

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

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## ***Lord Sainsbury's Post-16 Skills Plan***

As outlined in the July *Policy in Your Pocket* bulletin, the government has published its Post 16 Skills Plan. This plan outlines options for 16 year-olds, basically covering the choice between an academic or technical route for further education. There has been a lot of anxious response to this, including:

- Fears of creating a two tier education system
- Controversy over plans to have just one awarding organisation for each of the 15 routes – both for the cost of monopoly-controlled qualifications and concerns about quality with no competition
- Concerns that the new proposed technical routes cover under half of current occupations, thus ignoring many jobs in the labour market
- Lack of additional funds to implement the reforms (and capacity within the sector)
- Overly-ambitious timescales within the Skills Plan (such as the September 2019 deadline for the first teaching of 'pathfinder' routes), particularly in light of current activity around Area Reviews and the devolution of adult skills funding.

**Download this!** The new Skills Plan is at <http://tinyurl.com/h6ukgbf>

**Read this!** Presentation by Warwick Sharp, Deputy Director, Head of 16-19 Policy and Technical Education Division on the Post 16 Skills Plan that was published in July 2016. <http://tinyurl.com/hysbu5v>

## ***Devolution and localism - why you should care***

Devolution of the adult learning budget and localism are big ticket items on the Government agenda, and present both opportunities and risks for providers of learning and skills. The National Audit Office produced an update on devolution in April 2016. Key facts to emerge are:

- 10 devolution deals agreed to date, plus 34 more proposals received by the Cities and Local Growth Unit to September 2016. These deals transfer various powers, funding and accountability roles, including around adult skills.
- Devolution is worth £246.5m additional investment per year
- 16.1 million people live in areas subject to devolution deals; 9 new mayors will be elected in 2017

- There was a 25% real-terms reduction in local authorities' income between 2010 and 2016, with 8% more to come from 2015-2020

All of the deals include agreements around further education (full devolution of adult education funding from 2018-19), with some also including employment support. Local areas will also have an enhanced role in agreeing and managing ERDF and ESF, the two European Union structural funds (as long as they continue).

LEPs have a key role in plans for local economic growth and devolution. There are 39 LEPs in England managing £12bn of Local Growth Fund between 2015 and 2021. This includes £170m adult skills funding.

The Centre for Skills, Knowledge and Organisational Performance (SKOPE) at Oxford University has released a report targeted at FE Colleges but of interest to all learning providers called ***The Long-term Implications of Devolution and Localism for FE in England*** which highlights the impact and potential benefits of devolution. The report was researched by the Association of Colleges (AoC), Oxford University and SKOPE and commissioned by the Further Education Trust for Leadership (FETL).

The report suggests that colleges can be “players, victims or agenda setters” and raises the issue that that many localities don't yet have the capability or the capacity to manage the adult learning budgets being devolved. It also considers the extent to which localism is understood and being prepared for in the regions. It covers differences in national plans and local expectations, potential clashes between market-based and systems-based solutions, and the problems around lack of definition of “success” for devolution. It strongly suggests that there is scope for learning providers to become key partners and provide their help, expertise and support to local leaders around need, provision and funding requirements.

As the funding of adult learning and skills (further education, work-based learning, community learning) is transferred from central government to local commissioners, there is a danger that the VCS providers who work with those people furthest from the labour market may be overlooked by new commissioners who don't understand the contribution made by the VCS to those most in need of support.

**Read this!** A copy of the report can be found at <http://tinyurl.com/jx2kkxu>

**Watch out for this!** The TSNLA has been awarded funding from ***Awards for All*** to deliver workshops on Localism and Learning and Skills by the VCSE sector. The project will deliver four workshops (South West, London, Derby and Leeds) and produce a set of guidance materials focussing on how to ensure that voluntary and community sector (VCS) providers of learning and skills to the most disadvantaged continue to be considered and funded. Keep checking your email updates from TSNLA for more information!

**Watch this!** **Dr Ann Limb**, Chair of the South East Midlands Local Enterprise Partnership (SEMLEP) shares some tips on how Training Providers can get more involved with their local LEPs. See the 5 minute interview at <http://tinyurl.com/hgdxaw3>

## ***Local Area Reviews and College Mergers***

Local Area Reviews were launched in September 2015 to achieve a transition towards fewer, larger, more resilient and efficient learning providers, and more effective collaboration across institution types. The Reviews consist of 243 FE Colleges, 96 Sixth Form Colleges local authorities, LEPs and, in some cases, adult learning providers. In general, private training providers and the VCS are not involved. The process is expected to complete in March 2017 and will inform devolution deals.

The process was overseen by the FE Commissioner Sir David Collins. His role has now been split in two. Richard Atkins will be the new FE commissioner, while Area Reviews go to Marilyn Hawkins.

**Download this!** The Government's policy statement on Area Reviews is at: <http://tinyurl.com/plafmhj>

**Watch this!** You can view a short (4 ½ minute) video about the reviews at <https://youtu.be/CduQ0f8lg7c>

The process has already resulted in many mergers, as FE Colleges are pressured to reduce costs. VCS providers should make contact with their new colleges to maintain visibility. 2016 mergers include:

- City and Islington College and Westminster Kingsway College (now WKCIC Group)
- Tower Hamlets College and Hackney Community College
- Bromley College of F&HE, Greenwich Community College and Bexley College (now London South East Colleges LSEC)
- Warwickshire College Group and South Worcestershire College (now Warwickshire College Group)
- North Warwickshire & Hinckley College and South Leicestershire College (now North Warwickshire and South Leicestershire College)
- Furness College and Barrow Sixth-Form College (now Furness College)
- Shrewsbury College of Arts and Technology and Shrewsbury 6th-Form College (now Shrewsbury Colleges Group)
- Rotherham College of Arts and Technology and North Nottinghamshire College (now RNN Group)
- Prior Pursglove College and Stockton Sixth Form College
- Bridgwater College and Somerset College
- Planned merger between New College Nottingham and Central College Nottingham (December)
- Planned merger between South and City College Birmingham and Bournville College (2016)

New creations include the National College for Creative and Cultural Industries (created in the Eastern region in September 2016) and the National College for High Speed Rail (already incorporated in West Midlands and Yorkshire and the Humber and due to open in September 2017)

The AoC estimates a further 11 mergers may take place during the 2016-17 academic year.

## ***Apprenticeships***

**Interesting fact:** *The latest ONS research comparing graduate and apprentice earnings shows that nearly a third of graduates now earn less per hour than the average worker who has gone down the apprenticeship route. Apprenticeship jobs are also more secure than those of graduates.*

Apprenticeships are in the news constantly these days with just over six months to go until the Levy is introduced. Here are some of the main developments to be aware of.

- Peter Lauener is now the part-time Shadow Chief Executive for the Institute for Apprenticeships until 2017. Peter is also Chief Executive of the Skills Funding Agency and Education Funding Agency.
- A British Chamber of Commerce survey of over 1600 UK business leaders worryingly shows that:
  - 39% of business people still don't understand, or haven't heard of, the Apprenticeship Levy
  - 30% of medium-sized businesses (50-249 staff) say they will have to pay the levy
  - Only 26% of businesses expect to recover all or more of their Levy payment – suggesting that for most businesses it will feel like a tax
  - 51% of businesses don't understand how the funding reforms work
  - Only 11% of businesses say reforms will increase their recruitment of apprentices, while just 5% say they will have a positive impact on their wider training budget.

**Read this!** View a summary Infographic at <http://tinyurl.com/zd7312r>

- New proposals see changes to the funding mechanism. Levy payers will get digital vouchers ring-fenced for the purchase of apprenticeship training and expiring after 18 months, whereas non-levy payers will have to contribute 10% towards the costs of the training. There is also:
  - 100% funding for small businesses who train 16-18 years olds, and for apprentices aged 19-24 who have a Local Authority Education, Health and Care plan
  - £150 extra per month for apprentices with a learning or physical disability
  - An 80% increase for STEM apprenticeship frameworks to reflect higher costs

### So why aren't some providers happy about it?

New system	What the AELP says about the implications
Incentive payment of an extra £2,000 for 16-18 year olds (used to be £5,400)	This means that 16-18 Apprenticeships will now not be funded consistently with other education and training for that age group. It makes employing younger people as Apprentices less financially attractive than before the changes.
No disadvantage uplift (used to be 12% for learners in the most deprived areas).	This could mean funding rates cut by up to half for the most vulnerable and needy learners on apprenticeships.
From May 2017, there will be fifteen funding bands. Employers will negotiate with training providers a price for training and assessment within a band.	The practice of employers being able to negotiate a price with a training provider for the delivery of apprenticeship training creates uncertainty. There is no other part of DfE's education and training system where the rates for delivery are not set centrally.
The levy that will fund Apprenticeships is coming from big companies, not government	If all levy proceeds are used by levy payers, there will be little or no funding for non-levy paying employers who currently account for at least half of the apprenticeships.  Social mobility is also at risk if apprenticeships are mainly run where large employers are located. Funding rates may make provision in other areas unviable.

More information should be coming out in October 2016 including final levels of funding, additional support, English and maths payments and eligibility rules.

In December 2016 there will be further employer guidance on how to calculate and pay the levy. Draft regulations covering how employers will calculate, report, and pay their Apprenticeship Levy liability have been issued by HM Revenue and Customs for consultation. Feedback is invited until **14<sup>th</sup> November 2016** to inform the full package of draft Apprenticeship Levy regulations to be published in December.

**Respond to the consultation!** Send comments on the consultation to [tolowri.barber@hmrc.gsi.gov.uk](mailto:tolowri.barber@hmrc.gsi.gov.uk). The detail is at <http://tinyurl.com/zq2mb6m>

**Watch this!** SFA have produced an **Introduction to Apprenticeship Funding and Levy** video explaining the basics of the levy and future funding. It lasts almost 10 minutes <http://tinyurl.com/h3d28vh>

Fed up with doom and gloom? If you'd like to read a positive spin on all the changes, Roger Francis from vocational provider Creative Learning Partners Ltd has written a very different approach in an article in FE News

**Read this!** <http://tinyurl.com/jlwx5om>

In addition, first wave of applications for the **new apprenticeship provider register** (to work alongside the existing Roto - register of training organisations) has been delayed from 3<sup>rd</sup> October to the end of the month (no date yet agreed). Unlike previously where subcontractors delivering less than £100,000 pa of SFA-funded provision didn't need to apply, the new system requires any organisation wanting a role in delivering apprenticeship training from next May to apply to be on the register.

### **National Audit Office report on the value of Apprentices**

The main elements of the report are:

- How will the increase in apprenticeship numbers deliver improvements in productivity?
- Focussing only on the 3 million target risks compromising on maximum value and quality
- There is no definition of "success" for the programme or for measuring the impact on skills levels, addressing skills gaps or improving achievement rates
- Only 25% of employers are aware of the new Apprenticeship standards and only 12% have any knowledge of what they involve. Only 8% intend to offer the new standards
- One third of L2 and 3 apprentices don't know they are on an apprenticeship, and 20% say they received no formal training

### **Functional Skills in Apprenticeships – the good and the bad**

**The good:** From next April, employers can choose to use different providers for different parts of their Apprenticeship Standard. This means that they can use specialist providers to deliver the Functional Skills component of the Apprenticeship.

**The bad:** The government has said that it will "fully fund" Functional Skills English and maths within the new Apprenticeship standard. However, the rate they are proposing of £471 per Aim is 35% less than the current rate for a standalone Functional Skills qualification (£724 per Aim). The reason for the difference is unclear.

## ***Focus on Events, Funding and Resources***

### **1. FREE EVENTS**

#### **Nine free Regional events on using RARPA**

Natspec will be running 9 **FREE** regional events throughout November, funded by ETF, to explore non accredited learning and using RARPA as a tool for assuring quality. The workshops are suitable for managers and practitioners. It includes sessions on setting up and managing RARPA systems, and resources.

**Book your place!** Book your place at <http://www.natspec.org.uk/news-items/understanding-using-rarpa/>

#### **Free Open Inspiration event in Liverpool**

The Open Inspiration event on **Tuesday 22<sup>nd</sup> November** aims to highlight some of the key issues facing learning and skills providers into 2017. The event covers area review, local flexibilities and the role of labour market intelligence tools in driving curriculum changes, along with best practice tips for boosting learner resilience and increasing overall retention rates.

**Book your ticket!** Details of the event is at <http://tinyurl.com/z6f63ya>

#### **The Big Draw 1-31 October**

The Big Draw (formally The Campaign for Drawing) is an arts education charity that promotes visual literacy and drawing as a tool for learning, expression and invention. The Big Draw Festival is the world's biggest celebration of drawing, and runs throughout October.

This year's theme is The STEAM Powered Big Draw Festival ([#STEAMBDF2016](#)) aimed at bringing together Science, Technology, Engineering, Art and Maths. STEAM fuses creative innovation, enterprise, digital technologies and the arts.

**Get involved!** Find out about events, competitions and much more at <http://tinyurl.com/zllh3rg>

### **Get Online Week from 17-23 October**

Co-ordinated by the Tinder Foundation and the UK Online centres network, this campaign will see hundreds of local events taking place to show thousands of people how being online can make their lives a little easier.

**Get involved!** Find out more about the week at <http://tinyurl.com/gumdcge>

### **Work Experience Week 10-14 October**

Work Experience Week is an opportunity to raise the profile and celebrate the benefits of high quality Work Experience and encourage young people, employers and providers to share their experiences and opportunities through social media and local and national events.

**Get Involved!** Support the week through the *Thunderclap*. One click will post a message of support to your timeline at the beginning of Work Experience Week. Join in at <http://tinyurl.com/zz2y7ve>. Follow what's going on at #WEWeek2016 or check out the website <http://www.fairtrain.org/work-experience-week>

## **2. FREE MATERIALS**

### **ESOL Materials**

A new exhibition site brings together some of the most effective resources for ESOL available on the Excellence Gateway. Most of the resources were developed as part of government-funded projects that have now closed, including Move On, ReadWritePlus, and the Talent website.

**Check this out!** Resources are freely available at <http://esol.excellencegateway.org.uk/?platform=hootsuite>

### **Learn about parliament for free**

Social learning platform FutureLearn is offering a free online course on an *"Introduction to the UK Parliament: People, processes and public participation"*. The course is designed to increase public engagement in and understanding of the work and role of the Parliament. The course will begin on **November 14th** to coincide with UK Parliament Week, a programme of events and activities that connects people across the UK with Parliament and democracy.

**Enrol now!** The course details are at <https://www.futurelearn.com/courses/introduction-uk-parliament/1>

### **Free courses through ETF**

A number of free online courses are available from the Education and Training Foundation. Subjects include Prevent, Leadership, Management & Governance, Teaching & Learning, Maths and English and E&D

**Enrol now!** Course details are at <http://www.foundationonline.org.uk/>

### **Free resources from Digital Unite**

Digital Unite has produced some new guides to help you with your digital skills.

1. Get the most out of your smartphone. These new guides include using wifi, email, apps and photos on your Android, Windows or iPhone.

**Download the guides!** <https://www.digitalunite.com/blog/new-smartphone-guides-released>

2. Learn how to use Windows 10. These 8 new Microsoft guides explain Windows 10 from Windows Hello to Cortana and Microsoft Edge.

**Download the guides!** <http://tinyurl.com/gvfyzxa>

### **Free online courses in managing your IT infrastructure**

Opal IT, an IT solutions provider, has launched a series of free online webinars to help organisations manage their IT infrastructure. Topics will cover a range of business-critical issues, including how to improve IT security and make IT networks more robust

**Register now!** For further information on the free webinars, call 0330 22 33 011, e-mail [support@opal-it.co.uk](mailto:support@opal-it.co.uk) or visit <http://www.opal-it.co.uk/>

## **3. FUNDING**

### **New Big Lottery Youth Funds**

The Youth Investment Fund is a £40 million investment jointly funded by the Department for Culture Media and Sport and the Big Lottery Fund. It will support larger Voluntary, Community and Social Enterprises (VCSE) organisations (income between £300,000 and £2 million), who provide front line youth services to deliver, expand and create high quality youth services, which result in improved outcomes for young people. Applicants can apply for three years of funding from 2017–2020 in the region of £159-750k.

**Target areas are:** East London, Liverpool, West Midlands, Tees Valley and Sunderland, Eastern England, Bristol and Somerset

**Deadline for applications:** 11 November 2016

**Apply for this!** <http://tinyurl.com/zbxt9sc>

## ***Other news in brief***

- **Devolution and skills in Liverpool:** Liverpool city region is using £458m to kick start a range of projects to boost growth. A new Skills Commission will be used to ensure local workers have the right knowledge and training for new jobs, and the Liverpool City Region Combined Authority has agreed the prospectus for a Single Investment Fund (SIF) to commission projects and decide which should be funded. These schemes will include skills development and adult education.

**Find out more!** The SIF is available at <http://www.liverpoolcityregion-ca.gov.uk/>

- **Business Start Up for young people:** New research from Awarding Body ABE shows that more than 80% of 16-21 year olds are interested in starting their own business. The survey of 500 young people showed 82% of respondents plan to start a business in the future, or would consider starting one, and 4% have already launched one. In addition, almost 90% would like to start a business if barriers such as financial constraints or a lack of skills were removed.
- **Functional Skills:** The first phase of the Functional Skills Reform Programme has now come to a close with ETF consulting more than 1,000 individuals, organisations and businesses on the steps needed

to make maths and English Functional Skills qualifications more robust and more credible. The final report with a series of recommendations will be presented to Ministers in the autumn.

- **Rowntree report on skills and poverty:** A Learning & Work Institute report funded by the Joseph Rowntree Foundation shows how tackling skills gaps can help to reduce poverty and improve life chances. 9 million adults still have low literacy, numeracy or both which limits their chances to find work and build a career, and also to get the best deal online and manage the household finances. The report outlines three key measures to tackle these inequalities:
  - **A new Citizens' Skills Entitlement.** By 2030 all adults should have access to the literacy, numeracy, digital, health and financial capability skills they need, funded by existing budgets and an additional £200m per year investment (doubling current investment).
  - **Shared responsibility.** Personal Learning Accounts for individuals and incentives for employers to invest in those with the least skills.
  - **A Career Springboard.** A Career Advancement Service to help Britain's 5 million low paid workers to progress, including by working with employers to boost productivity.

**Read this!** The full report is at <http://tinyurl.com/h27uvpb>

- **Institute for Apprenticeships to replace UK Commission for Employment and Skills (UKCES):** UKCES is to be closed *"in order to prioritise funding to allow the core adult skills participation budgets to be protected in cash terms"* (Minister of State for Apprentices and Skills – Robert Halfon). UKCES used to help the government set the skills agenda, produce the Employer Skills Survey (ESS) and the national occupational standards (NOS). The new IfA will support Apprenticeships as the reforms take effect, and it will expand further in 2018 to take responsibility for delivering on the technical education reforms as outlined in the Post-16 Skills Plan. Management of the ESS will be moved into the Department for Education, while the NOS will now be managed by the "Devolved Administrations" and transferred to another public sector organisation.
- **Swap places with someone in Government for a day!** If you'd like to find out what it's like working at one of many government departments, and have them do your job for a day, sign up to NCVO's *"A day in the Life"* by 16<sup>th</sup> October and swap places with someone in your government sector.

**Sign up now!** Find out more at <http://tinyurl.com/ha23wl6>

- **SIR Data Insights submission:** The Education and Training Foundation has announced that the deadline for the SIR Data Insights submission has now been extended to 21 October 2016. For those yet to submit, there are tips and feedback from providers that have submitted on the news section of the SIR Data Insights website. Support is also available from the Support Desk at 0345 833 9040 or email [support@sirdatacollection.org.uk](mailto:support@sirdatacollection.org.uk)

**Find out more!** at <https://www.sirdatacollection.org.uk/>

**If you find this Policy update useful, why not circulate it onto your colleagues?**

**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](mailto:pavonlopez@msn.com).**