

	<p>West London Economic Prosperity Board</p> <p>17th February 2015</p>
Title	London Post 16 Education and Training Area Reviews
Report of	Cath Shaw, Commissioning Director, Growth and Development, LB Barnet
Wards	All West London Boroughs
Status	Public
Urgent	No
Key	Yes
Enclosures	None
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Summary

In November 2015 the Board discussed proposals for the Area Review process in London in the context of the West London Economic Assessment and the London devolution deal on skills.

Since November, discussions and negotiations have been ongoing between stakeholders across London, including the GLA and the FE and Sixth Form Commissioners, and this report provides an overview of the agreed process for the West London Area Review and desired outcome for West London.

West London will be the first sub-regional area review undertaken in London, with most of the work happening between February and July. However no final recommendations will be made until all sub regional reviews have taken place and the outcomes considered by the pan London steering group, likely to be in September.

Recommendations

- 1. That the Board agrees the outcomes they hope to see from the review to help guide the work of the West London Area Review Steering Board (as suggested in paragraph 2.4).**
- 2. That the Board delegates authority to the lead Chief Executive for skills and the lead director for skills in West London to seek to ensure these outcomes are reached the interests and views of West London boroughs are fed into the review process in a timely and appropriate manner.**
- 3. That the Board notes the timetable and membership of the West London Area Review steering groups.**

1. WHY THIS REPORT IS NEEDED

- 1.1 One of the functions of the West London Economic Prosperity Board is: “Seeking to be the recipient of devolved powers and/or funding streams for the local government areas of the participating local authorities, which relate to the economic prosperity agenda” (WLEPB Function and Procedure Rules).**
- 1.2 The function and procedure rules also allow for the Joint Committee to discharge on behalf of the participating boroughs the function of “Representing the participating local authorities in discussions and negotiations in relation to pan-London matters relating to economic prosperity” (clause 3.1.7)**
- 1.3 Further to the announcement in Budget 2015 of a skills devolution deal for London, the Post 16 Education and Training Area Reviews (Area Reviews) are the first tangible demonstration of the wider proposals for devolution of skills budgets and commissioning in London.**
- 1.4 The West London Local Economic Assessment finds that there is a mismatch between the skills of the population and the needs of businesses, which is likely to become more acute over the next ten years and as the population continues to increase. Key findings on skills include the importance of higher skill levels to future prosperity of both the economy and the population in particular for those with low skills at risk of being affected by automation. Both school performance and life-long learning are seen as critical to ensure businesses and residents capitalise on infrastructure investment Ensuring new migrants have access to facilities to develop language and job skills will also be important.**
- 1.5 The Area Reviews provide a unique opportunity to fundamentally review skills provision across London. This will help and to ensure that West London residents have access to job opportunities in London and West London Businesses are able to access the skilled labour they need to grow and improve productivity - supporting the West London vision for growth.**

- 1.6 Thanks in part to the level of readiness demonstrated by the West London Economic Prosperity Board, West London will now be the first such review within London.
- 1.7 This report explains the process for the Area Review in west London and seeks the Board's views on what is expected for a successful outcome.

2. REASONS FOR RECOMMENDATIONS

Outcomes

- 2.1 The government's objective with Area Reviews is to ensure the future sustainability of the state funded FE and sixth form sector in the context of diminishing funds and that it is fit for purpose. London Government (GLA and the boroughs) welcomes this but also sees the reviews as an opportunity for a more fundamental reflection on the roles of all types of professional and technical training providers in delivering a clear skills vision for London. Central and London government agree that the review must be based on a robust analysis of both current provision and future economic and demographic demand for skills. The recommendations will aim to set out how the skills sector in London needs to develop in scope, quality and specialisms to meet that demand.
- 2.2 The West London Vision for Growth sets out our strategic goals in terms of skills:
 - To achieve a step change in partnership with business and industry to facilitate sustainable economic growth
 - To remove the skills gap and support low-paid residents in work to enable them to achieve pay levels that can sustain and improve their living arrangements
 - To radically improve success rates for employment programmes for residents with all young people in education, employment or training
- 2.3 A recent economic analysis goes further, emphasising the importance of imported performance in schools and FE colleges to inclusive economic growth, particularly to ensure this benefits people from deprived areas.
- 2.4 An initial review of West London's Economic and Demographic projections suggest the following outcomes would support our work towards meeting our economic objectives:
 1. Increased quality and capacity to deliver higher "Level 4" qualifications (foundation degree or equivalent) in key industrial growth sectors where higher level skills are in demand.
 - 49% of WLA residents hold Level 4 qualifications (equivalent to London average) but some boroughs are below that (Hillingdon

(40%), Barnet (44%) Brent (46%)). Raising L4 qualification rates in these boroughs, at least to the London average, in part by improving the attractiveness and accessibility of the L4 offer will support our overall economic objectives.

2. Ensure that there are appropriate accessible pathways towards Level 3 and Level 4 qualifications in important industries for WLA, and that these are of sufficient quality. This includes ensuring there is a strong, attractive professional and technical training offer at L2 and L3 for:
 - young people within reasonable travel distance – making it a viable choice - and they are supported to make appropriate choices about both subject choice and learning provider at 16. This should contribute to a continued upward trajectory in young people in employment education or training and in 19 year olds leaving compulsory education with L2 and L3 qualifications
 - adults in or returning to work with low level or no qualifications for whom a skills uplift could have a significant impact on their success in the labour market and their earning power.
 3. A high quality basic skills offer – accessible to our most vulnerable residents - ensuring all residents are able to access basic entitlement to education and have sufficient basic skills , in particular
 - those in and leaving care
 - young offenders
 - ESOL learners
 - Learners with Disabilities and/or Learning Support Needs (especially for those over 19 who remain the responsibility of the LA)
 4. An aligned family and community learning offer for WLA residents which:
 - a) acts as a stepping stone back into learning and/or work for economically inactive or those with health barriers to work and
 - b) provides targeted learning to vulnerable families focused on breaking the cycle of poverty in key priority areas of the sub-region (e.g. maths for parents of primary school children, ESOL (English Speakers of Other Languages), basic IT and personal finance management training, healthy living interventions).
- 2.5 Undertaking the Area Review will only go part way towards meeting these outcomes. For example tackling NEETS is also about wider value and support; Increasing L4 will also require support and education for older people to take up loans; an overall boost to professional and technical qualifications requires strong careers IAG for young people and adults etc hence the importance of the Board's wider ambition for skills and employment devolution.

2.6 The Board is encouraged to comment on their desired outcomes for the Area Review process in west London.

Governance

2.7 The area reviews in London will be overseen by a pan-London steering board chaired by the mayor. There will be four reviews in London, roughly aligned with existing sub-regional partnerships (in the West this is co-terminus with the WLA membership), each overseen by a sub-regional steering boards. The West sub-regional steering board will be chaired by Cllr Steve Curran, Leader of Hounslow Council (as previously agreed by this board) and Deputy chaired by a business representative. Cllr Curran will also attend the pan-London steering group both as chair of the sub-regional steering board and representative of the West London Alliance boroughs.

2.8 The remaining membership of this sub-regional steering board comprises the Chairs and Principals of each of the colleges in the review area; representatives from any other institution that opts-into the area review (this now includes all WLA boroughs' Adult Community Learning service), representatives from the local authorities, Greater London Authority and the Local Enterprise Partnership; the FE Commissioner, Deputy FE Commissioner, Sixth Form College Commissioner and a Regional Schools Commissioner; the funding agencies; BIS and the area review team lead. In addition to the Chair, it is envisaged that the borough representatives would include a Chief Executive, a Growth Director, a Director of Children's Services and/or an expert in Special Educational Needs. It will be essential to ensure every WLA borough is able to contribute effectively to the review process.

2.9 The board will:

- Oversee and lead the sub-regional review to ensure that there is sufficient supply of quality post-16 skills provision available within the sub-region to meet forecast demand and the area's economic needs. This includes ensuring sufficient high needs provision.
- Ensure effective stakeholder engagement within the sub-region, and that proper account is taken of the views of stakeholders from outside the sub-region who could be affected by the recommendations.
- Ensure effective collaboration between sub-regional steering group members to consider findings and prepare robust recommendations for the sub region, to enable a financially sustainable post-16 education infrastructure, capable of delivering in line with the London skills vision.
- Report on progress and prepare recommendations for agreement by the London Steering Group
- Produce the sub regional implementation plan for reform following publication of final recommendations of London Steering Group

2.10 The chair of the sub-regional steering group will sign off the recommendations of the group, prior to their consideration at the pan-London steering group. The scheduled dates for the local steering group meetings are:

- Steering Group Meeting 1: Tuesday 8 March 2016, 3-5pm – venue TBC
- Steering Group Meeting 2: Monday 11 April, 3-5pm – venue TBC
- Steering Group Meeting 3: Monday 9 May, 3-5pm – venue TBC
- Steering Group Meeting 4: Monday 6 June, 3-5pm – venue TBC.
- Steering Group Meeting 5: Monday 4 July, 3-5pm – venue TBC

2.11 The Board is encouraged to review the proposed membership of the local Steering Group to ensure the right balance of stakeholders are represented.

Analysis underpinning the review

2.12 Work is being undertaken to access, interpret and model skills supply and demand and to strengthen engagement with key stakeholders including colleges, local authorities and employers ahead of the formal review meetings beginning. Some of the key areas of analysis being considered include:

- **Economic demand** – GLA economics will provide some of this information for London and the sub-regions but, given it is high level in terms of industry sectors / occupations and lack of both strong sub-regional data and any modelling of future demand. WLA boroughs have commissioned further work to provide a richer evidence base.
- **Demographic / socio economic demand** i.e. capacity needed in WLA's FE sector to deliver 16-18 and adult professional and technical training (and steps towards that). WLA boroughs need to work together to undertake this analysis
- **Current Supply** – the Joint Area Review Delivery Unit (JARDU) will provide some analysis of the quantity and quality of current supply of professional and technical training, as well as travel-to-learn patters. West London colleges have also commissioned RCU to undertake further, richer, analysis of their Individual Learner Record (ILR) data, supported by WLA. WLA boroughs are also considering undertaking a more detailed set of analysis of current adult and community learning provision.
- Further work is also needed to understand **progression routes / pathways for learners** and how this meets our analysis of demand, and additional **financial analysis**, for example to understand the extent of private (non-publically funded) provision.

2.13 The outcomes from this analysis need to feed into the first local steering group meeting.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 N/A

4. POST DECISION IMPLEMENTATION

4.1 The West London post 16 Education and Training area review steering group will have five meetings between March and July with the conclusions feeding into the Pan-London steering group in September, alongside the findings from other sub regional reviews.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

The post 16 education and training area review represents one of the first tangible examples of London's Skills Devolution deal and gives west London boroughs an opportunity to ensure the provision of further education meets West London's current and future demand for skills in line with the West London vision for Growth and the terms of reference for the WLEPB.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

All west London boroughs that commission adult community learning services have decided to 'opt in' these services to the Area Review process which could mean that recommendations from the review affecting those boroughs will need to be considered. For all boroughs to engage with the review process fully, including the additional skills demand analysis required, will require input from staff working in relevant service areas.

5.3 Risk Management

N/A

5.4 Equalities and Diversity

N/A

5.5 Consultation and Engagement

Drafts of this paper have been considered by the WLA Chief Executives' Board on 12th January 2016 and the WLA Growth Directors' Board on 29th January 2016.

5.6 Insight

N/A

6 BACKGROUND PAPERS

N/A