

## **West Yorkshire Lifelong Learning Network**

### **WYLLN Business Model for 2009/2010**

#### **1. Introduction**

- 1.1. At the December meeting of the Management Board, it was agreed that a review of the funding of Partnership Agreements should be undertaken as a consequence of the impact of the mergers that have taken or will be taking place in further education sector (the formation of Kirklees and Leeds City Colleges), will have on WYLLN activity.
- 1.2. In the current funding arrangements institutions are classified according to size based on the numbers of learners, at level 3 or above, enrolled in the WYLLN sectors. Small institutions receive £10,000 per year; medium-sized institutions receive £15,000; and large institutions receive £22,500. Outcomes are set in terms of the numbers of learners supported through information, advice and guidance and the development of progression agreements, through which a number of learners are expected to progress.
- 1.3. In proposing a new model, this paper considers the performance of institutions in the current arrangements, the impact of the mergers on learners and how any new arrangements would affect the outcomes and subsequent impact on achieving targets.

#### **2. Effectiveness of current arrangements**

- 2.1. For the year 2007/8, partnership agreements were not agreed with Huddersfield Technical College and Leeds Metropolitan University. Where agreements were made, those delivering IAG were asked to deliver the outcomes by July 2008, but for those delivering Progression Agreements the deadline was extended to December 2008, as the Progression Agreement Framework was not finalised until June 2008. The number of learners progressing from those agreements will not be able to be assessed until September 2009 at the earliest.
- 2.2. The institutions that have fulfilled their Partnership Agreements for 2007/8 are Bradford College, Park Lane College, Leeds College of Building, Calderdale College, Leeds College of Technology, Leeds College of Art and Design, Joseph Priestley College, New College Huddersfield, University of Bradford, Dewsbury College.
- 2.3. The institutions that have partly fulfilled their agreement are Wakefield College, Thomas Danby College, Shipley College, Leeds College of Music, Leeds Trinity and All Saints, the Open University, the University of Huddersfield and the University of Leeds. There are particular circumstances surrounding the Open University that have made it particularly difficult for us to agree appropriate activity. For those institutions delivering Progression Agreements, additional work was required on some before they could be recognised by WYLLN. Where institutions have underperformed, arrangements have been made to catch up during 2008/9.
- 2.4. At the end of the first year of operation there was an underspend of £68,000 in regard Partnership Agreements, which the Board agreed to allocate to additional project activity in the fourth year, subject to HEFCE's approval.

2.5. For the current year (2008/9), all institutions have partnership agreements with WYLLN apart from Kirklees College, the University of Bradford and Leeds Trinity and All Saints.

### **3. Impact of the mergers**

3.1. The consequences of the two FE mergers in West Yorkshire on WYLLN activities are quite different. In Leeds, the three colleges have performed well having provided IAG to over 800 learners in the first year, for which they received in total £52,500.

3.2. In Kirklees, the situation is more complicated. In the first year Huddersfield Technical College did not contribute to the WYLLN outcomes and did not receive any funding. Dewsbury College receive £15,000 and supported 200 learners. Because of the Huddersfield situation, it was agreed to simply fund the new college as a large institutions for which it would receive £22,500 to deliver IAG to 400 learners, but as stated earlier in this paper, an agreement with them is still to be reached.

3.3. Comparing the number of learners, that fit the WYLLN criteria, in the large FE institutions, Kirklees College has 4080, Wakefield College 4205, Bradford College 4382 and Leeds City College 7152.

### **4. Business Model for 2009/10**

4.1. Because of the uncertainty of the contribution Kirklees College will make to WYLLN, the main focus of any new model would be to ensure the outputs from the new Leeds City College are maximised. If a fourth category was created to address this, with additional funding provided, it would include the four universities together with Leeds City College. For the additional funding, additional targets would be expected. For those with Progression Agreement outcomes, this would mean an additional progression agreement being produced (four in total). For those delivering IAG outcomes, a target of 600 learners would be set. For this the annual funding would be increased to £30,000.

4.2. The impact of this on the WYLLN's overall targets is hard to assess. Certainly there would be a reduction in the overall number of learners receiving IAG of 200. However, this should be offset by the number of learners on the additional progression agreements, who will also be receiving some level of IAG. I suggest the biggest threat to the overall targets will be due to partner underperformance rather than the business model.

4.3. As a result of the issues raised in the paper, two models are being proposed to the Management Board. Option 1 is the introduction of a fourth category with subsequent funding and outcome implications. Option 2 is the continuation of the current model. This would generate a surplus, which could be set against additional project work. These models are set out in the tables below:

#### **Option 1: 4 tier funding model**

Introduce Leeds City College at £30,000.

Increase HEIs to £30,000 from £22,500.

<b>Institution</b>	<b>2009/10 Funding Amount (£)</b>
University of Bradford	30,000
University of Leeds	30,000
University of Huddersfield	30,000
Leeds Metropolitan University	30,000
Leeds City College	30,000
Bradford College	22,500
Open University	22,500
Kirklees College	22,500
Wakefield College	22,500
Calderdale College	15,000
Leeds College of Art & Design	15,000
Leeds College of Building	15,000
Leeds Trinity and All Saints	15,000
Joseph Priestley College	15,000
Leeds College of Music	10,000
Huddersfield New College	10,000
Shipley college	10,000
Total Funding Allocated	345,000
Total Budget Allowance	345,000
Surplus / (Deficit)	0

### **Option 2: Existing 3 tier funding model**

Introduce Leeds City College at £22,500

<b>Institution</b>	<b>2009/10 Funding Amount (£)</b>
University of Bradford	22,500
University of Leeds	22,500
University of Huddersfield	22,500
Leeds Metropolitan University	22,500
Leeds City College	22,500
Bradford College	22,500
Open University	22,500
Kirklees College	22,500
Wakefield College	22,500
Calderdale College	15,000
Leeds College of Art & Design	15,000
Leeds College of Building	15,000
Leeds Trinity and All Saints	15,000
Joseph Priestley College	15,000
Leeds College of Music	10,000
Huddersfield New College	10,000
Shipley college	10,000
Total Funding Allocated	307,500
Total Budget Allowance	345,000
Surplus / (Deficit)	37,500

## **5. Conclusions**

- 5.1. The Board is asked to consider the two models proposed and agree which one to adopt for 2009/10.