

**Select Committee on Children's Services – 24 March 2010**

**Report of the Director of the Director of Children's Services**

**Learning and Skills Council Transfer Budget 2010/11 – 16-19 Learning Grant and Special Grant**

**Purpose of Report**

1. To inform the Select Committee about the Transfer on 1 April 2010 of responsibility for funding most 16-19 learning to Local Authorities. From mid April Local Authorities will need to start paying providers of 16-19 learning and managing providers' financial performance against this funding.
2. To inform Select Committee also about the Learning and Skills Council Transfer budget allocated to the Local Authority 2010/11.

**Background**

**Learning Grant**

3. The Local Authority will become responsible for paying leaning providers from April 2010 to July 2010. The Learning and Skills Council have provided a provisional funding agreement scheduled specifically for Dudley. This outlines which learning providers are correctly linked to Dudley and the rates of payment.
4. The current schedules are provisional because the Learning and Skills Council's allocations to learning provides will continue to change, including additional funds for Learning, audit adjustments and performance reconciliation these will be finalised by mid March 2010. The Learning and Skills Council will confirm to Director of Children's Services the actually amounts by end of March 2010.
5. The Local Authority is asked to look at the list and ensure it is correct. Any additional providers that are known to Dudley Local Authority and are being paid via a sub regional group member on Dudley's behalf also need to be identified.
6. The financial responsibilities the Local Authority is taking for making these payments is also explained within the documentation. Payment dates to the Authority and schedules when the Authority should pay providers have been established.
7. The Local Authority has also been informed of documents that the Young People's Learning Agency will provide. The documents will inform the Local Authority of the Young People's Learning Agency expectations and guidance on our exercising of these financial responsibilities.

8. The Assistant Director for Transforming Futures is working through these requirements with finance colleagues to ensure the Local Authority is able to carry out these new functions correctly and manage any associated risks.

### **Special Grant**

9. On 8 January 2010 the Department for Children, Schools and Families wrote to all Directors of Children's Services to provide an update on the transfer of former Learning and Skills Council staff to local authorities from 1 April 2010. The Letter is attached – Appendix 1.

### **Finance**

#### **Financial Implications of the Learning Grant**

10. From 1st April 2010 the funding for education and training of 16-19 year olds will transfer to the Local Authority who will be responsible for its distribution to education providers. The annual allocation from the Young People's Learning Agency will be approximately £50m per year.

#### **Financial Implications of the Special Grant**

11. For Dudley a special purpose grant of £371,787.82 will be available via the Area Based Grant, on a ring fenced basis, to fund for 2010/11 the pay costs of the 8 staff transferring together with a nominal amount of £3,884 per person for other costs, such as information technology, travel and subsistence and other admin related costs.
12. The precise financial payroll details in respect of the staff transferring is now being processed between Dudley and the Learning and Skills Council.
13. We are currently working to ensure that the relocation and provisioning of this group of staff falls within the grant outlined above.

### **Law**

#### **Legal implications of the Learning Grant**

14. Under the Education and Skills Act 2008, the age of participation in education or training will increase to 17 years by 2013, and to 18 years by 2015. Subject to parliamentary passage of the Apprenticeships, Skills, Children and Learning Bill, unitary and county councils will take over responsibility for commissioning education and training for 16-19 year olds on 1 April 2010. The Apprenticeship, Skills, Children and Learning Bill uses the same definition of 'children' as the 2004 Children Act, and therefore young people with learning difficulties up to the age of 25 will also be covered by the commissioning duties of local authorities.
15. The main provisions concerning the transfer of staff from one undertaking to another are contained in the Transfer of Undertakings (Protection of Employment) Regulations 2006.

16. The Council may establish and maintain schools under the Education and Children Acts and can do anything incidental thereto, conducive thereto, or which facilitates the discharge of this function under section 111 of the Local Government Act 1972.

### **Legal implications of the Special Grant**

17. The main provisions concerning the transfer of staff from one undertaking to another are contained in the Transfer of Undertakings (Protection of Employment) Regulations 2006.
18. The Council may establish and maintain schools under the Education and Children Acts and can do anything incidental thereto, conducive thereto, or which facilitates the discharge of this function under section 111 of the Local Government Act 1972.

### **Equality Impact**

19. This report takes into account the Council's Equality and Diversity Policy.

### **Recommendation**

20. The Select Committee Members note the detail on the transfer of Learning and Skills Council responsibility for funding most 16-19 learning to the Local Authority.
21. The Select Committee Members note the Learning and Skills transfer budget allocated to the Local Authority.



.....  
**Mark Wyatt**  
**Director of Children's Services**

Contact Officer: Jane Porter  
Telephone: 01384 814395  
Email: [jane.porter@dudley.gov.uk](mailto:jane.porter@dudley.gov.uk)

### **List of Background Papers**