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SURREY COUNTY COUNCIL

CABINET

DATE: 23 SEPTEMBER 2014



REPORT OF: MRS LINDA KEMENY, CABINET MEMBER FOR SCHOOLS AND LEARNING

CLARE CURRAN, CABINET ASSOCIATE FOR CHILDREN, SCHOOLS AND FAMILIES

LEAD OFFICER: GARATH SYMONDS, ASSISTANT DIRECTOR FOR YOUNG PEOPLE

SUBJECT: DEVELOPING THE FIRST UNIVERSITY TECHNICAL COLLEGE IN SURREY

SUMMARY OF ISSUE:

Surrey County Council, with key partners, are forming a University Technical College (UTC) Academy Trust to submit a bid for a University Technical College (UTC) in Guildford. The key partners, who will be the Founding Members of the Academy Trust, are Royal Holloway - University of London, Guildford College, Guildford Education Partnership, CGI Group and Surrey County Council. The UTC will focus on key skill shortage areas of computing and engineering, which have been selected with employers and the Enterprise M3 Local Enterprise Partnership. The paper seeks agreement to the formation of the Academy Trust and submission of a bid to the Department for Education (DfE) in October 2014 to establish a UTC in Guildford.

RECOMMENDATIONS:

That Cabinet approves;

- a) The forming of the Academy Trust Company;
- b) The submission of a bid by the Academy Trust Company for a UTC in Guildford by the founding members of the trust; and
- c) Surrey County Council being one of the founding members of the UTC with Councillor Linda Kemeny, Cabinet Member for Schools and Learning, acting on the Council's behalf.

REASON FOR RECOMMENDATIONS:

The UTC will be designed to provide high quality education for 14-18 year olds in Surrey, developing the skills employers need. Through the support of Royal Holloway, Guildford College, Guildford Education Partnership, CGI Group and other leading employers, the UTC will provide real world learning experiences that blend

academic and technical education. As well as helping to address need for an increase in secondary school places the curriculum design of the UTC has been informed by employers and evidence from the Enterprise M3 Local Enterprise Partnership to address local skills gaps and support future economic growth.

DETAILS:

Introduction

1. University Technical Colleges (UTCs) are government funded academies that offer 14-18 year olds an education that is geared to meet the needs of employers, with extensive experience of the work place and projects. They teach students technical and scientific subjects in a new way, educating the inventors, engineers, scientists and technicians of tomorrow.
2. By integrating technical, practical and academic learning, UTCs create an environment where students can thrive and develop the abilities that employers need.
3. To do this, UTCs:
 - Focus on one or two technical specialisms.
 - Work with employers and a local university to develop and deliver the curriculum.
 - Relate the content of academic subjects to their technical specialisms.
 - Have the latest equipment and technology used by industry.
 - Dedicate at least 40% of time to the technical specialism including design and building, working in teams and problem solving.
4. By working with a university and local employers, UTC students benefit from access to:
 - The latest research, industry experts and specialist facilities;
 - Real-life employer designed projects that stretch their technical skills and creative thinking; and
 - Teaching and mentoring from specialists who currently work in industry.
5. UTCs are academies and are smaller than traditional secondary schools. They are not academically selective and charge no fees. UTCs typically have 600 to 800 students, are sub regional and their catchment area may extend across a number of local authorities.

The Vision

6. The vision for the UTC is for young people to be enterprising, ambitious and resilient, with the skills required by employers and the academic ability for higher education. They will be strong team players, motivated and professional, good communicators, with a high level of academic achievement, technical skills and leadership potential.
7. This supports the vision in Surrey's 14-19 Plan 2010-2015 and Young People's Employability Plan 2012-17.

The UTC in Guildford

8. The UTC will be a high performing specialist academy for 14-18 year olds, producing excellent results with 100% progression to higher education, training or employment. The UTC will offer a different learning environment to schools and colleges, with an emphasis on computing and engineering. These are fields which employers and higher education have identified as growth areas, with shortages of well-qualified and motivated young people. Students will benefit from both academic and technical pathways with clear links between every aspect of their education and the world of work. They will be engaged in their education, working on real world projects and mentored by sponsoring employers. With a business-like environment, students will be learning key employability skills and will have clear progression pathways after Year 12 to higher education, higher apprenticeships and employment. The vision is driven by a shared ambition to motivate and enable all young people to fulfil their potential, become enterprising citizens and make a positive contribution.
9. Located conveniently for transport links, the UTC will recruit students from across Surrey, as well as from London and Hampshire. It will complement and enhance the local education offer and help to meet the need for school places at a time of demographic growth. The UTC will gain a reputation for achieving excellent destinations for the students, inspiring not only students but also the local community.

Funding of the UTC

10. The development of the UTC will be funded through a bid for capital funding, up to £10 million, from Central Government. It will bring in additional resources to support the development of education opportunities for the future in Surrey, addressing needs arising from the growing population and provide a distinctive new offer for young people. Additional capital funding is also being sought from Enterprise M3 Local Enterprise Partnership. Following a successful bid and launch of the UTC, funding would be provided annually in the same way as other secondary schools in Surrey are funded.

Who will go to the UTC and when

11. Young people will join the UTC at age 14 (year 10) or age 16 (year 12) to take a full time academic and technical programme of study, alongside the requirements of the National Curriculum. The UTC will initially be offering places for about 150 students across Year 10 and Year 12 (numbers will be finalised as the bid is developed). The admission arrangements will be developed to ensure young people join from across the ability range and from a wide geographical area. In subsequent years, higher numbers will be admitted, rising to a total capacity of 700 to 800 across years 10 – 12 (ages 14-18) by 2021.
12. The UTC will help address a shortfall of places in the secondary sector within Surrey. Birth rates in Surrey, and in the Guildford area, have been steadily rising since the millennium requiring additional provision in the primary sector. This increase is now starting to affect secondary student place planning and planning is underway to provide additional Year 7 places by 2017.

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13. There are approximately 1395 places per year group in the 7 Guildford area secondary schools; based on current projection scenarios for the Guildford area, incorporating current housing planning permissions, demand for Year 10 places in 2017 is expected to increase circa 1400 pupils. Numbers are projected to continue an upward trend after 2017, reaching approximately 1500 Year 10 pupils by 2021. Similar growth is expected across the sub-regional area that the UTC will recruit from and the UTC is likely to attract additional Year 10 pupils from this wider area.
 14. In addition, new housing is currently being considered as part of the Guildford Local Plan which would create an increase in demand for places across the education sector - at both primary and secondary level. Analysis of the scale of the additional demand on education places is being undertaken as part of the Local Plan consultation but demand will be expected to increase on places across all year groups. The UTC will form part of the education solution to provide sufficient places for pupils in the Guildford area resulting from additional housing proposed in the Local Plan.
 15. Links will be developed between the proposed development of the UTC and the Guildford Local Transport Plan as ease of access will be important in attracting students. Transport developments will be sought which are sustainable and affordable and fit with the wider transport planning for the area.

Pathways and partner development

16. We are jointly developing a bid to national government for the UTC for submission in October 2014. The bid team consists of representatives of the organisations who will form the UTC Academy Trust and is working with other local partners through the UTC Steering Group which comprises key education and employer representatives.
17. The Academy Trust Company will be made of the following founding members:
 - Royal Holloway - University of London;
 - CGI Group (a globally renowned IT and business process services provider);
 - Guildford College of Further and Higher Education ;
 - The Guildford Education Partnership; and
 - Surrey County Council, through Cabinet Member for Schools and Learning.
18. The founding members of the Trust bring an excellent track record of delivering educational excellence with a strong track record in setting up and running high quality education institutions, including experience of working with two other UTCs.
19. The UTC will have a strong focus on achieving 100% progression into work or HE for students. Employer, college and university partners will ensure there are clear and achievable progression pathways, including apprenticeships, sponsored degrees, placements and graduate opportunities as well as general employment opportunities.

How employers are involved and why is there the emphasis on particular skills

20. The bid is being developed with local businesses to shape the design and ethos of the UTC, ensuring the UTC reflects the world of work. Surrey businesses have attended a breakfast briefing with a presentation by Lord Baker, where the opportunity was discussed. Employers who have confirmed their support and offered to work with us on the development of the UTC include CGI Group, British Aerospace, Air Products, Surrey Satellite Technology, Babcock International, McLaren, Points Align and Siemens as well as many other well known national companies and smaller fast growing locally based companies. Employers are helping to develop work-based education projects, mentorship, work experience and future employment opportunities, including apprenticeships. The focus on particular specialist areas will be further refined as the bid develops and the service will continue to work with employers, higher education and other partners to focus on particular aspects of computing and engineering. The focus will be designed with schools and colleges to be complementary to current provision, with a distinct offer to young people.
21. The specialisms of computing and engineering were chosen by partners based on both national and local evidence, including feedback from local employers. Surrey's economy is largely knowledge based and over the next 20 years, there is expected to be a further shift towards higher end occupations, as knowledge based sectors drives innovation and enterprise. This economy has increased the need for more Science, Technology, Engineering and Maths (STEM) skills. Reports by the Enterprise M3 LEP and Surrey Connects have highlighted the skills need in computing and engineering and the recent report by the Centre for Economic and Social Inclusion, "Realising Talent", states that Surrey has a skills gap which is projected to have an impact on Gross Value Added (GVA) of £5.7bn by 2022.
22. Nationally to maintain the current level of growth in the IT Sector, e-skills UK has estimated our economy requires 129,000 new entrants per annum and the Royal Academy of Engineering's report "Jobs and Growth" forecast a need for 100,000 new professional scientists, engineers and technologists each year.
23. The bid has been informed and supported by Surrey Chambers of Commerce, the Institute of Directors (Surrey branch), Enterprise M3 Local Enterprise Partnership and Surrey SATRO. Feedback from both multinational companies and Small and Medium sized Enterprises (SME's) has indicated the skills shortage is already being felt by Surrey employers and lack of skills in these specialisms is a key concern for future growth.

CONSULTATION:

How will the UTC be developed

24. The UTC is being developed through a close collaboration between the founding members and other partners including Enterprise M3 Local Enterprise Partnership, Air Products, BAE Systems and Babcock International, working closely with local schools and communities. Local businesses will have a key role in encouraging young people to develop the skills, behaviours and attitudes sought by employers now and in the future..

25. The UTC proposal has been subject to consultation, including a publicly accessible survey on the Surrey Says platform. The survey provides employer feedback on the skills and qualifications they value. This evidence is further informing the design and focus of the UTC. At the time of writing 98 responses have been received, primarily from parents and employers, with 99% of respondents supporting a UTC focusing on computing and engineering.

RISK MANAGEMENT AND IMPLICATIONS:

26. The key risk is that funding allocation is competitive and the bid could be unsuccessful. This is being addressed through the formation of a strong partnership with full involvement from employers and engagement of local schools and colleges to strengthen the bid to ensure the greatest potential for success.
27. A further risk is that local schools and colleges may see the UTC as a threat and may discourage young people from joining. This is being addressed by working closely with local schools and colleges, ensuring the educational offer is distinct and developing communications to promote understanding of the benefits of education closely linked to employers' needs.
28. A risk register is also being maintained where further risks are considered and mitigating actions planned.

Financial and Value for Money Implications

29. The bid draws additional capital into Surrey for future school places and central government funding supports ongoing revenue costs. The skills developed will enable young people to contribute to the high value growth sector, adding to the future growth of the Surrey economy.

Section 151 Officer Commentary

30. The budget for the UTC is subject to scrutiny by the DfE to ensure it is viable. Minimal staffing is assumed in the first years, with further staff appointed only as pupil numbers and funding increase. Provisional costings, based on prudent assumptions of pupil numbers and a DfE prescribed sensitivity analysis, indicate a balanced budget with a marginal surplus each year.
31. The UTC operates as an academy and is funded by the Education Funding Agency (EFA), based on the council's locally determined schools funding formula. The EFA will monitor financial performance of the UTC and take action to address any concerns. The council will not be financially liable for budget deficits in the UTC, although any failings could result in reputational damage. There is a potential risk that the UTC would draw pupils and hence funding away from other Surrey schools. However, the projected increase in pupil numbers within the area reduces this risk.

Legal Implications – Monitoring Officer

32. Under the Education Act 2011, Local Authorities must seek proposals for the establishment of an Academy (or a free school) where they are of the view that there is a need for a new school in their area. University Technical Colleges (UTC's) are one type of academy.

33. The DfE requires the bid for the UTC to be submitted by the Academy Trust Company. This Academy Trust will be a charitable company limited by Guarantee. This means the liability of the founding members who establish the Academy Trust is restricted to the nominal amount (e.g. £10) guaranteed by each founding member.
34. An Academy Trust is made up of members and directors. The founding members (owners) of the company are listed in paragraph 17 and it is proposed this will include Surrey County Council, with Councillor Linda Kemeny, Cabinet Member for Schools and Learning. The members will appoint the trust's directors of the Company who will be the governors of the Academy.
35. The cost of setting up an Academy Trust Company is no more than £100. If the bid is not successful the Company will be dissolved and there will be no further liability for the Council.

Equalities and Diversity

36. Under section 149 of the Equality Act 2010 Cabinet must comply with the public sector equality duty, which requires it to have due regard to the needs to;
 - i. eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act
 - ii. advance equality of opportunity between persons who share a relevant characteristic and a person who does not share it;
 - iii. foster good relations between persons who share a relevant protected characteristic and persons who does not share it
37. There are no direct equalities implications arising out of the proposal. The increased provision will be open to all applicants irrespective of race, gender, faith, ethnicity or ability. Detailed admissions arrangements will be determined during a pre-opening stage, after approval of the bid, and will be fully compliant with the Schools Admissions Code or relevant law concerning admissions at the time of opening.

Corporate Parenting/Looked After Children implications

Area assessed:	Direct Implications:
Corporate Parenting/Looked After Children	Positive implications as it is proposed that Looked After Children would be given priority for admissions

WHAT HAPPENS NEXT:

38. A decision on the success of the bid will be made by Central Government and is expected to be received in January 2015 following the bid submission and an interview process. If successful the UTC will then enter into a pre-opening phase with the UTC Academy Trust leading development of the UTC, supported by Central Government. As a member of the Trust this will involve Surrey County Council to ensure the successful opening of the UTC in September 2017.

Contact Officer:

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Consulted:

Surrey Employment and Skills Board
Surrey 14-19 Partnership
Surrey Secondary Council
Guildford Education Partnership
SW Area Heads
FE College Principals
Local employers

Annexes: None

Sources/background papers: None
