

## LEARNING AND SKILLS COUNCIL GREATER MANCHESTER

**Minutes of the eighth meeting held on Tuesday, 5 March 2002, at Arndale House, Manchester, at 16.30 hrs.**

### **Present:**

Members	Anthony Goldstone Rachel Charlton Pauline Green Richard Hurst Abdul Jabbar Jean Llewellyn Alan Manning John Merry David Page David Seddon Ray Short Mollie Temple Chris Woodcock	Chair
Observers	Fiona Mellett Nigel Burke Hannah Roberts Roger Hinchliffe	Chamber Business Enterprise GO NW Connexions Service Business Link Manchester North
In attendance:	Jane Bracewell, Head of Quality Improvement Andrew Harrison, Head of Finance and Systems Ian Lever, Head of Workforce Development and Strategic Planning Jeff Morgan, Head of Corporate Services Penny Sanders, Head of Lifelong Learning Debra Woodruff, Head of Services to Young People	

Clerk to the Council Jean Johnson

<b>Apologies</b>	Liz Davis Steve Brown	Executive Director Employment Service
------------------	--------------------------	--

The chairman welcomed members to the meeting. He reported that Bill Grady had offered his resignation as a member of Council with immediate effect because he had accepted a post as principal of the Isle of Wight College. Bill had been a great help to the chair, officers and other members of Council and he was very sorry to lose him. Council sent him their very best wishes.

### **78. Minutes of 15 January 2002 meeting**

The minutes of the 15 January 2002 meeting were accepted as an accurate record and signed.

## **79. Matters arising**

Matters arising were covered by paper 13/2002. In addition the following matters were raised.

- 79.1 Minute 63.1 – Skills Show and Festival – Chair reported that the show and festival had been renamed as ‘Skills City’.
- 79.2 Minute 63.3 – Childcare – Ian Lever reported that he had trawled through other local LSC strategic plans for references to childcare. It appeared to be a more major item in the Greater Manchester plan.
- 79.3 Minute 63.7 – Search Committee – The meeting arranged for 5 March had been postponed because of Bill Grady’s resignation from the committee. Pauline Green had now agreed to take his place. A meeting would be arranged shortly. The Search Committee would not recommend replacement Council members but would consider the balance of Council and whether there were gaps in representation. They would then recommend a procedure for filling gaps and achieving a good balance.

## **80. FE College Capital Projects**

### **80.1 Wigan and Leigh College**

Chair introduced Jim Crewdson, Principal, and Nick Crawford, Finance Director, from Wigan and Leigh College. They gave Council a presentation on the background to their application for capital support. The college sought consent for the project as outlined in paper 14/2002 and applied for a contribution of £9,043,000 from the Council towards the £22,018,000 project.

Council members then had the opportunity to comment and ask questions.

In the question and answer session the following points were covered:

- Current maintenance costs on the run down buildings stood at about £500,000 a year.
- The building programme would last about 18 months, with minimum disruption to existing students who would move into the new accommodation as it became ready.
- The college planned to use a ‘design, manage and construct’ contract as it thought this provided an incentive for contractors to beat the tender price and ensured both parties to the contract were working together, as any savings made were shared.
- While the price per sq ft seemed high, it was in line with LSC national office benchmarks.
- On cost, the college had presented a ‘worst case scenario’. Once the scheme had gone out to tender they expected the price to go down.
- Although the area currently had a participation rate of school leavers in post-16 education of 59.3% compared with the national average of 67.7%, over the past few years, participation rates had been rising.

- The scheme was self-financing in that it was not dependent on an increase in participation rates. However it was expected to raise the participation rate as the poor facilities had put students off.
- The scheme would have little effect on other provision in the area. While some students went out of the area to Manchester or Preston to study, most did not continue in education.

Chair thanked Messrs Crewdson and Crawford for their presentation.

Council members then discussed the proposals.

Head of Lifelong Learning confirmed that this scheme would be the first phase and further projects relating to the Leigh campuses would be coming to Council in the future. The scheme had been subject to a financial appraisal and was supported by the officers. Work on the property aspects of the scheme had been undertaken by the property experts at national office. If the scheme were supported by LSC Greater Manchester Council, it would go forward to the national capital committee for final approval.

Head of finance and systems confirmed that the scheme was just on the side of affordability by the college and assured members that spending on capital projects was closely monitored by the national property team.

**Council unanimously agreed that Wigan and Leigh College's capital project proposal should be supported, subject to regular monitoring and public acknowledgement of the LSC's contribution to the project.**

#### 80.2 City College Manchester

Head of Lifelong Learning introduced the request from City College Manchester for an amendment to a previously agreed capital project as outlined in **paper 15/2002**. The need for the amendment arose as a result of (i) higher than expected income from the sale of land and (ii) changes brought about by the merger with Shena Simon College, which Council had approved at its May 2001 meeting.

After discussion and confirmation that the new proposals included facilities for people with learning difficulties and disabilities, **Council unanimously agreed to recommend that City College Manchester's revised capital project should be supported, subject to regular monitoring and acknowledgement of the LSC's contribution to the project. Council also agreed to recommend that capital receipts from the sale of the Wythenshawe campus should be deployed in two stages: 80% against stage 1 and 20% held back as a contribution to stage 2 of the accommodation strategy.**

#### 80.3 Manchester College of Arts and Technology (MANCAT)

Head of Lifelong Learning introduced the five requests for capital support from MANCAT outlined in **paper 29/2002**. It was recommended that Council support the proposals for sixth form centres at North Manchester High School for Girls

and St Matthew's Roman Catholic High School. The college had requested that the projects be supported at 50% rather than 35%. The criteria allowed for a request for a higher rate of grant on grounds of affordability and for proposals which fitted in with local strategy. On the calculations to date, the officers believed that the projects were affordable by the college at 35%. However, the officers proposed to check the current figures with the college as they did not wish to deprive it of the additional amount if the criteria were met.

**Council agreed to support the two proposals and agreed that the officers should come back with a recommendation on support at a higher percentage if this proved appropriate.**

On the proposal for a sixth form centre at Harpurhey, Head of Lifelong Learning said that this was part of a larger scale regeneration project for Manchester and the officers would like to have more time to talk to the college about the details. In the officers' view, the project as it currently stood did not meet a number of the criteria and they would prefer to clarify some of these issues before bringing the project back to Council.

**Council agreed her recommendation that a decision on the Harpurhey project should be deferred, pending further discussion with the college.**

The fourth project was the development of Chapel Wharf Facilities and Hospitality Management Centre. The proposal for the centre arose in response to a long-standing concern about the lack of high quality specific hotel and catering management provision to respond to the sector's needs in and around the city. The project would be undertaken with significant investment from other partners including the North West Development Agency. The LSC's officers had assessed the proposal and, while they were very supportive of the principle, they were concerned that the costs were out of kilter with the norms for a project of this nature. They would like the opportunity to do more work on the assessment of the project and to review the costs. They recommended therefore that Council should defer a decision on this project until the officers had had further clarification from the college.

Three members of Council declared an interest in this project: Jean Llewellyn as a member of the project steering group; John Merry as a member of Salford Council and Alan Manning as NWDA representative. Council agreed that they should take part in the discussions.

Councillor Merry stressed the importance of the project to the cities of Salford and Manchester. Other partners included the Lowry Hotel and the Lowry Centre. The development was crucial both in meeting employer needs and in encouraging participation in the Chapel Street regeneration area.

**Council welcomed the project and acknowledged its importance but agreed to defer a decision until the officers had had further discussions with the college.**

The fifth proposal was for the refurbishment and equipping of the Whitworth Building in Openshaw, which had been earmarked for use as the international broadcasting centre for the Commonwealth Games. While the officers supported the project in principle, the project costs significantly exceeded the acceptable levels for refurbishment projects of this type. The property team needed more time to investigate why the costs were so high. There was also a concern that the prediction of an additional 550 students might be unrealistic.

**Council supported the project in principle but agreed to defer a decision until the officers had received further clarification of the issues of concern from the college.**

- 80.4 Loreto College - Head of Lifelong Learning introduced the request from Loreto College for an amendment to a previously agreed capital project as outlined in **paper 16/2002**. The need for the amendment arose as a result of (i) higher than anticipated receipts from the disposal of land and (ii) recognition that the cost of adapting the buildings to meet the requirements of the Disability Discrimination Act would be prohibitive. The officers were of the opinion that the revised project met the criteria for support and represented a substantial improvement on the original project. They therefore recommended its approval.

**Council supported the project and agreed that the LSC's support of the project should be publicly acknowledged.**

- 80.5 Aquinas College – Head of Lifelong Learning introduced the request from Aquinas College for capital support outlined in **paper 17/2002**. The college provided high quality provision, but the standard of its accommodation had been criticized at the last inspection. A financial assessment by officers had come to the conclusion that the college would qualify for 50% support on the grounds of affordability and that the project made a strong contribution to the local priority of securing high quality provision for full time 16-18 year old students. Council was also asked to support the request to the national capital committee to accelerate payments from the normal three years to two years.

Council agreed:

- **to support the request for capital support at 50%**
- **to recommend to the national capital committee that payments should be made over two years, rather than three**
- **to request the national capital committee to accelerate capital payments in respect of the college's previous capital project in order to assist current cash flow.**

The lifelong learning team would take all these projects forward.

**Action: 01/5.3.02 - PS**

Council then discussed its general approach to the consideration of capital projects and **agreed that:**

- **Colleges requesting capital support should be invited to make a 5 minute presentation on their project**

- A local Capital Committee should be set up to deal with capital projects needing to be put to Council outside its normal cycle of meetings. The committee should have 4 members and be chaired by the chair of Council. David Page agreed to serve on the committee. Chair suggested that Pauline Green and Abdul Jabbar might also be interested. It was suggested that an independent person with specialist knowledge might be invited to serve on the committee. Operations Director would take responsibility for this committee. Both the committee and council should receive full monitoring reports.
- It would be appropriate, particularly on major capital items, for the chair to have a site visit.

Head of finance agreed to find out what proportion of the national capital spend was being spent in LSC Greater Manchester's area.

**Action 02/5.3.02 - AH**

## **81. LSC Greater Manchester Strategic Plan**

Ian Lever introduced the revised Strategic Plan. Amendments were in blue. The main additions made as a result of the consultation process were:

- The inclusion of targets
- Inclusion of some research results.

National office had advised that the up-dated version would be recommended for approval by the national council. The national council would consider a 4-page summary, which set out LSC Greater Manchester's priorities.

Council thought it was important that they should have ownership of the strategic plan and be able to monitor how LSC Greater Manchester was progressing against its objectives. It was important to have in place a process for evaluating whether or not we were delivering the key priorities in the strategy.

Ian Lever explained that the next stage would be to produce an operational plan for each area on how to achieve the objectives set out in the strategic plan. An internal review of progress would go to the senior management team meeting quarterly. This review would be available to Council.

**Action 03/5.03.02 – Senior Management Team**

## **82. Local Initiative Fund (LIF) Priorities and Process**

Head of Workforce Development and Strategic Planning introduced paper 19/2002 outlining the proposals on LIF priorities and processes for 2002-03. All projects would have a strategic thrust. Proposed programmes would come to Council for signing off before being put out to tender. Two-thirds of the LIF would be devoted to such programmes. The remaining third would be available for bidding by partners for activities not covered by the specially commissioned programmes or to support projects that arose in-year.

Chair stressed the importance of engaging with small and medium-sized enterprises on workforce development. Ian Lever outlined the current work being done through contracts with Business Links and the Small Business

Service. He agreed that not enough was going on. Penetration of small businesses was in the order of 10%. Work was going on at national level, looking at workforce development and how the LSC could have more strategic relationships with business links and other organisations in contact with businesses, so as to extend our contact with them. A draft workforce development plan would be going out for consultation soon with a view to the publication of a national plan in June/July 2002. That plan would be presented to Council in due course.

Council suggested developing contact with small businesses through bank managers and accountants or the people they supplied. It was important that projects also related to local needs and to local strategic partnerships. Chair said that relationships with SMEs was a major item on the agenda of the North West Chairs meeting on 18 March.

Council noted the proposed arrangements and that proposals for commissioning projects would come to it in due course.

### **83. Draft Literacy and Numeracy Delivery Plan**

Head of Lifelong Learning introduced paper 25/2002. The national target for improving literacy and numeracy skills was 750,000 achieving a basic skills qualification by October 2004. Greater Manchester's contribution to that target was 41,622. The baseline achievement for the previous year was 5,000 to 6,000. The target was challenging and lack of flexibility in funding was a problem, as was working with partners with no formal mandate to set targets. The key to achieving the target was working with employers and organizations such as the TUC on workforce development. The plan had been discussed by the Adult Learning Committee and their comments would be taken on board. The committee had agreed that letters should be sent to the colleges' governing bodies emphasizing the importance which the LSC Greater Manchester attached to the delivery of basic skills. Adult Learning Committee had also stressed the need for flexibility of funding across a range of providers.

**Council approved the draft plan.**

Chair informed Council that this was Penny's final meeting as she was leaving the Council shortly. He thanked her on their behalf for her useful and valuable work and wished her well.

### **84. Executive Director's Report**

Andrew Harrison, as Acting Executive Director, introduced paper 20/2002 which covered the national issues of the replacement of Individual learning accounts (ILAs) and the publication of the government's green paper on proposals for changes to 14-19 education; and local issues, including the proposed new structure outlined in paragraphs 51 to 55. Council members commented on the proposal to base the new structure on local authority areas. AH confirmed that the characteristics of each of the 10 local authorities would be taken into account.

Council received the report and agreed that a future meeting of Council would discuss Centres of Vocational Excellence (CoVEs) in more depth.

**Action 4/5.3.02 – Clerk for agenda**

**85. Chair's Report**

Council agreed that **paper 21/2002** should be taken as read and noted its contents. There were no questions or comments.

**86. Action on Results of Staff Survey**

Jeff Morgan introduced **paper 23/2002**. He reported that Nigel Holt, national Assistant Director of Human Resources, had attended the 25 February meeting of the senior management team to discuss the harmonisation process. National office expected to issue information on harmonisation to staff by the end of the week. He said that LSC Greater Manchester intended to repeat the survey annually, though it might be expected to use a staff survey produced by national office. Chair agreed to write to national office saying that LSC Greater Manchester Council would be looking to have a second staff survey within the next 12 months and asking for clarification on a national staff survey.

**Action 5/5.3.02 - Chair**

**87. LSC Involvement with the Commonwealth Games**

Council agreed that **paper 24/2002** should be taken as read and noted its contents.

**88. Finance Director's Report**

Andrew Harrison introduced **paper 22/2002**, drawing attention particularly to paragraphs 3 and 4. He reported that he would be meeting with the 5 other heads of finance in the region to discuss whether there was scope for sharing facilities and resources.

On the required cut of £180K in LSC Greater Manchester's admin budget, he reported that there was a concern that this would inhibit achievement of our objectives. It was hoped that take up of the recently introduced voluntary severance scheme would go some way to achieving some of the savings. £75K put aside locally for redundancy costs would now be covered nationally.

Chair stressed the importance of there being no cut backs in the work of training providers. The aim of the cuts was to reduce bureaucracy. Head of finance confirmed that national office had taken a similar 7% reduction in their administration budget.

## **89. Reports from Advisory Committees**

89.1 Equal Opportunities External Advisory Group Meeting - Council **received** the minutes of the meeting held on 7 November 2001.

89.2 Young People's Learning Committee - Council **received** the minutes of the meeting held on 14 January 2002.

89.3 Adult Learning Committee - Council **received** the minutes of the meeting held on 11 January 2002.

89.4 Audit Committee – Head of Finance reported on the 4 March meeting of the committee. The meeting had been attended by the national Chief Internal Auditor. The committee had received guidance on best practice; a report from the Provider Financial Assurance (PFA) team's work with further education colleges; the corporate risk register – on which they had made useful recommendations; and had considered observations from the national PFA team on the local team. The committee had confirmed that action taken to address the issues raised was appropriate and had expressed confidence in the local PFA team.

## **90. Any other business**

None raised.

## **91. Dates of next meetings**

Chair confirmed that the next meetings of Council would be on 14 May and 2 July 2002. The meetings would start at the usual time of 16.00 hrs.

Chair thanked members for attending the meeting and declared the meeting closed.