

# **Learning to Listen**

## **Youth Participation Action Plan**

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October 2004



HM TREASURY





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**Youth Participation Action Plan**

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# FOREWORD BY RT. HON. PAUL BOATENG MP, CHIEF SECRETARY TO THE TREASURY

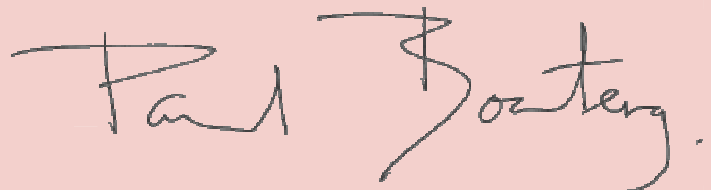
The report of the 2003-2004 Action Plan presents an overview of the diverse activities, programmes and policies that we, the Chancellor's Departments and related organisations have implemented. Treasury Ministers and officials have also supported activities and programmes to promote youth participation across Government and other sectors.

I was pleased to be involved with Plan's 'Give Us A Minute' campaign last year at the House of Commons where children and young people from across the world each gave a one-minute presentation on issues ranging from education to poverty. I also participated in the 'STR8 Up Ministerial Listening Tour' organised by the Department for Education and Skills. I found this tour particularly informative, as it offered an opportunity for Ministers to talk to young people, face to face, and learn first-hand what their primary needs and concerns are.

The Treasury's Action Plan for 2004-2005 reflects a step-change in participation policy within the Department. In addition to the development of existing programmes, this year's action plan will see officials consult more widely with children and young people. We will pilot new activities to raise awareness and increase understanding of the role of the Department and its officials in the wider context of Government and the public sector. The Department will also continue to work closely with voluntary sector organisations that work specifically to promote youth participation.

Most importantly, some of the new activities will now be funded through a separate budget, supported by contributions from the Public Services Directorate in the Department. Without this commitment of resources it would be impossible to progress the Department's participation strategy. I am very encouraged to see my officials working together to make this very important aspiration to fully involve children and young people in policy-making a reality.

I look forward, as do my colleagues and officials, to continue to participate in activities and programmes that will make this Government's commitment to listen to, learn from and work with our children and young people a real and explicit part of our work.



PAUL BOATENG

CHIEF SECRETARY TO THE TREASURY



# REPORT FOR 2003-2004

## I. Child Poverty in England

### Background

The Chancellor announced in Budget 2003 that the Government would examine, for Budget 2004 and the next Spending Review, both the welfare reform and public services changes needed to advance more quickly towards its long-term goals to halve child poverty by 2010 and eliminate it by 2020. In July 2003, the Chancellor announced the Child Poverty Review's terms of reference to the House of Commons.

The aim of the Review was to set out the policies necessary to:

- increase employment opportunities, raising incomes for those who can work;
- increase support for those who cannot work;
- improve the effectiveness of public services that tackle material deprivation, for instance housing and homelessness;
- improve those public services that can contribute most to increasing the future life chances of children in households suffering low income, for example education, and ensure public services and the welfare system work well together when families face crisis points in their lives; and
- improve services for children and their families living in deprived areas, including targeted programmes.

The Child Poverty Review consisted of seminars on key issues ranging from housing and homelessness to parenting and education outcomes. Voluntary and community organisations working with children and young people participated in these seminars, as well as representatives from the Scottish Executive and Welsh Assembly.

The outcomes of these seminars were fully considered, and policy recommendations were published in a report alongside the 2004 Spending Review White Paper.

## 2. 'The Red Box'

### Background

HM Treasury has worked very closely with HM Revenue & Customs to develop a multimedia pack for young people. Consisting of a printed booklet with teaching notes, video and website, the pack aims to improve understanding of public finance, tax and spending issues in line with the citizenship element of the national curriculum. The Chief Secretary to the Treasury launched the pack on 2 December 2002.

'The Red Box' teaching pack is currently being used in over 4000 schools at Key Stages 3 & 4, representing over 80% of the relevant schools in the UK. The pack is also being used at A-level and to facilitate adult learning. Recent user research indicates that the pack is highly regarded and that 84% of teachers who used the pack felt more confident about their ability to teach tax and public spending.

### 3. Financial Education

#### Background

The Financial Secretary is a member of the Financial Services Authority-led Steering Group that is developing a national strategy to raise levels of financial capability. Working with partners in Government, industry and the voluntary sector, the strategy aims to provide consumers with the education, information and generic advice needed to make financial decisions with confidence.

The immediate priorities identified by the Steering Group included raising financial capability among expectant parents, in schools, among 16-25 year olds in the workplace, those planning for retirement and those struggling with debt. The strategy began by building upon current initiatives such as the 'Child Trust Fund' and 'Informed Choice'.

### 4. Child Trust Fund

#### Background

The Chancellor announced his intention to introduce the Child Trust Fund (CTF) in Budget 2003. The CTF is part of the Government's strategy for saving and asset ownership.

The CTF is a savings and investment account. The Government will make payments to the child through this account to help build up a useful stock of assets for the child when he or she reaches the age of 18. The CTF will be accompanied by financial education that will encourage the young person to understand the benefits of savings and investment and to use these assets to realise opportunities for their future or to reinvest and provide security in the medium or long-term.

CTF accounts will be available from April 2005 for eligible children born on or after 1 September 2002.

In addition to ongoing partnership with the Inland Revenue and Financial Services Authority, HM Treasury worked closely with organisations in the voluntary sector that have experience of communicating with parents, ranging from the Basic Skills Agency to the National Family and Parenting Institute.

## 5. Enterprise

### Background

In June 2001 the Chancellor of the Exchequer, Secretary of State for Education and Skills and Secretary for Trade and Industry asked Howard Davies, Chairman of the Financial Services Authority, to conduct a Review of enterprise and the economy in schools and further education, covering the age range of 5-19. Its terms of reference were to consider how to promote better understanding of business, the economy and enterprise throughout the school and further education systems.

The review identified various ways to strengthen the links between the education system and business, as an important step in building a more enterprising society across the country. The first year of Enterprise Learning Pathfinders started in Schools across England in September 2004.

Recognising the important role of educating young people about enterprise, the Government has allocated additional resources to the Department for Education and Skills, to ensure that every child has some experience not just of work but also of business and enterprise before they leave schools. £75 million will be made available over three years to promote enterprise education in schools. The Government will shortly publish its full response to the recommendations of the review.

## 6. Children Overseas

Notable events of 2003-2004 include the 15<sup>th</sup> Conference of Commonwealth Education Ministers in Edinburgh and a seminar hosted by HM Treasury on maternal and child mortality.

The Chief Secretary to the Treasury (CST) spoke at a breakfast of the Commonwealth Education Fund during the 15<sup>th</sup> Conference of Commonwealth Education Ministers (15CCEM) in Edinburgh on 29 October 2003. In his speech, the CST highlighted education as a key policy area that, along with health, underpins the Millennium Development Goals (MDGs). 15CCEM was also the first time a Youth Summit was held in parallel, which was attended by youth representatives from across the Commonwealth. As part of the Edinburgh Action Plan, Ministers agreed to meet with Youth Summit delegates from their own countries to consider the outcomes of 15CCEM and to hold Youth Summits at all future CCEM.

In September 2003, HM Treasury hosted a seminar, organised by the Grow Up Free From Poverty Coalition, on the maternal and child mortality MDGs. The Economic Secretary to the Treasury and the then DfID Secretary of State, Rt. Hon. the Baroness Amos, both gave speeches.

## 7. Review of Financial Support for 16-19 year olds

### Background

Skills are the key to increasing individual opportunity, labour market flexibility and productivity in the economy. Raising the participation of young people in education and training is central to meeting the demand for skills in a dynamic, modern economy. The Government is committed to ensuring that all young people reach the age of 19 ready for higher education or skilled employment.

Building on the success of Education Maintenance Allowances in raising participation in full time education, the aim of this Review, announced in Budget 2003, is to ensure all young people aged 16-19 have the support and incentives they need to participate in education and training.

- The initial evidence-gathering phase for this Review included a triple-stranded consultation process:
- ad-hoc focus groups with young people, held by HM Treasury officials and organised by voluntary sector stakeholders;
- the design, distribution and analysis of questionnaires for young people by the National Children's Bureau; and
- a focus group for parents, designed, organised and analysed by the National Family and Parenting Institute.

The outcomes of the consultation were incorporated into the conclusions and proposals of the Review's report *'Supporting young people to achieve'*, which was published alongside Budget 2004.

## 8. Building Support for Price Stability

*Target Two Point Zero – The Bank of England / Times Interest Rate Challenge*

### Background

Under the Bank of England Act 1998, the Bank of England has the objective of maintaining price stability. The Bank believes that the monetary policy framework established by the Act will be most effective if it is accompanied by broad public understanding of, and support for, the Bank's policy objective and the method by which it is achieved. One of the ways the Bank does this is through its education programme, which includes an annual economics competition for 16-18 year old school and college students called Target Two Point Zero – the Bank of England / Times Interest Rate Challenge. Students take on the role of the Bank's Monetary Policy Committee and argue the case for the interest rate that they think will achieve the Government's 2% inflation target. The competition helps students to gain a practical understanding of the economy and the Bank's role in keeping prices low and stable. The Challenge was launched in September 2000.

The 2003/2004 Challenge attracted 236 teams, up from 219 in the previous year and 167 in the first year. Teams competed in regional heats and area finals, culminating in the selection of six finalists. The winning team was from Highgate School in London.

### 1. 'The Red Box'

HM Revenue & Customs will be working closely with HM Treasury to review and update 'The Red Box' and continue the momentum of this useful and successful project. An updated pack is planned for the Autumn Term 2004.

### 2. Financial Education

The Treasury will work closely with the Financial Services Authority and others in developing and delivering a national strategy to raise levels of financial capability among people of all ages and circumstances. Work over the coming year will focus on giving people the skills and knowledge they need to make sensible decisions about their money, so they can take control of their finances and demand better services from the financial services industry. Projects to be taken forward include laying the foundations among school children; reaching young adults facing new responsibilities; using the workplace to deliver key messages; dealing with debt and planning for retirement.

### 3. Child Trust Fund

The Child Trust Fund (CTF) is due to launch in April 2005.

Parents will receive their children's vouchers from January, accompanied by the CTF information booklet. In addition, the CTF website will go live in November, providing up-to-date, in-depth information for parents and children on all areas of the CTF, including financial education for those children not covered by the CTF.

With CTF children still being very young, our work is focusing on raising awareness among parents and groups working with parents. We plan to hold more workshops for groups advising parents about financial issues before the CTF is launched. The CTF website will include information specifically for such intermediary organisations, to help them communicate messages about the CTF.

As communications, in particular the website, develop with the growth of the CTF audience, HM Treasury in partnership with the Inland Revenue plans to develop the material aimed at young people, as well as strengthen existing links with children's charities. Officials will work with the DfES, children's voluntary organisations, and young people themselves to ensure materials are relevant and fulfil the Department's financial education objectives.

### 4. Review of Financial Support for 16-19 year olds

*'Supporting young people to achieve'* was published alongside Budget 2004, as part of the ongoing cross-government review aimed at providing all young people with the financial support and incentives they need to participate in education or training. The report launched a more formal consultation on the Government's long-term vision of a single, coherent system of financial support for 16-19 year olds.

HM Treasury has commissioned the National Council for Voluntary Youth Services and Article 12 to run a tailored programme of consultation with young people, to ensure that their views are fully taken into account in the review. A young person's version of the consultation will be produced as part of this programme, and around 200 young people will be taking part in detailed discussion groups, and a further 1,000 will be participating via a questionnaire. HM Treasury will also be commissioning research on the views of parents as part of this consultation.

This consultation will form an important part of the overall package of evidence that HM Treasury, the Department for Work and Pensions and the Department for Education and Skills are collecting for this Review, which will, in turn, inform the development of the Government's long-term reform of financial support for young people.

## **5. Building Support for Price Stability**

### *Target Two Point Zero – The Bank of England / Times Interest Rate Challenge*

The Bank of England hopes that many schools will participate in the 2004/2005 Interest Rate Challenge, which was launched in May 2004. The teams will take part in the Regional Heats held throughout the UK in November 2004. The winners from each heat will go through to the Area Finals to be held in February 2005. The National Final will be held at the Bank of England in March 2005.

### *Resource material for primary and secondary schools*

The Bank is developing resource material for primary school pupils aged 9-11 and secondary school students aged 14-16. The aim is to increase pupils' understanding of the economy and the way in which rising prices erode the value of money, as well as the Bank's role in keeping prices low and stable. The resources will contain a variety of video and print materials that are relevant to the primary and secondary school curricula and can be used to introduce and teach the topic across a number of curricula subjects throughout the UK. The resources will be made available on the Bank's website.

## **6. Enterprise**

The Chancellor has personally endorsed a national coalition campaign, Enterprise Insight. This will focus, in part, on raising awareness among young people of entrepreneurial opportunities open to them, as well as encouraging employers to facilitate an enterprise culture and specific activities.

The Chancellor spoke at the launch of the National Council for Graduate Entrepreneurship in September 2004.

The Treasury is continuing to support DfES in the implementation of the Davies Review of Enterprise and the Economy in Education, and is working closely with Enterprise Insight to ensure that maximum Ministerial, departmental, and corporate participation is achieved in the UK's first national Enterprise Week, November 2004.

## **7. Review of HM Treasury's Participation Strategy and Activities**

In order to better evaluate HM Treasury's implementation of its participation strategy, officials will carry out a review of past Action Plans and related current activities. The objectives of this exercise will include mapping the strategy's development since the launch of Learning to Listen, and preparing background documentation to inform later consultations with children and young people on our future Action Plans.

## **8. Pilot activities**

As part of the Department's commitment to continually develop and improve our participation strategy, in 2004-2005 HM Treasury will hold three pilot activities. The first of these will be a Public Spending Workshop in collaboration with the UK Youth Parliament (UKYP); the second will be a series of Budget Workshops for GCSE and A-level students; and the third will comprise a consultation with children and young people on the Department's participation strategy as a whole.

### **a) Consultation with Children and Young People**

In line with the core principles of Learning to Listen, HM Treasury will be holding its first consultation with children and young people to develop our Action Plan for 2005-2006. This consultation is expected to be held through the use of small group meetings over a number of weeks, with participants from a range of regions, age groups and socio-economic backgrounds. Officials will work closely with VCS organisations with expertise in this area in order to ensure that best practice is followed. We anticipate that all future action plans will be developed in the same way.

### **b) Public Spending Workshop**

This workshop will partly build on the success of 'The Red Box' website. Working with Members of the UK Youth Parliament (MYPs), the aim is to use this workshop to give participants the opportunity to learn first-hand how Manifesto pledges could be funded and implemented using existing Spending Review tools and processes. MYPs will be encouraged to take on the role of various stakeholders, negotiating settlements and Public Service Agreements through role-plays. The event will ideally conclude with a presentation of MYPs' spending plans.

### **c) Schools Budget Workshops**

HM Treasury will launch a cross-Directorate pilot project, working with a group of schools before and after Budget 2005. Two sessions will be held by officials at each school, explaining the Budget process through presentations and participatory discussion groups and resulting in a better understanding of the Treasury's work overall. We anticipate that the majority of young people involved will be Economics and Business Studies students.

Evaluation of the pilots will determine whether some or all of these could eventually become annual events in future Action Plans.

## TREASURY MINISTERS/DEPARTMENTAL LEAD PARTICIPATION ACTIVITY

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### Treasury Ministers

- Will make sure that they continue to meet and hear from children and young people.
- Will provide, whenever possible, a Treasury input to the work of the Ministerial Participation Network, including any Ministerial Tours.

### Departmental lead

- Will continue to seek and report on any new involvement with children and young people by Treasury, HM Revenue & Customs, and the Bank of England.
- Will assist in providing a Treasury input to any European and international focused activity on youth participation.

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