

REPORT TO: Employment, Learning, Skills and Community Policy & Performance Board

DATE: 11 November 2013

REPORTING OFFICER: Strategic Director – Children and Enterprise.

PORTFOLIO: Economic Development

SUBJECT: Children and Enterprise Quarterly Policy Update

WARDS: All

1.0 PURPOSE OF THE REPORT

1.1 To inform the Board of recent national policy announcements relevant to employment, learning and skills.

2.0 RECOMMENDATION:

2.1 **That the report is noted.**

3.0 BACKGROUND

3.1 A number of policy, legislation, consultation and guidance documents, are issued by government departments and agencies that have varying degrees of relevance to issues on the employment, learning and skills agenda and related topics.

3.2 A brief summary of key announcements is provided in this report along with observations of local relevance, where appropriate, so the Board can consider whether to initiate more detailed scrutiny and/or report to a future meeting.

4.0 NEW POLICY, STRATEGY AND STATUTORY GUIDANCE

Cutting red tape for business improvement districts that help small shops and local traders

The Department for Communities and Local Government ended the red tape which made it harder for local firms and traders to set up business improvement districts where high streets stretch across council boundaries.

The changes, which come into force on 7 October 2013 mean that business improvement districts will no longer need separate ballots in each authority where a business improvement district crosses with another local authorities' boundaries is proposed. Instead there will be a single ballot for the entire area.

Business improvement districts are a tried and tested approach, used in towns and cities across the world, to fund improvements in local trading areas and the new regulations. The potential for business improvement districts to successfully support town centres growth was outlined by Mary Portas in her [review of High Streets](#).

The government is committed to support this model as a catalyst for high street regeneration and will detail how new business improvement district areas can get help with their start up costs through the £500,000 loan fund scheme later this year.

There are currently over 150 business improvement districts across the UK working on issues such as town centre safety, improvement of public realm, support for local traders and parking initiatives.

COMMENT: Halton currently has two Business Improvement Districts which work well, indeed both have recently voted to continue for another five years. The changes to legislation whilst not having a direct impact on the BIDS in Halton, are to be welcomed as should there be a cross boundary BID in the future, only a single ballot would be required.

Ofsted Single Inspection Framework

Ofsted has published its single framework for inspecting local authority services for vulnerable children, examining early help, child protection, looked after children and care leavers and fostering and adoption services.

The inspection is universal and will be conducted in a three-year cycle from November 2013. Selection of local authorities will not target 'inadequate' authorities. There will be a balance of authorities from the outset, including those previously found to be 'good'. If a local authority is judged to be 'inadequate' for overall effectiveness it will be subject to a full inspection within 12-18 months unless otherwise directed by the Secretary of State for Education.

A summary of the Framework and link to the full document are attached below.



Ofsted Single
Inspection Framework

COMMENT: This will be the biggest single inspection of the local authority's children's services since 2011 and the Ofsted's framework is more wide-ranging and challenging than anything that has gone before. Halton will have its own particular and unique challenges within this through the intention to concurrently inspect areas with a shared Director of Children's Services. Planning and preparations have been ongoing since 2012 for this inspection however to ensure Halton is ready, including the undertaking of a review of practice in July 2013.

Free school lunch for every child in state-funded infant school and disadvantaged students in further education

Every child in reception, year 1 and year 2 in state-funded schools will receive a free school lunch from September 2014, Deputy Prime Minister Nick Clegg has announced. The government will fund schools in England to provide every child in reception, year 1 and year 2 with a hot, nutritious meal at lunch time. The aim is to improve academic attainment and save families money – over the course of a year the average family spends £437 on school lunches per child.

COMMENT: Regular, nutritious meals are crucial in supporting the healthy development of children. This initiative can help to promote positive eating habits and links to education, helping to ensure that all children are able to concentrate and perform well in the classroom. From a financial perspective, it could also provide

some relief to those families with young children who have been hit hard by the economic downturn. It will be important to ensure this does not negatively impact on spending to support children and families in other areas however.

Changes to early entry at GCSE

From 29 September 2013, only a student's first entry to a GCSE examination will count in their school's performance tables.

COMMENT: This measure will at once remove the trend in some areas to bank C grades and higher at the earliest possible time. This can remove the level of stress for pupils by spreading examinations over a wider period but also has been seen as a way to help boost league table performance. The change could have significant implications for any Halton students partway through their GCSE studies who might have expected early entry to any GCSE examinations.

5.0 RESEARCH, CONSULTATIONS AND GENERAL INFORMATION

The vanishing high street: the Grimsey Review

The last three years have seen various strands of work, by Government, local authorities and civil society to draw together policies and measures to help preserve and rejuvenate high streets and town centres, notably activity stemming from **Mary Portas' Government-commissioned review in 2011**. In September 2013, former Wickes and Iceland Chief Executive Bill Grimsey released a rival review put together by an expert team and explicitly set up as an alternative to Portas' work, which Grimsey criticised.

As well as providing a concise account of the backdrop of changing consumer trends, Grimsey attributes the continuing decline of the high street to a lack of clear targets and success measures in initiatives such as the Portas Pilots; the need for a strong, coherent plan and management approach to address town centre issues holistically and channel the enthusiasm of small business and civil society; and a failure on the part of Government to address the financial challenges facing small businesses in particular in a substantive way. His alternative sets out some overall principles:

- Overall, high streets must embrace a mixed-use vision involving housing, public services, work spaces and social and cultural provision – there will be less retail and what remains must be integrated far better with internet-driven technology
- There are areas where government action is essential, such as on reforming business rates
- Local authorities should lead on establishing town centre commissions to devise long-term, holistic business plans for their town centres, driven by accurate local and national intelligence and linking to planning policy, investment strategy, transport, digital offer and marketing.

COMMENT: Each high street is different, but many are struggling and must adapt to survive, and councils, businesses and communities must work together to deliver that. Internet shopping, supermarkets and out of town retail, have had a significant impact on our town centres and their impact is unlikely to diminish. Whilst they do have an important role to play in offering consumers choice and competition, retailers need to embrace the change if they are to survive.

Liverpool City Region Combined Authority

On 30th Sept the Liverpool City Region submitted its Governance Review to Government., which recommends that we create a Combined Authority for the Liverpool City Region, including Halton.

A combined authority will not see the creation of a 'super council' but would enable strategic decisions to be made around economic development, regeneration, housing and transport. The submission also shows Government how it would ensure 'clear and transparent' leadership, deliver economies of scale and streamline decision-making processes. The proposals were subject to extensive consultation with Members, businesses, partners and the public, and were supported by LCR Cabinet and Council in each of the six City Region boroughs and the Merseyside Integrated Transport Authority. The feedback has been overwhelmingly positive, with over 80% of respondents supporting the proposals.

Government will now consider the proposal and will carry out a further consultation exercise in the Autumn. If there is support for the proposal, an order will be laid before Parliament to create the Combined Authority from April 2014.

COMMENT: The Combined Authority if accepted by Government will ONLY deal with strategic economic development, transport, housing and employment and skills. The conclusion of the Governance Review is that a Combined Authority is the best model to support economic growth and secure more jobs, in Halton and across the LCR. The Combined Authority will help us signal to businesses and Government that we are serious about working together. It is expected that it will also be able to attract devolved powers and funding from Government. The proposals were subject to extensive consultation with Members, businesses, partners and the public, and were supported by LCR Cabinet and Council in each of the six City Region boroughs and the Merseyside Integrated Transport Authority. The feedback has been overwhelmingly positive, with over 80% of respondents supporting the proposals.

Locally Led Delivery Projects for Raising the Participation Age

The DfE has published research into phase four of the locally led delivery projects (LLDP) for Raising the Participation Age (RPA). Informed by the findings of a series of trials and projects led by local councils, the report makes recommendations which will be of use to local authorities in helping them implement effectively and efficiently this ambitious legislative driven change. The recommendations relate to partnership working and collaboration, data and tracking, early intervention, support for vulnerable groups and retaining 17 year olds in learning and training.

COMMENT: Work on RPA in Halton is well established, including a 14-19 Commissioning Statement developed in partnership with the 11-19 Strategic Partnership of Schools, the College and training providers and aims to secure sufficient suitable education and training provision. The Data Management Group works to ensure there is robust data on young people's activity available and strategies in place to engage those who are not participating or those whose activity is not known. A Halton Participation Strategy has been developed to address the statutory duties in relation to RPA and ongoing work will be informed by the learning from the delivery projects within this research.

Government proposes 'SME friendly' public sector procurement market

The Government has outlined plans to further standardise public sector procurement in a bid to support smaller businesses. The consultation outlines plans to create a small and medium sized enterprise (SME) 'single market' for public procurement, simplifying and standardising how contracts are advertised, bid for and paid across the sector.

Proposals include a requirement for all public sector contracts over £10,000 to be accessible on the same site and a banning of pre-qualification questionnaires for low value public sector contracts.

COMMENT: Supporting local businesses and encouraging business growth are key priorities for the council. Should these proposals lead to more local businesses winning local contracts then they should be welcomed.

Government announces independent reviewer for benefit sanctions

The Government has appointed a member of the Social Security Advisory Committee to undertake an independent review of benefit sanctions. Matthew Oakley, who is also head of economics and social policy at think tank Policy Exchange, will examine the clarity of information provided to Jobseeker's Allowance claimants. Stipulated in the Jobseeker's (Back to Work Schemes) Act 2013, the review will consider – where a sanction has been given - the quality of information given to claimants about their sanction, options they have going forward and the explanation given of the review and appeals process.

COMMENT: Benefit sanctions result in people having their money stopped for a period of time for not following the rules of the benefit they are getting, such as going to an interview or medical examination. People accessing Jobseekers' Allowance, Incapacity Benefit or Employment Support Allowance, and in the future Universal Credit are expected to take certain steps towards employment and failing to do so can result in benefits being stopped. Benefit sanctions have significant impacts on individuals and families so there is a need to ensure claimants fully understand the requirements upon them whilst claiming these benefits, the penalties and how the sanctions can be reversed.

Workers see pay packets drop by £30 a week since 2007

Workers in the UK have lost more than £30 a week in their pay packets since 2007 according to new research.

TUC has compared hourly pay rates in 2007 with those in 2012 as part of its Britain Needs a Pay Rise campaign. It found that the North West is the hardest hit region in the UK, with hourly pay falling by 8% in real terms. Darlington was hit the hardest, with workers seeing a 16.2% fall in real terms, which equates to a £75.94 cut in weekly pay packets. The analysis also shows that men in the UK have seen their wages drop more in real terms, with an average fall of 7.4%. Female employees saw their wages decline by 4.7% in real terms.

COMMENT: The north west has seen its pay packets hardest hit and this has a significant impact not only on the ability of families, particularly those on low incomes, to make ends meet, but it also results in less spend in the local economy impacting on businesses.

Ofsted Survey Going in the right direction? Evaluation of careers guidance in schools from September 2012

Since September 2012, schools have been legally responsible for securing access to independent and impartial careers guidance for all their students in Years 9 to 11. For this survey, Ofsted inspectors visited 60 secondary schools and academies between December 2012 and March 2013 to evaluate how well this new duty is being carried out. This report gives their findings and recommendations to Government.

COMMENT: Career advice and guidance is a key step in preparing young people for work, so it is essential that schools offer a quality service that informs the choices young people make whilst at school.

16-19 Accountability, DfE Consultation

The DfE is consulting (until 20 November) on proposed changes to the accountability arrangements for providers of 16-19 education and training in England, including performance tables and minimum standards for provision both at level 2 (for the first time for 16-19 providers) and at level 3. The changes are intended to help parents, students and inspectors to understand the quality of provision through a combination of (i) top line data giving a snapshot of a provider's overall performance and (ii) additional data on specific areas of the provider's performance (eg. particular types of course or particular students). The data – which will be published – will enable parents and students to identify the best provision for their needs and help providers to improve their performance; the data will be used by the DfE to set minimum standards, and by Ofsted in inspection.

COMMENT: A response to the consultation will be submitted by Halton in conjunction with the 11-19 Learning Partnership.

Industrial strategy: government and industry in partnership

On 1 August 2013, the Government published its strategy for offshore wind, the last of eleven industrial sector strategies. In addition to offshore wind, the strategies cover nuclear power, UK oil and gas, construction, the agri-tech industries, aerospace, the automotive industries, life sciences, information economy, professional and business services, and further and higher education.

In its guidance for Local Enterprise Partnerships (LEPs) on Growth Deals, the Government indicated that LEPs' strategic plans should have regard to national policy on growth, including its industrial strategy. The sector strategies could contain important signals for LEP priorities and strategic plans. Some of the sectors have a specific spatial focus whilst some might entail strategies for supply chains spread across the country.

These publications support the government's industrial strategy. They explore areas where government action can have a real and early impact, including:

- developing strategic partnerships with industry
- supporting emerging technologies
- improving access to finance for businesses
- working with business to help develop skills that businesses will need
- publishing government contracts to provide confidence to business investment

COMMENT: National growth policy is taken into consideration at both the Liverpool City Region (LEP) and local level. The new combined authority, should it be approved

will have a key role in driving forward strategic economic development and employment and skills across the sub-region.

SEN Reforms

A consultation with more detail on plans to overhaul the special educational needs (SEN) system has been published. Alongside draft regulations, the government has issued a revised, clearer 0 to 25 SEN Code of Practice which provides practical advice for professionals and families on how to support children and young people with SEN. The new code reflects the changes being introduced by the Children and Families Bill, such as the introduction of personal budgets and reformed arrangements for 16- to 25-year-olds in further education and training.

In addition, the government is also consulting on the timetable for transition to the new system, which will be phased in from September 2014. We want all children and young people with SEN and their families to benefit from the improved arrangements as soon as possible, while at the same time ensuring that the best possible service is maintained during the transition.

COMMENT: Work is underway across in conjunction with partners across Halton Children's Trust to ensure Halton is ready by September 2014. A Lead Project Officer has been appointed and multi-agency implementation group is being established and will begin meeting shortly. All relevant partners across the Trust have committed their support to the process.

Tax-Free Childcare – HMT consultation and implications for Universal Credit

The Treasury have published *Tax-Free Childcare: consultation on design and operation* which will be phased in from autumn 2015 replacing over time the existing system of Employer Supported Childcare. The consultation also covers details of the planned increase in childcare support within Universal Credit, available from April 2016, as childcare support moves from tax credits into Universal Credit. Consultation closes on 14 October 2013.

The new Tax Free Childcare scheme will support working families with 20% of their childcare costs up to a limit of £1,200 per child each year. In the first year, all children under 5 will be eligible, with the child age limit eventually including all children under 12. It will only be available to families where both parents work, or for a single parent who works. Earnings must be less than £150,000 for each parent per year. The scheme will, for the first time, be available to the self-employed. It will not be available to families that receive support through tax credits or Universal Credit (which will be introduced in the next two years to replace tax credits), as instead parents can get up to 70% of childcare costs paid by the government. From April 2016 this will increase to 85% but only for households where all parents pay income tax.

COMMENT: This is a consultation document which is part of the Government's commitment to providing access to affordable childcare.

Daniel Pelka Serious Case Review, Coventry LSCB

The overview report of the Serious Case Review of the events leading to the death of four year old Daniel Pelka, published by Coventry Safeguarding Children Board, highlights the opportunities missed by a number of agencies to protect him.

COMMENT: This SCR report identifies a number of opportunities where professionals from a number of local agencies could have done more to protect Daniel. Like with all SCRs the publication of the report will be used to ensure any learning is taken on by partners within Halton. The case led to some calls nationally to implement a system of mandatory reporting of professionals' concerns of abuse and/or neglect to help to protect more children but overall there is little evidence that professionals do not current report their concerns to local authority children's social care.

Child Poverty – CPAG and NCB reports

The Child Poverty Action Group (CPAG) report [*The Cost of a Child in 2013*](#) (CPAG) shows that the cost of bringing up a child is increasing much faster than incomes, especially for those living in poverty, and that the number of children in poverty is also rising. [*Local Authorities and Child Poverty: balancing Threats and Opportunities*](#) considers the potential impact of these changes on local authorities who have a duty to mitigate the effects of child poverty. The National Children's Bureau (NCB) report [*Greater Expectations*](#) warns that unless policy takes a different direction there is a real risk of the UK 'sleepwalking into a world where inequality and disadvantage are so deeply entrenched that our children grow up in a state of social apartheid'.

COMMENT: Addressing child and family poverty is a key priority for the council and whilst we are making some progress, we recognise that there remains much to do. The council is currently revising its' Child and Family Poverty strategy and will continue to support children, young people and families to help ensure that that a disadvantaged start in life does not limit their life chances.

Contact Us:

For more information please contact the Halton Children & Enterprise Policy Team through any of the options below:

Mark Grady – *Principal Policy Officer*, mark.grady@halton.gov.uk, Tel: 0151 511 7396

Debbie Houghton – *Principal Policy Officer*, debbie.houghton@halton.gov.uk, Tel: 0151 511 8231

Kelly Collier – *Policy Officer*, kelly.collier@halton.gov.uk Tel: 0151 511 8299

Tracy Ryan – *Policy Assistant*, tracy.ryan@halton.gov.uk, Tel: 0151 511 8661

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 The varied range of issues covered in this report potentially present a number of challenges and opportunities across a number of the Council's current priorities. Where appropriate a more detailed analysis of the information and relevance to the council will take place.

7.0 RISK ANALYSIS

7.1 There are no immediate risks directly relating to the information in the report.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 Not applicable.

9.0 FURTHER INFORMATION

9.1 If members would a more detailed analysis of any of the issues mentioned in this report, or paper copy of any of the documents referred to, the should contact; Debbie Houghton at Debbie.houghton@halton.gov.uk or 0151 511 8231

10.0 BACKGROUND PAPERS

10.1 None under the meaning of the Act. (For information - Hyperlinks to all of the full reports are embedded within the headings.)