NEW REFORMS TO IMPROVE THE DELIVERY OF ADULT AND YOUNG PEOPLES SKILLS

The Government today set out the details of the transfer of £7 billion to local authorities to help colleges and sixth forms deliver the reforms needed to raise the education and training leaving age to 18.

At the same time Government will direct £4 billion a year through a new agency to provide training and skills for adults, transforming the system to be responsive and demand-led.

The proposals are published by the Department for Children, Schools and Families and the Department for Innovation, Universities and Skills in a White Paper, *Raising Expectations: enabling the system to deliver*.

The plans will mean the dissolution of the Learning and Skills Council (LSC) by 2010 and instead make local authorities responsible for offering all young people in their area a full menu of choices - both the new Diplomas and Apprenticeships alongside GCSEs and A levels.

Secretary of State for Children Schools and Families, Ed Balls, said:

“We want every 16 and 17 year old in the country to stay on in education or training so that they get a better job, have the chance to earn more and can make the most of their talents. Local authorities will play a key role in making this happen.”
“Young people will have a variety of good quality courses and qualifications to choose from in 2010, whether that is an Apprenticeship, a Diploma or A levels and GCSEs.

“Local Authorities are in the best place to respond to the needs of young people locally. So by giving them responsibility for the funding we are putting the final pieces in place to ensure they can offer this choice. They are already responsible for schools, are taking responsibility for advising young people and are being given new duties to ensure that the right range of provision is in place for young people to continue in education and training until 19.

“We are committed to revolutionising the education system so that it delivers for all young people whatever their interests or abilities. There must be something available for everyone whichever part of the country they live in. We are confident that young people will want to take full advantage of the exciting choices available to them. “

For adult learners a new smaller agency will replace the LSC to streamline the funding process to colleges and training providers. This will ensure that funding follows the training needs of employers and learners.

Secretary of State for Innovation Universities and Skills John Denham, said:

“We want every adult to have the opportunity to improve their skills to get a job or progress in work and to help them realise their own aspirations and talents. The proposals in today’s consultation paper will help us to build on the great success of the LSC who are currently taking forward the skills agenda.

“If we are to meet the targets we set out in World Class Skills then we need a FE and skills system which is even more flexible and responsive to both learners and employers. The new Skills Funding Agency will ensure that government funding responds to employer’s and adults’ skills needs and supports excellence in the FE sector.”

Les Lawrence, Chair of the LGA Children and Young People's Board said:
"The LGA looks forward to working with councils and with our national partners - Government, ADCS, LSC and AoC - to make sure the system following the funding transfer really delivers for young people. The way the new system operates must bring to life the Machinery of Government commitment of giving councils the clear strategic lead for 14-19 education and training, and must support councils in carrying it out effectively. We will continue to discuss what this means for the system’s design and operation with councils and with Government during the consultation period."

John Freeman, Joint President of the Association of Directors of Children's Services, said:

"Directors of children's services are delighted that local authorities are being given the strategic commissioning role for all education and training for children and young people up to the age of 18. This will enable genuine and effective integration of service delivery, particularly in the vital 14-19 age range, as schools, colleges and employers start to deliver Diplomas and apprenticeships alongside GCSE and other courses, and as the participation age is increased to 18. The changes bring exciting opportunities for local authorities to work together, regionally and sub-regionally, to secure effective and efficient provision across local authority boundaries."

DCSF, DIUS and local authorities will work together to deliver the main points in **Raising Expectations: enabling the system to deliver:**

For 14-19 year olds:

- It will put local authorities firmly in the driving seat to deliver education and training for children and young people aged 0-19, supporting the Government’s commitment to raising the participation age to 18 by 2015;
- It will make local authorities responsible for delivering the full range of 14-19 entitlements including the new Diplomas, Apprenticeships and the Foundation Learning Tier;
- Local authorities will be able to commission provision to meet demand from young people and employers.
Local authorities will work together with national agencies and the Regional Development Agency who will co-chair the regional level, to provide a coherent planning and funding system for FE colleges and providers.

For adult learners it will mean:

- the creation of a streamlined Skills Funding Agency, building on the success of the LSC, to route funding to FE colleges and other providers to meet the demands of employers and learners;
- giving the Skills Funding Agency the lead role in sponsoring colleges and providers;
- that the Agency will manage the creation and management of the new England-wide adult advancement and careers service, which will play a key role, with Jobcentre Plus, in boosting individual demand for skills and guiding people to the right training to meet their needs and help change their lives; and
- that the Agency will eventually take over from the Learning and Skills Council the management of the new National Apprenticeship Service, with end-to-end responsibility for the Apprenticeships programme, including ultimate accountability for national delivery of targets.

The White Paper was presented to Parliament in Written Ministerial Statement by Ed Balls. Please see below:

**Joint Written Ministerial Statement**

**DEPARTMENT FOR CHILDREN, SCHOOLS AND FAMILIES**

**Raising Expectations: Enabling the system to deliver**

**The Secretary of State for Children, Schools and Families (Ed Balls):**

I am today publishing a joint consultation document with my right hon. Friend the
Secretary of State for Innovation, Universities and Skills that proposes to put Local Authorities in the lead in delivering our drive to raise the participation age and sets out plans to reform the skills landscape.

We want every 16 and 17 year old to participate in education and training. And we want every adult to have the chance to improve their skills to get a job, a better job, or have a more successful economic life. In this document we set out our proposals for moving £7 billion of funding for education and training of 16-18 year olds to local authorities while establishing a new Skills Funding Agency to fund skills development for adults. We have been working closely with our colleagues in the Learning and Skills Council, with the Local Government Association and with the Association of Directors of Children’s Services. These proposals set out our recommended models for consultation ahead of legislative proposals.

The key proposals in the document will help to deliver our ambition to raise the participation age and transform attainment by age 19 and underpin our aim of a demand led system and the integration of employment and skills.

Local Authorities are in the best place to lead the implementation of the new participation age locally. They are already responsible for schools and are taking responsibility for advising young people. We are now giving them new duties to ensure that the right range of provision is in place for young people to continue in education or training until age 19 and for funding it. In doing so, we are making sure that they have the ability to deliver in full the new curriculum and qualifications entitlement for young people, and to raise standards.

The consultation document sets out how for young people, we aim to place leadership of the system, accountability for outcomes, duties and the funding to deliver, at a local level – local authorities will have the responsibility and duties to deliver for everyone from birth to 19. Our proposals include:

- Giving local authorities the responsibility for ensuring clear local leadership to ensure that every young person is pursuing a programme which engages them and prepares them for life, including young people to the age of 25 with learning difficulties and or disabilities. This includes responsibility for delivering the full entitlement to a choice from the
17 new Diplomas, an Apprenticeship place and the Foundation Learning Tier, for learners working below Level 2.

- Giving local authorities responsibility for commissioning the £7 billion annually spent on education and training for 16-19 year olds.
- More local accountability for local authorities to take an even more integrated approach to delivery of all Children’s Services from ages 0-19, helping to deliver the Children’s Plan.
- Funding schools and colleges in comparable ways through retaining the national funding formula.
- Giving local authorities the powers to commission more places in schools and colleges, and contract with new providers in order to respond to the needs and demands of young people.
- Requiring local authorities to work with each other to commission provision across coherent travel to learn areas.
- Creating a common performance management framework for schools and colleges so that young people, their parents and carers can make informed decisions about learning opportunities and provide a robust framework for Local Authorities to carry out their duties in relation to School Sixth Form and Sixth Form College performance and for the DIUS Skills Funding Agency to carry out its duties in relation to FE Colleges and providers performance.
- Bringing local authorities together regionally, so that with the Regional Development Agency who will co-chair the regional tier, they can ensure that they cater for the future economic and skills needs of each region.
- Creating a Young People’s Learning Agency to carry out a small number of national level functions such as developing a national funding formula and helping to ensure that regional proposals are affordable and deliver universally high quality provision regardless of where a young person lives.
- Enabling local authorities to work closely with the Young People’s Learning Agency and the DIUS Skills Funding Agency, to make sure that capital funding through local authorities joins up with funding through the FE modernisation fund, to create a coherent capital programme for both adult and young people’s facilities in FE.
- Ensuring that all providers will have a single commissioner for all 16-19 provision who will act on behalf of all the local authorities from which the colleges draws its
students.

For adults, we have the opportunity to enable more effective delivery to the benefit of employers and people. The advent of Skills Accounts and growth of Train to Gain mark a radically different model of organising the skills system, where the role of government is to make sure customers are well informed and well supported so that their demand for learning leads supply. We will create a dedicated, streamlined agency at the core of our reforms. Our proposals include:

- The creation of a new dedicated Skills Funding Agency which builds on the success of the Learning and Skills Council and capable of responding quickly and flexibly to national, regional and local skills needs;
- The Skills Funding Agency will route funding swiftly, efficiently and securely to FE colleges and other providers following the purchasing decisions of adults and employers. It will make sure public funds complement the large private investment which is made in adult skills and training;
- The Skills Funding Agency will maintain oversight of the coherence and performance of the whole FE service and especially its responsiveness to the strategic skills needs of employers and learners;
- The Agency will be responsible for the performance management of Further Education Colleges and other providers. It will be the single point of intervention where either pre or post-19 performance does not meet nationally agreed acceptable standards;
- As announced in *World-class Apprenticeships: Unlocking talent, Building Skills for All*, the Government is creating a new national Apprenticeships service (NAS) to take end-to-end responsibility for the Apprenticeships programme, including ultimate accountability for national delivery of targets. The NAS will be a discrete, coherent service, led by a Director reporting to the Secretaries of State of DCSF and DIUS, and managed at first within the Learning and Skills Council and then the Skills Funding Agency;
- The Skills Funding Agency will manage the National Employer Service, the single service for employers with 5000+ employees. The relationship between NAS and the NES will be close, so that employers experience a ‘no-wrong-door’ service;
- The Skills Funding Agency will manage the creation and management of the new England-wide adult advancement and careers service, which will play a key role, with
Jobcentre Plus, in boosting individual demand for skills and guiding people to the right training to meet their needs and help change their lives;

- The new Agency will have an operational remit, established as a Next Steps Agency;
- Our Departments remain committed to college autonomy and deregulating the operating environments. The new Further Education Improvement body and the FE sector’s own proposals for self regulation will be working together to raise the performance of the FE service for young people and adults.

The skills landscape has grown and reshaped itself over the years. Whilst the current landscape has worked well, with the LSC playing a particularly critical role supporting the achievements of young people and adults since 2001, the ever increasing pace of change means that the skills landscape must change if we are to achieve the skills challenges. With almost three quarters of the workforce of 2020 already out of compulsory education, we need to make sure the skills landscape can respond to the demands of adults and employers.

Likewise the Government believes that this system of local leadership for education and training for all young people will contribute to a radical transformation in the life chances of young people. This new system will support reform of the curriculum and qualifications and the reform of wider services for young people, to facilitate the raising of the participation age, to the benefit of young people, the economy and society.

The two complimentary systems set out in our proposals reflect the different needs of the young people and adult sectors. They allow the two national bodies to work closely together and coordinate their activity so that schools, colleges and other providers are in turn able to deliver excellent learning opportunities to all.

As we make the changes we are committed to minimising unnecessary costs and bureaucracy and making sure schools, colleges and providers are able to focus on effective education and training. We will continue to involve those that will be affected by the changes as we implement them.

We are confident these plans will provide for new and innovative ways of tackling education and skills challenges and strengthen support for young people and adults. It is absolutely essential that as we prepare for change we continue to challenge schools,
colleges and all providers to deliver the best possible outcomes for young people and adults already in education and training. We have just seen the highest rise in numbers of young people achieving at Level 2 and Level 3 by the age of 19, and the numbers of adults achieving basic skills and Level 2 qualifications reaching record levels: Government is determined these achievements are bettered. We will continue to be ambitious for the next cohort of young people and adults and will make the changes proposed in this document with a view to strengthening further the experience of these young people and adults in learning.

I am placing in the Library copies of the consultation document ‘Raising Expectations: Enabling the system to deliver.’ The consultation period runs from Monday the 17th March to Monday the 9th June.

NOTES TO EDITORS

1) The consultation document Raising Expectations: enabling the system to deliver can be found at http://www.dcsf.gov.uk and http://www.dius.gov.uk.

2) The proposed changes would mean the dissolution of the Learning and Skills Council (LSC) by 2010. For Post-19 education and training its key funding role will be performed by the new Skills Funding Agency. Pre-19 its functions and duties will pass to local authorities, with a small 14-19 national body retained to prevent unnecessary duplication and ensure quality.

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