

Young People's Education and Skills Operational Sub-Group

AGENDA

Chair:	John Galligan	Job title:	School Improvement Lead (Secondary/14-19), London Borough of Brent
Date:	4 April 2014	Time:	10am – 12noon
Venue:	London Councils, meeting room 1		
Telephone:	020 7934 9779	Email:	Anna-maria.volpicelli@londoncouncils.gov.uk

Item 1.	Welcome, introductions and apologies	JG
Item 2.	Notes of the last meeting and matters arising <i>(for agreement)</i>	JG
Item 3.	Policy Update - standing item <i>(paper - for information)</i>	NS
Item 4.	Feedback from YPES Board <i>(verbal update)</i>	NS
Item 5.	Workplan monitoring – standing item <i>(paper - for information)</i>	YB
Item 6.	Youth Employment Initiative <i>(paper – for discussion/action)</i>	POB
Item 7.	Raising the Participation Age – standing item <i>(paper – for information)</i>	YB
Item 8.	Apprenticeship Reform – Technical Consultation <i>(paper – for discussion/contribution to response)</i>	POB
Item 9.	LA Forum – focus and topic for meeting 2 May <i>(discussion for feedback to YPES)</i>	JG
Item 10.	Any Other Business All <ul style="list-style-type: none"> • AoC – joint working with Ofsted 	

Date of next meeting: 6 June 2014, 10-12, meeting room 1, London Councils

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Notes

Young People's Education and Skills Operational Sub-Group

Date	31 January 2014	Venue	London Councils
Meeting Chair	Mary Vine Morris		
Contact Officer:	Neeraj Sharma		
Telephone:	020 7934 9524	Email:	Neeraj.sharma@londoncouncils.gov.uk

Present

Mary Vine-Morris (MVM)	London Councils YPES (OSG Chair)
Debi Christie (DC)	LB Bromley (Chair LLDD)
Trevor Cook (TC)	LB Havering (North East Cluster)
Lorraine Downes (LD)	City of Westminster (Central Cluster)
Victor Farlie (VF)	LWBLA
John Galligan (JG)	LB Brent (West Central Cluster/Vice-Chair OSG)
Daisy Greenaway	GLA
Ruth Griffiths (RG)	LB Lewisham (South Cluster)
Andy Johnson (AJ)	LB Enfield (North Cluster)
Negat Lodhi (NL)	National Apprenticeship Service
Helen Richardson (HR)	LB Barking and Dagenham (Chair ICYP)
Rachel Whittington (RW)	Education Funding Agency

Officers

Yolande Burgess (YB)	London Councils YPES
Peter O'Brien (POB)	London Councils YPES
Glyn Parry (GP)	London Councils YPES
Neeraj Sharma (NS)	London Councils YPES

Apologies

Eamonn Gilbert (EG)	RB Kingston upon Thames (South West Cluster)
Ann Mason (AM)	Royal Borough of Kingston upon Thames (Chair EFG)
Judith Smyth (JS)	Association of Colleges – London Region
Sheila Weeden (SW)	LB Newham (Chair DAG)
Catherine Wreyford (CW)	GLA (represented by Daisy Greenaway)

1 Welcome, introductions and apologies

1.1 MVM welcomed attendees to the meeting and apologies were noted.

2 Notes of the last meeting and matters arising

2.1 Notes of the last meeting were approved and the following comments were made under matters arising:

2.2 Action points 156 – Information sharing requirements for academies were not in their contracts but in supporting guidance. Additionally, the Education and Skills Act 2008 made clear the requirement for academies to share information with local authorities about pupils who drop out.

- 2.3 MVM confirmed Alan Parnum, London Regional Director for the EFA, had committed to follow up with any academies that were not sharing drop out information with local authorities in accordance with legislation.
- 2.4 Action point 162 – NS informed OSG members the DfE regularly produced a Local Authority Data Matrix that contained a host of performance data. Information was accessible to local authorities through the LGA Knowledge Hub. Information contained within the matrix was likely to inform Ofsted's views on local authority performance. Boroughs were encouraged to check the post-16 performance data which came directly from the Department.
- 2.5 Action point 167 – Ministers were keen for Traineeship opportunities to be expanded to support improved outcomes for young people. Ministers had invited learning providers for roundtable discussions to hear their experiences and identify ways to improve take up.

AP170: RW to provide feedback from recent ministerial roundtable discussions about Traineeships with providers

3 Policy Update

- 3.1 NS provided an overview of the paper outlining key changes affecting 14 to 19 policy since the last OSG meeting. In particular, key elements of the autumn statement that related to young people, a recent report by the New Policy Institute and the government response to the Education Select Committee inquiry report into School Partnerships and Cooperation.
- 3.2 **Autumn statement** – Employer National Insurance contributions are to be scrapped from April 2015 for those under the age of 21 earning below £813 a week. Additionally, as part of the autumn statement, £10million each year for the remainder of parliament will be allocated to support Jobcentre Plus work with local authorities and the National Apprenticeship Service to expand Apprenticeships and Traineeships for 16 and 17 year olds.
- 3.3 However, the DfE is required to save £167million from its budget in 2014 and a further £156million in 2015-16. With school budgets ring-fenced, these savings can only be achieved from non-school budgets.
- 3.4 **Monitoring poverty and social exclusion 2013 report** – A national report that provides a comprehensive picture of poverty in the UK. The chapter on educational attainment of disadvantaged pupils was dominated by the success of London in narrowing attainment gaps. It supported evidence outlined in DfE data and Ofsted reports of London's performance.
- 3.5 **Government response to the Education Select Committee** – Within the government's response to the committee inquiry into School Partnerships and Cooperation, it was announced that a consultation on planned reductions to the Education Services Grant is to be published shortly. The consultation will also clarify the government's expectations of local authorities in relation to school improvement.
- 3.6 London Councils will be submitting a response to the consultation.

AP171: NL to update on the government's £10million a year programme to increase Traineeship and Apprenticeship take up amongst 16 and 17 year olds

4 Workplan Monitoring

- 4.1 **Data Advisory Group (DAG)** – GP informed the group Sheila Weeden from the London Borough of Newham was now Chair of DAG following Rob Atkins' departure. Intelligent London, an interactive tool for analysing data on education and skills of

young Londoners, had gone live. Additionally, the group is working on the development of the *Young People in London: An Evidence Base* document.

- 4.2 OSG members raised concerns that UCAS is no longer selling named data to local authorities and therefore, information about young people going onto Higher Education (HE) was not readily available. This has resulted in a higher than anticipated number of young people recorded as activity 'not known'.
- 4.3 GP indicated that he had been informed that an amendment to the UCAS contract had meant they were unable to disclose details of HE applicants. There was some discussion as to whether this also applied to their other commercial arrangements as some boroughs understood that UCAS was selling information to high street banks.
- 4.4 **Improving Choices for Young People** – The group has highlighted Apprenticeships as an area of poor performance (number of starts) that needs further examination and development work. It was proposed that closer working links will be made with the Apprenticeship sub-group through a joint Task and Finish Group.
- 4.5 Take-up of the Pan-London leavers notification process had continued to increase and progress was being monitored by the group. Further work is needed both pan-London and within boroughs to embed the process and ensure its consistent use.
- 4.6 ICYP has set-up an Employability Task and Finish Group to explore the potential for developing pan-London approaches to supporting the employability of young people such as the development of an employability outcomes framework and/or employability passport. LD noted that the Tri-Borough framework leads to the employability passport.
- 4.7 **External funding group** – The London Enterprise Panel had agreed a revised strategy for the use of European Structural Investment Funds (ESIF) 2014-2020, which took into account the results of its consultation and feedback from central government/ EU. The expectation was for the strategy to be signed off in February.
- 4.8 Prospects and London Councils had written a joint letter to all authorities to remind them of the benefits of the Youth Contract offer.
- 4.9 **LLDD** – The strategy group is being expanded to reflect the SEN reforms and implementation across London.
- 4.10 Significant importance has been attached to the key worker role under the new system. Workforce development of existing staff will be important in the delivery of the reforms and work on this is needed nationally, regionally and locally.
- 4.11 London Councils, working with the Champion Pathfinder, had secured a commitment from the Association of London Directors of Children's Services (ALDCS) to release £2,500 of funding from each local areas SEN implementation fund to support cluster based projects to accelerate learning and provide additional support.
- 4.12 **Apprenticeship sub-group** – Now serviced by YPES, it is chaired by Andy Scott, Tower Hamlet's Service Head for Economic Development. London Councils provided an exhibition stand at Skills London in November for boroughs to promote their apprenticeships (both current vacancies and future career options for young people). Unfortunately, there was limited support from staff and apprentices from boroughs.
- 4.13 Boroughs will be asked to confirm if they are able to support a stand for the next Skills London event in November 2014. NL informed OSG members the NAS stand had been overwhelmed with young people expressing an interest in apprenticeships at the event.

5 Young People in London – An Evidence Base

- 5.1 GP explained the Evidence Base was designed to be a key reference point and statistical foundation for those engaged in 14 to 19 education, training and employment. The evidence base is a prelude to the Annual Statement of Priorities, which sets out the vision for YPES and key objectives for the region.
- 5.2 GP went through the document and highlighted the headline figures.
- 5.3 OSG members discussed the report and raised the following points:
 - 5.3.1 A breakdown of mobility by groups would be helpful to understand who was not travelling to access opportunities and whether this was linked to other factors.
 - 5.3.2 The omission of FE college capacity data meant there was limited understanding of post-16 capacity within the system – an area of increasing pressure on places.
- 5.4 RW explained the EFA collated capacity information through a self assessment form sent to providers. Whether data could be shared more widely would need to be investigated.

AP172: RW to confirm if YPES can have access to London FE place capacity information from eMandate

AP173: YPES to circulate a draft of the Annual Statement of Priorities for feedback in advance of the Board meeting

6 Raising the Participation Age

- 6.1 GP talked to the paper that highlighted the latest participation, NEET and ‘not known’ statistics. There was some discussion about the results and whilst NEET levels remained below the national level, further work was needed to bring down activity ‘not known’ numbers. There was a view that the activity ‘not known’ figures were being exacerbated by the ‘year 14’ challenge of not being able to access UCAS data.

Funding Arrangements 2014/15

- 6.2 The EFA recently wrote to post-16 funded providers to outline the funding arrangements for the academic year 2014/15. The announcement included that the funding rate for full-time 18 year old students was to be 17.5 per cent below the rate for full-time 16 and 17 year olds.
- 6.3 There had been strong representation from the sector to Ministers about the decision. Michael Gove informed the Education Select Committee this funding option was considered to be the least detrimental of all those available. However, mitigation/ protection options would be considered.
- 6.4 RW explained that whilst the Minister confirmed mitigation would be considered it should not be inferred there was likely to be a change of decision. Additionally, the existing funding formula for post-16 had a number of protections already in place. With the level of savings needed by the Department, it was likely in future years these would need to be reviewed.
- 6.5 There were some changes announced in the way work experience was to be recorded which had prompted debate at a national level about the types of work experience available to young people and the value of simulated models. Where particularly good work experience was available within the FE sector, there was a responsibility on the sector to highlight these to ensure they were not inadvertently stopped due to the reforms.
- 6.6 TC thanked RW for the ongoing support EFA colleagues were offering locally, providing clarification on funding arrangements going forward. RW informed the group a briefing session was being held on Monday 3 February for providers.

Pan London Learner Notification Process

- 6.7 Borough officers reported the system was progressing and beginning to be embedded. However, its take up remained an issue among stakeholders.
- 6.8 VF agreed to include a question on the pan-London leaver notification process in the London Work-Based Learning Alliance (LWBLA) survey to providers.

AP174: Delegate list for EFA funding briefing events to be circulated

AP175: VF to share survey findings with OSG

7 GCSE Results

- 7.1 GP talked through the paper that provided an overview of GCSE, GCE, Applied GCE A/AS level performance. London remained the best performing region for performance at GCSE level; 65.1 per cent of young people achieved five or more GCSEs at grade A* to C or equivalent including English and mathematics compared to a national average of 60.8 per cent.
- 7.2 At level 3, London's average points score (682.7) per student was lower than the national score (695.1).
- 7.3 Intelligent London would be updated with the latest GCSE and AS/A level performance data from Monday 3 February.

8 Ofsted Annual Report 2012/13

- 8.1 VF talked through Ofsted's London report and highlighted the key findings, with some additional analysis. Closer analysis of inspections completed in 2012/13 that underpinned the Ofsted report demonstrated London's apprenticeship performance was the same as the national average.
- 8.2 Levels of performance differed between independent providers and General Further Education (GFE) colleges in relation to apprenticeships. GFE colleges were the biggest users of apprenticeship sub-contractors.
- 8.3 Ofqual were not formally engaged with the apprenticeship trailblazers programme, which raised legitimate questions around the independent monitoring of new qualifications being developed through this route.
- 8.4 National Apprenticeship Week was to take place week commencing 3 March 2014. Boroughs interested in taking part were encouraged to contact Victor Farlie.

9 YPES Board – draft agenda

- 8.1 OSG approved the draft agenda and suggested re-ordering of topics.

AP176: Re-order YPES Board agenda items to encourage flow of conversation

10 AOB

- 10.1 NL raised awareness of the National Apprenticeship Awards and National Apprenticeship Week 2014

AP177: NAS to circulate details of the National Apprenticeship Awards and National Apprenticeship Week 2014

Next meeting: 4 April, 10-12, London Councils, meeting room 1.

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Action Points from Operational Sub-group 2014-15

Action Point No.	Meeting Date	Action Point Description	Owner(s) - lead in bold	Review Date	Actions Taken	Open / Closed
155	20.9.13	LA representatives to discuss in their cluster the implementation of the Pan-London Leaver Notification Process and report back at next meeting	All	31.1.14	<i>To be taken at each meeting under RPA agenda item</i>	
170	31.1.14	Provide feedback from recent ministerial roundtable discussions about Traineeships with providers	RW	4.4.14	RW to feedback at meeting 4.4.14	
171	31.1.14	Update members on the government's £10 million a year programme to increase Traineeship and Apprenticeship take up amongst 16 & 17 year olds	NL	4.4.14	NL to feedback at meeting 4.4.14	
172	31.1.14	To confirm YPES can have access to London FE place capacity information from eMandate	RW	4.4.14	YB ascertained this would not meet Evidence Base need	Closed
173	31.1.14	Circulate annual statement of priorities for feedback in advance of YPES Board meeting of 27.2.14	YPES	4.4.14	Email @ 13.2.14	Closed
174	31.1.14	Delegate list for EFA funding briefing events to be circulated	RW	4.4.14	Included as attachment to circulation of papers email 28.3.14	Closed
175	31.1.14	LWBLA to include a question on the pan-London leaver notification process in their survey to providers and feedback to members at future meeting	VF	4.4.14	VF to feedback at meeting 4.4.14	
176	31.1.14	YPES Board agenda to be re-ordered to encourage flow of conversation	YPES	4.4.14	Revised agenda attached in post meeting note @ 11.2.14	Closed
177	31.1.14	Circulate to members details of the National Apprenticeship Awards and National Apprenticeship Week 2014	NL	4.4.14	Links attached to post meeting note @ 11.2.14	Closed

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Young People's Education and Skills Operational Sub-Group

Policy Update

Item No: 3

Date: 4 April 2014

Contact: Neeraj Sharma

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Summary This paper outlines the key changes affecting 14-19 policy since the last OSG meeting.

Recommendation OSG 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 OSG meeting.

2 Funding for academic year 2014 to 2015 for students aged 16 to 19 and high needs students aged 16 to 25¹

2.1 On 18 March, Peter Mucklow, National Director for Young People at the Education Funding Agency (EFA), wrote to all EFA post-16 funded providers updating them on a number of issues.

2.2 The national funding rate for full-time 16 and 17 year-olds will be maintained in 2014/15 at £4,000. In line with the approach set out in December, the national funding rate for full-time 18 year-olds will be reduced to £3,300. There will be no change to the funding rate of £480 for students qualifying for funding with lower prior attainment not achieving English and/or maths GCSEs at grade C.

2.3 To cushion the impact on the institutions most affected by the reduction in funding rates for full-time 18 year-olds, Ministers agreed to apply a one-year cap to the losses for institutions who would have lost more than 2 per cent of their EFA programme funding as a result of this change. In 2014/15 no institution will lose more from the rate reduction for 18 year-olds than 2 per cent of its EFA programme funding.

3 Apprenticeship funding reform in England: payment mechanisms and funding principles²

3.1 The government has launched its apprenticeship Funding Reform Technical Consultation, which expands further on proposed models to route apprenticeship funding to employers. Building on the results of the funding consultation last summer

and the funding principles announced in the Autumn Statement, the consultation sets out models that could be implemented.

- 3.2 The direct payment option has been excluded from the consultation because, on further consideration, the government judged it to carry an unacceptable risk of fraud. A pure provider payment model has also been ruled out as it does not go far enough to deliver the Richard principle of giving employers the purchasing power. Instead, the government has developed a new model that seeks to incorporate some of the features of the provider payment option presented in the 2013 consultation but seeks to go further towards giving employers purchasing power over apprenticeship training.
- 3.3 The consultation seeks views on two possible payment mechanisms, either:
- 3.4 **PAYE** – this model uses existing systems with which employers are already familiar, with a separate, alternative system for small employers which do not make sufficient PAYE payments.
- 3.5 Once an employer has paid the training provider, assuming they make sufficient PAYE payments, they would be able to deduct the government's contribution from their next PAYE payment to HMRC. Employers who do not make sufficient PAYE payments would have to apply for a reimbursement once they had made a payment to the training or assessment provider. This is similar to the system that already exists for statutory payments such as statutory maternity and paternity pay.
- 3.6 **Apprenticeship Credit** – informed by the responses to the previous consultation, the government has developed a new model designed to be suitable for both small and larger employers, addressing the potential issues of cash flow.
- 3.7 It would be an online account for employers which they would use to buy the training and assessment they choose from registered providers. The employer and the government pay their contributions into the apprenticeship Credit account. Employers control all of the money for training and assessment, but only have to pay in their contribution. As with an online bank account, employers can log in, check their balance, make payments into the apprenticeship Credit account and make payments out to training and assessment providers.
- 3.8 London Councils welcomes the government's move to further consult with stakeholders about an employer routed funding model. Reforms to improve both the quantity and quality of apprenticeships are a positive ambition. However, there are significant concerns about whether the proposed, untested, co-investment funding model will introduce additional barriers and deter more employers from offering apprenticeships, particularly in London where 70 per cent of apprentices are employed by small and medium enterprises (SMEs).
- 3.9 The consultation closes on 1 May 2014.

4 Inspection of maintained schools and academies: consultation on the introduction of separate graded judgements on early school years and sixth form from September 2014³

- 4.1 In order to help parents and students make informed decisions about their choice of post-16 provision, Ofsted is keen to reform the existing inspection framework. It has published a consultation document that sets out proposals to introduce separate graded judgements for the sixth form, in inspections of maintained schools and academies from September 2014, and for the Nursery (where applicable) and Reception Years.
- 4.2 Currently, the effectiveness of a school's sixth form is evaluated and reported on in the current school inspection framework, with lead inspectors required to state, in writing,

whether a school's sixth form is outstanding, good, requires improvement or inadequate. However, there is no numerical grade.

- 4.3 Ofsted propose that the inspection framework for maintained schools and academies inspection framework includes a separate, numerical judgement on a school's sixth form. This would be accompanied by a discrete paragraph in the school inspection report that summarises the effectiveness of the sixth form.
- 4.4 A separate set of brief evaluation criteria will be published in the school inspection handbook, to support inspectors reaching a judgement on the sixth form and to help school self-evaluation. These criteria would encompass:
 - achievement;
 - the quality of the teaching;
 - behaviour and safety;
 - leadership and management.
- 4.5 Inspectors would take account of the judgement on the sixth form when making their judgement on the overall effectiveness of the school.
- 4.6 The move towards inspecting and judging sixth forms in a similar fashion to colleges may help students and young people to make informed choices post -16. However, without details of further changes to school inspections that Ofsted is considering, it is unclear how separate judgements may impact a school's overall inspection judgement or whether a weakness in one area could trigger a full inspection.
- 4.7 The consultation closes on 13 May 2014.

5 Totalling the hidden talent: Youth unemployment and underemployment in England and Wales⁴

- 5.1 The Local Government Association (LGA) recently published a report that looks at out-of-work young people who want a job in combination with young people who are 'underemployed' in various ways, in order to quantify the 'total hidden talent' i.e. all those young people in England and Wales who are not currently working to their potential.
- 5.2 In total, 2.46 million young people in England and Wales are part of the total hidden talent, or two in every five young people. The number of young people in this group has grown by nearly three-quarters of a million since 2005. Unemployed and underemployed young people want over two billion more hours of work annually than they are currently working. Despite small falls in line with growth forecasts, the paper estimates that a third of all young people will be in this situation in 2018.
- 5.3 There are significant geographical variations. For instance urban areas outside of London – including Sheffield, Leeds, Newcastle and Manchester city regions – face the highest total youth hidden talent levels. These areas have also seen the greatest increases, suggesting that the total youth hidden talent has become more deeply entrenched within these areas during the recession and the period since.
- 5.4 The picture is somewhat different for adults, for whom the highest total hidden talent levels are found in inner and outer London as well as in South Yorkshire. This is because the adult total hidden talent is more heavily composed of graduates working in non-graduate roles, who are particularly prevalent in London given high educational participation and the polarisation of skills in the labour market.

6 Getting the job done: the government's reform plan for vocational qualifications⁵

- 6.1 The Department for Business, Innovation and Skills (BIS) has published its vocational qualification reform plan, which builds on Alison Wolf's review of vocational education and the recent apprenticeships reforms.
- 6.2 The government expects to reduce the number of available qualifications by more than 5,000 to make the system respond more closely to employers' needs and give learners a clear route to either employment or further training. The changes mean that nearly £200million of the adult skills budget will be re-directed towards the highest quality and most relevant qualifications.
- 6.3 As well as removing funding for a raft of qualifications the reform programme seeks to make sure that qualifications:
- give employers greater ownership of occupational standards and qualifications;
 - are designed and assessed in light of the best research and international practice;
 - attract funding only if they are valued by employers and offer learners an opportunity to meaningfully progress in employment or further learning;
 - are open and accessible, and are available on databases that are easy for learners and employers to use.
- 6.4 At the same time, Ofqual will be reviewing the way qualifications are regulated, to make sure that the system consistently produces high quality qualifications, rather than ones which need to be removed from funding because they do not meet real needs.

7 Labour's Policy Review: Skills Taskforce

- 7.1 The Skills Taskforce is an independent group providing policy advice and recommendations on Labour's plans to raise the status of vocational education in schools, colleges and workplaces and in families and communities. The Taskforce is also looking into how to drive up the number of apprenticeships for young people and put businesses at the heart of providing more high quality training and skills.
- 7.2 The work of the Taskforce informs Labour's Shadow Business and Education teams, and will ultimately feed into work of their Work and Business and Education and Children Policy Commissions.
- 7.3 The taskforce has recently published a number of documents in relation to post-16 education, most notably:
- 7.4 **Qualifications matter: improving the curriculum and assessment for all⁶** - the report suggests funding should be withheld from schools where students do not progress into further education, employment or training, and these funds should be used to support the delivery of better careers advice services which would be delivered in partnership with employers and brokered by local enterprise partnerships. Young people should also continue to study maths and English until 18 according to the report.
- 7.5 **A revolution in apprenticeships: a something-for-something deal with employers⁷** - the paper sets out how Labour could drive a revolution in apprenticeships through a 'something-for-something' deal with employers - giving them more control over skills funding and standards, and in return asking that they create more high quality apprenticeships in their sectors and supply chains. The authors also set out reforms to ensure that apprenticeships are gold standard qualifications that employers and young people can trust.

8 Government response to the consultation on 16-19 accountability⁸

- 8.1 The government has now published its response to the 16 to 19 accountability consultation, which was launched in September 2013. It confirms the reforms that will come into force from 2016 to support greater accountability of 16 to 19 education to drive up standards. Changes include:
- 8.1.1 Introducing more rigorous minimum standards to recognise the efforts schools and colleges make in helping their students' to progress and to identify when a provider is underperforming, so that action can be taken.
 - 8.1.2 Publishing clearer and more comprehensive performance information about schools and colleges to increase transparency and show how they are performing against expectations. Headline measures are progress, attainment, retention, destinations and progress in English and maths (for students without a GCSE pass at A*-C in these subjects).
 - 8.1.3 Schools and colleges will be required to publish headline indicators in a standard format so that they are easy to interpret, to enable young people and parents to make comparisons between schools and colleges. Additionally, government would like young people and parents to view performance of schools and colleges nationally based on headline measures. Information will be published in a manner that is easy for all audiences to understand. A discussion with stakeholders over how the data can be published in a clear, fair and statistically robust manner will take place in due course.

¹https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/293516/140318_March_letter_to_sector_FINAL_3_.pdf

²https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/287260/bis-14-587-future-of-apprenticeships-in-england-funding-reform-technical-consultation.pdf

³<http://www.ofsted.gov.uk/sites/default/files/documents/consultations/c/Consultation%20on%20the%20introduction%20of%20separate%20graded%20judgements%20on%20early%20school%20years%20and%20the%20sixth%20form%20from%20September%202014.pdf>

⁴<http://www.local.gov.uk/documents/10180/49928/LGA+and+Inclusion+--+Totalling+the+hidden+talent.pdf/8f8f9ca7-7bbf-4773-8565-5c475da2d28e>

⁵https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/286749/bis-14-577-vocational-qualification-reform-plan.pdf

⁶http://www.yourbritain.org.uk/uploads/editor/files/Skills_Taskforce_3rd_report.pdf

⁷http://www.yourbritain.org.uk/uploads/editor/files/Skills_taskforce_-_apprenticeships.pdf

⁸https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/296186/DfE_consultation_response_16-19_Accountability_final_for_publication.pdf

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Young People's Education and Skills Operational Sub-Group

Workplan Monitoring – update April 2014

Item No: 5

Date: 4 April 2014

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Summary This paper provides a summary update of the major Young People's Education and Skills (YPES) work strands.

Recommendations OSG members are asked to note and comment on progress.

1 Data

- 1.1 The Data Advisory Group (DAG) met on 18 March.
- 1.2 The main item of business was to update the group on the successful bid to the Open Data Breakthrough Fund (in partnership with MI ME Consulting) to develop *Skills Match*, the next phase of Intelligent London.
- 1.3 *Skills Match* will bring skills data and labour market data together to enable policy-makers, practitioners and employers to take an intelligence-led, geographically specific approach to addressing youth unemployment in London.
- 1.4 *Skills Match* will link and standardise data on:
 - skills supply including educational institution data covering volume and quality of post-16 education by subject and catchment areas; and
 - employer demand including UK Commission for Employment and Skills data, vacancies by Standard Industrial Classification (SIC) and Standard Occupational Classification (SOC) and Apprenticeship vacancies (vacancy information will be used to gauge the volume, nature and types of jobs that are available; *Skills Match* will not be a tool for advertising vacancies).
- 1.5 Data will be presented in a searchable dashboard format providing local information on skills availability and employer requirements. The tool will allow layering of contextual datasets (transport, population, deprivation) to further explain barriers to employment. Forecasting will be built in where possible to explore labour market changes over time.
- 1.6 A steering group is currently being formed and local authorities and strategic partners are engaged in an initial consultation to scope the detail of the project

2 Improving Choices for Young People

- 2.1 The Improving Choices for Young People (ICYP) Employability Task and Finish group met on 24 February. The group has been set up to explore the potential for developing pan-London approaches to supporting the employability of young people such as the development of an employability outcomes framework and employability passport.
- 2.2 The group's work is significantly supported by early adopters of a framework and passport - Westminster and Lewisham.
- 2.3 The group agreed to survey local authorities and, through local authority youth engagement initiatives, young people on the introduction of the pan-London employability framework to gauge both the appetite for a pan-London framework, but also to identify other employability support already deployed across boroughs.
- 2.4 The survey is currently being drafted and should be out to boroughs in April.
- 2.5 The next ICYP group meeting will take place 8 April. The main agenda items will be the report-back from the Task and Finish group and an update on the pan-London leavers process.

3 External Funding

- 3.1 The last meeting of the External Funding Group (EFG) took place on 4 March 2014. The next meeting is scheduled for 23 June 2014. Patrick O'Dwyer (LB Harrow) replaces Bobby Chauhan (LB Hillingdon) as representative of the West Cluster, while in Central London Farquhar McKay (LB Lambeth) has left.

Programmes

- 3.2 *ESF 2007-2013 Programmes:* The Skills Funding Agency has been unable to produce a full performance report since July 2013. However, there is strong anecdotal evidence to confirm the pattern of performance previously reported to the OSG: the 'At Risk of NEET' (Preventative NEET) programme has performed well (although it is too early to determine if this has continued into the extension programme commissioned in 2013); the 'NEET-to-EET' (Re-engagement) programme continues to improve, the 'Vulnerable Young People' and 'Volunteering into EET' programmes are now improving, but have considerable ground to make up; and the Apprenticeships Programmes are underperforming significantly. Under-delivery is also anticipated in all of the GLA's programmes.
- 3.3 *European Structural Investment Funds (ESIF) 2014-2020 round:* The Local Enterprise Panel (LEP) is still waiting for feedback on its revised strategy. Meanwhile, negotiations with 'Opt-In' organisations (DWP and Skills Funding Agency) continue and the development of programmes continues. The OSG is discussing the Youth Employment Initiative as a substantive agenda item.
- 3.4 *Youth Contract:* Up to January 2014, there were 699 starts in north London and 334 starts in south London – approximately 40 per cent of these starts have been reengaged in education or training – and this is around 70 per cent of the profile. Prospects have reported that only one borough has exceeded its target, with most other boroughs at 50 per cent or less of their profile.
- 3.5 The funding bodies for *Talent Match (BIG – The Lottery Fund)* and *Get Young People Working - The Youth Offer (City Bridges Trust)* are now project managing delivery and YPES will next be involved at the programme evaluation phase.
- 3.6 Other funding initiatives, including the DWP's Innovation Fund, come to the EFG's attention and every effort is made to ensure their alignment with existing programmes.

4 Special Educational Needs and Disability

- 4.1 The Children and Families Bill received Royal Assent on 14 March and is now The Children and Families Act 2014.
- 4.2 A late amendment to the Bill, which is now enshrined in legislation, is a change to the definition of special educational needs. Clause 21 changes the definition of special educational needs from:
- any provision that is wholly or mainly for the purposes of the education or training is defined as educational provision; to
 - health care provision or social care provision which educates or trains a child or young person is to be treated as special educational provision.
- 4.3 The team supported a Special Educational Needs and Disability (SEND) Champion Pathfinder conference on 19 March. The event was well attended (120 delegates).
- 4.4 Following endorsement from the Association of Directors of Children's Services, the team is setting up four sub-regional projects to support the implementation of the SEND reforms.
- 4.5 The themed strategic projects, running to March 2015, will provide additional support for areas highlighted as needing additional support in recent Department for Education (DfE) readiness surveys:
- joint commissioning;
 - commissioning for outcomes;
 - curriculum development 14 to 25; and
 - cross-organisational workforce development.
- 4.6 Each project will be led and supported by a project leader from a DfE commissioned support organisation to remove the project management burden from local authorities and ensure that there is no duplication of activity with Pathfinder and national support work.

5 Apprenticeships

- 5.1 The last meeting of the Apprenticeship Sub-Group took place on 11 March 2014 and the next meeting is scheduled for 17 June. The meeting received a report about the London Professional Apprenticeship (details available [here](#)) and sought to identify and share promising practice of local authorities working effectively with training providers.
- 5.2 Following an initial discussion at the Sub-Group, a special meeting was held on 20 March to formulate London Councils' response to the Technical consultation on Future Apprenticeship Funding – this is a separate item on the OSG agenda.

6 Academic Partner

- 6.1 The IoE's report on 17+ drop-out will be circulated at the next OSG meeting.

7 YPES Achievements

- 7.1 In place of a printed Annual Review, a [presentation of the key achievements](#) and impact of YPES' work in 2012/13 is available on our webpage.

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Young People's Education and Skills Operational Sub-group

Youth Employment Initiative (YEI)

Item no: 6

Report by: Peter O'Brien **Job title:** Regional Commissioning Manager (YPES)
Date: 28th March 2014
Contact: Peter O'Brien
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Summary This paper provides the OSG with an update on European Structural Investment Funds (ESIF) and Youth Employment Initiative (YEI) and explains how programmes will be further developed.

Recommendations Local Authority members of OSG are asked to disseminate the information contained in this paper to their clusters and to liaise with colleagues in Planning / Regeneration / Employment Departments to ensure that London's councils provide a strong input into the Task and Finish groups that will develop YEI programme templates during spring / summer 2014.

1. Background

- 1.1 The OSG has previously been informed of the arrangements for European Structural Investment Funds (ESIF) for 2014-2020. This includes:
- The London Enterprise Panel (LEP) has lead responsibility for agreeing the [strategy for the use of ESIF](#) – the strategy has been revised following consultation / negotiation with central government / EU and is awaiting final approval.
 - The main strategic priority for young people is "Skills and Employment" and successive meetings of the LA Forum and Leads conferences have help fully contributed to the development of 'emerging programmes' (special meetings with other partners have also been sponsored by, among others, GLE).
 - London's allocation includes an additional element for the Youth Employment Initiative (YEI) to address high youth unemployment in Inner London¹.
 - The LEP has decided to match YEI with ESIF to achieve programme coverage across all of London.
 - The indicative investment for youth programmes is £129m (comprising £73m YEI and £56m ESIF)

¹ "Inner London" in this context is defined for EU statistical purposes and includes: City of London, Camden, Hackney, Hammersmith & Fulham, Haringey, Islington, Kensington & Chelsea, Lambeth, Lewisham, Newham, Southwark, Tower Hamlet, Wandsworth and Westminster

- The External Funding Group has been reviewing progress on ESIF / YEI since summer 2013 and YPES has been working with other strategic partners to further refine the programmes. There is now a firm consensus among partners of the programmes that should be taken forward for young people and the arrangements for developing specifications.

1.2 Subject to final approval, it is intended to start procurement in late 2014 for programmes to start in January 2015. The initial YEI contract period requires spend to be completed by the end of 2017, suggesting a compacted timeline.

2. Youth Programmes

2.1 The YPES Board and the LEP's Skills and Employment Working Group (SEWG) have [agreed the Programme areas and the approach for the development of activities](#).

2.2 A YEI Working Group has been established, led by the GLA's European Programme Management Unit (EPMU) and including key partners; GLA, Big Lottery, London Councils, DWP and Skills Funding Agency.

2.3 For each strand of activity, the group has agreed the lead partner that will be responsible for producing a programme template to inform the specifications to be used in procurement. Procurement will be conducted by an 'Op t-In' organisation (previously known as co-financing organisation). For YEI, this will be the Skills Funding Agency. Lead partners will be convening 'Task and Finish Groups' comprising a range of organisations in London, including Local Authorities. The Task and Finish groups will need to have completed the programme templates to enable procurement to commence in late 2014. The lead organisations are shown in Appendix 1.

2.4 In order to avoid conflict of interest, the concluding stages of the development of specifications will be undertaken by the YEI Working Group and with final approval by SEWG.

2.5 Note: The outputs / outcomes measured in the 2014-2020 round match its emphasis on growth and employment. Although activities supporting young people who are not NEET / unemployed can be funded, their achievements will not count towards the targets agreed with the European Commission and this will affect the level of funding such programmes can attract.

3. Recommendation

3.1 Local Authority members of OSG are asked to disseminate the information contained in this paper to their clusters and to liaise with colleagues in Planning / Regeneration / Employment Departments to ensure that London's councils provide a strong input into the Task and Finish Groups that will develop YEI programme templates during spring / summer 2014.

Item 6. Appendix - 2014-2020 Greater London Youth Employment Initiative: Framework for Task and Finish Groups

Programme	Strand	Lead
Preventative NEET		LC: YPES
NEET Re-engagement		LC: YPES

Item 6. Appendix - 2014-2020 Greater London Youth Employment Initiative: Framework for Task and Finish Groups

		<p>Approach: Although there will be a single programme for the whole of London, delivery will be through a single Prime Contractor in each sub-regional cluster.</p> <p>The delivery model should consist of:</p> <ul style="list-style-type: none"> • Outreach recruitment, with the delivery partners working in conjunction with each other and with local authorities • Providing impartial and independent personalised support – a combination of advice and guidance, personal planning, mentoring and on-going 1:1 support – to young people that encourages either their return to existing learning opportunities; participation in Traineeships or Apprenticeships; or entry into jobs, as appropriate for the young person • On-going ‘wrap around support’ - mentoring and 1:1 support - to enable young people to secure sustained outcomes and to overcome risk of early drop-out • Non-accredited provision, including personal tuition – especially in English and maths – that supports mainstream delivery • An ‘elastic’ programme that provides for longer-term support, both pre- and post-progression, where necessary • A ‘structured ending’ where support is gradually tapered off • Where the young person is 18+ and is claiming benefit, the provider will engage with the relevant organisation or if it is JSA, with the relevant JCP adviser. <p>The payment system should:</p> <ul style="list-style-type: none"> • Take account of the average length of stay on the current Youth Contract • Provide an enhancement based on the length of time entrants have been NEET and an appropriate weighting for progression and retention into an EET outcome. • Enable providers to make payments to participants in the form of an allowance in a similar way that mainstream schools and colleges use their bursary funds. <p>Although most young people are likely to re-enter learning, those who move into employment should be RPA compliant.</p>	
Targeted provision: NEET interventions		<p>Eligibility: Young people aged 15-24 who are NEET and whose background or characteristics suggests they require additional support into employment and training. These include:</p> <ul style="list-style-type: none"> • Refugee / migrant children 	GLA: Delivery Unit

Item 6. Appendix - 2014-2020 Greater London Youth Employment Initiative: Framework for Task and Finish Groups

		<ul style="list-style-type: none"> • Children in care / care leavers • Homeless young people • Travellers • Those who have been excluded from school, with special emphasis on those who are members of gangs or are prone to gang membership • Those with mental health difficulties • Those with drug/ alcohol abuse issues • LLDD • Teenage parents and parents-to-be • Young carers • Those in need of literacy, numeracy and ESOL training <p>The characteristics of these young people suggest that they are furthest from the labour market and often experience multiple barriers to their entry to and retention in formal study and employment.</p> <p>Approach: Each local authority should provide a short statement on the characteristics or localities they wish to prioritise. The statement should be refreshed at the end of the funding cycle.</p> <p>There should be a single Prime Contractor for each cluster that will be required to source appropriate delivery partners to deliver the requirements for each borough. This should result in better resourced niche provision (either from specialist organisations or local Third Sector Organisations). Local authorities will then be expected to work closely with delivery partners to engage with young people and provide more co-ordinated access to services and multi-agency support. Where the young person is 18+ and is claiming benefit, the provider will engage with the relevant organisation or if it is JSA, with the relevant JCP adviser.</p> <p>Participants will be offered a programme that is carefully tailored to meet their needs and based on the achievement of a personal goal, which may mean</p> <ul style="list-style-type: none"> • entry into an education or training course that provides the participant with the qualifications and credentials that enables subsequent progression • entry into a Traineeship, Apprenticeship or a job without training <p>Cluster-based networking between local authorities, Prime Contractors and delivery partners will be essential</p>	
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Item 6. Appendix - 2014-2020 Greater London Youth Employment Initiative: Framework for Task and Finish Groups

Enhancing the London Careers Offer	Building the capacity of organisations to offer guidance ¹	<p>Approach:</p> <ul style="list-style-type: none"> • Establish cluster-based networks who will identify and disseminate effective and innovative practice in schools and colleges that adds value to young people; supports them particularly at key transition points; and secures retention and progression. • Identify and disseminate effective practice in engaging businesses and parents in helping young people plan their future. • Provide school / college staff in each cluster area with information and professional support and facilitate collaborative working, employer engagement and links to Further and Higher Education. 	GLA: Education and Youth
	<i>Likely to be a separate strand</i>	<ul style="list-style-type: none"> • Develop mechanisms for ensuring the timeliness and accessibility of labour market information and skill forecasting so that there is a more visible resource for London based on jobs now and in the future 	LC: YPES
	Recognition of employability skills and potential ¹	<p>Approach: There are several borough-based employability initiatives being trialled and the common elements of their design could be better incorporated into a Pan-London Employability Framework (delivered by local, cross-borough or cluster-based initiatives)</p>	LC: YPES
	Face-to-face guidance	<p>Eligibility / Target Group: all young people in London aged 15-24.</p> <p>Approach:</p> <ul style="list-style-type: none"> • Address the lack of access to face-to-face guidance for young people who are NEET through an extension of guidance services offered by the National Careers Service to all young people, targeting those who are not currently engaged in learning • Provide locally based brokerage services to ensure young people are supported through critical points and sign-posted to the most effective provider to meet their needs. 	LC: YPES

¹ It is anticipated that due to interdependencies this initial task and finish group will include the following three areas: Building the capacity of organisations to offer guidance, recognition of employability skills and potential, and education business links. Relevant sub working groups will be agreed as required.

Item 6. Appendix - 2014-2020 Greater London Youth Employment Initiative: Framework for Task and Finish Groups

Employability Support	Education business links ²	<p>Approach:</p> <p>(a) <u>Building Capacity</u></p> <ul style="list-style-type: none"> • Co-ordinate the engagement of businesses of all sizes and types in education, skills and employment offer in London • Develop the capacity of London’s businesses to provide young people with opportunities for work experience, employment and skills progression <p>(b) <u>Education-Business Links</u></p> <ul style="list-style-type: none"> • Campaign and sales work to support an increase employer involvement in schools – including, governance, supporting the provision of employability skills, shaping the curriculum, helping assess vocational qualifications and participating in careers work • Coordinate engagement with large employers • Provide local support to develop links between education and small / medium-sized and micro businesses • Support employers to identify and design work experience placements that deliver practical business benefits as well as opportunities for young people. • Provide mentoring support to employers to increase the success and sustainability of opportunities. • Linking companies and universities with schools to help mentor students to encourage entrepreneurship and understand related business concepts and processes <p>(c) <u>Encouraging businesses to employ young people.</u> Campaign and sales work to support employers to provide a more comprehensive offer of work opportunities, including work experience and Apprenticeships. This extends to considering a possible range of incentives that could be offered to both participants and employers, especially SMEs.</p>	GLA: Education and Youth
	Promoting Apprenticeships and encouraging businesses to	<p>Approach: Conduct activities that boost the credibility of Apprenticeships and Traineeships and address the low uptake in London, for example:</p> <ul style="list-style-type: none"> • Improve teachers’ and parents’ awareness of the benefits of Apprenticeships to young people [via the cluster based networks] 	GLA: EBP

² It is anticipated that due to interdependencies this initial task and finish group will include the following three areas: Building the capacity of organisations to offer guidance, recognition of employability skills and potential, and education business links. Relevant sub working groups will be agreed as required.

Item 6. Appendix - 2014-2020 Greater London Youth Employment Initiative: Framework for Task and Finish Groups

	employ young people	<ul style="list-style-type: none"> • Provide opportunities for advocates (both young people and businesses) of Apprenticeships and Traineeships to promote the benefits of the programmes to their peers • Align the promotion of Apprenticeships and Traineeships to locally-targeted recruitment and training initiatives • Increase access to higher level skills provision, especially Apprenticeships, in sectors and opportunity areas most closely associated with London's economy. <p>Campaign and sales work to support employers to provide a more comprehensive offer of work opportunities, including work experience and Apprenticeships (including 16-18 apprenticeships). This extends to considering a possible range of incentives that could be offered to both participants and employers, especially SMEs.</p>	
	Encouraging entrepreneurship	<p>Approach: Develop innovative approaches to promote entrepreneurship opportunities to unemployed young people. This could include:</p> <ul style="list-style-type: none"> • Creating opportunities with large companies to develop talent, raise aspirations and enable unemployed young people to demonstrate entrepreneurial and employability skills 	GLA: EBP
	Employment support	<p>Approach:</p> <ul style="list-style-type: none"> • Provide targeted assistance to young unemployed people, especially those at some distance from entering the labour market • There should be an emphasis on building: independent learning skills, employability skills and potential, and resilience. Work experience, internships and voluntary work in both Public and Private Sectors or in The Third Sector and / or part-time, evening or week-end work may also be incorporated into individual programmes to develop and demonstrate the employability skills of participants. • Programmes will need to be personalised where young people are in receipt of JSA. • All individual programmes will need to incorporate on-going support to participants as they access, enter and remain in learning or employment destinations. The programme may need to use a broad range of outcomes appropriate to differing circumstances of young people. 	

Young People's Education and Skills Operational Sub-Group

Latest participation, NEET and 'not known' statistics

Item no: 7

Date: 4 April 2014

Contact: Yolande Burgess

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1 16 to 18 Academic Age Summary (February 2014 – latest available from [NCCIS](#)¹)

The latest not in education, employment or training (NEET) percentage for London is 4 per cent (a 0.1 percentage point increase on the previous month), which is below the national average of 5.3 per cent. The current percentage of young people whose participation status is 'not known' is 8.3 per cent, which is higher than the national average of 7.1 per cent (see 1.1), but an improvement on the previous month (9.4 per cent). The higher than national average participation status 'not known' may partially explain London's lower than national average NEET figure.

The percentage of 16 to 18 year olds who are NEET and participation 'not known' varies significantly by borough ranging from under 2 per cent to close to 7 per cent for NEET and 1 per cent to just under 23 per cent for participation status 'not known' (excluding the City of London) (see 1.4 and 1.6).

The three month average comparison between 2013/14 and 2012/13 shows a lower NEET percentage than last year and a negligibly lower participation status 'not known' percentage (see 1.2 and 1.3).

1.1 Volume and percentage of 16-18 year olds who are participating in education, employment or training (EET), not in education, employment or training (NEET) and 'not known'

Region	Adjusted EET	Adjusted NEET	% NEET	16-18s not known	% 16-18s not known
England	1,546,239	87,007	5.3%	121,997	7.1%
London	224,727	9,397	4.0%	20,960	8.3%

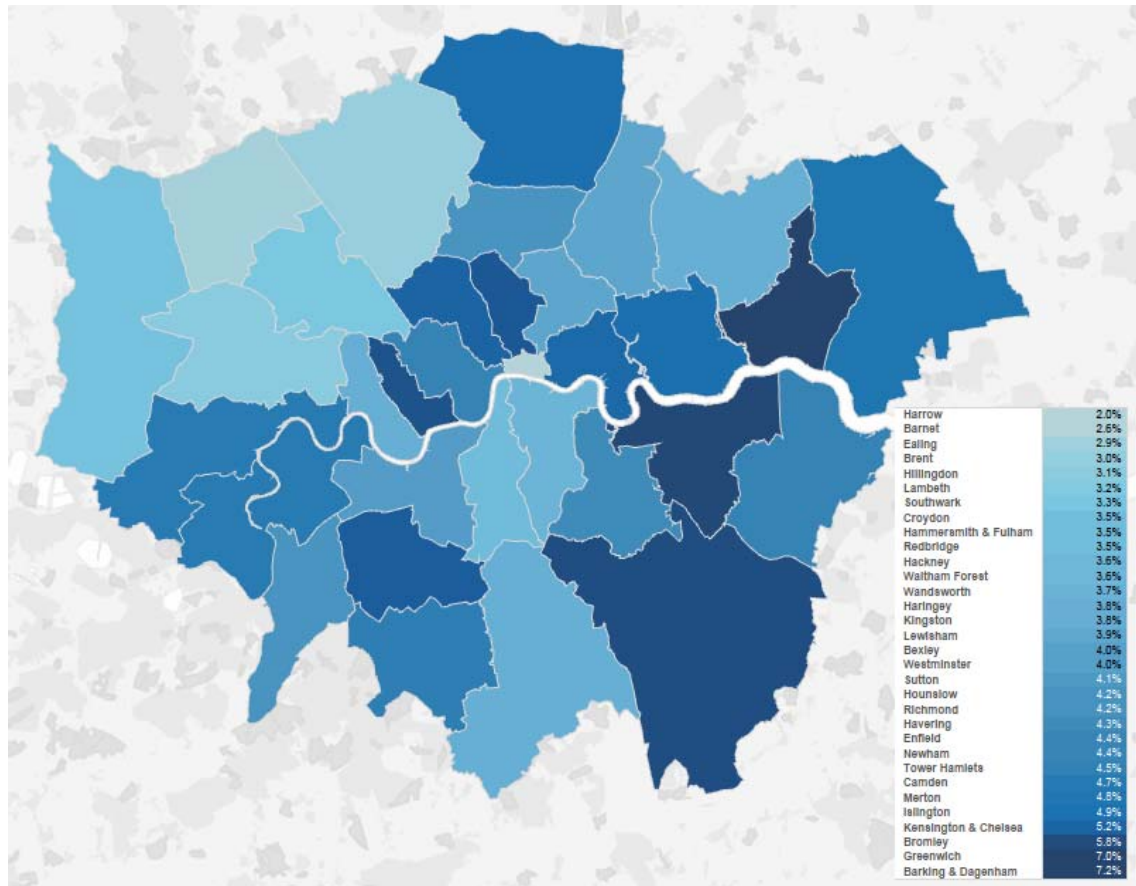
1.2 Percentage of 16-18 year olds who are NEET for the past three months for 2012/13 and 2011/12

Region	2013-14				2012-13			
	Dec-13	Jan-14	Feb-14	Ave	Dec-12	Jan-13	Feb-13	Ave
England	5.3%	5.3%	5.3%	5.3%	5.8%	5.7%	5.6%	5.7%
London	3.8%	3.9%	4.0%	3.9%	5.0%	4.7%	4.6%	4.8%

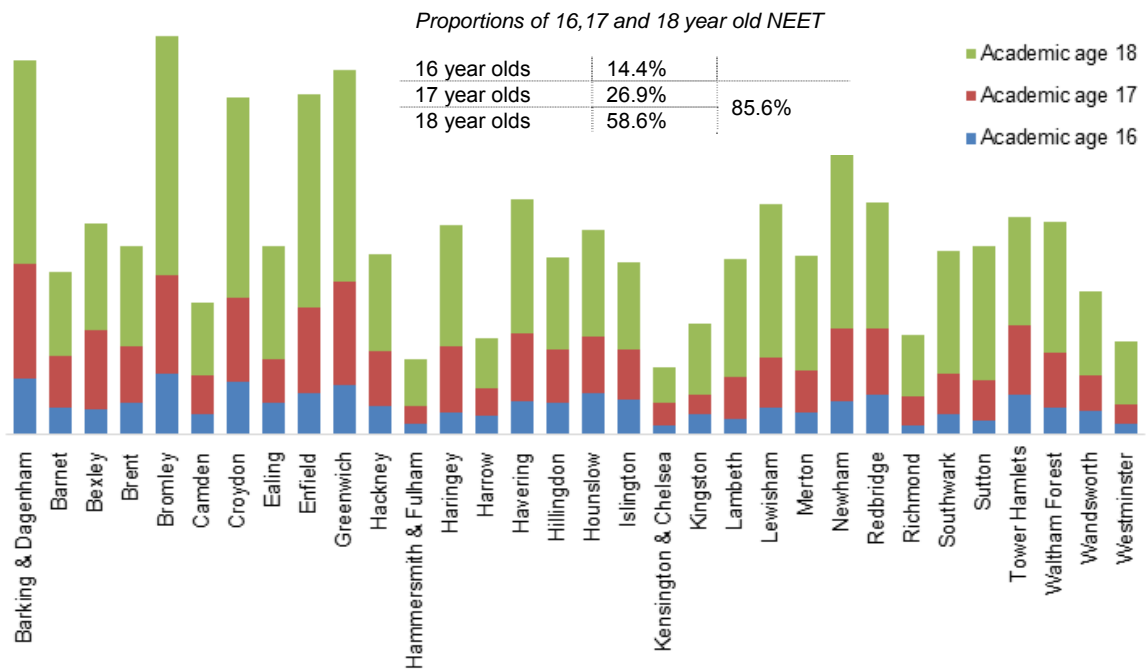
1.3 Percentage of 16-18 year olds whose participation status is 'not known' for the past three months for 2012/13 and 2011/12

Region	2012-13				2011-12			
	Dec-13	Jan-14	Feb-14	Ave	Dec-12	Jan-13	Feb-14	Ave
England	9.0%	7.5%	7.1%	7.9%	10.6%	8.7%	8.2%	9.2%
London	12.7%	9.4%	8.3%	10.1%	11.6%	9.7%	9.3%	10.2%

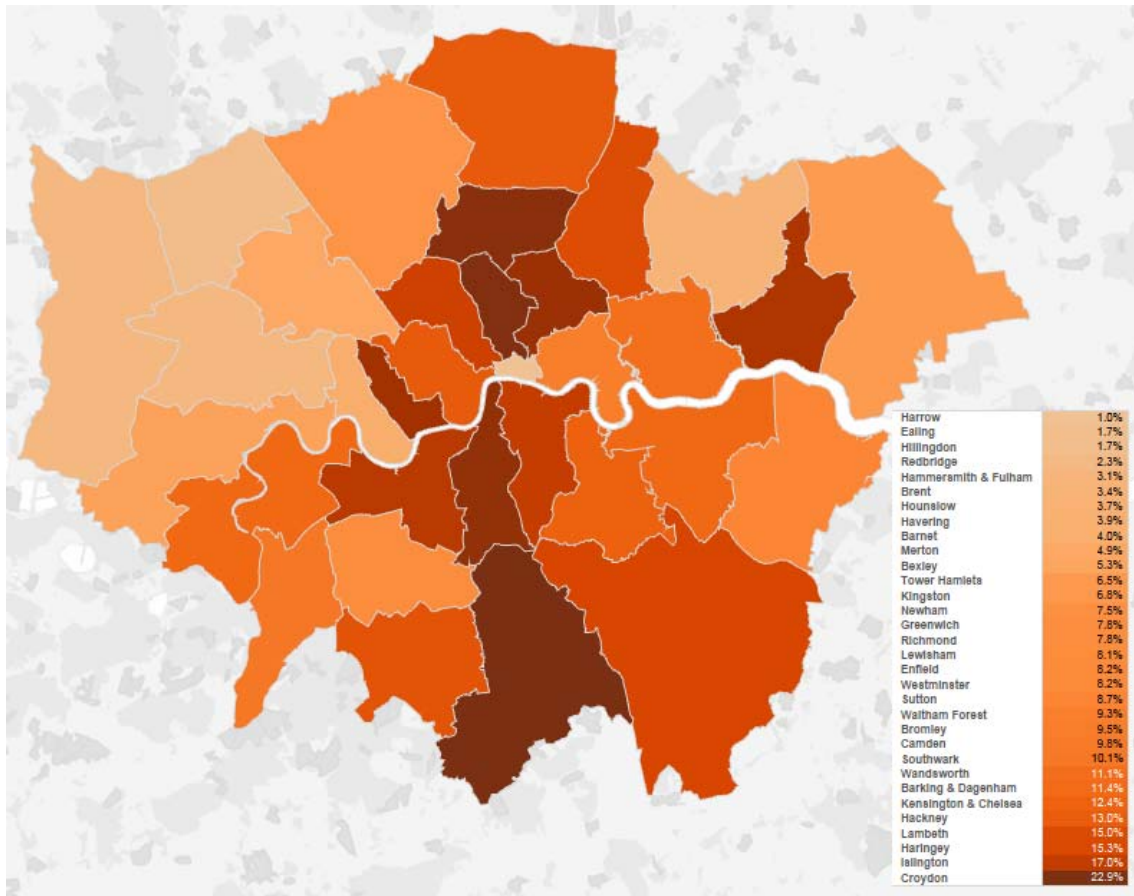
1.4 16-18 year olds NEET by London borough



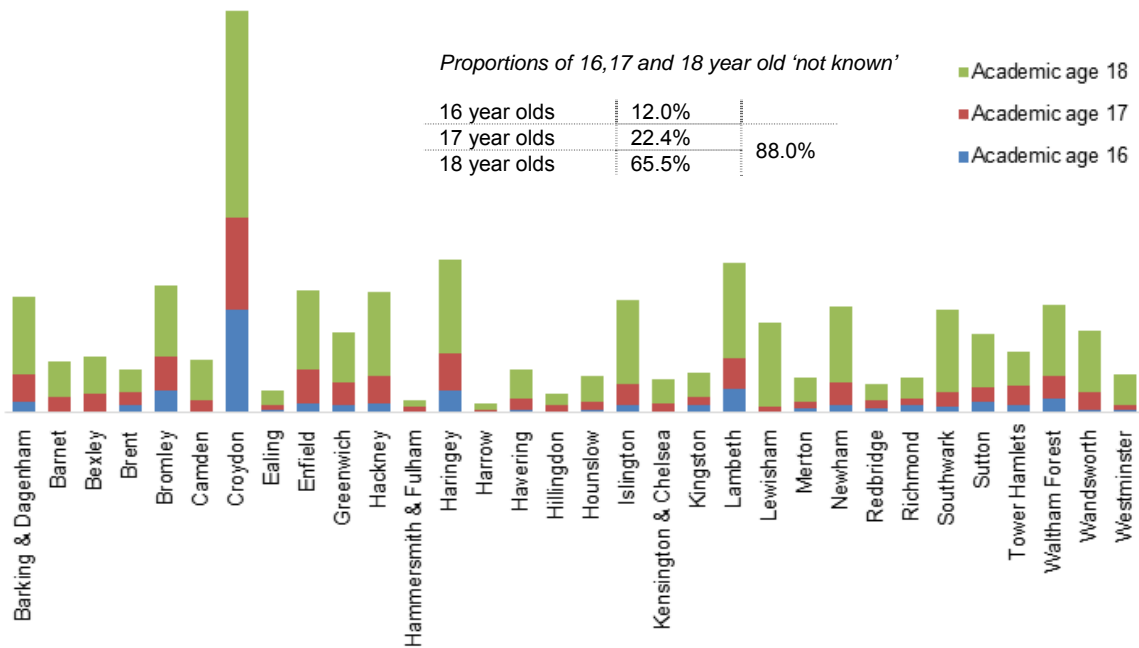
1.5 16-18 year olds NEET by age and London borough



1.6 16-18 year olds participation status 'not known' by London borough



1.7 16-18 year olds participation status 'not known' by age and London borough



2 16 and 17 Year Old Participation in Education and Training (December 2013 – latest available from the [Department for Education](#)²)

On 26 March 2014 the Department for Education (DfE) published 16 and 17 year old participation data that highlights where participation is rising, static or falling. The data also provides a breakdown of participation by type of establishment, age, gender and ethnic group.

London's participation in December 2013 was 90.1 per cent, an improvement of 1.1 percentage points from the previous December, but a 1.2 percentage point decline from the June 2013 position. London's participation was marginally (0.3 percentage points) above the national figure (see 2.1). The majority of 16 and 17 year olds in London (87.1 per cent) were participating in full time education and training which is 3.8 percentage points higher than the national figure, although a lesser proportion were participating in Apprenticeships and employment with training than nationally (see 2.2). The percentage participating at age 16 (the age group currently covered under 'the duty') in London was higher than those participating at 17 by 6.4 percentage points.

2.1 Participation percentage over time - proportion of 16-17 year olds in education and training

Region	Dec 2012	Mar 2013	Jun 2013	Dec 2013	Percentage point change in the last 12 months	
England	87.9%	88.9%	88.4%	89.8%	1.9%	↻
London	89.0%	91.0%	91.3%	90.1%	1.1%	↻

2.2 Participation percentage by type of activity

Region	Proportion of 16 and 17 year olds recorded as participating in:					
	Full time education and training	Apprenticeship	Work based learning	Part time education	Employment combined with training	Other
England	83.3%	3.6%	1.5%	0.4%	0.6%	0.3%
London	87.1%	1.6%	0.4%	0.6%	0.2%	0.2%

2.3 Participation percentage by age and gender

Region	Percentage 16 year olds recorded as participating in education or training			Percentage 17 year olds recorded as participating in education or training		
	Female	Male	Total	Female	Male	Total
England	94.5%	93.3%	93.9%	87.1%	84.2%	85.6%
London	94.1%	92.7%	93.3%	88.8%	85.2%	86.9%

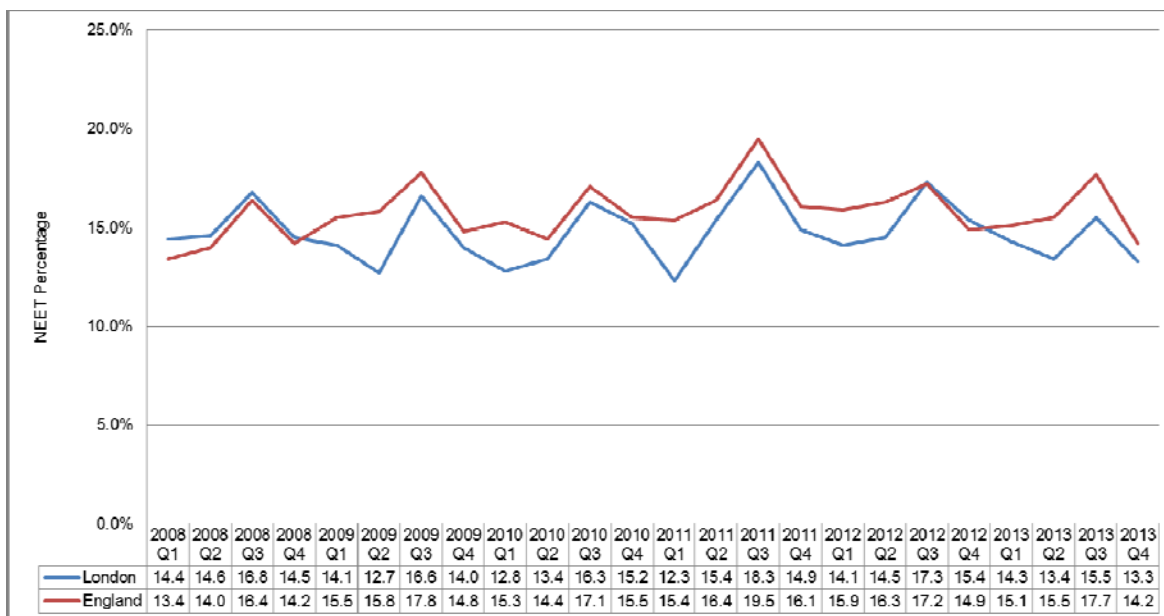
3 16-24 NEET Statistics Quarterly Brief (February 2014, Quarter 4 [October – December 2013] - latest available from [Data.gov](#))³

Both the volume and percentage of 16 to 24 year olds who were NEET in Quarter 4 of 2013 in London have decreased since Quarter 3 and are lower than the same quarter last year (see 3.1 table). The London NEET percentage remains marginally below the national figure by just under 1 percentage point (see 3.1 line graph).

The percentage of 18 to 24 year olds and 19 to 24 year olds who were NEET in Quarter 4 of 2013 in London have also decreased since Quarter 3 and are lower than the same quarter last year. The London NEET rates for 18 to 24 year olds and 19 to 24 year olds are below the national averages (see 3.2 and 3.3).

3.1 Number of 16-24 year olds NEET

Region	Quarter 4							
	2010		2011		2012		2013	
	Volume	%	Volume	%	Volume	%	Volume	%
England	934,000	15.5%	969,000	16.1%	890,000	14.9%	844,000	14.2%
London	128,000	15.2%	126,000	14.9%	132,000	15.4%	113,000	13.3%



3.2 Number of 18-24 year olds NEET

Region	Quarter 4							
	2010		2011		2012		2013	
	Volume	%	Volume	%	Volume	%	Volume	%
England	866,000	18.2%	887,000	18.5%	837,000	17.6%	796,000	16.8%
London	120,000	17.6%	119,000	17.1%	125,000	17.9%	106,000	15.6%

3.3 Number of 19-24 year olds NEET

Region	Quarter 4							
	2010		2011		2012		2013	
	Volume	%	Volume	%	Volume	%	Volume	%
England	776,000	18.9%	794,000	19.1%	744,000	18.0%	706,000	17.2%
London	112,000	18.3%	107,000	17.2%	113,000	18.3%	96,000	15.6%

4 September Guarantee 2013 ([Department for Education](#))

- 4.1 The September Guarantee aims to prevent young people from dropping out of learning by ensuring that every 16 and 17 year old has an appropriate offer of learning by the end of September that motivates them and allows them to progress. Local authorities are responsible for ensuring that the Guarantee is met.
- 4.2 The offer should be appropriate to the young person's needs and may be in a school, college or in work-based learning, or be for part-time education where the young person is combining education with full-time employment or voluntary work.

4.3 The September Guarantee figures show the proportion of young people receiving an offer of education or training in each local authority area from 2010 to 2013. 15 local areas show an increase in the proportion of offers made compared to the previous year

	16 and 17 year olds (2013)	Offer made 2013 (%)	Offer made 2012 (%)	
ENGLAND	148,800	92.1%	92.4%	
LONDON	154,760	91.1%	92.1%	
Barking & Dagenham	5,110	89.0%	93.0%	
Barnet	6,920	95.7%	87.9%	ⓘ
Bexley	6,080	98.6%	98.3%	ⓘ
Brent	6,620	93.5%	97.7%	
Bromley	7,040	93.1%	86.8%	ⓘ
Camden	2,940	93.2%	93.0%	ⓘ
City of London	370	100.0%	2.9%	ⓘ
Croydon	-	-		
Ealing	6,660	94.0%	98.1%	
Enfield	7,750	94.6%	93.2%	ⓘ
Greenwich	5,010	96.6%	95.6%	ⓘ
Hackney	4,380	90.2%	93.3%	
Hammersmith & Fulham	2,590	89.1%	95.0%	
Haringey	4,830	60.3%	41.2%	ⓘ
Harrow	4,690	95.2%	97.2%	
Havering	6,050	98.2%	98.7%	
Hillingdon	6,060	89.3%	94.8%	
Hounslow	5,480	91.3%	95.7%	
Islington	3,300	91.6%	91.1%	ⓘ
Kensington & Chelsea	1,370	85.1%	93.9%	
Kingston	3,100	93.8%	91.4%	ⓘ
Lambeth	4,570	85.8%	91.2%	
Lewisham	5,240	98.0%	99.7%	
Merton	3,580	93.0%	87.4%	ⓘ
Newham	7,720	93.4%	95.4%	
Redbridge	6,930	97.7%	97.7%	
Richmond	2,530	92.8%	91.9%	ⓘ
Southwark	5,280	91.4%	93.8%	
Sutton	4,990	94.3%	82.4%	ⓘ
Tower Hamlets	5,190	94.4%	96.5%	
Waltham Forest	5,890	54.9%	98.5%	
Wandsworth	3,910	90.8%	90.7%	ⓘ
Westminster	2,590	97.0%	93.6%	ⓘ

¹ The [National Client Caseload Information System](#) (NCCIS) is a gateway for local authorities to access and submit performance data and information to the Department for Education regarding the participation of 16-18 year olds in education, employment and training

² The Department for Education uses information from the Client Caseload Information System to estimate the number and proportion of young people participating in different types of education and training in each local authority area. The figures are intended to support local authorities to track their participation performance and their progression to achieving their Raising the Participation Age (RPA) goals

³ The 16-24 NEET Statistics Quarterly Brief combines the Participation Statistical First Release, the Quarterly [Labour Force Survey](#) and 16-18 NEET statistics from NCCIS to create a profile of the NEET 16-24 age group

Young People's Education and Skills Operational Sub-group

The Future of Apprenticeships in England – Funding Reform Technical Consultation

Item no: 8

Report by: Peter O'Brien **Job title:** Regional Commissioning Manager (YPES)
Date: 28th March 2014
Contact: Peter O'Brien
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Summary This paper provides the OSG with an opportunity to contribute to London Councils' response to the above consultation.

Recommendations The OSG is asked to comment on the draft response to the consultation on Apprenticeship Funding Reform and OSG members from boroughs are asked to advise their clusters of London Councils' position on the consultation and may wish to take this into account when considering their own responses to the consultation.

1. Background

- 1.1 As set out in "The Future of Apprenticeships in England: Implementation Plan, October 2013", the Government has now opened a technical consultation on funding reform¹.
- 1.2 The Technical Consultation supports the reform principles that the Government has agreed and key funding principles upon which consultation took place last autumn to which the Government committed in the Autumn Statement.

2. Government Principles

- 2.1 The Government's reform principles are:
 - Apprenticeships should be based on simpler standards of competence that employers design.
 - There should be more rigorous assessment, including testing at the end of Apprenticeships.
 - Apprenticeship achievement should be graded.
 - There should be a stronger English and maths component.
 - Trailblazers in key sectors should be supported.

¹ <https://www.gov.uk/government/consultations/apprenticeship-funding-reform-in-england-payment-mechanisms-and-funding-principles>

- 2.3 The funding principles are:
- Employers should contribute to the cost of training, so that they have a direct interest in the quality of training that is provided. Public funds should therefore co-finance Apprenticeships
 - Apprenticeships should adopt a Payment By Results (PBR) model.
- 2.4 The Autumn Statement announced that:
- The Government would route Apprenticeship funding directly to employers using HMRC systems;
 - There will be a compulsory employer cash contribution for external training costs (excluding English and maths);
 - Government would continue to contribute to the costs of training for 16- 17 year-olds (and would consider 18 year-olds separately);
 - There will be some caps on government funding for Apprenticeships;
 - The Government agreed to the principle of PBR in Apprenticeships;
 - Special arrangements should apply to small businesses.

3. Technical Consultation

- 3.1 The Technical Consultation was launched on 7th March 2014 and closes on 1st May 2014.
- 3.2 The Government makes it clear in the Consultation that it is not re-opening discussion on the principles set out in paragraph 2 above and that it is only interested in issues relating to implementing these principles. The issues covered in the consultation include:
- Supporting Apprentices aged 16 and 17;
 - Additional support for small businesses;
 - Employer / government co-investment is set to be market driven and cover external training and assessment separately, but the precise amounts will draw on the experience of Trailblazers and there will be a maximum government contribution;
 - Funding for English and maths
 - PBR
 - Learners with Learning Difficulties and / or Disabilities
 - Higher Apprenticeships
 - Application of the funding principles to specific types of providers, such as Apprenticeship Training Agencies and those specialising in work with the Armed Forces
- 3.3 Two payment mechanisms are set out in the consultation:
- PAYE.
 - Apprenticeship Credit
- The consultation explains the possible working of these mechanisms and asks for specific comments on their effects on company cash flow, costs in administration and flow of essential information to make them work. The consultation concludes with a suggested timetable for changing to either of the revised payment mechanisms and asks for suggestions on sector readiness.

4. London Councils draft response

- 4.1 The consultation was discussed at the Apprenticeship Sub-Group meeting held on 11th March and a subsequent special, in-depth discussion on 20th March. The attached draft response to the consultation reflects the discussion at both these meetings. In summary:
- London Councils does not agree that the results of the July 2013 consultation provide a firm endorsement of the principles of the new funding system (the consultation received only 80 responses from businesses, there was no consensus on the preferred model – in particular there was variation between small and large

businesses – no more than 33% of businesses preferred either model and employers' responses show that, in the event of co-investment of the scale envisaged in the proposed reforms, employers "would strategically review their continued involvement in Apprenticeships and explore whether more cost-effective options were available...some would also look to bring more training in-house and in so doing further reduce the price the provider may want to charge"²

- We further believe that the government is pressing ahead with its proposals without first assessing the Trailblazer activity it has sponsored with employers, nor has it provided for either of its chosen mechanisms to be piloted
- We do not support a 'one-size-fits-all' approach
- The proposals have not sufficiently drawn on the experience of other attempts to channel funds through employers and does not provide for suitable accountability for the use of public money
- We believe strongly that 16-18 apprenticeships should be fully-funded
- We have concerns about the future quality of apprenticeships

4.2 Although the closing date of the consultation is 1st May 2014, it should be noted that the purdah period for this year's council elections starts officially on the 14th April.

5. Recommendation

5.1 The OSG is asked to comment on the draft response to the consultation on Apprenticeship Funding Reform and OSG members from boroughs are asked to advise their clusters of London Councils' position on the consultation and may wish to take this into account when considering their own responses to the consultation.

² See the consultation document and BIS Research paper Number 161 "Employer Routed Funding – Employer Responses to Funding Reform, March 2014"

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/284944/bis-14-504-employer-routed-funding-employer-responses-to-funding-reform.pdf

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The Future of Apprenticeships in England: Funding Reform Technical Consultation - response form

A copy of the consultation on **The Future of Apprenticeships in England: Funding Reform Technical Consultation** can be found at:

www.gov.uk/government/consultations/apprenticeship-funding-reform-in-england-payment-mechanisms-and-funding-principles

You can email or post this completed response form to:

Postal Address:

BIS/DfE Joint Apprenticeships Unit
Department for Business Innovation and Skills
Orchard 1
1 Victoria Street
London
SW1H 0ET

Email: apprenticeships.consultation@bis.gsi.gov.uk

The Department may, in accordance with the Code of Practice on Access to Government Information, make available, on public request, individual responses.

The closing date for this consultation is: **1 May 2014**

Confidentiality & Data Protection

Please read this question carefully before you start responding to this consultation. The information you provide in response to this consultation, including personal information, may be subject to publication or release to other parties. If you do not want your response published or released then make sure you tick the appropriate box.

Yes, I would like you to publish or release my response

No, I don't want you to publish or release my response

Your details

Name: Peter O'Brien

Organisation (if applicable): London Councils

Address: 59½ Southwark Street, London SE1 0AL

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Email: peter.obrien@londoncouncils.gov.uk

Please tick the box below that best describes you as a respondent to this consultation

Business representative organisation

Independent Training Provider

College

Awarding Organisation

School

Charity or social enterprise

Individual

Legal representative

Local government

Large business (over 250 staff)

Medium business (50 to 250 staff)

Small business (10 to 49 staff)

- Micro business (up to 9 staff)
- Professional body
- Trade union or staff association

X Other (please describe)

London Councils represents all 32 London boroughs, the City of London, the Metropolitan Police Authority and the London Fire and emergency Planning Authority. London Councils is committed to fighting for more resources for London and getting the best possible deal for London's 33 councils. We develop policy, lobby government and others, and run a range of services designed to make life better for Londoners.

A number of these questions are directed at employers of apprentices. However, responses to those questions are welcome from all types of organisation.

Funding principles

Question 1: Whilst the principles of the new funding system are now firm, please detail any issues relating to their implementation that you believe need to be taken into account and, if so, how?

London boroughs have two critical roles in Apprenticeships:

1. As employers, local authorities employ significant numbers of Apprentices in a number of different occupations. London boroughs have created over 3,700 apprenticeships in the four years up to 2012/13 and collectively employ around 700 apprenticeships at any one time;
2. By working with their suppliers, local developers and small businesses, local authorities exercise considerable influence on employment practices in their localities. London boroughs encourage and help their suppliers and local businesses to take on apprentices and consequently have first-hand knowledge of the barriers employers face.

We do not concur that the results of the July 2013 consultation provide a firm endorsement of the principles of the new funding system. Both in terms of the volume of responses from businesses (just 80 received) and the level of support for the government's proposals (less than half of those responding agreed with the options the direct payment or PAYE models), the previous consultation does not provide a strong mandate for untested change.

We consider this consultation to be premature for the following reasons:

- Not enough time has been given for the Trailblazers to truly test some of the underlying principles of the reform
- The options proposed are insufficiently developed and would benefit from additional, detailed piloting so that the impact of change can be better assessed. London Councils is especially concerned at the potential for destabilising apprenticeships at a time when there is the need for greater effort to promote their benefits; particularly as part of Raising the Participation Age

London Councils is disappointed that, in this consultation, insufficient regard has been paid to our earlier submission:

- A 'one size fits all' funding approach is not suitable for a diverse economy. Government should pilot a flexible funding model that incentivises all employers and does not negatively impact the growth and quality of the apprenticeship programme.
- Apprenticeship programmes for 16 to 19 year olds should remain fully funded.
- Any funding model should be piloted before implementation to allow for the early identification and prevention of unintended consequences of reforms that impact on the quality of provision.
- All employers in receipt of public funds and responsible for its use should be audited to prevent poor use of funds.

While London Councils supports the principle of employers having much greater influence over apprenticeships, the proposed options here could lead to unintended consequences, including:

- Reducing employer demand for apprenticeships, particularly among small employers, because of the additional bureaucracy involved. Both payment options proposed involve changes and investment in a new system. The PAYE model requires a system upgrade and may result in increased costs for employers, as many small businesses outsource their HR function. The Apprenticeship credit model requires separate registration. London

boroughs, as large employers, are concerned that the increased bureaucracy and cost (as many outsource their payment systems) will reduce the number of apprenticeship managers in their organisations are willing to take on;

- Reducing the quality of apprenticeships, as providers persuade employers that they can provide the least expensive option;
- Employers being reluctant to take on apprentices from more disadvantaged backgrounds, given that a proportion of their investment will be held back upon successful completion of a final assessment.

Both of the options proposed have their flaws and we are not convinced that these can be eliminated without testing.

We have further concerns about the impact of changes in the level of funding, especially for 16-17 year-olds, and the withdrawal of area uplift funding, which is of particular concern in London where delivery costs outstrip those in other parts of the country.

While the government has committed to make additional payments for small employers and towards the costs of training a 16-17 year-old apprentice, the lack of detail about these payments makes it difficult to judge if these would reduce the impact of the unintended consequences outlined above.

Question 2: Please comment on how, or to what extent, the new funding principles and mechanism can be applied in practice to ATAs, authorised non-employed apprentices and the Armed Forces.

We are concerned that the government has not taken the opportunity to pilot its proposals with ATAs before proceeding with this consultation, particularly as ATAs are proving to be an effective mechanism through which small businesses and specific sectors can engage apprentices.

Payment mechanism options – eligibility and registration

In respect of questions 3-17 inclusive, we do not agree that the results of the earlier consultation provide a firm endorsement of either of the proposed mechanisms and the lack of detail about the options makes it difficult to comment on them.

Question 3: What sort of information would you need at the outset from a new employer website for Apprenticeship registration and funding, to give you the certainty to employ an apprentice?

Question 4: When, relative to recruiting an apprentice, would you want to know how much funding you would be eligible for?

Question 5: How can data collection requirements be minimised in the reformed funding system?

Payment mechanism options - PAYE model

In respect of questions 3-17 inclusive, we do not agree that the results of the earlier consultation provide a firm endorsement of either of the proposed mechanisms and the lack of detail about the options makes it difficult to comment on them.

Question 6: How would the PAYE model impact on the cash flow of your organisation?

Question 7: If you have multiple payrolls or outsource your payroll, how would the PAYE model work for your organisation?

Question 8a: Do you envisage additional charges for the PAYE model, such as through the update of payroll software?

Yes No Don't know

Please explain your response:

Question 8b: Do you already have to regularly update the software you use and pay for those updates?

Yes No Don't know

Please provide details of costs:

Question 9a: If you have multiple apprentices, how easy would it be for you to calculate your PAYE deductions?

Easy Reasonably easy Difficult Don't know

Please explain your response:

Question 9b: How confident are you that you would be able to calculate the correct deductions?

Very confident Reasonably confident Not confident Don't know

Please explain your response:

Question 9c: If you did make an error, are you confident that it would be simple to resolve?

Very confident Reasonably confident Not confident Don't know

Please explain your response:

Payment mechanism options - PAYE model for employers who do not make sufficient PAYE payments:

In respect of questions 3-17 inclusive, we do not agree that the results of the earlier consultation provide a firm endorsement of either of the proposed mechanisms and the lack of detail about the options makes it difficult to comment on them.

Question 10a: How easy would you find the process of reimbursement funding?

Very easy Reasonably easy Difficult Don't know

Please explain your response:

Question 10b: What impact would this have on your organisation's finances?

Question 10c: Would this impact on your decision to employ an apprentice?

Yes

No

Don't know

Please explain your response:

Question 11: Are there any other issues you would like to raise in connection with the PAYE model more generally? If so, please provide details.

Payment mechanism options - Apprenticeship Credit model:

In respect of questions 3-17 inclusive, we do not agree that the results of the earlier consultation provide a firm endorsement of either of the proposed mechanisms and the lack of detail about the options makes it difficult to comment on them.

Experiences of other online accounts and services

Question 12a: Do you already use online accounts, payment gateways and electronic payments (in purchasing training or any other service or product for your organisation)?

Yes

No

Don't know

Question 12b: What could be learnt in the design of an Apprenticeship Credit from any existing online accounts and payment gateways that you use?

Question 13: What is most important to you in relation to setting up an online account e.g. simplicity, security etc?

Setting up your Apprenticeship Credit account

Question 14: Would you want to set up your Apprenticeship Credit account before or after negotiating and agreeing training with a training provider?

Before

After

Don't know

Please explain your response:

Making payments into your Apprenticeship Credit account and paying training providers from your Apprenticeship Credit account

Question 15: What might determine the frequency of your payments into the Apprenticeship Credit account?

Question 16: How would the Apprenticeship Credit account affect your cash flow?

Question 17: Are there any other issues you would like to raise in connection with the Apprenticeship Credit model in particular? If so, please provide details.

Assurance

Question 18: What factors need to be taken into account in the development of an approved register?

Great care must be taken not to confuse a Register that supports procurement activity and genuine assessment of quality. The Approved Register mentioned in the consultation document provides some assurances on integrity and business practices; it was not designed primarily as an instrument for assuring the quality of education and training. Similarly, there have been other initiatives in the past that have tried to introduce substitute measures (such as 'success rates' or feedback) for the quality of teaching and learning, but these have proved to be expensive. We are sceptical that an 'Approved Register', along the lines envisaged in the consultation, will be fit-for-purpose and more thought is needed on how to make more reliable sources of information, such as Ofsted reports, more relevant to Apprenticeship provision and more easily understood by employers, parents and young people. Supplementary data should be very specific to Apprenticeships.

Question 19: How can burdens on employers be minimised whilst providing assurance for the funding systems and enabling good budget management?

While the system should be simple to operate, the principle should hold firm that responsibility for quality follows the funding, as does primary accountability for its use. Simplicity must not override this principle. Past experience shows this to have been the fundamental flaw in other 'employer-led' systems such as Train to Gain and Individual learning Accounts / Training Credits.

Question 20: What support should government provide to help employers manage the relationship with their training providers to protect their investment and that of the government?

We are greatly concerned at the possibility of a growth in 'brokers' or managing agents who will divert resources away from the front-line. Providers will inevitably take some resource currently used in delivering quality programmes and use it instead for promotion – this is regrettable and will only serve to delay the type of improvements that Apprenticeships desperately need.

Testing the funding principles with Trailblazers

Question 21: What information or support needs to be provided by government and its agencies to employers so that the funding principles can be tested via the first standard-based Apprenticeships?

The Trailblazers should have been given more time to test the funding mechanisms more fully and, in particular, for them to include extensive working with SMEs.

Helping employers, providers and other stakeholders prepare for full implementation

Question 22: What needs to be included in a sector readiness programme for all employers, providers and other stakeholders to support full implementation of reformed Apprenticeships?

We doubt whether the level of support currently provided by Relationship Managers is sustainable, given the degree of change being implemented in the SFA / NAS during its current reorganisation. London Councils is keen that the government pilots this proposed change on a smaller scale first, paying particular attention to the impact on small businesses; overall take-up of apprenticeships; and take-up of apprenticeships by disadvantaged young people and learners with disabilities. This would inform the content of a sector readiness programme.

Transition from frameworks to standards

Question 23: Please detail any particular funding issues or concerns that you believe need to be taken into account during the transition period.

Thank you for taking the time to let us have your views on this consultation. We do not acknowledge receipt of individual responses unless you tick the box below.

Please acknowledge this reply

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