

(COMMERCIAL IN CONFIDENCE)

MINUTE NUMBER 01/155 TO 01/167

**MINUTES OF THE GREATER MERSEYSIDE
LEARNING AND SKILLS COUNCIL MEETING
HELD ON WEDNESDAY 20 FEBRUARY 2002 AT
TITHEBRAN HOUSE, LIVERPOOL**

PRESENT: Jim Michie (Char), Paul Holme (Executive Director), David Atkin,
Kath Boullen, Gordon Burns, Martin Carey, Sue Carmichael,
Claire Dove, Mike Doyle, John Firr, Richard Marbrow,
Geoffrey Piper, George Sweeney

(OBSERVERS): Nigel Burke (Government Office for the North West)
Peter Fletcher (Greater Merseyside Enterprise Ltd)
Kieran Gordon (Greater Merseyside Connexions Partnership)
Brian Kearsley (Employment Service North West)

IN ATTENDANCE: Elaine Bowker, David Brennan, Rob Burn, Clare Caffrey (Secretary to
the Council), Darren Coleridge (Part), Richard Merritt

APOLOGIES: Brian Davies, Heather Hardcastle, Veronica Laird

01/155 CHAIR'S OPENING REMARKS

Jim welcomed everyone to the first meeting of the year. In welcoming Brian Kearsley
Jim requested that thanks be given to Esther Stewart for her attendance as an observer from
Employment Service North West at previous meetings.

All attendees were please at the safe arrival of a baby boy for Heather Hardcastle.

A number of Council Members had to leave before the end of the meeting and Jim reminded
all to complete and return Declarations of Interests forms and Meeting Standards forms
before leaving.

01/156 MATTERS ARISING

[01/137 and 01/148 Co-financing]

Paul informed Council Members that it had not been possible to arrange the Co Financing
Sub Group Meeting due to the diary commitments of those involved and a suitable date
would be identified. Council Members noted that much progress had been made in the co-
financing area.

[01/149 Executive Director's Report]

As requested at the previous Council Meeting, Council Members noted the inclusion of a
schedule of future agenda items in their meeting packs and were encouraged to pass details
of any additional items they would like to be include to Clare Caffrey.

Discussion about the "Engaging Business Event" requested by Council Members would take
place at the next North West Chair's meeting on 18 March, to be attended by Jim and Paul.

[01/150 Strategic/Business Planning]

School Sixth Forms

A brief discussion took place regarding funding arrangements for school sixth forms. Council Members noted that while some schools had received additional funds under the new arrangements, in some cases Local Authorities had, with DfES approval, adjusted 11-16 allocations to take account of 16-18 increases, resulting in no net increases for schools. DfES had subsequently written to Local Education Authorities (LEAs) restricting this flexibility.

Whilst final figures were not yet available, Council Members noted that the Real Terms Guarantee protected schools from a shortfall in funding in the transfer to LSC and that 61% of schools in the Greater Merseyside area had moved into the new funding arrangements.

Council Members noted that other matters arising would be covered during the meeting.

01/158 FEEDBACK FROM NOV/DEC REVIEW MEETINGS

Jim provided feedback from the Review meetings he had held with local Council Members and they noted:

- a) Jim had shared the information with Paul and both had found it beneficial
- b) Overall Council Members now felt GMLSC was working well, recognising the organisation was still in infancy and, as yet, the full value from Non Executives was unknown.
- c) Concerns had been expressed by Council Members that the business sector found it difficult to contribute, though many were willing, and this was a challenge for the organisation
- d) Council Members had a high level of confidence in Paul and his Executive Team. It was felt the Executive should seek to sharpen its ability to make presentations to Council Members. In addition Council Members requested reports to be presented in a way to allow genuine debate of issues for decisions to be taken, with less emphasis on items "to note"
- e) Council Members had appreciated the process adopted in the development of the Strategic Plan and its focus on strategy and policy issues, opening up the agenda to all
- f) Council Members requested a reduction in the amount of paperwork and in the use of "jargon"
- g) The need for training/development sessions for Council Members in various areas, including chairing for Committee Chairs and a proposal for 360° feedback between Council Members and the Executive was discussed
- h) Council Members supported the need for the organisation to focus its efforts on delivery

Council Members **AGREED**:

- a) They should receive proposals to address the points raised regarding training sessions and 360° feedback at the next Meeting

The Review sessions had also incorporated feedback on the chair's effectiveness and Jim informed Council Members:

- a) He would seek to ensure that all Council Members felt able to contribute fully at future meetings
- b) Whilst he and Paul had not sought a high profile in the media during the first year that both would seek to raise the organisation's profile, using the Strategic Plan initially as the focus.

During discussion Council Members noted the cultural gap between 'Government' organisations and local businesses, resulting in a generic problem in engaging businesses and the possible benefits of committing to the formulation of a regional strategy to address the problem whilst concentrating on training and learning in areas and growth sectors likely to provide employment in future.

The Marketing Strategy was felt to be important in conjunction with consultation to engage the business sector and Council Members learnt that Geoffrey, through the North West Business Leadership Team was meeting with business representatives and HR Directors from Companies in the North West, to engage business in the work of the LSC. Council Members **AGREED**:

- a) Engagement with employers should be considered as a separate agenda item at a future meeting

01/159 EXECUTIVE DIRECTOR'S REPORT

Declarations of interest were received from David Atkin, as a Member of the Greater Merseyside Education Business Link Shadow Board and as a Head Teacher of a 11-18 school and George Sweeney as Principal of Knowsley Community College.

Council Members noted the content of Paul's Report and he highlighted a number of areas:

Staff Update

Administration Budget

GMLSC had recently submitted another bid to National Office and awaited confirmation of the administration budget to be allocated for 2002/3. Council Members noted the potential impact on funding to GMLSC as a co-financing organisation and staffing decisions to made to ensure the skills needs of the organisation were met.

Council Members noted progress to date on voluntary severance issues.

National Update

Council Members noted the information provided in the Report

Local Issues

John Healy Visit

John Healy had visited Greater Merseyside on 11 February and Paul thanked Claire Dove for the support of the Women's Technology Centre. During the visit Paul had found the opportunity to talk to John useful.

Staff Awayday

Paul was pleased that a number of Council Members has attended the event where staff had been updated on HR and harmonisation issues, though GMLSC still awaited information from National Office on many issues. Staff had considered the objectives in the Strategic Plan in some detail and there had been some surprise at a lack of recognition of GMLSC's engagement in the adult agenda. In response GMLSC was presently establishing Business Planning Groups within the organisation to ensure greater awareness and engagement of staff across the organisation.

Council Members who had attended the event had noted staff recognition of the need to engage business and a wish, in much the same way as the Council, to make a difference.

14-19 Green Paper

Paul requested Council Members to note that the timetable for consultation of the Green Paper in Annex 3 (p19) was a national timetable and they noted that initial discussions on the Green Paper had taken place at the Young Peoples' Advisory Committee Meeting held on 15 February. Council Members **AGREED**:

- a) Time should be scheduled to discuss the Green Paper
- b) Information would be sent to Council Members as it was received

Staff Salaries Budget

Council Members noted an amendment to the front page of the update of key issues (Annex 1 also) circulated to Council Members so that the first sentence of this section read "The national administration budget for 2001/2 is £223 million as compared to a revised budget of £240 million for 2002/3."

Knowsley 14-19 Vocational Centre – Capital proposal

Further to discussions at the previous Council Meeting, Jim and Paul had recommended support for the project on behalf of the local Council to the national Capital Committee. A reduced level of support at 50% had since been agreed by the Capital Committee and the rate was likely to provide a benchmark for similar projects in future.

On behalf of key partners in the Borough George thanked the Council for its support, resulting in a positive difference for many young people in Knowsley, adding that in line with the 14-19 Education Green Paper, it was hoped that the 14-19 vocational centre in Knowsley would become a pathfinder.

Liverpool Sixth Form Review

Council Members noted recent press coverage, following a review of the effectiveness of the consortium arrangements established by Liverpool City Council, as a result of the September 2001 Area Inspection. The Review was now at consultation phase and GMLSC was concentrating on ensuring effective provision of learners' needs.

Following discussion, Council Members **AGREED**:

- a) The importance for GMLSC to recognise different local issues with six Local Authority areas

- b) The Council Meeting on 19 March should receive an update on the reviews taking place in each

Progress on Centres of Vocational Excellence (COVEs)

Paul informed Council Members that the Liverpool and St Helens proposals were reported to have been successful at the first stage.

Co-Financing Updates

Council Members noted that while there were still a number of challenging issues, co-financing arrangements were progressing well and **AGREED**:

- a) Co-financing should form a substantive item at the Council Meeting on 19 March

(Geoffrey Piper left the Meeting at this point)

01/160 STRATEGIC PLANNING

A declaration of interest was received from Kath Boullen, as a provider of Work Based Learning and as a College Governor

David Brennan informed Council Members of very positive feedback from National Office about GMLSC's Strategic Plan, with only minor changes necessary to wording and additional detail required regarding quality issues. The phase 2 consultation had resulted in no significant changes, though some areas of the Plan had been strengthened.

Targets

David reported that GMLSC proposed the minimum achievement of targets in all areas except young peoples' participation where below minimum was proposed. Further to previous discussions at Council Meetings, National Office had recognised GMLSC's strong case for the proposal. It was also noted that the National Council were likely to insist that the aggregate of local LSC targets must at least total the national LSC targets for 16-18 participation and the shortfall in Adult level 3 targets.

Council Members noted the importance of growth allocation and present and future funding levels to enable achievement of the targets and the establishment of a national "Targets Data Group," attended by David, to review the approach taken and make recommendations for a national approach.

Acknowledging the intention for Equal Opportunities and Social Inclusion (EO&SI) issues to be mainstreamed throughout the document, Sue Carmichael expressed concern that specific targets had not been included in the Plan for the EO&SI area and felt that the chair's introduction could highlight the area more.

David Atkin was concerned to ensure that the wording in the Plan should not unintentionally exclude the majority of people by focussing disproportionately on specific groups with additional needs, though this was important.

Following in-depth discussion about how EO&SI issues should be emphasised and achieved and noting that 29 out of 30 consultation responses on this specific question had felt EO&SI issues had been successfully mainstreamed within the Plan, Council Members **AGREED**:

- a) The Plan should mainstream Equal opportunities and Social Inclusion issues

- b) The annual Business Plan should seek to give prominence to Equal Opportunities and Social Inclusion issues
- c) The Equal Opportunities and Social Inclusion Action Plan being developed would highlight key issues
- d) The Plan should include the names of a number of businesses involved in the consultation
- e) The Plan should illustrate a clear connection between targets and funding, ensuring a match between delivery and funding

Resources and Delivery

Council Members noted the key set of indicators to address quality issues at Annex 3 and discussed the 5% shortfall shown in Annex 3 between the baseline and targets shown (3.2 - "Strategic Objectives Meeting the Workforce Development and Skills Needs of Employers") in employers' rating provision of colleges and training providers as responsive to their needs. Council Members noted the often prohibitive costs of tailor made provision and GMLSC's intention to improve the gap and **AGREED**:

- a) The Plan should include a note to distinguish the source of hard and soft data eg, survey etc
- b) GMLSC and Greater Merseyside Connexions Partnership should meet to discuss and agree relevant target figures
- c) "User friendly" pamphlets or cards should be produced and circulated widely
- d) Thanks should be recorded for the work undertaken by David Brennan, Kirsty Evans and colleagues in the production of the Plan

(Darren Coleridge arrived at this point)

01/161 LOCAL INITIATIVE FUND (LIF)

Declarations of interest were received from Kath Boullen as Chief Executive of St Helens Chamber and a specific interest in the local initiative project to be considered at Annex 3 (b) and as a potential future bidder, Claire Dove as an LSC Council Member and as having a direct interest as Chief Executive of the potential accountable body on behalf of the LSC for the local initiative project to be considered at Annex 3 (a), from John Firr as a recipient of LIF and an interest in a project still at bidding stage and Mike Doyle as a Chamber Director.

Council Members noted the content of the paper received and during a presentation from Richard noted:

- a) work was being undertaken to try to ensure activity was progressed and invoices presented during the financial year
- b) Although the geographical balance was currently weighted in favour of Knowsley, with under-investment in Liverpool, an approximate geographical balance would be managed over a longer period of time

- c) An independent audit by National Office had taken place and a positive response received
- d) Work underway by GMLSC to improve the efficiency and effectiveness of LIF in a number of areas, despite positive feedback from National Office

Staff Resource Implications

Council Members learnt of increasing project management requirements as the number of projects continued to grow and various development needs for staff as most project management was undertaken alongside other duties.

Legacy Projects

LIF has been used as an interim measure to allow legacy projects to begin in 2001/2. Though no legacy funding had been received to date, a best estimate was that approximately £4m could be available to GMLSC to use in the delivery of its objectives. It will be managed in a similar way to LIF and had to be spend by March 2004. Jim requested Nigel Burke to raise the issue of non receipt of legacy funds with Government Office colleagues, feeding back to GMLSC.

Budget and Allocation

Richard confirmed the expectation from draft operational guidance that GMLSC would receive £3.862m of LIF for 2002/3 of which £2.6m had been committed but to which around £3m of the £4m legacy funds could be added to be invested in 2002/03. The potential to co-finance appropriate projects in the future could further increase the flexible resource available to GMLSC.

Future Operation of LIF

Council Members considered each of the three options outlined by Richard and contained in the papers and **AGREED**:

- a) LIF should be used more specifically as a tool of GMLSC strategy in future

01/162 LOCAL INITIATIVE PROJECTS SUBMITTED FOR COUNCIL APPROVAL

Toxteth Community College

Council Members discussed the application to establish a community based life long learning centre in Granby, Toxteth to provide a multi cultural learning environment to enable local minority ethnic adults to gain confidence, qualifications and skills for employment. Council Members **AGREED**:

- a) to support the application for £253,144, subject to
 - i) satisfactory development of the existing draft Business Plan
 - ii) reasonable satisfaction regarding the sustainability of the project in the long term
 - iii) a Sub Group of Claire Dove and John Firr to be satisfied re progress as in (i) and (ii) above

Starting Point

Council Members noted details of the application for a project to refurbish town centre premises in St Helens to develop a guidance and assessment centre, expected to improve participation rates by encouraging learning take up. The project had major support from a number of investors and Council Members **AGREED:**

- a) To approve the application for £167,268

School Project

Council Members considered an application for a project to target pupils sitting no or few GCSE examinations in 2002, supporting one of GMLSC's key priorities of raising participation and achievement amongst 16-18 year olds and **AGREED:**

- a) to approve the application for £200,000 on the basis that it covered the whole of Greater Merseyside

(Darren Coleridge left the meeting at this point)

01/162 UPDATE ON FINANCIAL AND PROGRAMME PERFORMANCE

Council Members received a presentation from Rob Burn and noted:

- a) By the end of December, the LSC nationally had a budget underspend of £211m (5% of profiled budget) that was likely to yield a year-end underspend currently estimated as £105m (2% of budget)
- b) At the same time GMLSC had an underspend of £9.4m (6.7% of profiled budget) after adjusting for additional budget allocations, with the forecast year-end result being an underspend of £8m (5% of the budget)
- c) Although volume and output performance is behind planned levels, measures had been initiated to increase penetration and full achievement of targets

The paper contained details of the GMLSC position as at 31 December 2001 and Rob gave details of GMLSC's draft financial performance position as at 31 January 2002:

	Actual £m	Budget £m	Variance £m %	
Young People	70.3	74.1	3.8	5.1
Adults	61.3	64.3	3.0	4.7
Infrastructure	8.4	8.8	0.4	4.5
Administration	3.9	3.9	0.0	0.0
Total	143.9	151.1	7.2	4.8

As a result of a higher proportion of GMLSC's overall budget being within Work Based Learning for Young People (WBLYP) than elsewhere the overspends were slightly higher than other local offices. Expenditure was expected to be nearer to budgeted levels by the year end. Rob also presented the forecast financial performance of GMLSC at 31 March 2002 for each of four blocks:

	Forecast £m	Budget £m	Variance £m %	
Young People/ Adults	156.3	164.3	8.0	4.8
Infrastructure	12.5	12.7	0.2	1.5
Administration	4.9	4.8	-0.1	-2.0
Total	173.7	181.8	8.1	4.5

Work Based Learning (WBL) Performance

In addition to information received in the paper, Council Members noted:

- a) Continued difficulties with Management Information due to national system developments and planned work to overcome problems in time for next year's programmes
- b) Achievement against profile, as below:

Learner starts on WBL to 31/12/01	92%	(including all December activity)
	83%	(excluding all December activity)
WBL in training	77%	
NVQ Achievement against Profile	45%	
Framework Achievement against Profile	35%	

(Sue Carmichael left the meeting at this point)

Council Members noted analysis taking place to identify reasons for non completion of NVQs and Frameworks and the explanation for an expected improvement in NVQ delivery, due to providers traditionally "back loading" and **AGREED**:

- a) The Council should return to consider programme performance when adjustments had been implemented and analytical results were available

01/163 CONSIDERATION OF WIRRAL CAPITAL BUILD PROPOSAL

Further to the outline proposal considered at the December Council Meeting, Council Members received a detailed submission of the capital project from Wirral Metropolitan College. After discussion Council Members **AGREED**:

- a) To formally support the Project and recommend grant support of £6,252,553 or 43.43% of the project cost to the Capital Committee and permission for the college to borrow £3m subject to:

- I. The Chair and Executive Director being satisfied with the financial robustness reflected in an amended investment appraisal, cash flow and formal forecast, to be submitted by the College

01/164 UPDATE FROM OBSERVERS

Council Members noted updates from each of the Observer organisations.

01/165 FEEDBACK FROM ADVISORY COMMITTEES

Young Peoples' Advisory Committee Meeting Held on Friday 15 February 2002

Richard Marbrow informed Council Members that the Advisory Committee had considered a number of items including the 14-19 Education Green Paper and School Sixth Form Funding.

01/166 MINUTES FOR ACCEPTANCE

Council Members accepted the minutes of the following meeting:

- a) Equal Opportunities and Social Inclusion Advisory Committee Meeting held on 12 December 2001

01/167 DATE AND TIME OF NEXT MEETING

The next meeting was scheduled to take place on Tuesday 19 March at **3pm** at the Marriott Hotel, Queen Square, Liverpool and would be followed by dinner.