

(COMMERCIAL IN CONFIDENCE)

MINUTE NUMBER 01/121 TO 01/133

**MINUTES OF THE GREATER MERSEYSIDE
LEARNING AND SKILLS COUNCIL MEETING
HELD ON WEDNESDAY 26 SEPTEMBER 2001 AT
BLACKBURN HOUSE, LIVERPOOL**

PRESENT: Jim Michie (Chair), Paul Holme (Executive Director), David Atkin, Martin Carey, Brian Davies, Claire Dove, John Firr, Heather Hardcastle, Richard Marbrow, George Sweeney

(OBSERVERS): Nigel Burke (Government Office for the North West)

APOLOGIES: Kath Boullen, Gordon Burns, Sue Carmichael, Mike Doyle, Veronica Laird, Geoffrey Piper

(OBSERVERS): Peter Fletcher (Greater Merseyside Enterprise Ltd)
Kieran Gordon (Connexions Partnership)
Brian Kearsley (Employment Service North West)

IN ATTENDANCE: Elaine Bowker, David Brennan, Rob Burn, Clare Caffrey (Secretary), Kirsty Evans (p.m. only), Sue Wood

01/121 CHAIR'S OPENING REMARKS

Jim welcomed Members to the meeting and they received a short introduction to the Women's Technology Centre from Claire Dove.

01/122 MINUTES AND SUMMARY FOR ACCEPTANCE

Members agreed the content of the minutes and summary of the meeting held on 25 July 2001 and they were signed by the Chair.

01/123 MATTERS ARISING

[01/111 Matters Arising]

Members who had not completed and returned the skills matrix form circulated for the June Workshop were encourage to do so, noting that extra copies could be obtained from Clare Caffrey. Clare will let individual Members know if they haven't completed.

01/124 EXECUTIVE DIRECTOR'S REPORT

Paul presented his paper to Council Members, highlighting:

Staffing/Organisational Development

After six months of operation the National and Local Councils were still working towards harmonisation of Terms and Conditions. Staff turnover has now settled down with 11 new starters joining the Local Council recently. Members noted mixed staff morale, though the appointment of new SMT Members had helped to improve. Members were informed of the organisational changes that had taken place and discussed how to celebrate staff achievement during the transition process and considered whether the elected Staff Representative Group should be asked to consider rewarding staff. Members **AGREED:**

- a) that GMLSC should consider whether a financial contribution could be made towards various methods of recognising staff achievement.

National Development

Paul highlighted the key themes in the "Schools Achieving Success" White Paper, noting the relevance of the 14-19 year old agenda and the acceptance by Ministers of Knowsley's wishes to examine the whole agenda, rather than just respond to post 16 issues. Members learned of a consultation introduced by Estelle Morris, which followed the White Paper, allowing the Learning and Skills Council to propose reorganisation and changes to School 6th Forms. OFSTED Area Inspections would now focus on 14-19 provision and the LSC could propose changes based upon area inspection results. During discussion of the funding guarantee relating to future 6th Form provision, Members queried the impact on the remaining agenda for the Local Council and, with regard to the consultation, AGREED that:

- a) the Local Council, through its Young Peoples' Advisory Committee, should respond formally to the consultation.

Members considered the background of college funding and the intention for the LSC to have developed its own funding system for all provision by 2004.

Programme Performance

Laird Training

Members noted that the subsidised employment package for Modern Apprentices would finish in November with over 170 apprentices still to secure employment. The Council continued to be involved in discussions regarding the future of Lairdside.

Provider Review

Paul updated Members on progress to date and they **noted**:

- a) a full report would be produced for the November Council meeting.

Other Issues

Co-financing

Paul informed Members of ongoing progress and they **AGREED**:

- a) that David Brennan should provide an update for the November Council meeting.

Centres of Vocational Excellence

Paul advised Members of a document on Centres of Vocational Excellence and they **AGREED**:

- a) with the recommendation that the document should be considered by the Adult Learning Committee before decisions were taken.

Bryan Sanderson Visit

Jim thanked Mike, George and Veronica for their roles during Bryan's visit to the North West. Members were pleased to recognise the progress made by GMLSC and the focus on moving forward.

Following discussion of future interaction with North West Local Council Members, it was **AGREED**:

- a) that Paul should engage North West Executive Directors to consider regular three or six monthly evening meetings of North West Council Members to consider organisational strategy and processes, providing an update to the Local Council.

Having noted the Local Council's ongoing work monitoring the performance and financial health of colleges, it was **AGREED**:

- a) Paul to consider the most appropriate mechanism for informing and engaging Council Members.

(Richard Marbrow arrived at this point).

01/125 BUDGETS AND PERFORMANCE

(David Atkin arrived at this point).

Allocated Budgets and Budget Bids

Members received a presentation from Rob Burn and noted the amounts currently allocated to GMLSC and the national budgets available centrally for major areas of activity. The current allocation to GMLSC was £176.6m with National Office currently retaining some elements of certain budgets to be allocated for direct funding or distribution to Local Councils in the future. A further version of budget allocations was expected in the near future. Members noted that bids amounting to £740,000 had been submitted which would increase local administrative budgets to reflect "steady state" and "running rich" costs more accurately. Whilst considering budget allocations to GMLSC and whether they reflected relative needs and population size, Members noted:

- a) an allocation of 3.2% of the total LSC budget to GMLSC,
- b) that 3% of the total population resided in the Greater Merseyside area including 3.3% of the 15-19 age group and 3.1% of the 20-24 age group.

Though the allocations appeared roughly in line with population, Rob highlighted the potential relative need of sections of the local population including:

- a) between 20%-30% of working age adults having low/very low numeracy and literacy levels,
- b) Greater Merseyside having 3.1% of Work Based Learning trainees in England and 3.5% of students in further education colleges in England, noting that any allocations based on population would need to assume an homogenous population across the country.

Rob hoped that base measures would be improved as systems developed. Members noted ongoing discussions regarding the allocations of administrative budgets as these had been originally based on the Government's estimate as it stood two years ago. It was also felt that although 2.3% appeared a little low, this was due to National Office costs having been included within the costs of administration.

During discussion, Members were concerned about the impact of low and very low numeracy and literacy levels and their impact on encouraging inward investment to the area and **AGREED**:

- a) that the Local Council should develop a strategy to address potential problems for inward investors, in addition to recognising that many employers required staff immediately with Level 3 and 4 qualifications,

- b) that Paul and Rob should refer any incidences of the Council's objectives being constrained through lack of funding back to the Local Council,
- c) that the Local Council should undertake analysis to ascertain exactly why the current skills shortages existed in order to improve the position.

Financial Performance and Monitoring

Members noted the introduction of local procedures in order to monitor financial performance as the Local Council awaited the introduction of National Office systems. Rob informed Members that the local arrangements could only give an indicative position of the comparisons of budget and actual expenditure. Members noted detailed local information provided and that a summary of the monitoring report in the quarter to 31 July 2001 showed cumulative expenditure against budgets of:

- a) actual expenditure – £48,196,000,
- b) budget proportion of £50,201,000,
- c) budget for 2001/2002 of £176,641,000.

Operational Performance

Members noted the information presented regarding underperformance in England on Work Based Learning Programmes and the initial operational target shortfall estimate of 30% in volumes and 33% in expenditure. Shortfall figures were currently being revised but were expected to be 9% in volumes and 10% in payments by the end of the present contract. The data used was not robust and was likely to show an indication of pattern rather than an accurate measure. During discussion, Members acknowledged the large volume of the programmes and the resulting quality and resource issues, in addition to the Local Council's ongoing engagement of as many partners as possible. Members noted the impact of the Local Council needing to ensure accuracy of the data used in delaying contractual arrangements with Providers, through work had continued within the office and it was hoped to finalise the activity in the coming weeks. Following discussion, Members **AGREED**:

- a) that Paul should suggest a proforma to report back to the Council on the performance of the further education sector, including colleges and other institutions, giving a summary of information on a range of useful issues for Council Members,
- b) planned actions to ensure performance targets are met.

01/126 SIXTH FORM SCHOOL FUNDING

New Funding Arrangements for School 6th Forms for 2002/03

Elaine introduced her paper and informed Members of ongoing liaison with Local Education Authorities (LEA's) to obtain accurate data, particularly regarding participation rates. Elaine informed Members that GMLSC had sent notification to schools of their provisional baseline data, as calculated by DfES for the school information pack. A consultation with Local Authorities on funds transfer ended on 21 September, with schools having consulted with LEA's and LEA's consulting with DfES. Members noted the Government's intention that schools should not be disadvantaged by the new funding arrangements. Having discussed some of the complexities surrounding the implementation of the new funding arrangements, Members noted:

- a) GMLSC's partnership with the LEA's and the difficulties sometimes caused when individual schools chose to contact GMLSC directly,

- b) the Government's intention to introduce a level funding platform for all post 16 provision (except Higher Education),
- c) the ongoing confusion for many Head Teachers,
- d) the importance of ensuring that the transition was smooth and to avoid any budget deficiencies for schools during the last part of the academic year,
- e) concerns that some of the services previously provided through the LEA may not be continued e.g. home-school transport,
- f) the Local Council's direct relationship with LEA's and the intention for future funding to go through LEA's,
- g) the intention of the Local Council to hold a meeting with the Secondary Heads Association to ensure clarity and a clear understanding regarding the LSC's role.

Council Members **AGREED** that:

- a) information should be posted on the LSC website to allow Head Teachers to have direct access to information and that letters going out to each Secondary Heads Association should draw attention to the website, for further information,
- b) Paul should write to all Secondary Heads Associations in Greater Merseyside proposing a meeting,
- c) Elaine should return to the Council in three months with a report showing the Local Council's responsibility, information on how the responsibility was being discharged in a positive way and details of any problems.

Strategic Planning Issues

Elaine informed Council Members there were currently 72 schools with 6th Forms within the Greater Merseyside area and provided an update on participation and attainment rates in each of the six Boroughs, highlighting the complexities in each. Paul emphasised the enormous challenge for the Local Council regarding 6th Form provision and the intention to concentrate on educational need. Members acknowledged the need to ensure the resources were available to deal with the 6th Form agenda and noted work being undertaken to reorganise the structure of the Service Delivery/Workforce Development/FE Directorate as part of a strategic organisation and funder. Members noted the Local Council's progress to date regarding its 6th Form strategy in responding to Area Inspections with partners, supporting Halton regarding the creation of Widnes/Halton 6th Form College, encouraging LEA's and Local Learning Partnerships to conduct their own reviews in advance of Area Inspections and linkages, and additional dialogue taking place. Members **AGREED** that:

- a) it would be beneficial for the proposed review of Service Delivery/Workforce Development/FE Directorate to take place as soon as possible,
- b) the Council should be kept fully aware of different initiatives taking place and updated on how partnerships were working,
- c) all LSC reviews should concentrate on what was best for the learner.

01/127 LOCAL INITIATIVE FUND UPDATE

John Firr, Heather Hardcastle and George Sweeney all declared interests in this item based on their involvement with specific bids, directly or indirectly.

Members noted progress to ensure full investment of GMLSC's 2001/02 LIF allocation of £3.4m by March 2002, as previously agreed by the Council. Richard informed Members about a further distribution of National LIF of £460,000 to GMLSC.

Competitive Funds

An invitation to bid for £1.4m of LIF funds had resulted in 215 project applications worth £8m and these were currently being processed. Approximately £400,000 worth of bids had been approved, £3.2m rejected and many bids had been deferred pending further decision, with all bidders having been contacted regarding this position.

Richard explained that with approximately £2.2m worth of bids, a shortfall of approximately £800,000 existed to accommodate the agreed spend by the Council and he proposed extra money should be allocated to allow 20% for potential underperformance. Members noted the expected underspend in projects and the intention to risk a higher allocation than lose the investment opportunity available. Following discussion, Members **AGREED** that:

- a) the extra £460,000 allocated to this year's LIF budget should be added to the competitive LIF elements making a total of £1.86m,
- b) GMLSC should over commit competitive funding by 20% to allow for the underspend typically experienced in these sorts of contractual arrangements,
- c) the Council should be provided with a full overview of the favoured projects amounting to £2.2m, in addition to projects to benefit from legacy funding. The overview should highlight any areas where the Council's guidance was sought,
- d) we should encourage the sharing of good ideas and good practice,
- e) consideration should be given to allow Council Members to contact organisations and individuals interacting with GMLSC regarding the Local Initiative Fund. In addition, consideration should be given to establishing a cross office panel to which Council Members could be invited to improve their knowledge and understanding of the strategic issues connected with the LIF,
- f) Richard should return to the Council with a review of the Council's wish to ensure full value of resources needed to achieve value in investment for Merseyside, the importance of the LSC's political local stance whilst challenging the barriers of LEA's and ensuring that cross boundary issues were not enforced,
- g) consideration should be given to effective communication of the Council's work throughout Greater Merseyside,
- h) consideration should be given to making a proportion of LIF funds available for people who had not bid previously,
- i) it approved in principle the LIF projects summarised at Annex 2 in the paper.

Members noted a number of policy issues highlighted by Richard including different funding sources for Workforce Development, queries relating to boundaries of responsibility between GMLSC, Connexions and the Employment Service, in addition to pre and post 16 issues.

01/128 ADVISORY COMMITTEE FEEDBACK

Young Peoples' Advisory Committee Meeting held 3 September 2001

Adult Learning Advisory Committee Meeting held 7 September 2001

Equal Opportunities and Social Inclusion Advisory Committee Meeting held 18 September 2001

Members noted that each of the Committees had examined the draft Strategic Plan, contributing feedback for incorporation into the Plan prior to today's meeting, with the Young Peoples' Committee also considering Education Business Links and the Equal Opportunities and Social Inclusion Advisory Committee contributing towards the development of the Equal Opportunities and Social Inclusion Plan.

01/129 UPDATE FROM OBSERVERS

Members noted updates provided from each of the organisations who regularly attended Local Council meetings.

Connexions Partnership

Paul reminded Members of the significant common agenda the Local Council shared with the Connexions Partnership and the potential impact on the Local Council's participation targets of the engagement of young people. He also reminded Members of the Council's responsibility to ensure participation across a wide spectrum and not just one sector.

Greater Merseyside Enterprise Ltd

Paul informed Council Members that he would present a paper at the next meeting on European funding. They noted the Local Council's intention to work with GME on an agreement on Objective 1 Priority 1 Funding and that this would not be available to employers outside of the Objective 1 area.

Government Office for the North West

Council Members noted the key points provided by Government Office contained within the papers and agreed that many of the items had been discussed earlier in the meeting.

Employment Service North West

Members noted a lack of take up of Work Based Learning provision, with only 1/3 of adults participating compared to twelve months ago.

Members had been posted the "New Deal: Next Phase" booklet from the Employment Service but any Members who had not received it should contact Clare Caffrey.

01/130 MINUTES FOR ACCEPTANCE

Members accepted minutes of the following meetings:

- a) Young Peoples' Advisory Committee Meeting held on Monday 3 September 2001
- b) Adult Learning Advisory Committee Meeting held on Friday 7 September 2001

01/131 ANY OTHER BUSINESS

Members noted recent press reports relating to unreputable organisations offering low quality courses in return for Individual Learning Account funding and **AGREED:**

- a) that Council Members should bring examples to Paul to enable investigation to take place.

Council Members discussed current figures showing a significant number of young people being declined access to courses having failed drug screening tests. Members acknowledged the potential impact on individual recruitment with many industries routinely using drug testing and felt awareness by young people of the impact on employment opportunities may help. Following consideration, Members **AGREED**:

- a) that this issue should be discussed with the Connexions Partnership and returned to the Council if necessary.

(Nigel Burke and Kirsty Evans arrived at this point).

01/132 STRATEGIC PLAN

Presentation of the Draft Consultation Document

Members noted the targets for each of the five objectives identified in the Strategic Plan and that work would progress on local targets once robust baseline information had been identified. It was intended that the local targets would be developed by 2004 and the importance of reliable baseline information was emphasised. Members discussed potential problems regarding organisational "ownership" of effective contribution to the broader economic issues facing Greater Merseyside, these included Objective One issues, management capacity issues, Inward Investment etc, and, during discussion, Members **AGREED**:

- that the work of the Local Council to contribute to broader economic issues should be done in partnership as far as possible.

During discussion of participation rates, Members felt that the Local Council should be aware of exactly how the non participant rate was compiled and consider whether it should try to influence in any way the 14-16 agenda. Members also discussed the issues surrounding young people who may attend colleges where support structures for advice and guidance in what was a completely different environment to a school, may not always be available.

Scope of Plan

During discussion of the scope of the Plan, Council Members felt it was important to ensure that the Local Council was clear regarding issues on which the Council would lead and those issues for which the Council would support other organisations etc. Members noted the need for the Local Council to produce a Business Plan for 2002/2003 and noted the requirement to liaise with National Office to ensure that the appropriate systems were in place to enable the delivery plans to be developed. Following discussion, Council Members **AGREED**:

- a) that the scope of the Strategic Plan should enhance all the post 16 and skills agenda in Greater Merseyside (excluding HE) rather than just LSC deliverables,
- b) close work would be required with key strategic agencies to ensure the alignment of plans and strategies.

Overarching Issues and Targets

During consideration of the questions on page 8 of the draft Strategic Plan, Members requested that consideration should be given to including some further open-ended questions. Members discussed the baseline information being used in the development of the Plan and acknowledged that work was required to be done nationally to ensure consistency in benchmarks etc. Members noted the requirement to include nationally decided targets and noted that there was no reason why the Local Council couldn't develop other targets locally where it was possible to measure them.

Council Members noted the timetable for the further development of the Plan and consultation process which include:

- a) written responses,
- b) specialist panels (to include formal written responses from stakeholders, providers and partnerships who were to be written to),
- c) face-to-face meetings,
- d) specialist workshops,
- e) and would include the local media.

Members also noted that in addition to panels, the LSC would organise events around Equal Opportunities and Social Inclusion, with a number of thematically based workshops looking at particular issues. During discussion, Members noted the timetable and the intention to have the draft Strategic Plan produced by mid December and for the consultation to take place as soon as possible, with the hope that this would start during the second week of October. Members **AGREED** that:

- a) the Council would present information to other partnerships if it were asked to do so and that Members would participate in any one-off events that partners may convene,
- b) that the information regarding the timetable should be made available via the website and in the light of the LSC not having its own website, that the Council should approach partners to see whether the information could be displayed on their websites,
- c) that the Council would write to Council Members with full details of the panels to be arranged, with invitations for them to become involved in specific panels.

Members split into groups to examine the Strategic Plan and consider objectives and processes as they related to:

- a) increasing participation,
- b) increasing achievement of young people,
- c) increasing achievement of adults,
- d) raising quality,
- e) increasing employer engagement.

Each group reported back to the meeting and the points would be incorporated into the Strategic Plan prior to the consultation phase.

01/133 DATE AND TIME OF NEXT MEETING

The next meeting was scheduled to take place on Wednesday 28 November 2001 at 4pm at Tithebarn House.