

**At an Extraordinary Meeting of the CHILDREN, YOUNG PEOPLE AND LEARNING SCRUTINY COMMITTEE held in the CIVIC CENTRE on FRIDAY, 18<sup>TH</sup> DECEMBER, 2009 at 9.25 a.m.**

**Present:-**

Councillor Stewart in the Chair

Councillors Francis, G. Hall and T. Martin together with Mrs. P. Burn, Mrs. D. Butler, Mrs. M. Harrop, Professor G. Holmes, Mrs. C. Hutchinson and Mr. S. Laverick.

**Also in Attendance:-**

Councillor P. Smith - Portfolio Holder for Children and Learning City.

**Welcome and Introductions**

The Chairman welcomed everyone to the meeting and in particular Helen Lancaster who had been newly appointed as an Assistant Scrutiny Officer.

**Apologies for Absence**

Apologies for absence were submitted to the meeting on behalf of Councillors Bell, Oliver and D. Snowdon together with those from Mr. Brown, Mr. Snowdon and Mrs. Kelly.

**Declarations of Interest**

There were no declarations of interest.

**16-19 and Post 19 Education and Skills Reforms**

The Chief Executive submitted a report (copy circulated) which introduced speakers from ETEC, Springboard, ITEC, Connexions, Key Training and Milltech who were attending the meeting to provide evidence as part of the Committee's Policy Review of the Machinery of Government changes announced in 2008 with the aim of transferring the planning and commissioning of 16-19 provision from central Government to Local Authorities.

In addition the Executive Director of Children's Services submitted a report (copy tabled) with specific reference to the transfer of 16-19 education and training to Local Authorities from the Learning and Skills Council (LSC) and how that change would affect Connexions.

(For copy reports – see original minutes).

**(i) ETEC Development Trust**

By way of an introduction ETEC Chief Executive Mr. Dick Ellison advised that ETEC were now a development trust and had been a charity since July 2009. The Trust was based in Hendon and the East End Area of Sunderland, providing a wide range of training and support for people and communities.

Projects included PIE (work with Carers and People with Disability), Playwork, Community Development, Children (Toy Libraries), Community Contact Centre and Community ReUse Centre.

ETEC had built up reserves and sought funding to buy 2 new properties and develop them into modern training and office facilities. Both were fully accessible and staff were trained in Equality and Diversity to ensure they were able to understand staff and visitors needs. Both buildings had kitchen facilities and a local resident had set up a café which was open to the public.

As part of its Learndirect provision ETEC had recently opened 2 outreach centres in Sunderland and were hoping to open a further 2 local community organisations. This would enable learners who did not have computers, internet access or disliked attending or taking part in traditional learning to be able to learn in a relaxed and informal environment. One to one or group support was available in the centre or they could access tutors via the telephone, email or the Learndirect messaging system.

With regard to learning this was focused as follows:-

- Personal and Community Development Learning
- First Steps Learning
- NVQ's
- Train to Gain (delivered? across North East)
- Learndirect – Literacy, Numeracy, IT, NVQ's
- Employers direct contracts

The 14 to 19 focus was centred on:-

- Direct contract with schools including Southmoor and St. Aidan's
- Construction Challenge Programme with Gentoo over last 5 years
- E2E Consortium founder member
- Apprenticeships contract with LSC
- Preparing for Foundation Learning from February 2010

As an organisation ETEC welcomed:-

- Local decision making
- Recognition of local knowledge and understanding
- The opportunity to lead through innovation and excellence
- Recognition that quality does not come cheap – ('do cheap, get cheap')
- That priority must be focused on the greatest need

As an example of quality and good practice, Mr. Ellison highlighted the Trust's Community Decorators Project, which was funded via New Deal for Communities. The project was about assisting young people with the least opportunities who experienced huge problems in getting into permanent employment or training. Of the six young people only one was not now in work having become a full time carer. All had achieved their modern apprenticeships and gained their key skills. Of the remaining five had all found employment as decorators, with one young person taking a position in retail. The scheme had done much to promote social cohesion in the East End. It had been a highly intensive, expensive programme, focusing on quality and best practice. It had been an incredibly good investment for the future.

In conclusion and with regard to the transfer of the planning and commissioning of 16-19 provision from Central Government to Local Authorities, Mr. Ellison offered the following questions and concerns:-

- Will Foundation Learning be tendered?
- If so is this competitive or will it be through consortia?
- Will this be open to all including national providers from outside the region?
- How do we fund Community Based Programmes that work?

In response to an enquiry from Professor Holmes as to the scale of the operation, Mr. Ellison advised that there were between 45-50 young people on ETEC's books at any one time. Of this number, 30-40 would be apprentices. In addition there were 200 adult learners.

Professor Holmes asked what percentage of ETEC's working week was spent directly supporting the young people. Mr. Ellison replied that it varied. In respect of the community decorators it was all day, every day. For those in outside employment it amounted to one day per week.

In response to an enquiry from Councillor Hall as to the size of the investment per young person as a 'ball park figure', Mr. Ellison replied that it was approximately £25,000.

Councillor Francis lauded the work undertaken by ETEC and asked what the core skills centred on? Mr. Ellison advised that these involved Level 1 and 2 literacy, numeracy, communications and problem solving skills.

In response to further enquiries from Councillor Francis, Mr. Ellison confirmed that all the young people were volunteers, many of whom were referred by Connexions. A lot were technically homeless living in a YMCA hostel. ETEC spent a great deal of time engaging with the young people's families to gain their support.

With regard to an enquiry from Mr. Laverick regarding safeguarding, Mr. Ellison confirmed that all ETEC staff were CRB checked and learners had nominated staff. The CRB regime was not cascaded to employers but while in placements, learners were supervised at all times, with a named person on site to look after them.

In response to a further enquiry from Mr. Laverick, Mr. Ellison advised that multi agency working was both smooth and beneficial. Mrs. Hutchinson asked whether there was any duplication for example with the Probation Service. Mr. Ellison replied that he had not experienced any difficulty in this regard. ETEC wanted its young people to achieve fully qualified apprenticeships. The quality aspect came from the time and energy invested on both sides. The young people did something because they realised it needed to be done not because they were told to do it.

Mr. Laverick welcomed this but stated that although we could provide a quality supply side there needed to be a realisation that employers had a demand side and that training needed to dovetail with this. Mr. Ellison confirmed that currently, apprenticeship frameworks didn't quite match the needs of employers.

In response to an enquiry from the Chairman, Mr. Ellison advised that ETEC had worked with Gentoo for 6 years providing site based workshops for year 10/11 pupils. The funding for this scheme had ceased in summer 2009 but ETEC was continuing some of the work with St. Aidan's pupils.

Tracking was undertaken for a 12 month period in respect of the community decorator graduates because although they were visible, working in their own community among friends and family it needed to be properly researched, recorded and evidenced.

In response to an enquiry from Councillor Hall as to whether there would be a funding gap for this year, Mr. Ellison confirmed that there would not. It may become an issue in April 2011 as New Deal funding would then cease.

There being no further questions for Mr. Ellison the Chairman thanked him for his attendance.

## **(ii) Springboard**

Denise Wilson, Chief Executive, Springboard advised that Springboard Sunderland Trust started in December 1975 as a joint project between CSV and Sunderland B.C. Social Services Department. The original plan was to provide work experience and training for young people interested in working and gaining skills under the job creation programme.

Since then Springboard had grown into a large and vibrant organisation with excellent facilities across the North East. The organisation currently operated from six sites within Sunderland at Hetton, Hetton Country Park, Pennywell, Pallion, Roker and Southwick.

Springboard provided learning and volunteering opportunities for both adults and young people. As a charity Springboard always reinvested any surpluses made into the infrastructure of the organisation. Its biggest investment had been £2m committed to developing new purpose built facilities at the Rivergreen Industry Centre at Pallion. This included classrooms and IT facilities; motor vehicle, digital print and construction workshops; and a catering training facility called Blue River Bistro, which was open to the public. Springboard also operated a Nursery which served the local community.

The Working Neighbourhoods funded HUB Project run by Springboard, was developed to help 16-18 year old NEETs gain access to supported apprenticeship and intermediate labour market opportunities.

Springboard also sponsored Sunderland RCA, Northern League football club.

In addition Springboard led the Sunderland E2E (Entry to Employment) Delivery Partnership which offered a broad curriculum of learning and development provision to young people aged 16 to 18, who were not in any form of employment, education or training.

E2E was intended mainly for those young people who were most likely to benefit from its provision and progress to a positive destination at the end of their time on the programme.

Members were advised that Springboard's strengths included:-

- Strong history of partnership working across all sectors
- Full involvement in the 14-19 partnership
- Effective management systems
- Excellent modern facilities
- Good qualified staff group
- Effective commitment to equality of opportunity

Ms. Wilson expressed concern that the transfer of responsibility for the planning and commissioning of 16-19 provision to Local Authorities could lead to a reduction in standards and fragmentation. She worried how the work would be procured and believed that national providers would have an advantage in bidding. Concerns were also raised at the potential for increased levels of and unwieldy contract monitoring systems. Sunderland currently had good partnership working, good provider bases, excellent in-house training, a co-operative college and strong third sector providers. She urged the Council to adopt the model already operating in Sunderland.

The Chairman asked Ms. Wilson to explain her comments regarding Sunderland's small employer base being a barrier to youth employment. Ms. Wilson replied that Sunderland had 10,000 employers however at least half were 'one man bands' or were very specialist. This made it very difficult to find placements for young people. She felt that perhaps those responsible for inward investment should encourage potential investors to take on 10 to 15% of its workforce from the 16 to 19 age group.

With regard to the economy, Mr. Laverick agreed that given the traditional boom and bust nature there was a need to work counter-cyclically.

In response to an enquiry from Councillor Hall regarding provision for young offenders, Ms. Wilson advised that Springboard operated the Clear Trap scheme, a Home Office funded project which aimed to keep young offenders between the ages of 18 to 24 out of prison. The scheme involved 60 people over a period of 3 years and an evaluation was soon to be published by Newcastle University. She stated that it was hoped that the Youth Offending Service would provide an Entry to Employment Scheme which would be funded by Springboard.

There being no further questions for Ms. Wilson the Chairman thanked her for her contribution to the meeting.

### **(iii) ITEC and Riverside Training**

Ian Gardner advised that ITEC was one of two Council Training Centres the other being Riverside. The Centres employed 28 Council employees in total delivering training and qualifications to 300 plus young people and adults per year.

The Centres were fully self financed through external funding and had contributed in excess of £500,000 income to the Council over the last three years.

ITEC provided apprenticeships and advanced apprenticeships to 16-19 year olds and adults. The Centre had the highest success rate in the City and the region at 88%.

Riverside provided foundation programmes engaging up to 200 'hard to help' NEETs each year. It also had the highest progression rate among the E2E partners in the City.

Mr. Gardner believed that the Machinery of Government changes presented the following opportunities and threats:-

#### **Opportunities**

- To ensure that the Council's own training provision leads the way in tackling the NEET issue.

- Deliver the skills that employers need to local young people.

This can easily be achieved through direct commissioning and planned procurement.

- Fully support the Council's training centres to maintain their quality and develop their provision and capacity.
- Develop and grow the Council's own Apprenticeship programme, through its own training provision, by prioritising the use of its own training centre (ITEC) to deliver learning.
- Maintain and build on the success of Riverside (in engaging and progressing NEETs) through the commissioning process for 14-19 learner responsive provision (Foundation Learning).
- Ensure surplus income is re-invested in public services.
- Help safeguard Council jobs and services.

#### Threat

- Council failure to ensure that ITECs business is protected through planned procurement, resulting in the Council undermining its own training centre(s).
- Council failure to support the existing E2E delivery consortium, through direct commissioning to deliver Foundation Learning (from August 2010).

Inadequate funding will threaten all existing partners, but especially the Council's own training centre – Riverside.

Mr. Gardner believed that this could result in the following consequences:-

- Undermining, and possible loss of, excellent Council provision/services.
- Loss of potential Council income that could be invested in jobs and services.
- Loss of Council jobs (including 28 across the centres) with significant 'human' and financial cost.
- Failure of Council services to lead the way in tackling key local issues (NEETs, unemployment, skills-levels, apprenticeship targets).

In response to an enquiry from Councillor Martin, Mr. Gardner advised that ITEC worked closely with partner organisations regarding provision and would not like to see them displaced. He believed that existing networks should be supported via consortium arrangements.

Councillor Hall endorsed the concerns previously expressed regarding national providers and believed that provision should remain local. He stated that if he was in Mr. Gardner's shoes he would like to see profits re-invested into the business. He expressed concern that ITEC did not have a financial buffer. Mr. Gardner replied that ITEC did have a financial buffer in that he assumed that he had the support of his own Council.

Councillor Hall stated that as the organisation was Council controlled it could mutate to what was needed he felt that if it was a success story it should be taken forward.

Councillor Francis asked how did Mr. Gardner ensure that what ITEC provided was what people wanted. Mr. Gardner replied that ITEC had to deliver the right support for both learners and employers. ITEC had a framework for excellence. Feedback was 100% positive telling that ITEC delivered both what learners and employers needed.

In response to an enquiry from Councillor Martin, Mr. Gardner stated that although the business was part of the Council it was completely stand alone regarding funding. Although he did not wish Members to see this as a complaint he felt that the procurement system ITEC needed to follow was restrictive.

In response to an enquiry from the Chairman, Mr. Gardner confirmed that the 150-200 students on the foundation programmes at Riverside were the hard core NEETs. Their average progression rate was 60%.

The Chairman asked how many ITEC students arrived via the Council. Mr. Gardner advised that ITEC had 50 apprentices placed within the Council. He stated that if procurement was not carefully planned and the Council's own training centres were not prioritised, ITEC's position could be undermined. Its funding would be secured via the Skills Funding Agency but ITEC would also succeed if the Council could find placements. He believed that the Council needed to prioritise its own scheme. He did not wish to exclude other providers but did not want to see a completely open system.

The Chairman asked how much forward planning ITEC undertook regarding potential changes in the labour market? Mr. Gardner advised that ITEC sat under Janet Snaith, Head of City Business and Investment Team in the Chief Executive's Office and obtained such analysis from that Section.

There being no further questions for Mr. Gardner the Chairman thanked him for his contribution to the meeting.

#### **(iv) Connexions**

The Chairman welcomed and introduced, Helen Hunter, Senior Area Co-ordinator for Connexions who advised that the Service was a free confidential advice and support service for all 13-19 year olds (and up to age 25 for people with a learning difficulty or disability). It was set up with the help of young people for young people. Connexions services were funded by the Department for Children, Schools and Families (DCSF) through Local Authorities to offer young people advice and support on a wide range of lifestyle issues including education, training, careers, employment, health and personal development opportunities.

Ms. Hunter then took Members through the main points of her tabled report and endeavoured to answer their questions.

Professor Holmes stated that the role of the Connexions Service was currently very broad and asked if Ms. Hunter felt that under the new arrangements its focus would be sharper. Ms. Hunter confirmed that the Service was required to 'wear many hats', but it needed to ensure that it was fit for purpose. There were so many pathways that young people could take and she believed that the changes would help the Service in that role.

Councillor Hall referred to the training of young people with disabilities. He asked what happened to those young people post training, with regard to beneficial employment and what level of qualifications could they expect to obtain. Ms. Hunter advised that she would provide the Committee with a written answer.

Mrs. Hutchinson commented that she worked with young people with physical disabilities and employment had always been difficult for them to achieve. In a recession it bordered on the dire.

Councillor T. Martin referred to the need to keep young people's minds open and broaden their horizons. Ms. Hunter advised that this was done via advisers in schools who challenged views and raised aspirations. Pupils spent a whole day at University in an attempt to inspire them.

In response to an enquiry from Mr. Laverick, Ms. Hunter confirmed that Connexions dovetailed with the University on the 'Aim Higher Agenda' and had a member of staff with responsibility for this.

The Chairman referred to students who left school at sixteen to attend college only to drop out after 6 months. He asked if Connexions would pick up these young people.

Ms. Hunter replied that Connexions sent personal advisers to college in respect of these pupils to sit on college progression boards. Solutions included transfer to a more suitable course or alternative provision elsewhere. Connexions had personal links with all work based training providers.

There being no further questions, the Chairman thanked Ms. Hunter for her report and attendance at the meeting.

**(v) Key Training**

Janice Eighteen, Regional Director informed the meeting of the following points regarding Key Training:-

- Established in 1977
- Established in Sunderland since 1985
- 11 centres nationally in England
- Part of the Sunderland Network of Providers
- Local Director asked to lead the Apprenticeship Task Force Project
- Delivery of Apprenticeships is our function within Sunderland
- Matrix accredited
- liP accredited
- Working towards Training Quality Standard (TQS)
- Overall success rate for App in Sunderland – 89%
- Strong management team in north
- Experienced delivery team in north

With regard to participation in 16-19 delivery, Key Training:-

- Offered employer led Apprenticeships
- Found local vacancies
- Matched young people to employers
- Delivered work based learning to achieve full Apprenticeship framework
- Referred young people to appropriate provision within the Network
- Worked with young people in the HUB project

In response to an enquiry from Councillor T. Martin, Ms. Eighteen advised that Key Training in the North hoped to use a model being delivered elsewhere in the country which used internships for an agreed period of time such as 6 to 9 months in organisations, allowing them to gain a qualification. The internships allowed young people to obtain a qualification and have the confidence to move on having gained experience of a working environment. This model was being used where employers could not provide a 'standard' apprenticeship leading to employment, but it was an opportunity for young people to gain a qualification and was an option that suited the current economic downturn in which there is a lower demand for apprenticeships.

Mrs. Hutchinson queried whether 6 to 9 months was sufficient and believed that 1 to 2 years would be more appropriate. Ms. Eighteen replied that funding would not be available for internships of that length.

Councillor Hall asked in respect of those apprentices that gained employment was it sustained and were they followed up. Ms. Eighteen replied that she would provide a written answer however 6 months after qualification, the 'soft data' implied they were still there.

Councillor Hall commented that in contrast to previous speakers Ms. Eighteen did not seem overly concerned about the Machinery of Government changes. Ms. Eighteen replied that she had seen a great many changes over the years while working in the sector and this was just one more to be tackled.

There being no further questions, the Chairman thanked Ms. Eighteen for her contribution to the meeting.

**(vi) Milltech**

The Chairman welcomed Derek Freeman, Managing Director of Milltech who advised that Milltech were an independent company who had been helping young people achieve nationally recognised qualifications and employment for over twenty years. The company originally was established by Mill Garages.

Milltech developed strong links with companies throughout the Tyne and Wear area. Many ex-Milltech learners were managers or supervisors within these organisations and took an active role in training new apprentices.

Milltech provided high quality work placements where young people gained practical experience within their chosen industry. It always looked to combine new developments with a pioneering approach to learning.

Milltech offered Modern Apprenticeships in the following areas:-

- Business Administration
- Information Technology
- Motor Vehicle Maintenance
- Distribution, Warehousing and Storage Operations
- Customer Service
- Vehicle Selling

Milltech regularly met with employers and carried out satisfaction surveys. The Group currently had 200 learners 105 of which were in the 16 to 18 age group. 40 of these were in motor vehicle apprenticeships and 35 were in business administration. A further 10 people were in the Entry to Employment scheme.

Mr. Freeman believed the Learning and Skills Council had been beneficial for Milltech. The local manager met with Milltech on a regular basis every 6 to 8 weeks. He expressed concern however that under the new arrangements each account manager would have a larger number of training providers to manage. He believed this would result in a less hands on approach.

The Entry to Employment scheme was a 17 week programme in which learners spent 6 weeks with Milltech then a further 11 weeks with an employer.

Councillor Francis welcomed the emphasis that was placed on work based learning as opposed to college based.

Councillor Hall stated that he agreed with Mr. Freeman regarding the need to prepare young people for work. He believed that not enough was being done currently in this regard.

The Chairman then drew debate to a close and thanked Mr. Freeman for his presentation.

1. RESOLVED that the evidence provided by the guest speakers as part of the Committee's policy review study of the transfer from Central Government to Local Authorities of the planning and commissioning of 16 to 19 provision be received and noted.

(Signed) P. STEWART,  
Chairman.