

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

Report to:	<b>Children and Young People Scrutiny Committee</b>
Date:	<b>25 April 2014</b>
Subject:	<b>Opportunities for Young People Post 16</b>

**Summary:**

The work that has been undertaken to implement the Raising of the Participation Age (RPA) in Lincolnshire has resulted in the number of 16 year olds participating in education or training post 16 continuing to increase and the proportion is above the regional and national statistic.

Changes to demographics, funding and policy create increasing challenge for post 16 education providers and, in particular, give cause for concern regarding the on-going viability of some smaller school sixth forms, of which Lincolnshire has a high proportion.

The fact that some provision is vulnerable is of concern as it will impact on outcomes for young people, and on the local authority's ability to meet its statutory duties in relation to securing sufficient appropriate provision to meet the needs of 16 – 18 year olds (25 for learners with learning difficulties and/or disabilities).

**Actions Required:**

The Children and Young People Scrutiny Committee is invited

- To consider the attached report and make recommendations
- To request such reports regarding detail and the impact of actions as the Committee deems appropriate.

**1. Background**

Of those young people 16-18 participating in education and training in Lincolnshire, roughly 50% attend colleges of further education, 40% school sixth forms (SSF) and 10% are spread across a range of commercial, charitable and specialist providers, including apprentice training organisations.

There continues to be progress in increasing the number of young people accessing post 16 education. The work undertaken in partnership with schools, colleges, other providers and stakeholders to prepare for the implementation of the

first phase of Raising the Participation Age (from September 2013) has resulted in an increase in the number of 16 year olds participating in post 16 education and training to a level that is above the national average.

The second phase of RPA will be implemented in September 2014, when young people will be expected to participate in post 16 education until their 18<sup>th</sup> birthday. Whilst performance continues to improve, there are potential challenges ahead for all post 16 education providers, resulting from a continuing decline in the number of young people in the age group, changes to funding and the likely withdrawal of funding protection from 2016. The risks are potentially compounded by plans to change the curriculum, in particular reforms to A levels.

In 2011 Lincolnshire County Council made the decision to support governing bodies that chose to seek academy status and to date all but 4 schools with sixth forms in Lincolnshire are now academies. Department for Education policy is that schools, colleges and other providers are independent and autonomous organisations that will make their own decisions regarding their curriculum. Our approach to RPA reflects this.

The Local Authority has a statutory duty under sections 15ZA and 18A of the Education Act 1996 (as inserted by the Apprenticeships, Children and Learning Act (ASCL) 2009) 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 age 19 and below support that will encourage, enable or assist them to participate in education or training (Section 68, Education and Skills Act 2008).

In order to articulate clearly the strategic requirements of the county, the Council does determine and publish its strategic priorities for post 16 education and training on an annual basis in order to inform schools, colleges and providers' curriculum planning. The priorities are authorised by Executive, taking into account the views of the Children and Young People Scrutiny Committee.

In 2011 the Government also made the decision to harmonise funding for all post 16 providers. Prior to 2011 the funding for a student in a school sixth form was £280 higher per student per year than for students in general further education colleges (GFEs), sixth form colleges and other providers. Rather than increase funding for colleges and other providers to the level of that for school sixth forms, as had been expected, the decision was made to reduce the funding in school sixth forms to the same level as that in colleges. In order to ensure some stability, transitional funding was put in place to protect schools facing significant changes. The transitional protection funding will end in 2015.

The size of the Year 11 cohort across Lincolnshire is in decline (there are currently 8,233 children in the Year 11 age group falling to 6,834 in Year 7) and will continue to decline until 2020 when it will plateau out before the current bulge in the primary school numbers will start to work through. The combination of the reduction in funding for school sixth forms, the decline in the demographic and the reforms to the curriculum in terms of A level provision mean that the academic year starting in 2015 will be crucial, and it is anticipated that some of our smaller school sixth forms may not be able to afford to continue, and some of those that do may

need to rely on 11 – 16 funding to subsidise their post 16 provision. This could potentially leave some areas of Lincolnshire with limited choice of provision, and in some cases no provision within easy travelling distance.

GFE colleges and other providers also face challenges. The decline in the size of the cohort and changes to curriculum will also impact on them, and in addition significant proportions of their income come from adult programmes. Changes to adult funding, including the introduction of student loans for further education (FE) programmes, are placing increasing financial pressures on colleges and other providers. GFE colleges tend to be able to deal with these changes more readily due to their size and the range of provision they are therefore able to offer. Most have or are planning reviews of their structure to take into account changes to funding. Smaller independent providers are able to remain viable due to the very specialist nature of their programme offer.

Unlike 5-16 funding, the financial resourcing of all post-16 providers, including school sixth forms, is by a national formula with no local discretion.

The power to put in place actions to mitigate the risks lies with the schools and providers themselves. The Local Authority is however keen to ensure schools and providers are aware of the developing scenario, and to support them to address the issues. At recent meetings, the heads and principals of SSFs have been particularly appreciative of the support provided by the 14-19 Service to assist with their financial and curriculum planning.

### **Current Situation**

The 'lagged learner number' formula on which funding is based, means that schools and providers are funded in the following year for the number of students they recruit in the current year. This becomes their "target" number for recruitment. Overall learner numbers in the current year are 208 below target. 19 out of 38 sixth forms missed their target this year, including 9 of them by more than 15 and 6 are more than 20 below target. As each student is funded at around £4,000 per year a reduction of 15 will result in a reduction in funding of £60,000. The reduction in the size of the cohort also comes at a time of increasing competition. The University Technical College in Lincoln (a partnership between Lincoln University, Lincoln College and Siemens) will provide a much awaited bridge between education and industry in a key growth sector. It will receive Year 10 and Year 12 (14 and 16 year olds) from September 2014. GFE colleges are already able to recruit 14 year olds and although none of the Lincolnshire Colleges have indicated an intention to do so in 2014, they have the option to do so in the future.

There is the potential for the numbers of school sixth forms to increase (Haven High Academy will commence post 16 delivery in its own right from September 2014, and we have recently been consulted about a potential new sixth form in North Lincolnshire which may draw young people from Lincolnshire). There is also the potential for free schools to be set up which may include sixth forms (there are around 6 free schools nationally that are sixth form only).

The Government ambition that 1 in 5 young people (20%) aged 16 – 18 is an apprentice by 2020 remains in place and there is significant resource being applied nationally to promote apprenticeships. Of those 16 – 18 year olds participating in post 16 learning currently, around 10% are either on apprenticeship programmes or studying with other independent providers. Clearly if the Government ambition is to be achieved there will be further impact on the numbers of students attending school sixth forms and/or GFE colleges.

Given the current public spending situation, it is not anticipated that there will be funding protection in the future or that the funding rate will increase. The funding modelling that has been completed by the 14 – 19 team is based on these assumptions. The financial modelling suggests that 28 of the 38 school sixth forms are likely to be worse off in 2014/15 and that the overall funding for sixth forms in Lincolnshire could reduce by around £2.74million in 2014/15, and by a further £1.74 million in 2015/16.

The impact on small sixth forms will be much more significant than on larger ones. The accepted view has been until now that a minimum of 200 pupils is required to maintain a viable sixth form with a comprehensive curriculum offer capable of meeting the needs of a wide range of pupils. Some work by one of the Lincolnshire headteachers suggests this is now nearer 300. This is not however an exact science, and whilst 300 pupils may be the minimum required to be able to offer the full curriculum offer including vocational qualifications, some of our grammar schools may require fewer pupils due to their specialist A level offer. This is borne out by the fact that some of our independent providers have small numbers of learners but due to the specialist nature of their provision are able to survive. There are only 6 sixth forms in Lincolnshire (out of 38) with more than 300 students.

A significant concern is the 18% of students in school sixth forms who fail to progress from Year 12 – 13. Overall the figure is 16% from grammar schools, an increase of 2% from last year, but there are 6 grammar schools where the figure is over 20%. For non-selective SSFs 22% fail to continue beyond Year 12 overall. In 10 non-selective SSFs the figure is above 25%.

It is a concern that so many young people do not complete a full Level 3 (A-level or equivalent) set of qualifications. Many complete AS levels but fail to go on to complete A2. If schools could retain these young people it would go a long way to address the declining learner numbers and therefore some of the reductions in funding. This would need to be achieved however, by providing programmes that are appropriate for the young people, which they would go on to complete. This will be problematic for some smaller sixth forms that are unlikely to be able to afford to provide the breadth of offer needed.

The Education Funding Agency recently announced that it would be reducing the funding for 19 year olds by 17.5% (Year 14 students who may be still in learning because eg they have repeated a year, or commenced a 2 year programme in Year 13). There are 220 Year 14 students in school sixth forms in Lincolnshire. However, the impact of this change will be more significant for the colleges who have high numbers of learners in this age group, many of whom will be those

students who have completed 1 year in school sixth form and then recommenced a different level 3 programme in college.

One significant impact from the ongoing reduction in funding which gives considerable cause for concern is the number of small classes. Schools have always had a mix of class sizes, the popular subjects with large classes balancing the small specialist classes. The balance is changing with the proportion of small classes increasing (23 sixth forms have more than 40% of subjects with fewer than 10 students) which, given the tighter funding, is unsustainable. This is likely to result in courses being discontinued, some of which are likely to be niche provision which some students will require to access the higher education of their choice. We are already seeing the impact of this with 48 fewer subjects being provided across the county this year compared to last year.

Alongside all of these challenges, there are national policy changes which impact on school sixth forms. The introduction of linear A levels will mean that if students fail to complete a 2 year programme, not only will this impact on school performance data, it will impact on income as retention is one of the factors in the formula used to calculate funding. Schools will need to either encourage students who are unlikely to complete a two year A level programme to seek alternative opportunities outside their own institution, or provide a wide enough curriculum offer to meet the needs of all students within their own school. For small sixth forms this is unlikely to be a viable option on their own.

In September 2012, The Education Act 2011 transferred the duty to provide independent careers information, advice and guidance from local authorities to schools. There is a tension between the requirement to provide independent impartial guidance and the need to maintain sufficient numbers in a school's sixth form to ensure its ongoing viability. The numbers of young people dropping out of school sixth form after one year would suggest this may already be an issue, and as funding pressures increase this is likely to be exacerbated.

Performance in relation to the Raising of the Participation Age is good in Lincolnshire which means that the potential to increase learner numbers through increasing participation is limited.

## **2. Conclusion and Actions**

There is a serious risk that some of our smaller sixth forms will not be able to afford to weather the demographic downturn over the next few years. The Local Authority has an interest in ensuring that the range and breadth of provision is maintained, in order to ensure that all young people in Lincolnshire are able to secure appropriate post 16 provision within a reasonable distance from where they live. In order that they are able to achieve the best outcomes, young people need to be able to access a range of provision and the courses they choose.

As most of our SSF are in academies, the Local Authority has no way of changing the mix of providers. It can only seek to influence.

There is a need to maintain existing provision over the next few years of decreasing demand because the increasing size of the cohort currently in the primary age group will mean that after 2020, there may be a need to increase capacity of post 16 education.

The main risk factor is the size of provision and it is clear the smaller schools are at significantly greater risk than the larger institutions. Colleges and larger institutions will be able to survive due to their size in that they have a critical mass of students meaning there are fewer small class sizes and they are able to continue to provide a bigger range of programmes, offering students a wider choice. If we could encourage schools to work together to in effect behave as if they are a large provider by, for example, developing a joint curriculum offer, sharing staff, or enabling students to choose subjects from across more than one school, they could potentially gain the same benefits as the larger institutions and therefore be protected against the future reductions in funding.

With this in mind, in February 2014 the 14 – 19 team arranged a series of meetings with groups of school sixth forms (mainly geographically based) to which all the headteachers from schools with sixth forms, and their respective chairs of governors were invited. The meetings were also attended by senior officers from the local authority and some by the Deputy Leader of the Council. The purpose of the meetings was to share the financial modelling and ensure that all headteachers and governors were aware of the impending scenario in relation to funding, demographics and the impact of national policy changes.

All schools have been provided with detailed analysis and prediction of their own funding over the next 3 years and given access to a modelling tool so that they can evaluate the impact of various scenarios. It was made clear that schools have a choice to make. They can either decide that they wish to go it alone and compete for the available students with the intention to survive regardless of what happens to other provision in their local area, or they can work together to try to maintain the overall offer.

The local authority made it clear that it would prefer the second option be pursued, but is not able to direct schools on the choices they should make. The local authority would however prefer that the choices made are the result of considered debate within each school's governing body as well as the leadership team.

The list of schools and colleges participating in the SSF collaboration meetings appears in Annex 1. Only two have chosen not to participate. The Assistant Director for Education Services has arranged to visit these schools to explore their reasons.

The feedback from most schools was that they would wish to work towards some form of collaboration, but that this is difficult due to timetabling, geographical location, transport, quality etc. They did recognise however, that there are some examples in Lincolnshire where collaboration is already happening, such as the Sleaford joint sixth form and the joint sixth form between the two schools in North Hykeham. There is also the collaborative quality assurance model, which has been developed by the 14 – 19 team in partnership with schools and other providers.

The schools have asked us to do some research to identify best practice in and outside of Lincolnshire, which might inform how they could progress, and we have already had a number of responses from colleagues across the country.

Officers have emphasised robustly, the need for ongoing commitment from headteachers and governors to making collaboration work. Without this, difficulties with practicalities will jeopardise progress.

The groups of schools in each area have decided to progress in different ways, some are progressing this through their own meetings, and inviting the local authority to attend, others have asked the local authority to take the lead. All have identified that there is a role for the GFE colleges and potentially for 11 – 16 schools in their areas. A brief summary of outcomes from discussions is provided in Annex 2.

Local ownership of the issues is crucial. The local authority is unable to impose a particular course of action. However the response of sixth forms and the GFE sector has been encouraging. Some groups have decided to pursue an “area offer” route. In others they have decided that collaboration will be constrained to enhancements to individual schools’ offers around minority subjects that might otherwise disappear. At the time of writing this report, some groups have got to meet for a second time to decide on the principles and objectives of their collaboration.

The 14-19 Team will provide the Children and Young People Scrutiny Committee with a written update on the progress of each working group at the end of each term until December 2015 when the impact of the new collaborative offers will be known.

### **3. Consultation**

#### **a) Policy Proofing Actions Required**

Not Applicable.

### **4. Appendices**

These are listed below and attached at the back of the report	
Annex 1	List of Schools and Colleges Participating in School Sixth Form Collaboration Meetings
Annex 2	A Brief Summary of Outcomes from Discussions

### **5. Background Papers**

Apprenticeships, Skills, Children and Learning (ASCL) Act 2009 - [www.legislation.gov.uk/ukpga/2009/22/contents](http://www.legislation.gov.uk/ukpga/2009/22/contents)  
Education Act 1996 - [www.legislation.gov.uk/ukpga/1996/56/contents](http://www.legislation.gov.uk/ukpga/1996/56/contents)  
Education and Skills Act 2008 - [www.legislation.gov.uk/ukpga/2008/25/contents](http://www.legislation.gov.uk/ukpga/2008/25/contents)  
Education Act 2011 - [www.legislation.gov.uk/ukpga/2011/21/contents/enacted](http://www.legislation.gov.uk/ukpga/2011/21/contents/enacted)

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**Annex 1****List of Schools and Colleges Participating in School Sixth Form Collaboration Meetings**

<b>Name of School</b>	<b>Attendees</b>
Boston Grammar School	Headteacher and Chair of Governors
Boston High School	Headteacher and Chair of Governors
Bourne Academy	Headteacher and Chair of Governors
Branston Community Academy	Headteacher
Caistor Grammar School	Headteacher and Chair of Governors
Carre's Grammar School, Sleaford	Headteacher and Vice Chair of Governors
Cordeaux School, Louth	Headteacher and Chair of Governors
De Aston School	Headteacher
Deepings School	Headteacher and Chair of Governors
Giles Academy	Deputy Headteacher and Chair of Governors
Kesteven and Grantham Girls' School	Headteacher and Chair of Governors
Kesteven and Sleaford High School	Headteacher and Chair of Governors
King Edward VI Grammar School, Louth	Headteacher , Chair of Governors and Deputy Chair of Governors
Kings School, Grantham	Headteacher and Chair of Governors
Lincoln Castle Academy	Headteacher designate and Chair of Governors
Lincoln Christ's Hospital School	Headteacher
Monks' Dyke Tennyson College	Headteacher, Business Manager and Vice Chair of Governors
North Kesteven School	Headteacher and Vice-Chair of Governors
Priory Academy LSST	Headteacher
Priory City of Lincoln Academy	Headteacher and Chair of Governors
Priory Ruskin Academy	Headteacher, Head of Sixth Form and Chair of Governors



Priory Witham Academy	Headteacher
Queen Elizabeth Grammar School, Horncastle	Headteacher and Chair of Governors
Queen Elizabeth's High School, Gainsborough	Headteacher and Chair of Governors
Sir John Gleed School, Spalding	Headteacher and Deputy Headteacher
Sir Robert Pattinson Academy	Headteacher and Chair of Governors
Sir William Robertson Academy	Headteacher and Chair of Governors
Skegness Academy	Directors of Post-16 studies
Skegness Grammar	Headteacher and Chair of Governors
Spalding Grammar School	Headteacher and Chair of Governors
Spalding High School	Acting Headteacher and Chair of Governors
St George's Academy, Sleaford	Principal and Chair of Governors
St Peter and St Paul, Catholic Voluntary Academy, Lincoln	Headteacher and Chair of Governors
University Academy Holbeach	Headteacher and Head of Sixth Form
Walton Girls High School	Principal, Director of Sixth Form and Chair of Governors
William Farr School	Headteacher and Chair of Governors

## Outcome of Discussions Held at Sixth Form Briefings At 31.03.14

Locality	Outcome/Action
<b>Horncastle</b>	Headteachers have agreed to meet again to discuss an action plan based on the way forward, co-ordinated by the Local Authority
<b>Lincoln</b>	Headteachers have agreed to meet again to discuss an action plan based on the way forward, co-ordinated by the Local Authority. To include pre-16 providers and Lincoln College in discussions.
<b>South Holland</b>	Headteachers have agreed that schools will take the lead and will include 11-16 schools in their discussions. Headteachers will invite LA to participate.
<b>Louth</b>	Headteachers and Principals held a development meeting and decided to drive forward the agenda for 2015 curriculum offer. LA will provide support.
<b>Deepings</b>	Headteachers have requested LA support in costing curriculum offer. Headteachers to have further meetings with LA.
<b>Grantham</b>	Headteachers have agreed that schools will take the lead and will include Grantham College. Headteachers will invite LA to participate.
<b>Boston</b>	Headteachers have agreed to meet again and have requested that Haven High Academy, Thomas Cowley High School and Boston College are invited to participate. LA will provide support and headteachers have requested that LA broker the next meeting.
<b>Sleaford</b>	Collaboration between some schools already taking place. Headteachers did not wish to collaborate further at this moment in time and no further meetings have been arranged.