



A brief update about policy & other developments for third sector training providers

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Autumn statement

Philip Hammond's Autumn statement admitted that the fallout from even a good Brexit would blow a £59bn hole in public finance. Its conclusions therefore are based on a number of assumptions that may be subject to change, including the invoking of Article 50 and our exit from the EU taking place as planned, and slightly tighter immigration but not at the level envisioned by the Government. Immigration is important as it boosts GDP and tax revenue, and if it slows significantly this will affect government finances (for example, the current growth in employment forecast by OBR is mainly a result of net immigration).

The Statement and associated Office of Budget Responsibility (OBR) Economic and Fiscal Outlook contained precious little about education and skills, being more focussed on infrastructure. It also marked the last ever Autumn statement - future years will have a Spring statement to announce changes, with an Autumn budget to implement them. However, there were a couple of items of interest for adult learning and FE:

- **Ring-fenced spending:** The ring-fencing for certain departments remains, but although some have more money for capital expenditure, there is nothing extra for resources e.g. grant funds for education. Add to this the fact that inflation is starting to rise, and any cash-protection for post-16 learning will start to erode.
- **European funds:** No mention was made in either the Statement or the OBR report of what will happen when EU funds (such as ESF) disappear. There is more money for research to compensate for this aspect of reduced funding, but adult learning could suffer a much bigger impact from Brexit from a combination of frozen spending and nothing to replace lost ESF and other European project funding.
- **Devolution and adult learning:** Adult learning and the Work & Health Programme are likely to be part of most devolution deals (the Statement confirmed AEB devolution to London and Greater Manchester in 2019) but one worry is that there is no commitment to keeping this funding ring-fenced for adult education. Therefore, local devolved administrations will not have any obligation to spend the devolved

funds on adult learning, except for some national entitlements such as Level 2. The decision about London also ignores calls from organisations such as the AoC to delay devolution as there is so much uncertainty and so few details about how it will work in practice (even more relevant now following revelations about alleged LEP dodgy dealings - see "News in Brief" for more details on that).

- **Local Growth Fund:** Local Growth Fund allocations of £1.8 billion to Local Enterprise Partnerships (LEPs) will be made, although there are no more details as yet. The £23 billion allocated for the National Productivity Investment Fund (NPIF) has nothing for education outside research and development spending. The rest will go on transport, housing and digital connectivity.
- **Apprenticeships:** Hammond again revised down the estimates of what the apprenticeship levy would raise to approximately £2.8 billion. This is of concern as lower economic growth leads to lower employer wage bills, including the estimated 19,150 expected to pay the UK Apprenticeship Levy. As Scotland, Wales and Northern Ireland now have their income from the levy fixed and guaranteed for the first three years, this means that any reduction in funds in the levy (e.g. from a further downgrade in economic performance and tax receipts) will have to be absorbed by England. It could also mean very little left for non-levy payers who currently provide more than half of the 905,000 apprenticeships.
- **Another concern around Apprenticeships** is the increasing trend to provide them at higher levels. This could impact on the targets if organisations use their levy to pay for fewer more expensive apprenticeships at management levels. This is especially the case with big public sector organisations who will be paying the levy but have little traditional use for apprenticeships. If they too start using their funds for higher levels, this has implications for non-levy payers and the government target.
- **National Minimum Wage:** The national minimum wage will rise from £7.20 an hour to £7.50 in April 2017. The NMW for Apprentices is also set to rise to £3.50 (from £3.40).

Read this! The Autumn Statement can be downloaded from <http://tinyurl.com/hfm9hnx>

Read this (if you dare!) The Office for Budget Responsibility's handy 264-page report underpinning the Statement can be downloaded from <http://tinyurl.com/hq5bcam>

Ofsted Annual Report

On 1st December Sir Michael Wilshaw published his fifth and final annual report on education and skills. The report covered a number of areas of interest:

- **Adult Learning:** Adult numbers in funded provision fell from 3.3 million in 2012/13 to just 2.6 million. Of these, 30% are on courses at ACL providers, 24% at independent learning providers, and 44% at FE Colleges. Although declining, 82% of the 234 funded community learning and skills providers are judged to be good or outstanding, which is 11% above the FE rate. The decline is partially explained by some good adult learning providers closing. Inspectors found that good and outstanding community learning and skills providers work in partnership with charities and the public and voluntary sector so that they can reach all sections of their locality.
While funded non-accredited courses have continued to fall, there has been an increased focus on longer courses that lead to qualifications such as Functional Skills or a GCSE. The fall in learner numbers is greater for those over 35, and most marked in the over 60s. This is bad news, as increases in the state pension age will mean many more people over 60 looking for work but without the qualifications and skills necessary for a change in employment.
The proportion of FE colleges rated at least "good" has declined 6% to 71%, with the proportion being rated as "inadequate" almost doubling. However, 82% of independent training providers (which includes Third Sector providers) are rated good or outstanding, up 1% from last year. ITPs deliver three-quarters of apprenticeship provision.
- **Area Review:** The Chief Inspector criticised the Government's Area Review process in its exclusion of the full range of post-16 providers. The report says that this exclusion "*limits the effectiveness of the*

reviews in providing a strategic perspective on the provision within an area". It supports the view of many adult learning providers that the outcomes of the reviews, rather than deliver a learning offer that is aligned to local and regional employment priorities, has instead "focused primarily on proposed mergers to support financial sustainability, or tackle inadequate provision". In its response to the report, the AELP emphasised that to achieve this alignment, "the delivery of work-based learning by ITPs to employers, which is often specialised, has to be taken more fully into account".

- **GCSE English and maths resits:** Despite record numbers of students at lower levels retaking their qualifications, many still fail to improve. The report states, "It remains unclear whether the GCSE qualification is the best way of ensuring that students have the English and mathematical skills needed for their intended career". No surprise there for adult education providers who have preferred to help learners by providing Functional Skills. With new Nursing degree-level apprenticeships allowing Functional Skills as an alternative to GCSE, the sector will now be lobbying Ministers to encourage this across all apprenticeships.
- **Apprenticeships improving:** Almost two-thirds (63%) of apprenticeships inspected were "good" or "outstanding"— an increase of 12% over last year. However, this still means that 90,000 apprentices are not on "good" provision. The report also highlights a lack of capacity with 9 applicants for every one apprenticeship vacancy, and many apprenticeships not focussed on areas of skills shortage (such as digital, manufacturing or technical skills) or at Level 3.
- **Prison education:** 65% of prisons still have learning and skills and work activities that are not good enough.

Read this! The text of the speech is at <http://tinyurl.com/z8gcddn>

Read this! The whole report, plus regional information packs are at <http://tinyurl.com/hr6dsko>

Download this! The underpinning data for the report can be found at <http://tinyurl.com/hsy9m2o>

Area Reviews

The Department for Education has begun publishing reports and recommendations for area reviews in the first two waves, apart from London West and Central which have been delayed "to ensure that the recommendations and outcomes of the four London reviews are co-ordinated during wave 3."

Download this! Read the report from your local area. Links to all area reports are provided at <http://tinyurl.com/z7e7zv8>

Functional Skills

The Functional Skills reform programme led by the Educational and Training Foundation (ETF) is now reviewing the second draft of the new standards. The progress so far was recently outlined by David Redden (External QA for Functional Skills at NCFE):

- NCFE should be releasing the new qualification in Spring 2018. The qualification will start being delivered in September 2018.
- Existing Functional Skills qualifications will continue to be valid until March 2019.
- The new qualification is expected to be about 40% bigger than the existing one to ensure it has more rigour. It will probably be around 65 GLH and will include more digital integration and real life applications.
- Awarding Organisations will have their external assessments standardised to help the new qualification stand up as an alternative to GCSE. This is a significant change from the current system.

Apprenticeships PAC Report

The Public Accounts Committee (PAC) released a report on the apprenticeships programme, following their recent inquiry. Recommendations included:

- Broaden and clarify the range of measures which evaluate success, and stop concentrating solely on the 3 million target. Any evaluation of success should include the programme's ability to meet the needs of employers, how it helps to develop skills and improve productivity, how it improves the opportunities for under-represented groups, and whether apprentices move on to higher apprenticeships. Meg Hillier MP, Chair of the PAC, said *"In our view the apprenticeships programme can only achieve maximum value if it raises skills levels, closes skills gaps and promotes diversity"*.
- The department should share data with employers and providers to be clearer about which apprenticeships deliver the most impact and provide the greatest return on investment.
- There needs to be clarity about how the apprenticeship programme will address the needs of emerging industries and skills shortages around Brexit and in other major programmes such as High Speed 2 and implementing the entitlement to free early years education and childcare.
- The process for devising, implementing and reviewing standards should be speeded up, as the timetable to have all standards in place has slipped three years to 2020. Some of the new standards are also unnecessarily narrow and overlap other standards.
- Clarify the intended role of the Institute for Apprenticeships (IfA) and verify its capacity and capability to fulfil its functions. This should include setting out who is responsible for quality and the success of the programme, who has the power to intervene when value is not being delivered, and who takes the lead if the programme is not working as planned.
- Identify the full range of risks associated with potential abuse of the levy system and ensure that they are addressed from the start. It should be clear who is responsible for managing the risks, detecting problems as they arise, and taking action quickly should concerns emerge. Risks include the concern that the levy, *"may incentivise some employers to exploit the system"* for example by artificially routing other forms of training into apprenticeships This is particularly relevant as the Individual Learning Accounts of 2000 collapsed due to wide-scale fraud and abuse.
- Do more to engage with SMEs who currently employ about half of all apprentices. Many areas have few or no large employers, but engagement has focussed on working with large levy payers. There also needs to be clarity about how non-levy payers will access funds.
- More needs to be done to communicate the value of apprenticeships to potential apprentices, schools and careers services.

Read this! The full report can be read at <http://tinyurl.com/jbobsse>

Download this! Help your local employers understand about the Apprenticeship changes with this two-page briefing from SFA <http://tinyurl.com/jaqs7gt>

In other apprenticeship news, a quarter of providers have declined the opportunity compete for an SFA contract to deliver training to SMEs from next May. Whereas 1753 providers registered with the Register of Apprenticeship Training Providers to deliver directly or as a sub-contractor to large levy-paying employers, only 75% also applied to deliver training to smaller, non-levy paying employers, despite them making up the overwhelming majority of businesses in England. Only 1.3% of all employers will be subject to the levy.

Keith Smith, Director of Funding and Programmes at the SFA, said that while 20,000 employers were expected to fall within the scope of the levy when it launches in April 2017, just 400 employers (2%), will cover *"about half of the entire levy"*. He said that while the SFA did know which companies would be paying the levy, the agency couldn't share that information as it was *"a tax matter"*.

Read more! Read the article about this at <http://tinyurl.com/hfbsezx>

Focus on Funding and Resources

Opportunities for Continuous Professional Development

1. TSNLA/ETF Bursary Scheme for Third Sector staff

The TSNLA and the Education & Training Foundation are once again operating a Continuing Professional Development Bursary Scheme in 2016/17. This is available to Third Sector learning provider staff who need to go on a course but don't have the funds to pay for it or the travel costs.

What can be funded? Up to two staff per organisation taking part in courses which are delivered by or funded by the Education and Training Foundation can apply for delegate costs and travel – the amount claimed will be the cost actually paid out up to a maximum of £250.

How to apply: Complete the form at <http://www.tsnla.org.uk/resources>. You will need to provide receipts and complete a brief TSNLA online evaluation questionnaire following on from the CPD. Membership of the TSNLA is not a requirement for the bursary, but it is expected that beneficiary organisation would be a Member, or join.

2. Third Sector Leadership programme

ELATT in London is running a new third sector leadership programme which is **eligible for the bursary outlined above**. ELATT can deliver sessions at your own venue with a minimum of 10 attendees, or there are also scheduled sessions. The *Connected Leaders* experience is designed to help individuals lead, manage, inspire and innovate in rapidly changing and increasingly challenging times. ELATT is an award-winning educational charity with expert trainers and a vast array of experience in the sector.

Scheduled sessions are run in London and the Midlands, and also online.

Subjects covered include Self Awareness and Innovation; Managing Challenging Relationships; Resilience; Coaching and Mentoring; Decision Making; Strategic Planning; Project Planning and Management; Resources; Innovation and Ideas; and Enterprising Behaviours.

For more information and to apply go to <https://www.elatt.org.uk/courses/leadership>

Funding for Collaborative development in Teaching, Learning and Assessment in the North West, Yorkshire and Humber

The Learning Consortium has secured funding from ETF for projects enabling practitioners to undertake collaborative development in Teaching, Learning and Assessment. The overall aim is for groups of practitioners from across the range of providers (including ITPs, ACL, OLASS, Third Sector or FE Colleges) to work together collaboratively to investigate and develop TLA approaches and practice for the benefit of learners. The Consortium particularly welcomes applications which involve third sector or OLASS providers.

SFA-funded providers can apply for collaborative projects up to £25k that focus on learner outcomes through improved learning and classroom practice, informed by research. Successful projects will also receive a range of support from The Learning Consortium including mentoring, an induction to the wider objectives of the project, training and other forms of peer support from a menu of services.

For more information and to apply see <http://tinyurl.com/js4d5w2>. The deadline is **16 December 2016**

ESF Lifelong Learning funds in Leeds

The European Social Fund is providing £7 million of funding to run a project providing a skills service to allow employed individuals to progress in Leeds City Region LEP. The grant focuses on enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings, upgrading the knowledge, skills and competences of the workforce, and promoting flexible learning pathways including through career guidance. **The deadline for applications is 21st December.**

To find out more and apply, <http://tinyurl.com/hczedhc>

Other ESF funding in South East Midlands

The European Social Fund is providing grants of a minimum of £50,000 to run projects that improve employer participation in designing skills provision that ultimately helps to reduce the skills gap across the South East Midlands. **The application deadline is 24th January 2017.**

To find out more and apply, <http://tinyurl.com/jftylyh>

Opportunity to work with the TSNLA around localism and the Third Sector

The TSNLA is recruiting an individual or organisation to deliver a *Localism and Third Sector providers* project through Awards for All funding. The work involves:

- The development of guidance materials on the changes to the funding of adult skills through the localism agenda, planning and commissioning and how Third Sector providers can engage with the new arrangements
- The planning and facilitation of four half-day workshops in the first half of 2017 – focusing on using the guidance materials in supporting providers to effectively engage with new systems

The fee for this project will be £3750 (inclusive of any VAT). Any travel expenses will be repaid at a public transport rates (unless impracticable) with additional expenses (e.g. overnight accommodation) incurred in agreement with the Board Chair/Board nominee and/or TSNLA Manager.

Apply here! Further details are at <http://www.tsnla.org.uk/>. Applicants should submit a letter of application, a CV from the person who would carry out this role plus two references to john.harris@tsnla.org.uk. Enquiries to John Harris on 01943 510657.

The deadline for applications is 5pm Friday 16th December.

Tips on working with select committees

Providing evidence to policymakers through select committees is a great way to influence current policy debates, but for those unfamiliar with the process, the formality of the task may appear daunting. Patrick Hanley has compiled thoughts and experiences from several LSE academics with their tips on preparing and giving evidence to policymakers.

Read this! Tips available at <http://tinyurl.com/zq4gxhm>

Other news in brief

Social Mobility Commission Report

The Commission publishes its latest annual 'state of the nation' report. It did not receive a lot of coverage, but was important as it found little evidence of improvement and a need for further reforms. It identifies four fundamental barriers that are holding back low- and middle-income families and communities in England: an unfair education system, a two-tier labour market, an imbalanced economy and an unaffordable housing market.

The report makes some observations about the removal of free learning for most adults and the lack of accessibility to further and higher education for older working people. It recommends the introduction of a **Second Chance Career Fund** to help older workers retrain and to *"write off advanced learner loans for part-time workers taking career-enhancing Level 3 qualifications"*. This would make it affordable for adults to learn and retrain to improve their employment prospects, and at the same time improve the life chances for their families and social mobility for their children.

The report warns that social mobility in Britain is getting worse for an entire generation of young people. It controversially includes proposals to extend school sixth form provision to support FE colleges deliver the new Skills Plan, and it calls on the Government to scrap low quality apprenticeships and reduce the number of 16-18 year olds not in education, employment or training (NEETs) to zero by 2022. It also recommends a single UCAS-style portal so that young people can *"make better choices about their post-school futures"*.

Read this! The full report is at <http://tinyurl.com/gocvu37>

Lifelong Learning Manifesto

A Manifesto for Lifelong Learning position paper has been published by the University Alliance group. While mainly focussed on HE, it covers a range of work, calling for better advice and guidance, better collaboration (including with adult learning and the Third Sector) and more flexible funding.

Read this! The Manifesto can be read at <http://tinyurl.com/ze6htg3>

LWI calls for new Citizens' Curriculum

Statistics released by the DfE have shown a significant fall (over 100,000 this year alone) in adults participating in English and Maths courses in England, which makes this the lowest participation in almost a decade. It is estimated that over 9 million adults in England need support to improve low literacy and/or numeracy skills which lock people out of opportunities in life and in work.

To tackle this, the Learning and Work Institute is urging the Government to adopt a new Citizens' Skills Entitlement and associated Citizens' Curriculum to deliver these skills. Stephen Evans, Chief Executive of LWI said: *"A weak skills base holds back our future prosperity, but also contributes to poverty – while having skills is not a guarantee of avoiding poverty, lack of skills is almost a guaranteed passport to poverty. The UK's learning and skills system delivers opportunities and second chances every day. But we need to do more so that people get a hand up when they need it"*.

LWI is proposing that by 2030 all adults should have access to the literacy, numeracy, digital, health and financial capability skills they need. The Citizens' Curriculum model encourages creative ways to engage adults in English and maths learning through links to wider capabilities such as digital, health and personal finance. It is asking for a refocusing of existing budgets and an additional investment of £200m per year.

Read these! The Citizens' Entitlement is at <http://tinyurl.com/h6e6frz>. Read about the Citizens' Curriculum at <http://tinyurl.com/zljvrzy>

World Book Night and Quick Reads 2017

The Reading Agency has announced new plans for World Book Night which will be on 23 April 2017. The book giveaway will be more targeted next year, with the Agency working closely with care homes, youth centres, colleges, prisons, public libraries, mental health groups and other charities to match books with new readers.

Get involved! Find out more at <http://worldbooknight.org/>

This year's Galaxy® Quick Reads 2017 will be available from Thursday 2 February. The books are:

- *Dead Simple* – a crime anthology from 8 different writers
- *Looking for Captain Poldark* by Rowan Coleman - a road trip novel
- *A Very Distant Shore* by Jenny Colgan - a romance about a Syrian refugee on a Scottish island
- *The Other Side of You* by Amanda Craig - a re-imagining of Beauty and the Beast, set in London.
- *Feel the Fear & Do It Anyway* by Susan Jeffers - self-help book
- *One False Move* by Dreda Say Mitchell - a gritty novel set on the Devil's Estate in London

Quick Reads are for Entry 3 and Level 1 adult readers. They are good for book clubs, using with literacy or ESOL learners and for encouraging reading. There is also a "Reading Ahead" challenge where adults pick six books and record their reading in a diary to get a certificate (previously known as the Six Book Challenge).

Find out more! News about Quick Reads 2017 is at <http://tinyurl.com/gsyfxbx>

Download these! Learning resources for Quick Reads 2016 books are at <http://tinyurl.com/hh4ux3x>

Find out more! Information about Reading Ahead is at <http://tinyurl.com/zkvflum>

Raise your profile by entering the Charity Awards

Since 2000, the Charity Awards has recognised excellence in the leadership and management of charities. The Awards are a great way to put a spotlight on your charity's work, to influence policy-makers and funders and to boost the morale of your staff and stakeholders. The Awards are sponsored by Charities Aid Foundation. **The application deadline is Friday 3 March 2017**

Enter here! To find out more and download the application form, see <http://tinyurl.com/hdluxz4> b

**The TSNLA Policy in your Pocket bulletin will return in the New Year.
A very happy festive season from all at the TSNLA**

If you find this Policy update useful, why not circulate it onto your colleagues? It is published on the TSNLA website at <http://www.tsnla.org.uk/>

If there are other areas of policy connected with skills and learning of adults and young people you'd like to know more about, please let Amanda (TSNLA Policy Advisor) know at pavonlopez@msn.com.