving cause for concern about the viability of some sixth form provision.
- The reducing size of the cohort means that there is increasing competition for students.
- In Lincolnshire young people aged 16 – 24 make up over 25% of the total unemployed. The older demographic of the population suggest that this is even more significant for Lincolnshire, and as there is good participation of 16 and 17 year olds (and only a very small number of 16 and 17 year olds are eligible to claim benefits) means the issue relates specifically to 18 – 24 year olds. One hypothesis could be that although young people are participating in education and training up to the age of 18, they are not undertaking the right courses (including in higher education) to prepare them adequately to meet the skills requirements locally, regionally or nationally).
- There has been little growth in the number of 16 – 18 year olds undertaking apprenticeships, and those that do predominantly study at level 2. There are few opportunities to progress to level 4 and beyond.
- As is the case nationally, young people with disabilities and/or learning difficulties are under-represented on apprenticeships.

Current situation: General Further Education (GFE) Colleges in Lincolnshire

- The key driver for establishing the area review process was the fact that many GFE colleges nationally are experiencing financial challenges, with several requiring the intervention of the FE commissioner. Nationally there are several planned mergers of colleges as a result of the area reviews, either following recommendations resulting from an options appraisal as part of the review, or in some cases pre-empting the review. There was a prevailing view that larger institutions would be able to weather the financial challenges more effectively.
- Despite the fact that the 4 main GFE colleges in Lincolnshire are comparatively very small, they have proved themselves to be fairly resilient and adaptable to changes in funding, as well as changes to programme and curriculum requirements over a number of years.
- All but Lincoln College had an operating surplus (albeit small) in 2014/15. All 4 have staffing costs below 65% of their total expenditure which is one of the government's key benchmarks for the area review. Given the rural nature of Lincolnshire it would not be practicable to close any campuses thereby releasing premises, and therefore the benefits of full mergers are likely to be outweighed by the costs.
- There is however, potential for more formal collaboration and shared services. New College Stamford, with Boston and Grantham Colleges have already undertaken a due diligence exercise and identified 7 activities where they can benefit from working together more formally. These include apprenticeships (with development of a shared apprenticeship company initially specialising in logistics, higher education and procurement.

- The 4 colleges had income of around £81.3million between them in 2014/15 (accounts for 2015/16 are not yet published) Of the total £14.5 (almost 18%) million was income from the Adult Skills Budget, now known as the Adult Education Budget (AEB) and contributed between 11.5% and 23% of each individual college budget. There was a significant reduction in AEB allocation in 2015/16, and recently published data suggests that there was a reduction of over £4million (29%) in AEB spend by the 4 colleges between them (unlike Education Funding Agency funding for 16 – 18 year olds unspent allocation is clawed back).
- The 'data flat pack' will provide information regarding the courses that 16 – 18 year old students are enrolled on. However, analysis in previous years showed that there has been little change in the vocational mix of courses and insufficient growth in courses required to meet the skills priorities identified in the GLLEP (Greater Lincolnshire Local Enterprise Partnership) strategic plan, for example in engineering, construction, leisure and tourism.
- The high proportion of unemployed 18 – 24 year olds within the total unemployed population suggests that young people are not undertaking the most appropriate courses (including in higher education) to prepare them for employment. Given the relatively small size (compared to the budget for 16 – 18 education) of the AEB available for retraining, it is important that young people are encouraged to undertake training and education that will enable them to access good quality employment, not only to improve their outcomes and future prosperity, but to ensure there is sufficient funding to retrain adults to meet changing workforce requirements.
- The quality and availability of careers information advice and guidance within schools is inconsistent across Lincolnshire schools and this continues to give cause for concern. There have been a number of initiatives from central government including recently £5m allocated nationally by the Careers Enterprise Fund. This funds 30 projects nationally including 4 in Lincolnshire. Many young people do not get the opportunity to 'test' their decisions in relation to their study and careers choices and therefore have a full understanding of the opportunities (or lack of) resulting from their career choices.
- There is a range of specialist provision already available in Lincolnshire which supports the GLEP strategic priorities. Much of this provision is outside of the scope of the review and includes:
 - Food manufacturing, Technology and Engineering – Lincoln University Holbeach Campus
 - Science, Technology and Engineering – Lincoln University Technical College
 - Health and Social Care – Career College – Lincoln college
 - Armed Forces – Career College – Lincoln College
 - Construction – Career College – Lincoln College
 - Agriculture and Horticulture – Bishop Burton College – Riseholme Campus
 - Logistics – developing jointly owned apprenticeship company (Grantham, Boston and New College Stamford Colleges)
- Any further specialisation would need to be considered carefully in the context of a large sparsely populated county with poor transport infrastructure.
- The government recently published a Post 16 Skills Plan based on the work of Lord Sainsbury's independent panel which was set up to review **Technical and**

Professional Education (TPE). The plan identifies 15 TPE routes, delivered full-time over 2 years (possibly 3 years for those students who need a preparatory year) or through an apprenticeship. This means that effectively 16 year olds will need to choose either the academic or TPE route and will not be able to combine both. It is expected that this will mean schools will concentrate on the academic A level offer, and GFE colleges the vocational offer. This will have a significant impact on school sixth forms and colleges, with the changes taking effect from September 2019. There is a need to ensure that the area review results in a post 16 infrastructure that is able to deliver these programmes.

The Council needs to make sure that it complies with the public sector equality duty set out in S149 Equality Act 2010 when coming to a decision on the proposals. In doing so, the Executive Councillor as decision-maker must have due regard to the needs to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the [Equality Act 2010](#);
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it: [Equality Act 2010 section 149\(1\)](#). The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation: section 149(7).

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in this section may involve treating some persons more favourably than others.

A reference to conduct that is prohibited by or under this Act includes a reference to:

- (a) A breach of an equality clause or rule
- (b) A breach of a non-discrimination rule

It is important that the Executive Councillor is aware of the special duties the Council owes to persons who have a protected characteristic as the duty cannot be delegated and must be discharged by the Executive. The duty applies to all decisions taken by public bodies including policy decisions and decisions on individual cases and includes this decision.

To discharge the statutory duty the Executive Councillor must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision making process.

The outcomes set out in Appendix C take full account of ensuring that opportunities are available for all regardless of protected characteristics. In particular the outcomes address the potential for young people with disabilities and children experiencing poverty to do less well in relation to education.

Child Poverty Strategy

Although the Council is no longer under a statutory duty to have regard to its Child Poverty Strategy, the Strategy has been taken into account. Child poverty is one of the key risk factors that can negatively influence a child's life chances. Children that live in poverty are at greater risk of social exclusion which, in turn, can lead to poor outcomes for the individual and for society as a whole.

In Lincolnshire we consider that poverty is not only a matter of having limited financial resources but that it is also about the ability of families to access the means of lifting themselves out of poverty and of having the aspiration to do so. The following four key strategic themes form the basis of Lincolnshire's Child Poverty strategy: Economic Poverty, Poverty of Access, Poverty of Aspiration and Best Use of Resources.

The outcomes specifically address gaps in attainment among young people who are experiencing poverty as well as being aimed at improving educational opportunity for all which addresses poverty of aspiration and poverty of opportunity.

Joint Strategic Needs Assessment (JSNA) and Joint Health and Wellbeing Strategy (JHWS)

The Council in exercising its functions must have regard to both the JSNA and the JHWS.

The outcomes are aimed at improving educational provision for all young people but with particular for those with a special educational needs and disabilities and those with mental health issues. They therefore are aimed at improving the wellbeing of these groups.

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

The outcomes are aimed at reducing the number of young people not in employment, education or training which can help to tackle one of the determinants for crime and anti-social behaviour

2. Conclusion

The challenges to the entire post 16 education and training sector arising from: a declining cohort; increasing competition; reducing funding in real terms; and a funding mechanism that encourages competition rather than collaboration; are significant and increasing.

The area review is limited in its scope to address these issues given that its main focus will be on General Further Education and Sixth Form colleges. Lincolnshire County Council will want to ensure, through its membership of the area review steering group, that outcomes for all young people are maintained and improved where appropriate, and that there is a viable appropriate and comprehensive curriculum offer that is accessible to all young people across this large rural county. This will include ensuring that any emerging recommendations do not have a detrimental impact on providers outside the scope of the review, where this is likely to have a negative impact on learner outcomes.

3. Legal Comments:

The Council owes statutory duties in relation to post 16 education which are referred to in the body of the Report. The Report seeks approval for proposed outcomes to be sought from an Area Review into post 16 education in the Council's area.

The proposals are lawful. They are consistent with the Policy Framework and within the remit of the Executive Councillor. The matters that the Executive Councillor must take into account in considering the decision are set out in the body of the Report.

4. Resource Comments:

There are no financial implications as a result of the recommendation of this report. The outcome of the area review of post 16 education may have financial implications but these will be addressed following completion of the review.

5. Consultation

a) Has Local Member Been Consulted?

Yes

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

The Children and Young People Scrutiny Committee will consider this report at its meeting on 9 September 2016. Comments from this meeting will be presented to the Executive Councillor on 27 September 2016.

d) Policy Proofing Actions Required

Not applicable

6. Appendices

These are listed below and attached at the back of the report	
Appendix A	Local Authority Engagement in Area Reviews
Appendix B	Background information and data.
Appendix C	Proposed Lincolnshire County Council Position

7. Background Papers

Area review guidance: <https://www.gov.uk/government/publications/post-16-education-and-training-institutions-area-based-reviews>

Post-16 skills plan and independent report on technical education: <https://www.gov.uk/government/publications/post-16-skills-plan-and-independent-report-on-technical-education>

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