

## Briefing: Changes in post 16 education post LSC

### Introduction

- April 1<sup>st</sup> 2010 as a result of the Apprenticeship, Skills, Children and Learning Act 2009, the LSC is abolished and replaced by 5 new government agencies: Young Persons Learning Agency (YPLA), Skills Funding Agency (SFA), National Apprenticeship Service, Adult Advancement and Careers Service, National Employers' Service. The latter 4 report through SFA. This reflects split of DfES in 2007 and creation of local authority Childrens' Services incorporating education, social and health services.
- So in the new divided system: post and pre 19 learning. FE colleges are strung out across the 2 new systems with its 16-19 work led by local authorities whilst still under the remit of SFA and BIS.
- UCU is opposed to the changes because of this fragmentation for FE colleges
- 16-19 education and training will be planned and commissioned by local authorities
- Post 19/adult learning more marketised system with some, and perhaps increasing amounts bid for through tendering processes. The working of this new system will pretty much follow the direction of travel in terms of policy and implementation taken by the LSC in its local latter years.
- It is unclear how long these new systems will local last. They begin to operate from April 1<sup>st</sup> 2010. The General Election will be May/June. There could be a new government, but it is not very clear what an incoming Conservative Government may do. It is likely to merge SFA and YPLOCAL AUTHORITY to create new form of FEFC. Conservatives have published a consultation on a new form of FEFC style funding. But it is not clear if this is for FE colleges only, private trainers, school 6<sup>th</sup> forms and 6<sup>th</sup> form colleges. But it likely any change would take at least 2 years to introduce.

### Funding Context

(for a full account of FE funding for 2010-2011, refer to Briefing on FE funding which is being published with this briefing)

Funding positions in 16-19 and adult learning are now clear. BIS announced adult learning funding in early December 2009 in the Skills Investment Strategy ([www.bis.gov.uk](http://www.bis.gov.uk)) and the DCSF 16-19 funding in 16-19 Statement of Priorities and Investment Strategy 2010-11 ([www.dcsf.gov.uk](http://www.dcsf.gov.uk))

- 16-19 funding is better nationally than funding for adult learning with a 6.6% rise in overall funding, and 6.4% increase in student numbers. Funding rates are frozen at

2009-10 levels which is a 2.5% cut. The funding gap remains between school 6<sup>th</sup> forms and FE. Cuts to individual colleges on 16-19 due to college's local circumstances

- Adult learning: local large cuts: Adult Responsive is funding for all programmes that are not directly related to employers
  - Received a 3% cut on all funding rates. – amount received for each student
  - Colleges received only 75-90% of 2009-10 funding allocation on adult responsive. Level of cut depended on the amount of priority work delivered. Priority work is considered as being full level 2 and 3 programmes, Skills for Life, some trade unions studies, LDD and regional skills priorities.
  - Skills for Life: £30m overall cut but more numbers required. Uplift reduced to 1.4 to 1.2. Focus is now on numeracy.
  - Developmental Learning: funds some trade union studies, some LDD and lots of low level Skills for Life that don't make up the national targets.
- Employer Responsive: work directly with employers ie apprenticeships and train to gain. All funding rates cut by 6% adult apprenticeships by 10%
- BIS calculates a loss of 130,000+ learners.

## 16-19 changes

- Local authorities take over planning and commissioning provision
- Allocations for 2010-2011 have been undertaken by the LSC shadowed by LOCAL AUTHORITY officers. So new system isn't implemented until 2011-12. But the processes will begin in the spring/summer 2010.
- The details of the commissioning and planning of provision can be found in the National Commissioning Framework ([www.dcsf.gov.uk](http://www.dcsf.gov.uk)) A summary and UCU's response can be obtained from the UCU Policy Department [dtaubman@ucu.org.uk](mailto:dtaubman@ucu.org.uk)
- The 16-19 system will be overseen by a new quango Young People's Learning Agency (YPLOCAL AUTHORITY)

## 16-19 planning and commissioning for 2011-11

- 16-19 commissioning includes LDD provision up to age 25, 16-19 Apprenticeships which go through National Apprenticeship Service (under SFA), youth custody
  - **2011-12 processes begin May 2010** with the local authority bringing together all relevant data on its 16-19 – patterns of study, patterns of travel to study, destinations, local labour market, numbers of Learning Difficulties/Disabilities and potential apprentices, etc. Some LSCs have produced strategic data on 16-19 at regional and local authority levels. Contact [dtaubman@ucu.org.uk](mailto:dtaubman@ucu.org.uk) for this if required.
  - Discussions with providers, 14-19 existing local learning partnerships.
  - These discussions will be basis for local authority Statement of Need 16-18 which will be the start of Commissioning Statement
  - **Oct-Nov 2010:** Govt. starts budget and funding position 2011-12. This should be 1 year of next Comprehensive Spending Review and funding

position until 2013-14. End Nov. Govt. Pre Budget Statement – fuller details of 2011-12 spending including overall allocation YPLA

- **Oct – Nov** YPLA sets national funding rate for 16-19 2011-12. Starts process of allocation to local authority based on local last year's figures and if any growth in numbers.
- **Oct-Dec:** more discussions with providers leading to local authority commissioning statement
- **Nov-Dec** local authorities' local statements go to sub regional planning local authority groups. These are groups of neighbouring local authorities. Their areas roughly correspond to the old local LSC areas. Each sub regional group will construct its own structures to establish a lead for the sub region. This may be a single local authority or a committee of the relevant local authorities. The individual local authority plans are aggregated and the sub regional plan is signed off. It then goes to the Regional Planning Authority (RPG) for aggregation of sub regional plans and inclusion of regional priorities and skills analysis. RPG signs it off and it goes to YPLA for sign off, then back local authorities for planning and allocations. Local authorities inform providers of what it will be commissioning from them.
- **Jan to March 31 2011:** Local authorities make provisional allocations to providers. Discussions with providers about actual amounts. Those who have lost try to argue up and those with growth argue for more. Has to be concluded by March 31<sup>st</sup> as legislation stating this for schools
- YPLA intervenes if local authorities can't agree with each other, or with Sub Regional Planning Groups or the RPG
- Allocations and plans include numbers for LDD, apprenticeships and youth custody. For more detailed explanation of these contact [dtaubman@ucu.org.uk](mailto:dtaubman@ucu.org.uk)
- It is likely that allocations for 2010-2011 will be much the same as the previous year with perhaps some growth for the increased numbers of young people continuing in education and training because there are few jobs for young people. The real changes may not be implemented until 2011-12 when the Ls will work the new planning system and have the right to change allocations and therefore provision in providers.
- Local authorities are not what FE left at Incorporation 1993. Local authorities run through a Cabinet system of local councillors (chairs of Committees). Councils are much more into commissioning and regulatory rather than direct provision of services. Very complex system of performance indicators and planning thorough Local Area Agreements and between Local authorities in Multi Agency Agreements.
- Quality Assurance: Local authorities should only commission from providers of known and good quality. The indicators will be obtained from OFSTED Inspection Reports and from the performance indicators in the Framework for Excellence which is being extended to schools. Minimum Performance Levels on success rates for individual programmes will be extended to schools.
- If a local authority is concerned about quality in a FE college, it informs the SFA who would have to take any action. If necessary a 'case conference' of stakeholders is convened. It is not clear what will happen if one lead local authority has complaints

about college quality and other lead local authorities sending students to that provider do not.

## **Adult Learning/Post 19**

- The new funding but not planning agency is the Skills Funding Agency (SFA)
- The SFA is not a quango but a 'Next Steps' Agency. These have a much closer relationship to ministers and the sponsoring Department
- SFA's budget will be around £4 billion
- The SFA will be a funding but not a planning body
- The SFA will include:
  - the National Apprenticeship Service, which will have end to end responsibility for the apprenticeship programme;
  - Learner Skills Services – including an Adult Advancement and Careers integrated employment and skills services for the unemployed, offender learning, informal adult learning etc.
  - Employer Skills Services – a national skills service to all sizes of business in all sectors via Train to Gain and the National Employer Service;
- There will not be local SFAs and at Regional Level the regional SFAs will be part of the Regional Development Agency and Regional Skills Partnerships set ups.
- The SFA system has the ability to create employer-led advisory Employment and Skills Boards on the lines of the one that has been established in London
- FE colleges will be under the remit of the SFA as a whole but for 16-19 provision will be under the planning and commissioning process of local authorities.
- FE colleges and other providers will receive an annual funding envelope based on previous performance and will draw down funding as and when students enrol, working with a dedicated account manager at the Skills Funding Agency across the whole range of their adult skills training.
- The SFA will implement a National Skills Investment Strategy set by BIS to deliver the national skills priorities identified by the UK Commission for Employment and Skills
- The UK Commission for Employment and Skills (UKCES) is responsible for skills forecasting and reporting on the State of the Nation, with input from Sector Skills Councils, RDAs and others such as statutory Employment and Skills Boards.
- The SFA will also implement regional skills strategies that will be set by Regional Development Agencies as part of their Single Integrated Regional Strategies, to ensure that provision meets the skills gaps identified by employers in each region.
- The RDAs, working in partnership with regional local authority Leaders' Boards, sub-regional bodies and other partners such as the Skills Funding Agency, Jobcentre Plus, Sector Skills Councils, business representatives, the Further Education College and provider base, and higher education institutions, will be responsible for producing regional skills strategies.

These strategies will:

- Articulate employer demand and set out specific skills investment priorities for the region;
  - Support the delivery of national priorities for skills;
  - Have a 20 year time horizon, updated every five to six years in line with the wider regional strategy;
  - Take account of skills priorities identified on the basis of industry sectors (including the Sector Skills Councils), where these are relevant to the region;
  - Articulate all skills needs in the region, including pre 19 and higher education; and Inform regional priority statements, produced by RDAs every three years and refreshed annually, that will constitute a core element of Ministers' Annual Skills Investment Strategy. The Government will review and sign off these statements, ensuring consistency with national investment priorities. Page 3
- The SFA will be responsible for target setting, performance monitoring and intervention
- Quality assurance judgements will be through OFSTED Reports and the Framework for Excellence performance indicators, success rates and Minimum Performance Levels
- The SFA will accredit providers and be responsible for financial assurance and audit.
- The SFA will be responsible for Learner Registration Service, FE Data Service, qualifications and Credit Framework

## **Adult and community learning (ACL)**

- ACL services receive funding from the LSC currently under 3 funding streams: the Adult Safeguarded budget, Adult Responsive and Developmental Learning funding streams. These latter 2 will be continue through SFA.
- As part of the implementation of the White Paper on informal adult learning (March 2009) local authorities from August/Sept. 2011 will receive their Adult Safeguarded Budget allocation directly from the SFA.
- Local authorities will have to convene a committee of all providers including those not currently receiving resources from the LSC. There will be designated a lead accountable body, which will usually be the local authority. This body has to draw up a Adult Learning Plan which the SFA signs off, and then this body will receive resources to fund the plan

## **Offender Education**

- Will be divided on age grounds
- Adult prison education will be the responsibility of the SFA, and will be subject the periodic re-contracting as it has for some time
- Youth Custody will come under the National Commissioning Framework and local authorities' planning. This will include Juvenile Secure Units and Youth Offender Institutions. These will be under the remit of the local authority in which the institution/unit is geographically situated, the 'host' authority. It will need to work with

and liaise with the local authority from which the young person in youth custody is from, the 'home authority'.

- There will need to be contact between the home and host authorities as to the person's educational record up to the point they are in custody, and when they are released as what they have achieved whilst in custody, and post release action.
- Local authorities will be able to re-tender for provision in Youth Offender Institutions for 2011-2012.

## Branch/Regional Activity

- UCU opposes these changes being brought in for 16-18 education and training. UCU (and before it NATFHE) has had policies calling for the return of FE colleges back to local authority control and democratic accountability. However it believes that the current changes, with a large part of colleges' curriculum being under local authority strategic leadership, yet adult learning and colleges themselves coming within the remit of BIS, will lead to the fragmentation of FE colleges, and possibly actual splits in colleges between work with young people and work with adults.
- UCU organised and convened regular (usually quarterly) meetings with LSC officials to discuss concerns and issues, and to seek clarification and information on developments. UCU has arranged that these meetings will continue with the YPLA and the SFA. It is likely that UCU will continue to convene these meetings. It is therefore possible to be able to raise branch concerns at a national level. Branch concerns will not be taken up in most instances, by raising issues and problems about particular colleges, but will do so as generalised issues
- **SFA/adult learning:** as the arrangements for adult learning through the SFA continue to the policies already laid down for the LSC, UCU branches and regions are unlikely to see much change from what has been happening with the LSC.
  - The principal point of contact between the SFA and a college will be the single accounts manager. Branches should ask college management for the contact details of the Accounts Manager. It is likely that the Accounts Manager will be reluctant to
  - There continues to be a drive towards encouraging new providers to enter the learning and skills adult learning area. Branches need to remain vigilant about this, and regular ask college management whether their college may be threatened by such developments.
  - There is an enhanced role for regional development agencies concerning regional skills priorities which must inform the delivery of provision. Regions are advised to seek and provide information to regional TUCs who should be key stakeholders in RDAs.
  - Regions should try to find and make contact with the Regional TUC representatives on RDA, and any sub groups and working parties around regional skills analysis and identification.
- 16-19/local authorities/ YPLA

- Branch officers will need to think about and work with their regional offices around the [need to request consultation](#) at local level and find out where these consultations will take place. When this information is known, branches with the Regional Offices should request to be included in local consultations on 16-19.
- It is essential that these changes and future arrangements for post-16 provision are managed on the basis of meaningful consultation. Local authorities should ensure that all interested parties, including UCU are included in consultation when the changes are introduced and in future planning/commissioning work. Proposals need to be identified early and explained fully to consultees, who should have adequate time and information to respond.
- It must be remembered that although the local authority may well be making key decisions that will affect UCU members, they are not the employer, which will remain the college. This means that UCU will be seeking consultations, not negotiations.
- Branches should ask college management if the college is part of the local 14-19 Partnership between schools, colleges and other learning providers. The 14-19 prospectus will be a key part of this and it is important that colleges as well as schools and their representatives are involved in this process.
- Branches should identify who will be the key players in their local authority on 16-19 both officers and leading political figures and seek meetings with both the officers and politicians to inform them of FE.
- Local authorities will begin their planning and commissioning for 2011-12 in May 2010 by collecting relevant data and producing their needs analysis. Other key periods will be in September and October 2010 when the local authorities will be putting together their commissioning statements; and towards the end of 2010, when these commissioning statements will be translated into planning and commissioning provision. Finally there may be opportunities at the start of 2011, when allocations will begin to be made to providers.
- It will also be possible to exert influence at sub regional and regional levels as the Commissioning Statements and Plans have to be signed off at these levels.
- FE will be a key part of the processes at the sub-regional grouping level when the several local authority plans will need to come together.
- Branches should consult with Regional Officials about making links with other colleges falling within their sub regional group, and work together at this level on the plans emerging at this level. Where Area Liaison Committees still exist, they could well form the basis for such work.
- Branches, with advice from Regional Offices, should also consider setting up consultation forums with the sub regional and regional local authority groups

in order to find out about their thinking in advance and attempt to influence it during each planning cycle.

- Branches should plan any actions taken around these changes with their Regional Officials, and keep the Regional Office informed of any activities they undertake around the changes. The FE department will look at the process of establishing possible means to ensure input at local authority, sub regional and regional levels. and will explore how this may be undertaken with regional offices.
- It is essential that UCU branches and members work with school teacher union colleagues around local authority commissioning plans to ensure that programmes are not unilaterally removed from FE colleges, and that the contribution that FE colleges make to 16-18 work is properly recognised, especially in terms of equal opportunities and access. Branches are advised to contact the NUT branches in their areas as a first step to collaborative work and co-operation in looking at local authority strategic plans and commissioning. A separate briefing on working with the NUT at local level on the 16-19 changes has been produced.
- Branches may wish to try to form a small advisory group of members working in 16-19 to help the branch committee understand the local issues and data on young people.
- Intervention where poorly performing providers are identified for FE colleges lies within the remit of the SFA. Where local authorities identify poor quality provision in 16-18 work, they will inform the SFA who may call a 'case conference' of all the parties concerned to discuss action. Branch officers will need then to monitor how much intervention will take place regarding the 'under-performance' of providers.
- As local authorities take over the functions of the LSC, colleges as well as schools will need to ensure that they are given adequate funding so that they can deliver the new entitlement for learners to education/training that begins in 2013.
- Although many branches will have many problems and issues with local college management, there will be occasions, possibly many occasions when the interests of college management and UCU members will coincide around the issues arising from the changes in 16-19. Branches should think about whether it is possible to construct alliances with management to defend FE.

## **More Information**

Given the closeness of the Election to the publication of this briefing, it is likely that there will be changes of government department, possibly of the YPLA and SFA, and almost certainly in the quangos. Therefore the web sites below may change their names.



**Business Innovation and Skills Department**

<http://www.bis.gov.uk/Policies/further-education-skills/sfa>

**Department for Children Schools and Families**

<http://www.dcsf.gov.uk>

**Young People Learning Agency**

<http://www.ypla.gov.uk>

**Skills Funding Agency**

<http://skillsfundingagency.bis.gov.uk/>

**The Learning and Skills Improvement Service**

<http://www.lsis.org.uk>

**Local Government Association**

<http://www.lga.gov.uk/>

**Association of Colleges**

<http://www.aoc.co.uk/>

**Learning and Skills Network**

<http://www.lsnlearning.org.uk/>