

**(IN CONFIDENCE)**

**MINUTE NUMBER 03/269 TO 03/280**

**MINUTES OF THE GREATER MERSEYSIDE  
LEARNING AND SKILLS COUNCIL MEETING  
HELD ON WEDNESDAY 26 MARCH 2003 AT  
TITHEBARN HOUSE, LIVERPOOL**

**PRESENT:** Geoffrey Piper (Deputy Chair), Paul Holme (Executive Director),  
David Atkin, Kath Boullen, Sue Carmichael, Martin Carey, John Firr,  
Heather Hardcastle, Richard Marbrow, John Swain, George Sweeney

**OBSERVERS:** Kieran Gordon (Greater Merseyside Connexions Partnership)  
Tom Kenny (Greater Merseyside Enterprise Ltd)  
George Maguire (Jobcentre Plus)

**IN ATTENDANCE:** Elaine Bowker, David Brennan, Rob Burn, Clare Caffrey  
(Secretary to the Council), Richard Merritt, Sue Wood

**APOLOGIES:** Roger Hoyle, Claire Dove, Gordon Burns, Maureen Williams

**(OBSERVERS):** Nigel Burke (GONW)

**03/269 CHAIR'S OPENING REMARKS**

Geoffrey welcomed everyone to the meeting, especially John Swain who had recently been appointed as a Council Member and George Maguire who was present on behalf of Brian Kearsley from Jobcentre Plus.

Geoffrey confirmed that Roger Hoyle had been appointed as Local Chair and would Chair the Workshop in May, having met with each local Council Member individually before hand.

On behalf of the Board, Geoffrey thanked Claire Dove (in her absence) for undertaking the role of Acting Chair until the new Chair was appointed.

Geoffrey reminded the Board that, as previously agreed, SMT members would avoid restating background information contained within papers to allow more time for discussion.

**03/270 MINUTES AND SUMMARY OF THE LAST MEETING**

The minutes and Summary of the previous meeting on 12 February 2003 were agreed as an accurate record and signed on behalf of the Board by the Deputy Chair.

**03/271 MATTERS ARISING**

**[03/259 Chair's Opening Remarks]**

**Year of Learning**

Prior to the Council Meeting, as agreed a photographer had been arranged to photograph the Board in support of Liverpool Capital of Culture Bid's Year of Learning. A press release would be released shortly.



- b) If further information was required it would be produced in a future Executive Director's Report.

(David Atkin arrived at this point)

## **SUCCESS FOR ALL**

The Board noted the Papers produced, the different aspect of the Success for All agenda and the Strategic Area Review circular provided (number: 02/21). Discussion took place regarding each paper:

### **03/272      SUCCESS FOR ALL: STRATEGIC AREA REVIEW IN MERSEYSIDE**

The first Board Paper examined the process for the Strategic Area Review (SAR). The key objectives of the SAR were noted:

- a) Meeting the needs of leavers, employers and committees
- b) Ensuring the infrastructure in the local LSC was developed to improve choice and quality

The Board noted the LSC's responsibility in leading the process and the need within Merseyside to consider provision funded from other sources. The process for SAR involved seven stages:

- 1) Project Plan
- 2) Information gathering
- 3) Developing and Appraising Strategic Options
- 4) Consultation
- 5) Publication of Outcomes
- 6) Implementation of changes
- 7) Evaluation of changes

LSCGM was at pre-stage 1 of the process to share early thinking with the Board, explore Council Member and stakeholder engagement in the process and consideration of the consultation.

Views from the Board as to how the process of review should be segmented were invited (i.e. by Borough, skills requirement, age etc). The Board noted the intention to effectively end the process in Spring 2005 and that it would be prudent to plan this for Winter 2004.

During discussion, the Board noted:

- a) Consideration was still to take place regarding consultation, though many of the practises engaged during consultation of the first Strategic Plans had been useful and a variant of the Select Committee approach may be appropriate
- b) The enormity of the exercise being undertaken and pressure on resources whilst acknowledging the LSCs responsibility to introduce consistent processes whilst recreating the infrastructure to allow the priorities to be delivered on the ground.
- c) The SAR represented a Strategic Planning, not an Inspection process and was much broader than Area Inspections through the inclusion of adults. Discussions regarding the Skills Strategy would inform and shape thinking

- d) The unique position of Greater Merseyside as possibly the only Local LSC where Area Inspections will have been completed over the entire area in addition to the complexity of the existing learning infrastructure
- e) A proposal to use an Employer and Skills Steering Group as part of the consultation, incorporating major employers from private and public sectors
- f) That many individuals trained in Greater Merseyside then worked in different areas and a reference to the transfer of skills was needed
- g) The interconnection between the work segmentation and the role of Learning Partnerships
- h) That FRESA had identified key subregional priorities and the SAR would take forward the LSCs plans
- i) A matrix containing a number of dimensions would be provided to aid consideration of the segmentation of work
- j) Suggestion to consider the utilisation of existing local Advisory Committees as the key framework for Council Members time rather than a dedicated Sub Group
- k) The need for Council Members to be aware of the potential for controversy and the politics involved due to the fundamental nature of the LSC objective to restructure to bring about the improvements required
- l) Suggestion to include a session at a future event including selective stakeholders to appraise potential options to move thinking forward
- m) Suggestion to look at 16-25 retention as part of SAR to examine what was in place and what was required, noting that Career Education Guidance was introduced to prepare young people. Analysis could be built in to look at how far providers follow the framework at a future Council Meeting at end of 2003/beginning 2004.
- n) "Winter 2004" meant December 2004

The Board **AGREED:**

- a) David Brennan should return to the June 2003 Council Meeting (early summer) with a plan on how the process would be conducted noting:
  - i) Council Members responsibility to agree strategic options
  - ii) Council Members views would be sought after consultation on their role and regarding the arrangements of implementation
- b) Advisory Committees would provide the opportunity to efficiently maximise Council Member engagement in the process
- c) The May Workshop should include consideration of the items suggested during discussion by Council Members

**03/273 SUCCESS FOR ALL: PROCESS FOR DEVELOPMENT PLANNING AND THREE YEAR FUNDING**

A declaration of interest was received from Kath Boullen as her employer is a Work Based Learning Provider.

The Board noted the critical nature of the process. Development Planning would introduce a shared strategic planning relationship between the LSC and providers with agreed mechanisms and three year funding.

Two consultations were presently underway regarding Further Education and Work Based Learning and due to be complete by the end of April. Following the consultations a circular would be provided in May with the intention of implementing Development Plans in June/July 2003.

Development Plans were significant documents produced by providers in consultation with the LSC , including four headline targets:

- i) Volumes
- ii) Success rates
- iii) Employer engagement
- iv) Staff qualifications

The Board noted that DfES would publish a Skills Strategy/Review of Adult Funding in July. Progress published on the day of the Council Meeting highlighted prioritisation of adults without level 2 qualifications and of first level 3 qualifications for under 30s. It seemed likely that the above would be delivered within existing funding via re-prioritisation.

Despite the introduction of Development Plans a requirement for inspections and self assessment would still exist initially and a major focus existed in adults skills issues as a result of the NW Joint Pilot status. The Board noted that Plans were likely to change and that while 3year planning would be introduced, no national or local targets were in existence for those three years at present.

The headline targets to be included within Development Plans (volumes, staff qualifications etc) did not relate to LSC targets and the circular to be produced in May was presently under consultation, with a range of views offered.

David highlighted the need to ensure that the Development Plans worked positively for the LSC and providers within a context of policy change in the absence of definitive statements at the present time. The Board noted that the present timetable did not allow LSCGM to wait until the circular was published in May as it would only allow two months for dialogue prior to the publication of the Skills Strategy/Review of Adult Funding in July.

David proposed:

- a) To address the headline targets which presently bear no relation to local targets by developing local sub targets for the future, noting that first level 2 qualifications were a priority for DfES. It required dialogue with providers immediately. If managed properly, a local approach would allow:
  - i) rapid development of shared strategic planning to better position LSCGM and providers regarding future policies
  - ii) crucial communication with providers to ensure benefits were appreciated as opportunities and not perceived as additional targets etc being set.

The Executive Director highlighted the need for planning of the Success for All and Skills Agendas to be considered together.

(Richard Marbrow arrived at this point)

During discussion the Board noted:

- a) The intention to consult with Further Education Colleges during the first six months and to consider adult and community learning provision in the future with the involvement of Learning Partnerships (LPs)
- b) The expectation locally that, where practical, any local sub targets would be disaggregated to reflect equal opportunities issues.
- c) New arrangements should not discourage new Work Based Learning providers becoming engaged, initially in annual relationships with the LSC and then as delivery is demonstrated, into longer term funding relationships. The intention of the LSC to increase participation of learners was emphasized.
- d) The potential for providers to benefit through reduced bureaucracy allowing more autonomy and flexibility through simplicity of the funding regime was crucial.

#### **03/274 BUDGETS AND FORECAST OUT-TURN**

A declaration of interest was declared by Tom Kenny, Observer from Greater Merseyside Enterprise Ltd, on the basis of GME Ltd being contracted to deliver Workforce Development.

Rob highlighted the key areas in the paper and the Board noted:

- a) Spend and commitments in the current and previous years noting that a higher proportion of operations budgets had been committed during the current year in 3 out of 4 budget blocks to ensure higher achievement
- b) The high level of regulation of the administration budget locally

(Elaine Bowker arrived at this point)

- c) Details of individual budget lines contributing to the four budget blocks with details of the budget proportion planned to be committed in the first 10 months (to Jan 2003) and the actual expenditure after this period – Rob highlighted:
  - i) Most areas were as expected
  - ii) Occasional timing lags due to systems implementation and some mismatches between local and national LSC offices.
  - iii) No outstanding issues regarding expenditure
- d) Regarding the year end forecast, maximum use of the flexibility available was being utilised to protect underspend of the Local Initiative Fund (LiF) and other underspent budgets.
- e) The expectation for expenditure of the “Success for All – Innovative Activity” budget to progress by the year end, noting that Annex 2 figures showed no expenditure to

period 10 (Jan 03) and that June expenditure was charged against different budget lines.

- f) Equal opportunities, diversity and inclusion funding was built into mainstream budgets – budget blocks were used to deliver LSCGMs strategic objectives with some aspects geared to encourage widening participation. In addition, LSCGM agreed to encourage widening participation. In addition LSCGM agreed and monitored equal opportunities targets with providers.
- g) Late allocation of funding for the Success for All Initiative resulting in processing still taking place and it not showing yet.

The Board **AGREED**:

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- a) To note the information reported and specifically highlighted in the paper
- b) The Board should be provided with information from a planning prospective at its December meeting to show how the funding and planning regime has delivered targets.
- c) Rob should raise the LSC's absence of bad debt provision in the event of 6<sup>th</sup> Form school closure and whether in the event the LSC or LEA would receive funding , at an LSC Finance Directors' Meeting.

## **03/275 EXECUTIVE DIRECTOR'S REPORT**

A declaration of interest was declared by Kath Boullen as a Governor of St.Helens College and from Richard Marbrow as Assistant Executive Member to the Leader of the Council in Liverpool.

### **Skills Agenda**

Further to discussion during the agenda item in Success for All the Executive Director urged the Board to recognise the challenges ahead regarding the Skills Agenda.

Paul reminded the Board of the Treasury's interest in Skills and the current productivity gap through lack of skills leading to lack of competitiveness in future. The Board noted the Government's wish for agencies (LSC, Development Agency, Sector Skills Councils) to work together to address the issues, including:

- i) How the LSC would meet demand from employers, in partnership
- ii) How employers demonstrated demand and ensuring the system is responsive.

Paul reminded the Board of the integral nature of the NWDA/LSC/SBS pilot and the importance of where it fitted with the Skills Agenda – having met with Stephen Broomhead, Chief Executive of the North West Development Agency (NWDA) an improved understanding between North West LSCs and NWDA had been achieved.

The Board noted potential arrangements to be put in place should the Executive Director be invited to take a lead role to ensure the work of LSCGM was not effected. The benefit to Greater Merseyside and the North West was noted.

The Board **AGREED**:

- a) Copies of published documents re the Skills Agenda should be circulated to the Board
- b) The agenda at the May Workshop should consider issues i) and ii) above re the Skills Agenda

### **Adult Learning Advisory Committee**

The Board **AGREED**:

- a) That Martin Carey should be appointed as chair of the Adult Learning Advisory Committee
- b) Brian Kearsley, District Manager of Jobcentre Plus should be approached as a co-opted attendee at adult learning advisory committee meetings (the Terms of Reference for the Committee would be amended to reflect amendments).

### **College Involvement in Companies**

The Board noted the information provided with regard to the power conferred on Further Education corporations to participate in, subscribe for or otherwise acquire shares in or securities of companies. Following discussion the Board agreed that full details of issues relating to the three companies listed should be considered at the next Adult Committee Meeting and a recommendation should be included at the 14/15 May Council Workshop.

### **Neighbourhood Renewal**

The Executive Director confirmed that following a meeting with Jo Lappin, LSCGM would adopt the best ways to ensure the appropriate mechanisms were in place to address social inclusion issues.

### **European Structural Funds**

The Board noted the potential significant change in the way the Government wanted funding rooted in future ie, through retention and distribution by Government rather than distributed within a framework agreed with the European Commission.

### **Education Business Links**

Kieran expressed concern regarding the problems in the Wirral area as a result of loss of ESF funding, noting that the last two EBLO meetings had not been quorate. Connexions, the delivery agency, may need to take measures to decide if it wished to be an EBL Provider long term.

The Board noted efforts to convene a quorate meeting the following day and a perception that the EBLO Board was struggling.

### **School Sixth Form Funding**

During discussion of the timing of confirmation of budgets for schools the Board noted:

- a) Indicative allocations and other information had been provided to schools to allow planning

- b) The LSCs funding mechanism was transparent and schools themselves had access to key information (eg, pupil numbers etc) to allow planning.

The Board **AGREED:**

- a) Consideration should be given to the LSC providing training for Head Teachers to provide a general overall picture of the LSC in which the above could be highlighted for schools and their accountants.

### **03/276 FEEDBACK FROM ADVISORY COMMITTEE MEETINGS**

The Board received feedback from each of the Advisory Committee Meetings below:

- a) Adult Advisory Committee Meetings held on 14 February
- b) Workforce Development Advisory Committee Meeting held on 25 March

The Board also received feedback from a meeting of the Equal Opportunities and Diversity Champions held prior to the Council Meeting.

The Board **AGREED:**

#### **Adult Learning Advisory Committee**

- a) Richard Merritt should arrange for the slides referred to in the Adult Advisory Committee Meeting minutes to be circulated to Council Members

#### **Workforce Development Advisory Committee**

- a) Council Members should be invited to the conference on SME learning and training on 10 & 11 April

#### **Equal Opportunities Champions**

- a) Richard Merritt should circulate a copy of the "Mainstreaming" document with minutes from the last meeting
- b) A questionnaire would be circulated to Council Members to ascertain awareness of equal opportunities and diversity to be followed by a training opportunity.

### **03/277 MINUTES FOR ACCEPTANCE**

The Board accepted the minutes of the Adult Learning Advisory Committee held on 14 February 2003.

The Board agreed that lead SMT Members should diary Audit and Advisory Committee meetings ahead.

### **03/278 UPDATES FROM OBSERVER ORGANISATIONS**

#### **Greater Merseyside Connexions Partnership**

The Board noted Kieran's report and updates re:

- a) A significant reduction in the numbers of young people (16-19) not in education, employment or training and the need for caution as it did not necessarily reflect an increase in education and learning.
- b) The comparatively positive figure of 4.95% of 'not knowns' in the 16-19 population in Greater Merseyside against the national average of 8.21% of the cohort.
- c) GONW request for Greater Merseyside Connexions to be the lead delivery agents in the new 'Positive Activities for Young People (PAYP) Programme.' Activities would be commissioned in the Summer to engage Young People. Up to 32 new PAYP advisors would be deployed to establish contacts with target group and their families and produce support during and after PAYP activity to ensure young people remain or return to learning after the programme.
- d) Heather's concern at the prospect of 'drop out' numbers following the New Deal programme. The Board noted that while connexions tracked all young people there was no requirement to track beyond 18-19. Paul highlighted that 25% of 16-18 year olds were not in learning though may be in employment and that by age 20-21 they may have become disengaged.
- e) Regret that Union Members at Connexions in Merseyside had voted to strike in protest at new contracts from 1 April and that sporadic strike days were likely.

### **Greater Merseyside Enterprise Ltd (GME)**

Tom highlighted the following points:

- a) GME welcomed the Executive Director's involvement in the NWD/LSC/SBS Pilot and GME would be providing operational expertise
- b) The need to maximise Objective 1 funding (ESF etc) and GME's commissioning by open tender for delivery of business support across Greater Merseyside – to date there were more than 150 deliverers, including two major deliverers. The bidding was due to finish in July.
- c) A GME WfD budget of £790,000 - in agreement with the LSC outputs had been delivered with over 1000 businesses serviced.
- d) Contract negotiations underway which included an increase in Investors in People (IiP) recognitions during the next year.
- e) GME had been commissioned in the new LSC 'on demand' programme to stimulate basic skills and apprenticeships in Halton.

### **Jobcentre Plus**

The Board noted the update from Jobcentre Plus.

### **03/279 ANY OTHER BUSINESS**

The Executive Director reminded Council Members of the North West Council Members event on 13 June 2003 and requested any Members not attending to reconsider. The Board **AGREED:**

- a) A reminder should be circulated

**03/280            DATE AND TIME OF NEXT MEETING**

The Board noted that Roger Hoyle would Chair the May workshop which was scheduled to take place on 14/15 May at the Village Hotel in Bromborough.