

Young People's Education and Skills Board

Policy Update

Item No: 4

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Summary This paper outlines the key changes affecting 16-19 policy since the last Board meeting.
Recommendation Board members are asked to note the information in this paper.

1 Background

- 1.1 This paper outlines the key policy statements, consultations, changes and interest items in relation to 14-19 education and training which have occurred since the last London Councils: Young People's Education and Skills (YPES) Board meeting.

2 Education Act 2011

- 2.1 The Education Act¹ received Royal Assent on 15 November 2011. The Act takes forward the legislative proposals in the Schools White Paper, *The Importance of Teaching*. The majority of provisions in the Act will be commenced by early 2012, with those relating to abolition of arms-length bodies (Training and Development Agency for Schools (TDA), General Teaching Council for England (GTCE), Qualifications and Curriculum Development Agency (QCDA), Young People's Learning Agency (YPLA) and School Support Staff Negotiating Body (SSSNB)) being commenced at the end of the financial year and the remainder at the start of the school year in September 2012.
- 2.2 Provisions in the Act include:
- exempting 'outstanding' schools and colleges from routine inspections;
 - focusing Ofsted inspections on four key areas – pupil achievement; quality of teaching; leadership and management; and behaviour and safety;
 - extending the Academies and Free School programme further with Academies for 16-19 year olds and alternative provision Academies for the most vulnerable children;
 - a requirement for maintained schools and pupil referral units to secure independent careers guidance for pupils in the school year in which they reach the age of 14 until they have ceased to be of compulsory school age.

3 Building engagement, building futures

- 3.1 Building Engagement, Building Futures², is a cross-government strategy for increasing the participation of 16-24 year olds in education, training and work

- 3.2 The aim of the strategy is identified as ‘central’ to the coalition government’s ambitions to improve social mobility and stimulate economic growth. The document has been published jointly, across the Departments for Business and Innovation, Education, Work and Pensions, and the Ministry of Justice, to bring coherence to policy approaches across education, training, skills and employment.
- 3.3 The ambition is to ensure that services align to serve the shared purpose of helping every young person make progress towards adult life and successful careers.
- 3.4 The strategy sets out a range of announcements from recent months. These include:
- a new Youth Contract worth almost £1 billion over the next three years to help get young people *‘learning or earning’* including:
 - 160,000 job subsidies worth up to £2,275 for each business taking on an 18-24 year old from the Work Programme;
 - an extra 250,000 work experience places over the next three years;
 - investing £126 million over the next three years specifically to support disengaged 16 to 17 year olds to move into education, training or employment with training; the payment by results programme will be focused on young people with low levels of attainment and a range of factors that put them at greater risk of long-term disengagement.
 - An assertion that schools have *‘the key role’* in identifying and supporting pupils who are at greatest risk of disengagement and *‘ensuring that they receive the support and advice they need to move on into a successful post-16 destination’*;
 - the reform of performance tables following the Wolf Review;
 - raising the participation age to 17 in 2013 and 18 in 2015;
 - an expectation that colleges and providers work closely with local partners including Local Enterprise Partnerships, local authorities and Jobcentre Plus to *‘ensure they are making a strong contribution to meeting the social and economic needs of communities’*;
 - the introduction of the Work Programme to provide intensive personalised support for those people who are more at risk of long term unemployment;
 - a commitment to *‘turn around the lives’* of 120,000 of the post troubled families by the end of Parliament;
 - young people aged 18-24 will receive *‘extra support’* from Jobcentre Plus, including weekly, rather than fortnightly signing from month five of a Jobseekers’ Allowance claim and extra personal adviser time from month three; and
 - piloting new models which embed careers guidance professionals from the National Careers Service within jobcentres.

4 Positive for youth

- 4.1 Positive for Youth³ follows Building Engagement, Building Futures, by bringing together all of the Government’s policies for the 13-19 age group and represents a single cross-departmental vision. It sets out a shared vision for how all parts of society can work together in partnership to support families and improve outcomes for young people, particularly those who are most disadvantaged or vulnerable.
- 4.2 Positive for Youth is the vehicle through which new programmes and additional funding were announced, including:

- supporting local authority commissioners to improve local services for young people by providing funding of £780,000 in 2011-13 to the Local Government Association. This will include a small number of 'youth innovation zones' to test new system-wide approaches to involving all local partners in supporting young people. The first four are Hammersmith and Fulham, Haringey, Knowsley, and a consortium led by Devon;
- empowering young people by enabling them to inspect and report on local youth services and setting up a national scrutiny group for them to help 'youth proof' Government policy as part of funding of £850,000 to the British Youth Council;
- funding improved business brokerage with projects for young people through funding of £320,000 to April 2013 to a consortium led by Business in the Community;
- providing capital investment to complete 63 Myplace centres by March 2013, and developing a national approach to exploiting their potential to be hubs led by communities and businesses for transforming local services;
- expanding National Citizen Service to offer 30,000 places to young people in 2012, 60,000 in 2013, and 90,000 in 2014;
- encouraging volunteering for all age groups including young people, through funding of £4 million over 2011-15 to v (the national youth volunteering charity); over £40 million over 2011-13 through the Social Action Fund, Innovation in Giving Fund, Challenge Prizes, and Local Infrastructure Fund; and over £1 million over 2011-13 to YouthNet;
- funding 18 'innovative' voluntary organisations with £31.4m over the two years 2011-13 to pioneer and evaluate innovative approaches to early help;
- strengthening the Homelessness Safety Net to include young people under the age of 21 who are vulnerable as a result of leaving care and 16 and 17 year olds who find themselves homeless;
- establishing an Ending Gang and Youth Violence Team to provide practical advice and support to up to 30 local areas with a gang or serious youth violence problem;
- clarifying expectations on local authorities through revised statutory guidance to be published shortly for consultation on their duty to secure activities and services for young people;
- committing to a 'one year on' audit at the end of 2012 to take stock of progress in achieving the *Positive for Youth* vision; and
- publishing annually a positive set of national measures to demonstrate progress in improving outcomes for young people.

5 16-19 funding statement and capital funding 2012-13

5.1 The Young People's Learning agency (YPLA) has published the 16-19 Funding Statement for the funding of education and training in England for the 2012-13 financial year. The Statement outlines indicative levels of funding to be invested in the 2012-13 financial year and the learner numbers and funding policies to be applied in the 2012/13 academic year by the YPLA:

- £7,528 million for teaching and learning, a small increase over 2011-12 anticipated spend (£7,458 million):
 - Colleges and other providers £4,009 million (+£47 million)
 - School sixth forms (including Academies and Special Schools) £2,372 million (-£58 million)

- Apprenticeships £833 million (+£54 million)
 - Specialist provision for learners with LDD 16-24 £261 million (+£34 million)
 - FE provision for learners with LDD 19-24 £53 million (-£6 million)
- The estimated number of places to be funded is 1,577,000 in total, an increase of 34,000 over 2011/12; this is despite a reduction in the 16-18 cohort of over 20,000 nationally (increase takes account of the commitment to full participation by 2015 and reflects an expected increase in the participation rates)
 - There will be minimum policy change for 2012/13; key policies continue to:
 - support the drive to full participation;
 - target funding towards disadvantaged learners and those needing additional support;
 - protect funding for learners with learning difficulties and/or disabilities;
 - manage steps towards fairer funding.
- 5.2 There are no changes to the national funding formula and the policy changes announced for 2011/12 remain in place i.e. retaining the additional £150 million for disadvantage; protecting the size of core programmes; equalizing the funding between schools and colleges.
- 5.3 Transitional protection has been extended by a further year for those institutions with the largest adjustments and in addition to this protection (to help providers manage the policy changes) providers will be protected against significant swings due to recent improvements in the quality of success rate data. Reductions in the success factors used in allocations for 2012/13 will be capped at 2%; increases in success rates will be funded in full.
- 5.4 Bursary funds rise from £115 million to £180 million in 2012/13 as Education Maintenance Allowance transitional payments end and Bursaries of £1,200 will continue for those in defined vulnerable groups.
- 5.5 More than £107 million of capital funding is being provided for 16-19 provision in 2012-13. The funding will be made available to meet maintenance and building needs of sixth form colleges and demographic pressures for new 16-19 places in schools, Academies and sixth form colleges.

6 Consultations

- 6.1 YPES submitted responses to three DfE consultations in January:
- 16-19 funding formula review⁴
 - Study programmes for 16-19 year olds⁵
 - Removing the statutory duty to deliver work-related learning⁶
- 6.2 From summer 2013 all young people will be required to participate in education or training until the end of the academic year in which they turn 17, and from summer 2015 onwards until their 18th birthday. DfE is seeking views on elements of how Raising the Participation Age (RPA) will work in practice by consulting on the policies that will form the secondary legislation.
- 6.3 The Consultation on Raising the Participation Age (RPA) legislation⁷ covers:

- 6.3.1. **Residency** - the duty to participate applies to all young people resident in England. Judgements on where a young person resides may need to be made in a very small number of cases; the proposal is not to regulate here and leave this to the discretion of local areas.
- 6.3.2. **Full-time education** - for those young people participating through full-time education (if not at a school), how can the Department best define what is meant by full-time education in all its relevant settings? Two options are set out: a blanket rate of minimum full-time hours for all education types (534 hours annually), or a more differentiated approach for the different types of education provision.
- 6.3.3. **Ways of working** - young people are able to participate through full-time paid employment with part-time study alongside but it is proposed that working not for reward (volunteering or an internship), holding an office and self-employment should also be considered as valid work and could qualify as participation when combined with part-time study.
- 6.3.4. **Financial penalties** - there are two duties on the employers of young people set out in the RPA primary legislation. In the rare cases where employers breach these duties local authorities have the power to bring fines against them. It is proposed that the amount of those fines should be in line with fines that may apply to employers for breaching similar duties in relation to adult training.
- 6.3.5. **Local authority use of fines** - in the rare event that fines are brought, it is proposed that a local authority can only use the money raised to cover the costs of the enforcement of RPA and monitoring young people's participation.

6.4 The consultation closes on Friday 13 April 2012.

7 Apprenticeships

- 7.1 In November, Education Minister John Hayes announced new measures to help assure that every Apprenticeship delivers high quality training for learners and businesses:
 - From August 2012, all Apprenticeships for 16-18 year olds must last for at least 12 months.
 - The National Apprenticeship Service (NAS) will also assess whether the requirement for Apprenticeships to last for at least 12 months should extend to older apprentices, taking into account they will often start from a higher base.
 - NAS will require every Apprenticeship to deliver significant new learning so that they are not merely about the accreditation of existing knowledge and experience.
 - The Skills Funding Agency will tighten contracts to allow for public money to be immediately withdrawn from training providers where training fails to meet the required quality standards.
- 7.2 In December the Business, Innovations and Skills Committee announced a new enquiry into Apprenticeships. The enquiry will centre on the following key questions:
 - How successful has the National Apprenticeship Service been since it was created in April 2009? Has it helped bridge the gap between the two funding Departments? (BIS and Department for Education)
 - Is the extra funding promised by the Coalition Government necessary for apprenticeships? How can this funding best be spent?
 - Are apprenticeships of a high enough quality to benefit apprentices and their employers? Should there be more Level 3 apprenticeships?

- Apprenticeship bonuses – how should they function? Will they encourage the involvement of more small and medium sized businesses to take on apprentices? If not what will?
- Is the current funding arrangement for training of apprentices of 100% for 16-18 year olds and 50% for 19-24 year olds appropriate?

7.3 In January Simon Waugh, Chief Executive of NAS, announced that he will leave at the end of March 2012. Geoff Russell will step down from the position of Chief Executive of Skills Funding this summer and return to retirement.

8 Other publications of interest

8.1 The following statistics and research have been published recently:

- DfE: Young people's education and labour market choices aged 16/17 to 18/19⁸
- DfE: Statistical First Release on school capacity in 2011⁹
- DfE: Achievement for all national evaluation, final report¹⁰
- Department for Business Innovation and Skills: Informing choice in post-16 education and learning¹¹

¹ <http://www.legislation.gov.uk/ukpga/2011/21/contents/enacted>

² <http://www.education.gov.uk/a00200853/building-engagement-building-futures>

³ <http://www.education.gov.uk/childrenandyoungpeople/youngpeople/Positive%20for%20Youth>

⁴ <http://www.londoncouncils.gov.uk/London%20Councils/1619FundingFormulaReviewResponseFormFINAL.pdf>

⁵ <http://www.londoncouncils.gov.uk/London%20Councils/StudyProgrammesfor1619yearoldsFINAL.pdf>

⁶ <http://www.londoncouncils.gov.uk/London%20Councils/Removingthestatutorydutyto deliverworkrelatedlearni.pdf>

⁷ <http://www.education.gov.uk/consultations/downloadableDocs/RPA%20V3s.doc>

⁸ <https://www.education.gov.uk/publications/RSG/publicationDetail/Page1/DFE-RR182>

⁹ <http://www.education.gov.uk/rsgateway/DB/STR/d001050/index.shtml>

¹⁰ <https://www.education.gov.uk/publications/RSG/AllRsgPublications/Page1/DFE-RR176>

¹¹ <http://www.bis.gov.uk/assets/biscore/further-education-skills/docs/i/11-1364-informing-choice-post-16-education-and-learning>