

# Minutes



Leading learning and skills

**Date** 21 July 2009  
**Subject** Regional Council  
**Location** Moongate House  
**Time** 16:00  
**LSC office** North East Region  
**Publication intent** INTERNAL DOCUMENT

**Present** James Ramsbotham (Chair), David Barker, David Butler, Mary Dunning, Graham Henderson, Sharon Oliver, Graham Randell, Dorothy Smith, Kevin Rowan, Paul Watson, Kate Welch, Ashley Winter, Oliver Wood.

**In attendance** Jan Thirlaway - Jobcentre Plus

**LSC staff** Michal Gilbey, Michael Johnston, John Smith, Ken Coulson

**Apologies** Apologies have been received from:  
Sarah Robinson, Sue Houston

## Item 1. Declaration of Interest

1.1 The Chairman drew attention to the register of interests printed on the agenda and reminded members of the opportunity to declare any potential conflict of interest in any business under discussion.

## Item 2. Chairman's Remarks

2.1 Council Chairs had met on 9 July to consider:-

- the progress through Parliament of the Apprenticeships, Skills, Children and Learning Bill
- Delivery of Train to Gain and Adult Apprenticeships. NAO had given notice to improve TTG because of inconsistencies in the management of the programme. The LSC had previously made clear their concerns to Ministers on such matters but it had been a political imperative to continue. The Chair indicated that the programme was intended to be demand-led by employers and he would welcome feedback directly from employers as to whether this was the outcome.

### LSC North East Region

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- 2.2 Les Walton had been appointed Chair of the YPLA and Peter Launer, Chief Executive.

### **Item 3. Minutes**

- 3.1 Minutes of the meeting held on 24 March 2009 were approved as a correct record and signed by the Chairman.

Arising:-

- 3.2 TyneMet College: Members were pleased to note the appointment of Jon Vincent as the new Principal. David Cheetham was currently Acting Principal.

### **Item 4. FE Capital Programme Update**

NB: Graham Henderson indicated a potential interest in this matter.

Dorothy Smith reported:-

- 4.1 The eight projects with 'approval in detail' had been agreed by Chris Banks.

- 4.2 Since then Lambert, Smith, Hampton and PricewaterhouseCoopers had been engaged in an exercise on behalf of the LSC to identify those colleges with AIP/AID approval that were 'shovel ready' and assess them against criteria agreed across the sector. This had resulted in 13 projects being approved to go forward to a next stage, this included Hartlepool FE College.

- 4.3 This further stage had involved the LSC working with Hartlepool FE College supported by the University of Teesside, ONE NE and the Local Authority to produce a scheme that would be fundable when presented to National Council on 17 August with a view to a start on site in September. Work had taken place to reconfigure the proposal from a £63m proposal to a £54m proposal. The three partners had agreed in principle to commit funding totalling £1.5m and with the college finding other funding sources, including increased borrowing, it was expected that the LSC contribution would be circa. £43.5m.

- 4.4 Those colleges who had incurred abortive fees would be recompensed by the LSC in accordance with the capital handbook. Compensation would not be paid. National Office was considering if they could support any college with resulting poor financial health.

- 4.5 Discussion was taking place nationally with Newcastle College concerning Skelmersdale College.

Arising:-

### **Item 5. Hartlepool FE College Capital Project**

**Decision:** That

- a. in accordance with minute 8 of the Regional Council held on 18 September 2008 the Chairman be authorised to decide on this capital proposal on the basis that a decision is required before the next meeting of the Regional Council in order to meet deadlines for the National Capital Committee.
- b. Such delegation to be exercised in consultation with the Acting Regional Director

- c. The exercise of the delegation to be reported to the next meeting of the Regional Council.

**Action: Chair/Acting Regional Director**

**Item 6. Machinery of Government/ Transition Update**

- 6.1 There were some concerns regarding the passage of the bill in terms of whether there was sufficient parliamentary time to ensure that the bill received royal assent in November.
- 6.2 As newly appointed Chair of the YPLA, Les Walton had joined National Council and formed a Young Peoples Learning Committee comprising members of the Council. Peter Launer will take up his position as YPLA Chief Executive in September 2009.
- 6.3 Skills Funding Agency had not yet announced the appointment of a Chief Executive. It was understood that the Secretary of State was considering how the 9 RDAs would integrate with the SFA, a 'next steps' agency. As currently planned there would be no definable regional budget. SFA management structures were intended to be pan-regional i.e. NE/Y&H/NW. Young Peoples activity would have a very local focus.
- 6.4 Staff were currently going through a matching process to successor organisations (12 local authorities, YPLA and SFA). The NW Regional Management Group would moderate decisions made in the NE to ensure consistency and equilibrium. From 3 August the process of confirming staff in future positions would begin; a limited number of staff would need to undergo a selection process.
- 6.5 There was a continuing dialogue with the 12 local authorities and 3 sub regional groupings. It would now be possible to share progress with the matching process. It would be extremely helpful to be able to have a more open dialogue with local authorities around capacity issues.
- 6.6 From September it was expected that the LSC would move into 'shadow mode'. This would be a challenging agenda.

**Transition Plan**

- 6.7 Regional Management Group was working with Regional Audit Committee on the approach to Transition planning. Following Regional Audit committee on 23 June, Graham Randell had written to the National Audit Chair and there had been discussion at National Management Group concerning the value of all regions adopting the same approach. National Management Group guidance was awaited, it was hoped that this would include a consistent transition plan with clear milestones and clarify the role of the Regional Audit Committee through to March 2010.
- 6.8 In response to a member's question concerning staff motivation it was indicated that the NE was in an enviable position as the matching process had gone more smoothly than elsewhere and all successor organisations would have staff with relevant expertise. There was considerable appreciation of the commitment of staff who remained focussed on the day job and plans for the future despite the nature of the process and individual outcomes. Members expressed their appreciation to management and staff.

6.9 Regional Audit Committee was awaiting the national view on transition planning. A current concern was that transition risks were apparent but there were no mechanisms to deal with it.

### **Item 7. Regional Director's Update**

Dorothy Smith reported as follows:-

#### **a. Managing Demand for Train to Gain and 25+ Apprenticeships**

7.1 There had been very positive messages to stakeholders around the level of success that had been achieved in raising demand by employers to upskill staff through the recession; there was now a need to more tightly manage the budget.

7.2 There had been a clear message from the Chief Executive to providers that for the coming academic year there was a need to operate within the maximum contract values given to avoid demand outstripping supply in budgetary terms. In particular there was to be a greater emphasis on high quality provision focussed on employer needs.

7.3 Regional Audit Committee had been concerned that there was a risk of meeting the needs of suppliers rather than employers. National Audit Office had commented on the varied success rates of TTG provision, the need to focus on need and higher quality. Existing guidance had been developed in an environment of greater trust in the provider network. To accompany the changed operating environment more detailed guidance was being introduced.

7.4 Members commented on:

- the need for clarification with regard to raising employer demand for apprentices in the health sector
- Continuing to focus on meeting the needs of learners and the importance of understanding what 50% success rates mean in terms of high quality provision
- It was critical that new guidance did not damage demand but quickly addressed the risk to public money
- The need to ensure that mainstream provision was not destabilised
- A concern that the stakeholder communications did not drive up demand that cannot be met.

7.5 The Chair commented that the NE had dramatically increased its market share of apprentices. This was a huge credit to the team. No other region had come close to achieving the same level of success.

#### **b. St Mary's RC 6<sup>th</sup> Form College, Middlesbrough**

7.6 An update was given concerning the collaborative approaches being adopted to deal with the challenges and difficulties being faced by the college. The needs of the learners remained paramount.

#### **c. Business for Next meeting**

7.7 The Chair commented that in the year ended the region had trained 5500 young apprentices. The target for next year was 8600. Plans for increased

public sector recruitment would not be sufficient to bring about that level of increase. It would be appropriate for members to understand the issues. It would also be appropriate for members to be brought up to speed on the activities in support of those affected by the recession. Jan Thirlaway offered to do an input into that session.

**Decision:** That there should be a substantive item on 16-18 Apprenticeships and DWP/JC+ strategies for assisting those made redundant/subsidised wage payments etc. at the next meeting;

**Action: D Smith/J Wayman**

**d. County Tees Valley**

7.8 Members noted that there would be four new FE College Principals in Tees Valley and two in County Durham within the next year.

**Item 8. Regional Audit Committee**

8.1 Minutes of the meetings held on 24 March and 25 June 2009 were confirmed.

8.2 Graham Randell reported that the committee had met immediately prior to Council, and had focussed on:

- The gap in understanding between regions and the centre in terms of transition planning. There was awareness that the transition was now approaching quickly and a need to better understand the mitigating actions planned centrally.
- The uncovering of an 'entrepreneurial approach' by some of those delivering Train to Gain Skills for Life provision.

**Item 9. Regional Capital Committee**

9.1 Minutes of the meeting held on 27 April 2009 were confirmed.

**Item 10. Future Meetings**

10.1 Arrangements to be made for the next meeting on 24 September 2009 to be held at Wynyard Park House.

**Action: K Coulson**

10.2 Thereafter meetings are to be held on 19 November 2009, 19 January and 16 March 2010

Signed: -----

Chairman

Date: -----

**Publication no.**

**Meeting chair**

**Minute taker**

**Date created**

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James Ramsbotham

Ken Coulson

23 July 2009

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