

## ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	<b>Meeting:</b>	<b>Cabinet Member and Advisers for Children and Young People's Services</b>
2.	<b>Date:</b>	<b>21 July 2010</b>
3.	<b>Title:</b>	<b>European Structural Funds (ESF) 2007-2013 16-19 NEETs Fund Manager</b>
4.	<b>Directorate:</b>	<b>Children and Young People's Services</b>

### 5. Summary

This is the fourth progress report on the ESF 16-19 NEETs (not in education, employment, or training) Response Fund to reduce NEET and to develop and test new delivery models for 500 young people with 325 progressing into education, employment, or training (EET).

The report focuses on the success of the ESF NEETs Response Fund in creating sustainable outcomes. This has resulted in additional ESF funding and helped inform how Rotherham Borough Metropolitan Council's (RMBC) will manage its new post-16 statutory duties from 1 April 2010.

### 6. Recommendations

- That the information is received
- That further progress reports are received on a six-monthly basis
- Note the challenge in delivering the new 14-19 (25) Learning Plan and agree that Rotherham's annual 16-19 (25) Commissioning Plan will be brought to the Cabinet Member for clearance each spring.

## 7. Proposals and Details

The ESF NEETs Response Fund has had a considerable impact on:

- a) Informing the Authority on how to undertake its new statutory lead from 1 April 2010 to deliver full participation in learning to the age of 18 years old by commissioning 16-19 (25) learning provision (c£37m of Learner Responsive (LR) funding from the Young People's Learning Agency (YPLA) for 2010/11). As a result,
- A new five-year 14-19 (25) Learning Plan is being developed focussing on these duties, which it will be reviewed each July.
  - RMBC will need to produce an annual Commissioning Statement (each autumn) setting out the 16-19 (25) learning priorities for the Borough.
- b) Broadening provision and developing a bespoke offer (as of 30 June 2010 ):

No. of Organisations	No. of Learners Engaged	No. of Progressions to EET	No. of Young People Still on ESF provision
14	376	181	63
<p>Example of Sustained Provision:</p> <ul style="list-style-type: none"> <li>• Rotherham College of Arts and Technology (RCAT) – Choices project (Sept 08-Jun 09) engaged 76 young people on to a FE taster course for 16 hours per week over 16 weeks located at various RCAT town centre venues and Rother Valley Campus and progressed 47 young people into EET. The project is now funded by the College through its LR funding.</li> </ul>			
<p>Example of Bespoke Provision:</p> <ul style="list-style-type: none"> <li>• Rathbone – Prove It project (May 09-Dec 10) to engage 36 young offenders on Custody Orders to a 10-week, 16-hours per week programme delivering literacy and numeracy, employability and personal development opportunities. Achieved 17 starts and 8 progressions to EET with 1 young person still on programme.</li> </ul>			

- c) Securing an additional £500k of ESF NEETs Response Fund and £150k of YPLA LR funding to commission Foundation Learning provision for 16-19 (25) year olds in 2010/11. As a result, an Invitation to Tender was posted on the Council's procurement website (SCMS) on 11 June, inviting prospective providers to bid for £650k to develop and deliver a new Foundation Learning offer in the Borough for 16-19 year olds from 1 October 2010 to 31 December 2011. In addition, the provider(s) will be required to work with Rotherham's 14-19 partners to develop a coherent 14-19 Foundation Learning offer to ensure a coherent approach to sub-level 2 provision across the Rotherham 14-19 Partnership. The tender builds upon the good practice from the ESF provision developed thus far. It is also a direct response to the priorities set out in Rotherham's Commissioning Statement for 2010/11, produced in October 2009 by RMBC and its 14-19 partners to:
- provide greater breadth and choice of flexible, sub-level 2 provision in the Borough; and
  - align funding streams to create maximum impact by utilising RMBC's new statutory duty as the single lead commissioner for 16-19 (25) provision.

- d) Enabling Rotherham to achieve its lowest ever NEET figure of 6.8% in January 2009, which contributed to Rotherham achieving its Local Area Agreement stretch target of 7.1% resulting in an additional c£880k of funding to the Authority.

## 8. Finance

16-19 NEETs Response Manager Fund was allocated £1.5m (August 2008 to March 2011). A further £0.5m has been made available for commissioning Foundation Learning from 1 October 2010 to December 2011 for an additional 167 young people starting on ESF provision, on the basis that the ESF funding is aligned to an additional £0.15m of YPLA LR funding.

As of 31 May 2010, RMBC has committed/spent c£1.3m (c£400k is committed to providers on the basis that they achieve profiled outcomes, which if delivered will result in the Authority being able to drawdown c£540k) and drawn down c£960k for achieving 368 young people starts and 175 progressions. The c£200k is not being committed, at this stage, as a contingency for projects not being able to meet contract outcomes, which would impact on RMBC's ability to draw down the full amount of funding available.

In addition, £1.3m was allocated for 14-16 NEETs prevention work (June 2009 to September 2010)

Unlike the previous European Union Objective 1 Programme this funding is 'co-financed' by the Skills Funding Agency and the Local Authority are not be required to identify match funding.

## 9. Risks and Uncertainties

<b>Details of main risks affecting project</b>	<b>Likelihood of risk/threat</b>	<b>Consequence of risk/threat</b>	<b>Steps to be undertaken to minimise and mitigate risk</b>
Failure to achieve the initial contract outputs	Low	As contract holder RMBC could be subject to the removal or repayment of grant funding if contracted providers do not meet the financial rules, regulations and audit requirements of the EU Commission	Ongoing performance management of the contracts will be managed by the CYPs Education Development & Resources Team. Any areas of concern will be identified and support mechanism put in place to ensure that contractors meet their contractual obligations where possible. Failure to achieve, will result in contracts/funding being withdrawn and further contracts

			commissioned to ensure that all outputs are met.
Failure of commissioned providers to meet the financial rules and regulation of EU commission	Medium	As contract holder RMBC could be subject to the removal or repayment of grant funding if contracted providers do not meet the eligibility criteria and financial rules, regulations and audit requirements of the EU Commission.	The Commissioning and ongoing performance management of the external contracts will managed by the CYPS Education Development & Resources Team This team have been responsible for the management for the previous ESF Objective 1 Programme and have extensive experience of management and auditing of external contracts.

## 10. Policy and Performance Agenda Implications

The Rotherham Local Area Agreement identifies the reduction in the % of NEETs to 7.1% by 2010 as one its key performance measures.

CYPS Single Plan also identifies the need to develop the quantity, quality and scope of provision for the target group as an ongoing priority.

Rotherham Widening Participation (NEETs) Strategy September 2006-10

## 11. Background Papers and Consultation

- 16-19 ESF NEETs Response Fund Cabinet Member Progress Report 6<sup>th</sup> January 2010
- 16-19 ESF NEETs Response Fund Cabinet Member Progress Report 1<sup>st</sup> July 2009
- 16-19 ESF NEETs Response Fund Cabinet Member Progress Report 22<sup>nd</sup> January 2010
- 16-19 NEETs Fund Manager Cabinet Report 31<sup>st</sup> October 2008
- 16-19 NEETs Fund Manager Scrutiny Report 4<sup>th</sup> July 2008
- 16-19 NEETs Fund Manager Cabinet Report 25<sup>th</sup> June 2008
- 16-19 NEETs Fund Manager Cabinet Report 15<sup>th</sup> April 2008

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