



Report to the Education, Skills and Children's Services Select Committee

Title:	Governance of Adult Learning
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Report signed off by Cabinet Member:	Mike Appleyard, Education and Skills
Electoral divisions affected:	All

Purpose of Agenda Item: To consider the proposed *governance arrangements for the Adult Learning service*

1. Introduction and background

- 1.1 Buckinghamshire Adult Learning was part of the Culture and Learning service, within the Adults and Family Wellbeing Portfolio, until 1 October 2014 when it moved to Children's Social Care and Learning, within Learning, Skills & Prevention, as part of the Council's Future Shape programme.
- 1.2 Buckinghamshire Adult Learning is externally funded, principally via the Skills Funding Agency (SFA), although it does earn substantial fees from customers. Its gross annual budget is around £5.6M.
- 1.3 The funding received by Buckinghamshire Adult Learning is governed by a 'conditions of funding' document, issued by the SFA, which contains a number of detailed provisions, some of which concern the quality of delivery. All organisations receiving grant funding from the SFA for the delivery of training are subject to OFSTED. OFSTED inspections are governed by the 'Common inspection framework for further education & skills 2012'.



1.4 Providers who are to be inspected are given 2-days' notice of an inspection. Each of the following areas is graded separately:

- Quality of teaching, learning and assessment;
- Outcomes for learners; and
- Leadership and management

and they all contribute to the overall inspection grade.

1.5 Within the further education sector, there is an increased focus on governance, which impacts on the 'leadership and management' grade. Within colleges, much of this has focused around financial management but also on the role of governors in providing suitable robust challenge to management. Although governance within a local authority is very different from that within a college setting, many of the principles still apply. Although Buckinghamshire Adult Learning is managed through the BCC corporate frameworks, in particular relating to finance, performance and HR, it is the senior management team which interprets the Skills Funding Agency's and Department for Business Innovation & Skills' policies and priorities, ensuring these are reflected in its service plan and then ensuring the quality of the service offer. There are some service targets within the portfolio service plan, but these are at a very top level and are mainly around delivery volumes rather than quality and thus they do not provide the mechanism for a more in-depth review of service performance, including comparison of results against Buckinghamshire Adult Learning's peers.

1.6 In order to address these issues, it was proposed that a separate Adult Learning Board be constituted. Both the Cabinet Member and Deputy Cabinet Member for Education and Skills were invited, as were the Service Director for Learning, Skills & Prevention; representatives from the Children and Young People's commissioning team; Central Finance; Overview and Scrutiny and Buckinghamshire Adult Learning. The first meeting was held on 26th September 2014 and it was agreed that Bill Bendyshe-Brown, Deputy Cabinet Member for Education & Skills would act as chairman. Draft terms of reference, membership and reporting were discussed. It was agreed that once arrangements were a little further advanced and the proposals had been reviewed by the Education and Skills select committee, the membership would be widened. The detailed service plan with targets was circulated for comment and the financial budget for the 14/15 academic year was signed off. A copy of the draft terms of reference is attached at **Appendix A**.

1.7 Buckinghamshire Adult Learning was last inspected by OFSTED in October 2008 when it received a grade of 'good'. As a 'good' provider, Buckinghamshire Adult Learning faces inspection at up to 6-yearly intervals, unless concerns trigger an earlier visit; an inspection is now overdue. Going forward, OFSTED is due to start a consultation on halving this interval, in order to ensure good standards are maintained. Even though a formal governance structure would be in its early stages when OFSTED appeared, it was considered important that Buckinghamshire Adult Learning could demonstrate the importance that Buckinghamshire County Council attached to good governance and how it was planning to improve this.

2.0 Issues

- 2.1 There have been quite a number of recent inspection reports for colleges where OFSTED had highlighted cause for concern on the quality of governance and subsequently Ministerial letters setting out the FE Commissioners' assessment summary and recommendations had been published. Although many of these relate to financial management, there were also other themes which would be relevant for Buckinghamshire Adult Learning.
- 2.2 The principal, non-financial issues identified in these recent OFSTED reports included:
- The Governing Body (the Board) members had insufficient skills and experience to be able to monitor the quality of provision effectively;
 - There was insufficient financial expertise among Board members;
 - There was insufficient Board member training.
 - The Board members did not have a full picture of how the service were performing;
 - There was no dashboard of performance indicators to enable the Board to review performance against peers;
 - The Board did not demonstrate rigorous challenge;
 - Board minutes did not accurately record issues of concern or actions taken and were 'bland and minimalist as to be of virtually no value'.
- 2.3 At a recent OFSTED training event, it was made clear that inspectors expected Board members to be well acquainted with the service and its performance. Grade characteristics for the effectiveness of leadership and management for each of the OFSTED grades of 'outstanding', 'good', 'requires improvement' and 'inadequate' have been published by OFSTED and these are attached at **Appendix B**. It should be noted that the grade characteristics are for guidance only and should not be used as a literal checklist. Typical questions that Board members may be asked by OFSTED are also attached at **Appendix C**.

3.0 Current position for Buckinghamshire Adult Learning

- 3.1 Finance. There are no financial issues at this time. In its most recent self-assessment of financial management and control, the service graded itself as 'good'. For the last three academic years the service has remained within budget, despite significant funding cuts and has even reported a small surplus in each of those years.
- 3.2 SFA Employer and Learning Surveys. In the SFA employer and learner surveys carried out in 2013/14, Buckinghamshire Adult Learning had scored 9.1 (out of 10) in the employer survey. Comparative data is not yet available but, in 2012/13 when it received a score of 9, this was the highest score of any local authority (which had a valid score). In the learner survey, the score was 9 and this should be just above the median. 94% of employers say they would recommend Buckinghamshire Adult Learning and 93% of learners said the same.
- 3.4 Self-Assessment. In the 2013/13 self-assessment, the service graded itself as good. It is expected that this would also be the position for 2013/14.

3.5 Data Analysis. The provisional success rates for 2013/14 with 2012/13 actual results and comparative benchmark data are summarized in the table below:

Type of provision	Provisional 13/14 data* for Buckinghamshire Adult Learning	12/13 data for Buckinghamshire Adult Learning	12/13 benchmark data**
FE long courses	81.8%	78.5%	78.7%
FE short courses	85.7%	86.8%	83.6%
Intermediate apprentices	80.6%	79.2%	72.7%
Advanced apprentices	78.6%	81.1%	72.3%
Other workplace learning	82.9%	87.2%	88.8%

Provisional 13/14 data*: Some results are still outstanding so these results are the 'worst' case; further achievements should increase overall success.

12/13 benchmark data**: Comparison is against similar providers, where the data is available, or national data, where not.

4.0 Resource implications

4.1 There should be negligible resource implications. Board members should be able to carry out their responsibilities as part of their normal duties, although some Board member training may be required.

The Select Committee is asked to

- 1. Comment, discuss and make recommendations around the proposal for, terms of reference of and membership of an Adult Learning Board***
- 2. Comment, discuss and make recommendations around the type and frequency of reports to be laid before the Adult Learning Board***
- 3. Note the questions that OFSTED inspectors may ask Board members***
- 4. Note the financial position of Adult Learning.***
- 5. Note the provisional data provided in relation to the 2013/14 academic year***

Background Papers

Draft Terms of Reference for Adult Learning Board – Appendix A

OFSTED: Grade characteristics – Effectiveness of leadership and management – Appendix B

Potential OFSTED questions for governors – Appendix C