



Leading learning and skills

Provider Briefing Event

London Region
16 December 2009

Welcome

Today's running order



Leading learning and skills

Investment Strategy

14-19 Qualifications Strategy

How will this work?

Further Information

Investment Strategy



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01

Priorities for Success (PfS) 5



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To be published in early January. Initial messages:

- c£8.2bn, of which c£7.2bn is participation, c£900m for learner financial support
- 68,000 additional learner volumes on 09/10 plan
- Extra 80,000 learners to receive EMA
- Priorities for young people - Participation, Attainment and Progression
- 2010/11 rates held at 09/10 level

PfS 5 (cont)



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- **Population change taken into account for 10/11 allocations**
- **EMA bonus scheme stopped**
- **Providers should seek to protect front-line services when making efficiency savings**
- **Extra £30m on top of £240m for 16-18 capital**

16-18 Stock take



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- 16-18 Stock take letter sent out 15 Dec
- An additional £11m for over recruitment
- 500 Schools, 20% of all 16-18 providers
- Additional contribution (not fully funded) where over-recruitment is more than 50

Less than 50

- SSFs: over 10%, min 10 learners
- FE: over 5%, min 10 learners

Investment Strategy



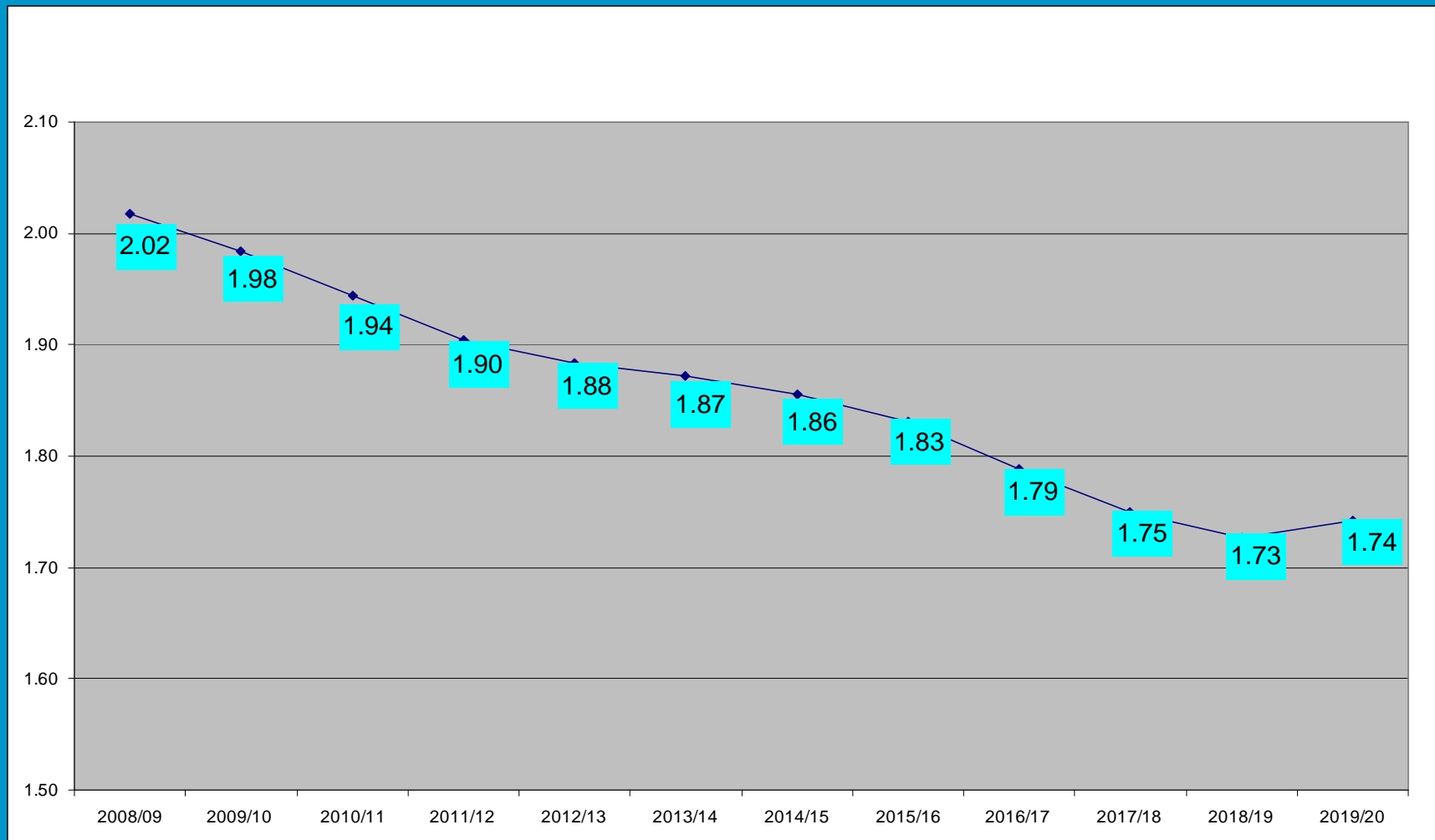
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Key Messages

16-18 participation is increasing

- Participation for 16 year olds in 2010/11 - 96%
- Participation for 17 year olds in 2010/11 - 93%
- 16-18 budget is rising to match participation

16-18 population 2008/09 – 2019/20



Investment Strategy



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Key Messages

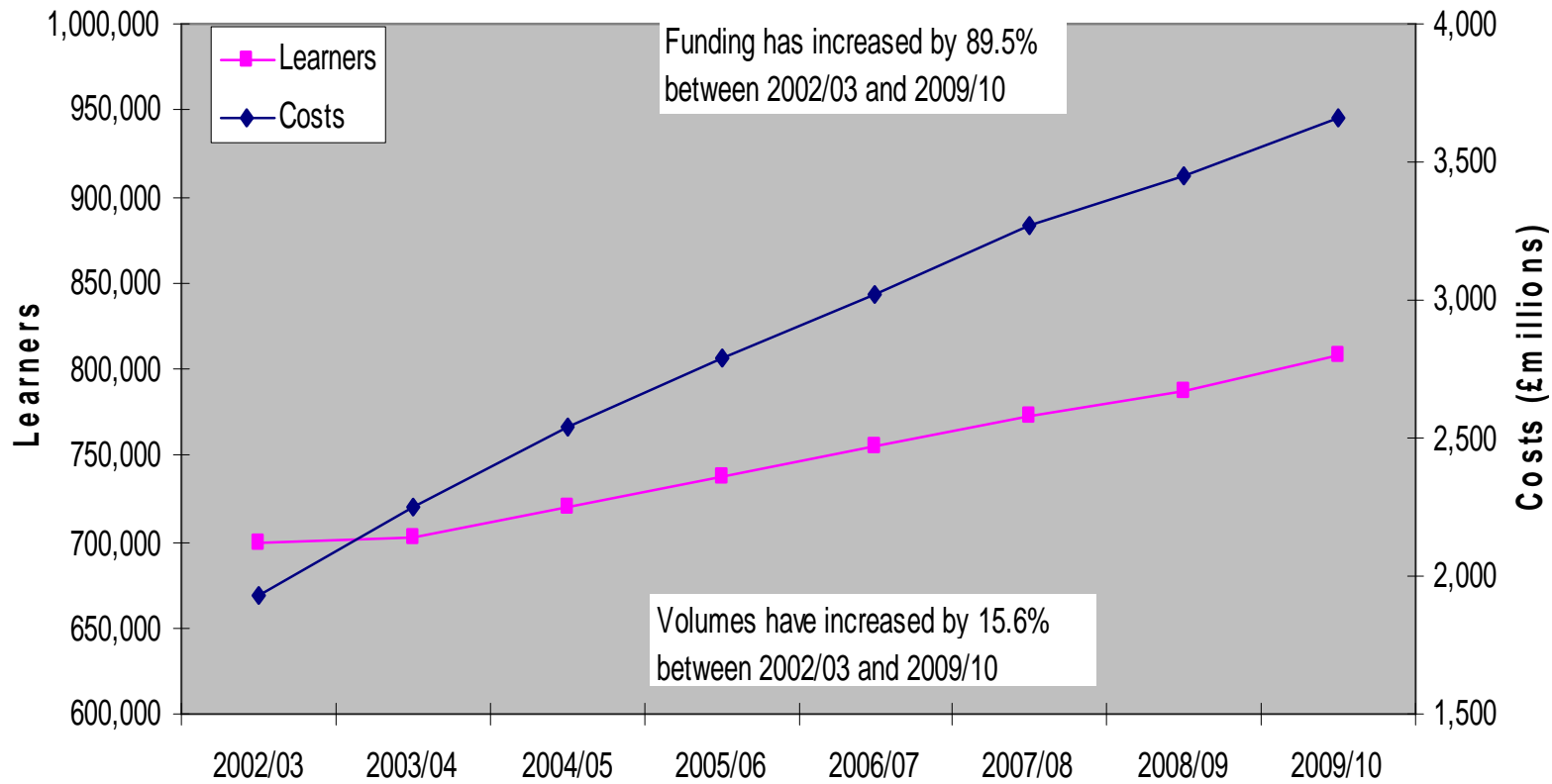
Pressure on unit costs:

- Inflation
- Increased Success Rates
- Increases in size of learner programmes
- Recruiting more learners from disadvantaged areas

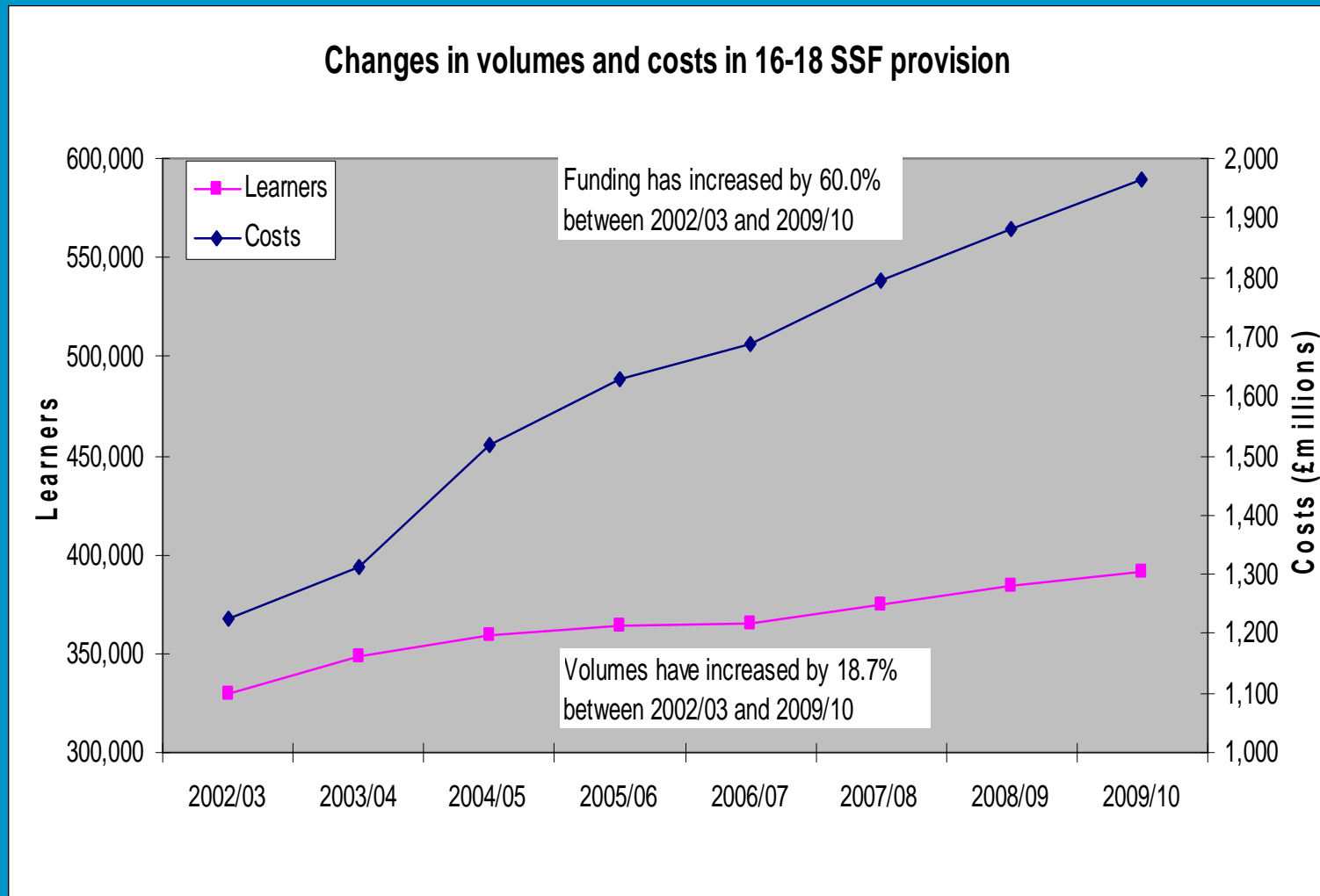
Government has asked education sector to absorb some of these costs for 2010-11

FE funding 2002/03 - 2009/10

Changes in volumes and costs in 16-18 FE provision



School sixth form funding 2002/03 – 2009/10



Funding Formula



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- **Funding Rates / Standard Learner Number (SLN)**
- **Minimum Funding Guarantee**
- **Annual review of Learner Responsive SLN values will be finalised by December and published in January**
- **Transitional Protection will be reviewed once the full impact of the allocations process is known**
- **In-Year Adjustments**
- **Funding Gap**

Learners with Learning Difficulties and/or Disabilities

- Budgetary control, roles and responsibilities
- Independent Specialist Providers (ISPs)
- Ofsted Review
- Local provision
- Inclusion in mainstream learning
- Employment, Access to Apprenticeships
- Research into funding of post 16 SEN in schools

14-19 Qualifications Strategy



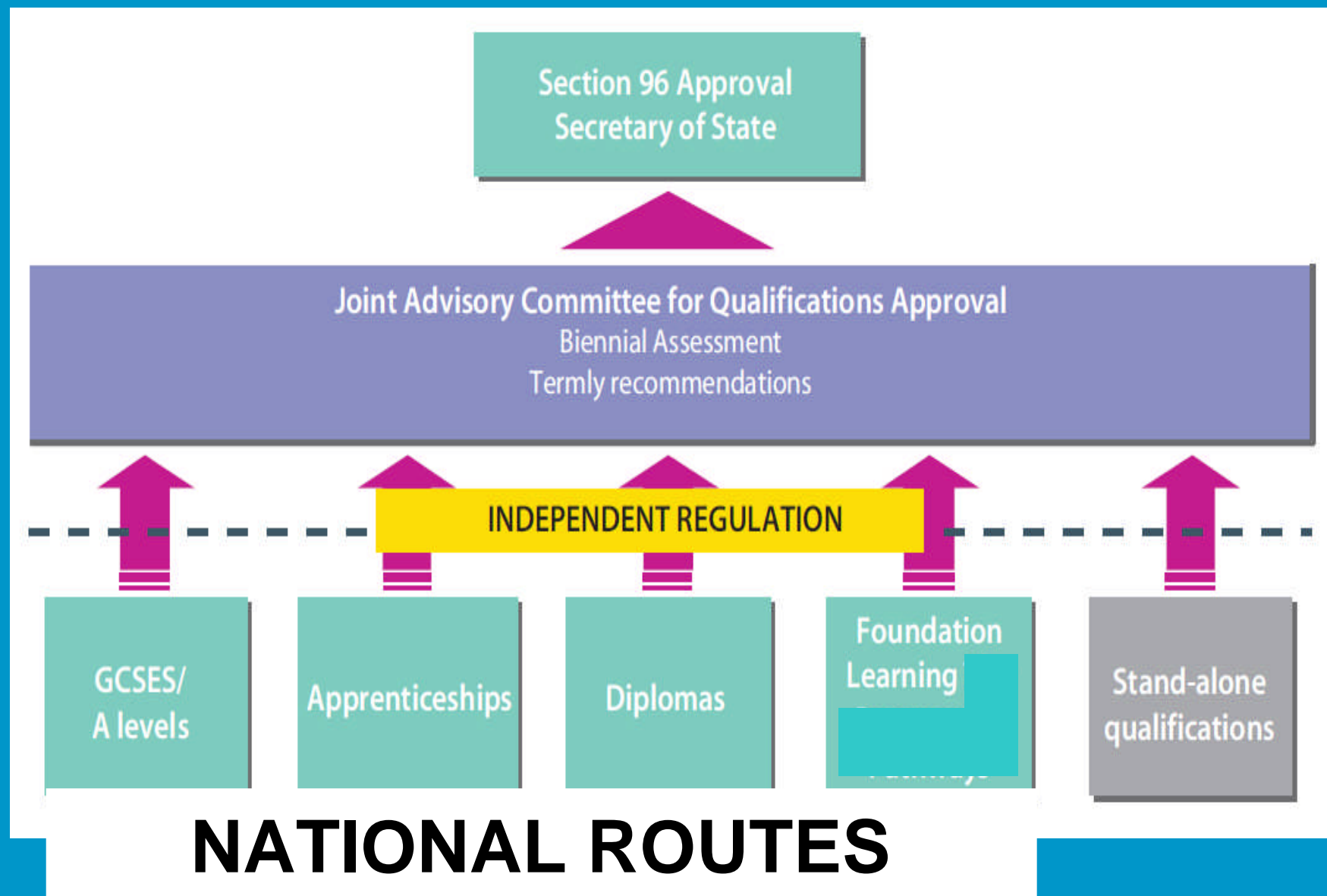
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14-19 Strategy

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14-19 Strategy



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First year of expecting providers to shift provision towards 4 national routes:

- **E2E integrated into Foundation Learning (FL)**
- **FE Foundation to FL**
- **Increases in Apprenticeships**
- **Increases in Diplomas**
- **Control over Components and Stand-Alones**

Who Decides?



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The Secretary of State approves qualifications under section 96 of the Learning and Skills Act 2000, following accreditation by Ofqual and with advice from the Joint Advisory Committee for Qualifications Approval (JACQA)

OfQUAL - independent regulator of qualifications, exams and tests in England

JACQA - The Joint Advisory Committee for Qualifications Approval (JACQA) is made up of representatives from Higher Education, Employers and all parts of the education sector

14-19 Qualification Hierarchy 2011/12



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- **Should do a full national route (1 of 4)**
- **If not available, then component**
- **If component not available then Stand Alone**
- **Before funding anything else**

Timetable



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2009/10 – Establish a formal process for awarding organisations to submit a business case to JACQA for the approval of stand alone qualifications.

2010/11 – Ask providers to detail their contribution to the Young Peoples entitlement in terms of the 4 national routes, components and stand alone qualifications, via a nationally consistent planning tool.

2011/12 – Expect to see a significant shift towards the delivery and participation of the 4 national routes.

2012/13 – Expect providers to justify any provision that is not meeting this criterion.

2013/14 – Switch off funding that does not fall within the national routes, components of, or approved stand alone qualifications.

Integrating FE and E2E into FL



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- No E2E funding stream or mechanism
- Vast majority of provision to FL Programme Specification
- Weekly route for contingency
- One allocation for FE foundation and E2E
- Control over Components and Stand-Alones
- Eligible for entitlement funding

Three categories of learner:

- E2E Carry Over
- Qualification Funded
- Weekly funded (for start period only)

Community Service across FL

How will this work for 10/11



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Key Principles



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Level of Allocation / Contracts

- **Learner Responsive Allocations are at provider level with a single Local Authority (LA) acting as lead commissioner for all providers based in its area.**

Foundation Learning

- **Foundation Learning not a separate budget in 10/11, allocated as 16-18 Learner Responsive provision and shown as “of which” in allocations and highlighted in “16 to 18 Planning Volumes”**

Funding for LLDD aged 19-24

- **This will be shown as a discrete line in the allocation.**

Additional Learning Support



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- Currently no major changes planned
- Retain 60/40 for FE
- Expecting more movement this year
- 19-24 LLDD not yet resolved

Calculation of Learner Numbers 1

Step 1 - Consolidated Baseline

Numbers determined from:

- SSF Autumn 2009 school census data
- FE 2009/10 F01 data uplifted to full year estimate using 2008/09 F01 to F04 ratio

Calculation of Learner Numbers 2



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Step 2 - Sustainable Baseline (due w/c 18 January)

Numbers adjusted for changes in cohort size:

- **SSF - difference between current and previous year 11**
- **FE – LAs aggregate difference between current and previous year 11 (using existing recruitment pattern)**
- **Applied to current year 12, similar approach for years 13 and 14**

Example of Cohort Change



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School Sixth Form 1

Calculate a change rate for each year group

learner number data from Autumn 08 Census for school X

NC year Group 11	NC year group 12	NC year group 13	NC year group 14
222	64	63	0

learner number data from Autumn 09 Census for school X

NC year group 11	NC year group 12	NC year group 13	NC year group 14
200	69	47	3

change rates school X

	year 11	year 12	year 13
%age reduction	-9.90%	7.80%	-25.40%
change rate	90.10%	107.80%	74.60%

Example of Cohort Change



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School Sixth Form 2

Cohort change calculation	Results
09/10 year cohort 12 x year 11 change rate = 69 x 90.1%	62.2
+09/10 year cohort 13 x year 12 change rate = 47 x 107.8%	50.7
+09/10 year cohort 14 x year 13 change rate = 3 x 74.6%	2.2
Total Learner number allocation	115

cohort change = -4

Example of Cohort Change



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FE 1

Calculating “year 11” change rate for a provider:

- Use total year 11 pupils in schools in each LA in 08/09 and 09/10 to calculate year 11 change rate for the LA
- Identify no of 16 year olds in FE provider from each LA in 09/10
- Estimate no of 16 year olds from each LA in 10/11 (yr 11 change rate for LA x no. of learners in 09/10 from that LA)
- Overall change rate = total estimated 10/11 divided by total 09/10

Example of Cohort Change



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FE 2

Calculation of year 11 change rate for college X

Local Authority	2009/10 16 year old learners	LA change from 2008/09 to 2009/10	estimated 2010/11 16 year old learners
A	337	0.98733	333
B	525	0.98876	519
C	1	1	1
D	1	1.00476	1
E	135	1.00698	136
F	35	1.01061	35
G	6	1.02714	6
Z*	3	1	3
College X Totals	1043		1,034
College X year 11 change rate		0.99167	

Example of Cohort Change



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FE 3

learner number data from 08/09 F01 for college X

16 year olds	17 year olds	18 year olds
1060	1086	780

learner number data from 09/10 F01 for college X

16 year olds	17 year olds	18 year olds
1043	1056	800

College X change rates

year 11	year 12	year 13
99.167%	98.396%	97.238%

Example of Cohort Change



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FE 4

cohort change calculation	results
09/10 year cohort 12 x year 11 change rate = 1043 x 99.167%	1034
+09/10 year cohort 13 x year 12 change rate = 1056 x 98.396%	1039
+09/10 year cohort 14 x year 13 change rate = 800 x 97.238%	778
Total Learner number allocation (09/10=2899)	2851

Cohort change = -48

Calculation of Learner Numbers 3



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Step 3 – Infrastructure Change Adjustment

- Approved completed capital build
 - Closing or opening schools
 - Mergers
 - Opening of Academies
 - Competitions (200+)
-
- All changes go to Regional and National moderation and are subject to affordability

Calculation of Learner Numbers 4



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Step 4 – Negotiated Growth

- National calculation of growth allocated to regions based on not in education, employment or training (NEET) data as a proxy for participation gap (to be confirmed)
- Allocated to individual providers to support:
 - NEETs
 - Gaps in provision to meet September Guarantee
 - Other needs identified in 14-19 plan and regional commissioning statement

Academies



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- Academies submit learner numbers to DCSF
- Provided to LSC - regions sense check and feed back
- Joint moderation meeting
- Feedback to regions

SLN to Learner Ratio 1



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**Key aspect of allocations process -
represents size of learners programmes**

- **The latest ratio (08/09) would build in all unplanned increases in programme size**
- **Use lower of 09/10 allocated and 08/09 actual ratio**
- **Business cases for changes to ratios – subject to agreed criteria and affordability**

SLN to Learner Ratio 2



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**Currently significant variations between providers
– formulaic approach to address the extremes:**

- **Providers in the top 10% of SLN/learner ratio identified by provider type**
- **SLN/learner ratios reduced by 50% of the gap - appeals to Regional/National moderation**
- **Savings used to increase SLN/learner ratios for exceptional cases**

Funding Rates



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- **National Rates – frozen**
- **Transitional Rates**
 - **policy to be agreed based around National Rate**
 - **most FE on the National Rate**
 - **outlier policy for schools and small number of FE institutions with extreme rates**

Outliers



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All schools and colleges with a funding rate per SLN of £3,600 or more will have a reduced rate in 2010/11

- **From 2009/10 introduced a process to reduce the SLN rate where this was above the national rate for the type of provider**
- **Aim to bring all providers to the national rate by 2012/13**
- **2009/10 48 providers, with a rate greater than £3800**
- **2010/11 additional 42 providers with a rate above £3600**
- **A reduction of 33% of the difference between their rate and £3200 for that year and 2 subsequent years**

Provider Factor



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- **Elements as before, no significant changes – little change for most schools and colleges**
- **Figures calculated from F04 and summer census – so earlier data than previously**
- **Same factors used in final allocations as baseline**
- **Main issues are around success factors**

Why use 07/08 success rates for 10/11 allocations?



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- Schools data not due until first week of February and of variable quality
- FE data not due until January
- New FE methodology – uncertainty of quality

Minimum Levels of Performance



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Programme/qualification type	Minimum level
FE long qualification Level 1	60%
FE long qualification Level 2	60%
FE long qualification Level 3	60%
A-Levels	75%
FE long qualification level 4 or higher	58%
FE short qualification (all levels/5 to 24 weeks)	62%
Apprenticeships (full framework)	50%
Advanced Apprenticeships (full framework)	50%
Train to Gain	65%

Key Dates for 2010/11



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Activity	Key Date
Final Data, Provider Factors etc (F01)	Dec '09
Sustainable Baseline	Jan '10
Dialogue / Local Review	Jan / Feb '10
Final Allocations	March '10

Key Data Returns



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- FE

F04 (08/09) used for :

- all provider factor elements, except success rates
- whole-year learner numbers and SLNs

7 September return date; 18 November final closing date

F01 (09/10) used for:

- in-year learner numbers to inform baseline

7 December return date - no extensions possible

Key Data Returns



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- Schools

Summer census (08/09) used for:

- provider factor elements except success rates
- whole-year learner numbers and SLNs

Autumn census (09/10) used for :

- in-year learner numbers to inform baseline

January Guarantee



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- **Extra c£3.2m for E2E to meet the Guarantee in London**
- **More funding to be allocated to E2E over-performers following the Q1 reconciliation**
- **Further allocations will be based on evidence of demand**
- **Andrew Knight is co-ordinating up to 31 March**

Further information



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Slides available after the event at:

<http://www.lsc.gov.uk/regions/London/Providers>

For information

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LSC Funding Guidance 2008/09: Funding Rates

December 2007

Of interest to everyone involved in delivering LSC-funded provision

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LSC Funding Guidance 2008/09: ILR Funding Claims and Audit Returns

Individualised learner record mid-year estimate, year-end estimate and final funding claim 2008/09 and associated relevant audit opinions

September 2008

Of interest to everyone involved in delivering LSC-funded provision

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LSC Funding Guidance 2008/09: ILR Funding Compliance Advice and Audit Guidance for Providers

June 2008

Of interest to everyone involved in delivering LSC-funded provision

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LSC Funding Guidance 2008/09: Learner Eligibility Guidance

April 2008

Of interest to everyone involved in delivering LSC-funded provision

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LSC Funding Guidance 2008/09: School Sixth Form Guidance 2008/09 and 2009/10

September 2008

Of interest to head teachers, curriculum deputies, directors of sixth forms, bursars in schools with sixth forms and local authorities with school sixth forms in their area

For information

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LSC Funding Guidance 2008/09: Principles, Rules and Regulations

April 2008

Of interest to everyone involved in delivering LSC-funded provision

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LSC Funding Guidance 2008/09: Funding Formula

April 2008

Of interest to everyone involved in delivering LSC-funded provision

Questions and Answers



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Young People's Learning Agency (YPLA)

December 2009

Mike Pettifer

Why have we got a New System?



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“To put local authorities in the lead to deliver a fully integrated Children's Service for all who are 0-19, the raising of the participation age and the full range of 14-19 entitlements.”

DCSF February 2008

YPLA Core Purpose



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- The new slimline YPLA will be an enabling body, designed to support LA in fulfilling their new 16-19 learner duties and up to 25 for those with LLDD
- YPLA will fund and performance manage 400 open Academies (decisions to set up new academies will remain with the Secretary of State)
- YPLA will manage the contract for financial support for all-age learners, in particular the Education Maintenance Allowance for 16-19 year olds

YPLA Key Functions



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- Ensure budgetary control of £7 billion going to Local Authorities
- Develop/ manage the National Funding Formula
- Produce a National Statement of Priorities (and support Regional Planning Groups (RPGs) to create Regional Statement of Priorities)
- Provide a National Commissioning Framework
- Work with LA's on the production of local commissioning plans and provide data and strategic analysis to support this process

Challenges/Opportunities



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No single organisation rules the roost - relationships and successful partnership working are essential

- SFA/NAS/YPLA must work together to avoid any cliff edges at 19+
- Better distribution of places across providers enabling the delivery of a full and high quality entitlement locally, regionally and nationally
- RPA is the only show in town and everything needs to cohere to deliver this for all young people
- Apprenticeships - obviously

London 14-19 Regional Group

Taking a lead, making a difference

Effective Regional Working

Mary Vine-Morris; London RPG 14-19 Director

16 December 2009

A regional planning approach for London

- A single regional framework to secure learner choice.
- Travel to learn patterns demonstrate interdependence of boroughs:
 - Resident learners vary from 20% (Merton) to 76% (Havering)
 - Less than half resident learners are studying within home borough in 12 authorities
 - More than half of all residents chose to learn out of their home borough.
- A single regional framework to secure business needs – a regional skills agenda in London.

A high-risk strategy?

- Second more detailed proposal submitted to the DCSF, well received with positive feedback:
- *“The panel welcomes the innovative London approach and welcomes not only the strength of the presented proposal but also the tangible progress London has already made in developing effective sub-regional working. A key strength lies in relation to cross-boundary management and the accelerated Dry Run; the panel considers there is learning for other SRGs in the adopted approach and processes. Also the panel notes the successful consultation with providers and how London is realising the value that the role of providers adds in planning groups.”*
- London Dry Run completed with full evaluation published.
- Key findings; Capacity, Data, Budget and Learner Numbers and Learner Choice.

London 16-19 Commissioning April 2010 onwards

- **Regional Planning Group** – sets strategic context for 16-19 Commissioning, strong voice for young people's learning in London – accountable to LAs.
- **Young People's Learning Agency** – works closely with the RPG to support LAs and ensure entitlement and budget fits across London.
- **Local Authorities** – leads local commissioning with providers and integrates with wider children's services.
- **Government Office for London** – monitors performance of individual LAs and the region as a whole.

RPG Functions

- Set London vision and provide strategic leadership of 14-19 across the capital.
- Support and co-ordinate cross-borough priorities.
- Meet the needs of learners and the skills needs of London employers.
- Regional commissioning.
- Dispute resolution and complaints

RPG Principles

- **Making the learner central:** and ensuring as much funding as possible goes to the front line. The new arrangements should further equity and inclusion for London's young people.
- **Provider-neutral commissioning:** with commissioning choices made on the basis of effectiveness and responsiveness alone.
- **Demand-led:** commissioning choices will focus on learner and employer needs and ensure they are engaged and consulted.
- **Employment and skills:** new arrangement will make best use of data and be responsive to the London Skills Agenda so that (in conjunction with effective IAG) they contribute to the employability of young people and meeting London's business needs.

RPG Principles

- **Quality and curriculum:** new arrangement must support a focus on improving the quality of provision and providing learners with a comprehensive curriculum offer and range of pathways to further qualifications.
- **Local decision making:** all 16-19 commissioning decision should be taken within authorities local to the provision. Regional or other arrangements should be developed only in support of local decision-making and to provide a strategic context for decision-making.
- **Transparency:** the new arrangements must be straight forward for learners, providers, employers and local authorities, with clear structures for decision-making and funding flows.

RPG Principles

- **Reducing bureaucracy:** the new arrangement should reduce bureaucracy for providers and local authorities.
- **Collaboration:** commissioning will facilitate partnership working and ensure provider strengths, specialisms, expertise and innovation are used to secure the greatest benefit for all learners.
- **Continuity:** there needs to be a smooth handover from the LSC and providers will need clarity about the new arrangements sooner rather than later.

RPG Current Priorities

- Governance
 - - RPG structure within London Councils
 - - RPG membership
 - - RPG constitution and sub-group structures
- Staffing
- Regionally commissioned activity -
needed budgets

RPG Current Priorities

- A 'Full' Transition Year
- Regional Statement of Priorities
- Transition Year planning and support
 - Commissioning Framework
 - LA capacity
 - LLDD and Young Offenders
 - a smooth transfer of 16-19 funding to local authorities

London 16-19 Commissioning Model - Process

- LAs analyse common data sets and supplement them with their own additional information and local knowledge.
- LAs talk with neighbouring boroughs about any significant cross-borough issues.
- LAs use the findings to articulate a set of clear 16-19 commissioning statements that also reflect regional and national priorities.
- 14-19 Partnerships discuss how they will need to work together to best deliver against those statements.

London 16-19 Commissioning Model - Process

- LAs agree individual contributions with providers.
- Volume of learners and entitlement provision is summarised into a Local Commissioning Plan.
- LAs work across the region to produce a regional offer that best delivers for London's learners.
- RPG moderates and aggregates Local Commissioning Plans.
- RPG agrees and recommends Regional Commissioning Plan to YPLA.

The Desired Outcomes

- Integration of 16-19 education with wider Children's Services – missing piece of the jigsaw.
- Local decision making – local accountability.
- Regional coherence – consistency.
- Funding follows informed learner choice.
- Entitlement offered across region in a way that enables all young people to participate fully up to the age of 18.
- Better outcomes for more and more young people in higher quality education and training.

Current Outcomes

- Higher participation and achievement rates
 - More young people with Level 2 and 3 by 19
 - Lower levels of NEET
 - Increasing numbers of Apprenticeship places
 - Improvement in success rates in programmes across the board
-
- These are all still central to the new world
 - BUT the system broadens to include the what (entitlement and curriculum) as well as the how many (targets and measures)

Sticky Issues

- Infrastructure growth and displacement
- Academies
- Data and data sharing
- Mobility and the assumed decrease in cohort size
- Potential oversupply of Level 3 places

- And all the normal ones...

- Reducing London's drop-out from learning at 17 and NEET at 18
- Improving quality and availability of sub-level 2 provision
- Raising the quality and attainment at Level 3
- Increasing 16-18 participation and completion in Apprenticeships
- Increasing the coverage of and participation in Diplomas

Our
future.
It's in
our hands.



National Apprenticeship Service

Dave Smale



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Questions and Answers



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Lunch

National Commissioning Framework

Doug Norris/Mike Pettifer

Timescale for Development and Implementation

- **Developed in 2009**
- **Consultation period: November 2009 – February 2010**
- **Revised version for approval - March 2010**
- **Published by YPLA with Consultation response– April 2010**
- **Guidance applies to planning for 2011/12 Academic Year**
- **Some aspects apply from April 2010**

Principles (1)

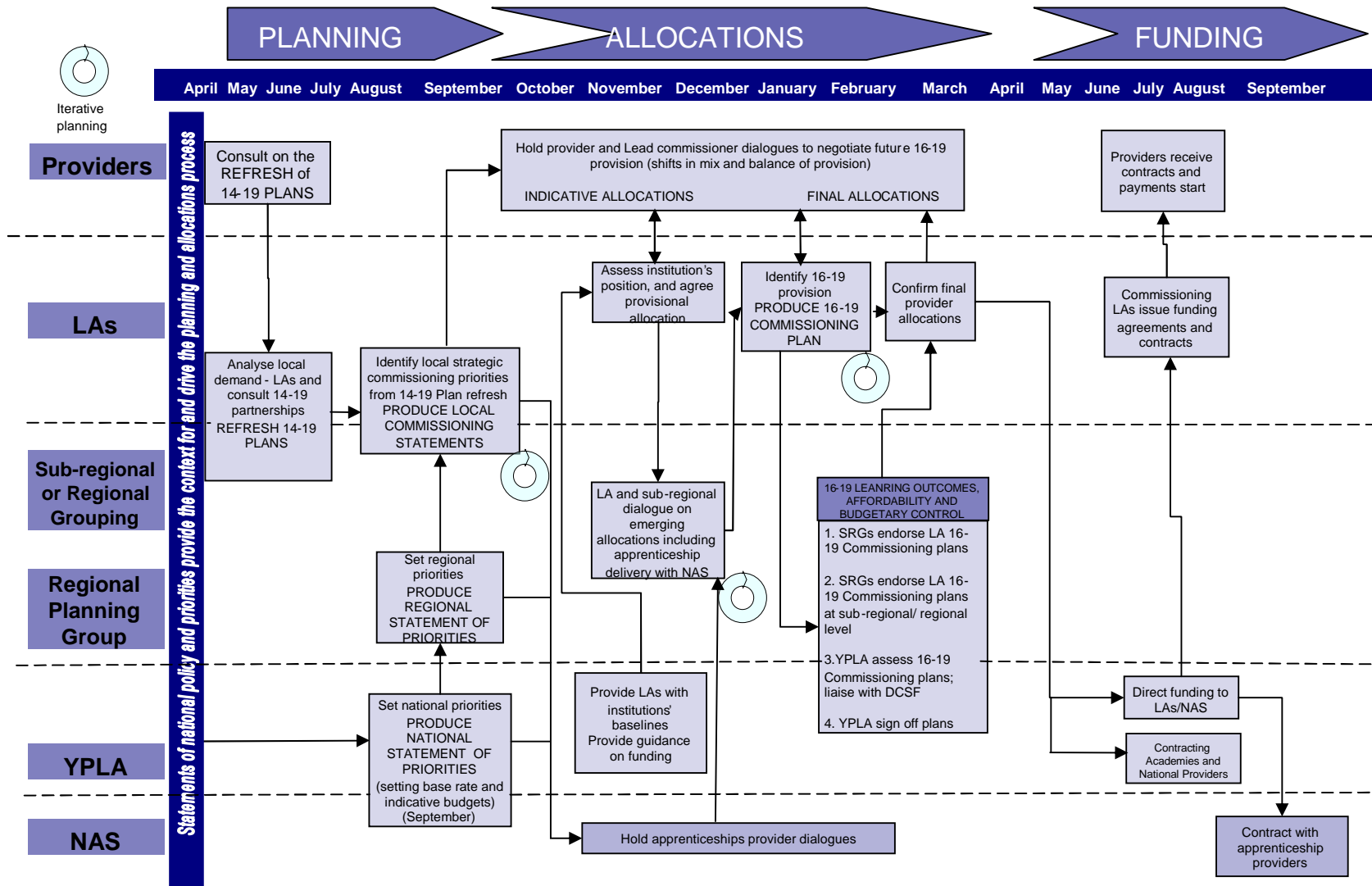
The commissioning system will:

- **operate in the interests of the learner, addressing choice and diversity, and will ensure access to entitlements and curriculum pathways**
- **take into account the needs of employers and employability**
- **seek the involvement of providers as key strategic partners**
- **be sustainable, impartial and provider neutral, securing high quality provision from the most appropriate quality assured providers**
- **be based on the national funding formula and applied at the level of the provider**

Principles (2)

- **provide flexibility for LAs and other partners to respond to needs**
- **ensure consistency in key features such as the timing of stakeholder involvement and allocations, outcomes (including the offer to learners), data submissions and flows, and the funding formula/rates**
- **be transparent and equitable*, and compliant with the principles in the Third Sector Compact**
- **deliver value for money, with minimum bureaucracy between partners**

End-to-end commissioning cycle



Roles of Key Players (1)

- **Local Authorities**
 - As commissioners, LAs should be champions of young people in their areas, focusing on achieving better outcomes
- **Children's Trusts**
 - Will develop the local strategy for improving children's lives by delivering better services and helping them achieve the five Every Child Matters outcomes
- **14-19 Partnerships**
 - Provide area-wide strategic assessment, owned and driven by key stakeholders and delivery partners
- **Sub Regional Groups (SRGs)**
 - Will provide the essential coherence across travel to learn areas of young people where these cross LA borders
- **Regional Planning Groups (RPGs)**
 - Will bring together regional education and skills strategic agendas.

Roles of Key Players (2)

- **National Apprenticeship Service (NAS)**
 - NAS will work with local authorities in their SRGs to identify the likely demand from young people for Apprenticeships
- **Providers**
 - Learning providers encompass the full range of organisations that deliver education and training to young people, including Academies
- **Government Offices**
 - Play a key role in supporting and challenging LA performance, and offer a strategic perspective through the RPGs

Roles of Key Players (3)

- **Regional Development Agencies**
 - Will be involved in the RPG to inform and challenge 16-19 Commissioning strategies and decisions in relation to alignment with regional skills and economic regeneration and development policies
- **Young People's Learning Agency (YPLA)**
 - YPLA will support local authorities in their new duties
- **Department for Children, Schools and Families**
 - Sets overall national policy and priorities for 16-19 learning, agrees national funding allocation through the Comprehensive Spending Reviews, sets national targets, and reviews YPLA performance
- **OFSTED**
 - Inspection by Ofsted of both schools and FE provision will continue

Local Strategic Planning and Commissioning Priorities

- **Local authorities will agree and produce both local commissioning statements and local commissioning plans**
 - **Agree 16-19 Commissioning Statement**
 - **Aggregate demand for Apprenticeships updated in Commissioning Plans**

Planning and Allocations (1)

- **Commissioning Plan proposed allocations should:**
 - deliver required progress towards 100% participation, PSA Targets, and the entitlement
 - take account of local demand and meet the requirements of other LAs with significant learner inflows to the area
- **A Summary Statement of Activity** - planned volumes and investment for each provider, for each element of the entitlement and for PSA target bearing provision

Planning and Allocations (2)

- **The Commissioning Plan should also take account of:**
 - **Requirements in Academies - Existing and New**
 - **Third Sector**
 - **Foundation Learning**
 - **Young Offenders**
 - **EBL and Young Apprenticeships**

Planning and Allocations timeline (1)

- **Strategic Analysis – May**
- **Local authority Review of 14-19 Plan and development of local Commissioning Statement – July**
- **DCSF and YPLA agree statement of strategic priorities – July**
- **DCSF provides YPLA with the annual Grant Letter – October**
- **National Commissioning Statement from YPLA – October**
- **RPG Regional Commissioning Statement prepared – October**
- **Agree local 16-19 Commissioning Statements – November**
- **National funding rate and updated funding positions – Nov/Dec**

Planning and Allocations timeline (2)

- **LAs initial provider dialogue – Nov/Dec**
- **Indicative funding allocation – December**
- **Updating Apprenticeship Demand – January**
- **Apprenticeship aggregation from Commissioning Plans – Feb**
- **LAs establish learner numbers – Jan/Feb**
- **LAs finalise proposed local learner numbers – Feb**
- **RPG moderation of plans – Feb/Mar**
- **YPLA assessment and sign off of RPG proposed commissioning plans – March 2011**

Funding Arrangements 1

- **LAs issue contracts for 16-19 funding (except Apprenticeships)**
- **SFA “contracts” for adult funding**
- **SFA contracts and funds Apprenticeships**
- **YPLA funds LAs and Academies**
- **YPLA funds LLDD provision in Independent Specialist Providers and other national specialist FE providers**
- **YPLA may fund other national providers**
- **Negotiated allocations rather than open and competitive tender**

Funding Arrangements 2

- **YPLA is the financial regulator for sixth form colleges with powers of intervention and scrutiny to secure financial stability**
- **Responsibility for Capital funding is as yet unstated**
- **YPLA continues to pay EMAs and other direct learner support**
- **The SFA administers all ESF**

Assurance

- **Assurance on funding will be “one provider, one audit across the YPLA, SFA and LAs, *except* ESF.**

Payments and Reconciliation

- **SFA, YPLA and LAs will pay providers direct**
- **Payment will depend on the learning programme e.g.**
 - monthly payment on account, (profile payment)
 - payment in arrears on data or
 - payment on invoice as appropriate
- **Payment by results driven by earnings evidenced by data**
- **Reconciliation and tolerance of underperformance also varies e.g.**
 - infrequent and tolerant for full time learning,
 - frequent and intolerant for vocational learning
- **LAs will pay back to YPLA any provider under-performance; over-performance will be funded if affordable**

Lead Commissioner

The Lead Commissioner will:

- be responsible for the delivery of negotiated commissioning through provider dialogue
- discuss current performance in terms of volumes, mix and balance and quality
- discuss providers' contributions to deliver the Statement of 16-19 Commissioning Priorities
- apply the funding methodology to proposed provider allocations and prepare an initial 16-19 Commissioning Plan
- arrange for any tendering of provision both for restricted and open and competitive tendering (excluding ESF)
- obtain LA endorsement for the initial 16-19 Commissioning Plan and forward it to the RPG for review and moderation.

Direct Commissioning

- **YPLA is a funding and enabling body and will not be involved in the commissioning of provision normally funded by LAs**
- **YPLA will procure and fund operating Academies**
- **YPLA will procure and fund LLDD in Independent Specialist Providers (ISP)**
- **YPLA may procure and fund other provision by agreement**
- **YPLA's powers of intervention only applicable where the YPLA is satisfied that a LA is failing or is likely to fail in its duties under section 15ZA(1) and 18A(1) of the Education Act 1996**

Learners with Learning Difficulties and Disabilities (1)

- **The ASCL Act 2009 sets out the duties of LAs, agencies and other organisations with regard to learning difficulty assessments and provision of learning for young people 16-19 and up to 25 where a learning difficulty assessment is in place**
 - responsibility for all learners aged 16-18 rests with LAs
 - LLDD aged 19-25 with a learning difficulty assessment are the responsibility of LAs, regardless of the outcome of the learning difficulty assessment
 - LLDD aged 19-25 who have not had a learning difficulty assessment are the responsibility of the SFA

Learners with Learning Difficulties and Disabilities (2)

Summary commissioning Process:

- LAs plan for LLDD/SEN provision through strategic analysis and 14-19 planning routes, informed by the YPLA
- YPLA provides an indicative budget to RPGs for provision for LLDD assessments
- LAs draw up proposals on placement decisions for learners
- Proposals are aggregated and considered for best value for money and the extent to which learner entitlement and LAs' duty could be met, and then endorsed by RPG

Learners with Learning Difficulties and Disabilities (3)

Summary commissioning Process:

- YPLA considers coherence of local and sub regional planning to be assured of entitlement delivery, and considers affordability nationally, moderating to achieve best value
- LAs will commission provision from school sixth forms, sixth form and FE colleges and other providers except ISPs
- YPLA only procures from ISPs in relation to the learning provision identified by LAs in their Commissioning Plans

Commissioning 16 -19 Apprenticeships

- **The Apprenticeship, Skills, Children and Learning Act 2009 established a statutory basis for Apprenticeship programmes:**
 - NAS and SFA will have a duty to secure sufficient and appropriate Apprenticeship places to fulfil the entitlement for each suitably qualified young person who wants one
 - Schools will be required to provide advice about Apprenticeships to properly inform young people about Apprenticeships as a career choice

Academies

- **As part of the overall 16-19 commissioning planning process, LAs will identify with open Academies, provision to meet local needs and RPG will consider aggregated needs across the travel to learning area.**
- **YPLA will procure agreed provision with open Academies and undertake the award of grant and funding for collated and agreed commissioning requirements directly with the Academies, including the grant agreement, payment flows and financial assurance and control.**

Foundation Learning and Specialist Providers (not ISPs)

- **Private, public, or Third Sector work based learning providers delivering Foundation Learning**
 - LAs will identify the mix and balance of Foundation Learning provision required as part of their overall Commissioning Plan. They may commission provision from a range of providers including private, public, charitable and Third Sector bodies.
- **Specialist Providers (Other than ISPs providing learning for LLDD)**
 - Commissioning for all specialist providers, other than LLDD in ISPs, will normally be the same as for other college provision - undertaken by a Lead Commissioning local authority, usually the host LA.

Youth Custody Education and Training

- **LAs with a juvenile custodial establishment in their area (the 'host LA') will have a duty to secure suitable education and training for the children and young people detained there.**
- **In fulfilling this duty, the 'host LA' will need to have regard to:**
 - Ages, abilities and aptitudes
 - Any special educational needs or learning difficulties
 - Enabling young people to continue learning they have already begun
 - The relevant national curriculum
 - The desirability of the core and additional entitlement being satisfied

Youth Custody Education and Training

- **LAs will have a duty to promote young people's fulfilment of their educational potential, both during their detention and on their release back into the community**
- **Youth Offending Teams will notify LAs when young people enter custody, when they transfer establishments and leave custody, so LAs know the young people for whom they are responsible**
- **YPLA will have a duty to fund education and training in juvenile custody and will have powers to intervene in the event that LAs fail in their duties to secure suitable provision**

European Social Fund

- **Co-financing Organisations (CFO) use ESF to procure additional employment and skills provision**
- **SFA will be the CFO and provide a shared service for YPLA/LAs with joint governance arrangements**
- **SFA will be a regional CFO in each English region and in Cornwall and the Isles of Scilly**
- **Regional SFA CFOs will work with DCSF and LAs through the Regional Planning Forum to ensure that ESF funding is aligned to and complements the planning and commissioning of domestic 14-19 provision**

Data (1)

- **Schools, colleges and providers will be required to submit full and accurate data within agreed time frames**
- **Arrangements and systems for data collections will be managed by the FE Data Services, housed within the SFA and the Schools Data Service within the DCSF**
- **YPLA will model and present the data in a nationally consistent format on a regional and local basis to inform LA commissioning**
- **Failure to submit accurate data within deadlines for returns will mean that the LA and RPG will be unable to guarantee that allocations will be made on time**

Data (2)

Budgetary Control

- **There will be nationally controlled, locally and regionally applied, planning and allocations spread sheets to enable:**
 - **LAs to apply the national funding methodology**
 - **allocations to be aggregated and modelled at SRG/RPG level**
 - **control and moderation of unit costs**
 - **YPLA to agree regional plans within the 16 – 18 budget**
 - **payment profiles to be set against agreed volumes and allocations**

Performance Management

- **Providers have primary responsibility for managing their own performance**
- **Rigorous self assessment is central**
- **LAs will not be responsible for managing the day to day performance of providers, but will hold providers to account for their overall 16-18 performance and make judgements about their comparative performance to inform commissioning decisions**

Performance Management - Accountability for different types of provider

Provider	Lead agency
Schools	Local Authority
Sixth form colleges	Local Authority
Academies	Young People's Learning Agency
Further Education Colleges pre and post 19	Skills Funding Agency
Independent training providers	Skills Funding Agency

Performance Management Annual Assessment

All post 16 providers will be assessed annually against a clear set of national measures drawing on:

- Framework for Excellence
- Providers' own self assessment
- Inspection outcomes

- MLPs will apply during 2010 but will then be reviewed with the expectation of including all providers in an equitable way.

Performance Management Government Office role with LAs

- **Performance management of LAs is the role of the Secretary of State supported by Government Offices**
- **LAs will be held to account for their performance through Local Area Agreements and new Local Performance Framework**
- **At local level GOs will support and challenge LAs to improve their performance**
- **GOs will monitor development of 14-19 plans**
- **GO reviews will draw on the Comprehensive Area Assessment**

YPLA intervention and Local Authorities

- **YPLA will work in partnership with the RPG and LAs to make the system work in favour of all young people**
- **LAs are responsible for managing their own performance**
- **YPLA's role is to support LAs in meeting their duties**
- **Intervention would only occur at the end of a lengthy process of support and dialogue.**

Complaint Resolution

The principles underpinning resolution of complaints or concerns about commissioning decision include:

- LAs should seek to resolve all issues on their proposed commissioning plans before there is a need for a formal complaint**
- Providers must have their concerns listened to in a fair and equitable manner and be able to present their views/evidence**
- Complaints resolution should be as close as possible to the point of the original decision-making to reinforce democratic accountability**
- Those hearing complaints must be different from those who made the initial decision and, preferably, at a higher level**
- There should be clear routes for escalation of complaints. In all instances, with the exception of Academies, this should be to the RPG.**

Consultation Questions

- **General**
- Does the document make it clear the absolute essential processes, roles and responsibilities to ensure that places for young people will be commissioned on time, to quality within budget for 2011/12? If not, how could it be set out to make this clearer?
- Is the strategic framework for the NCF clear?
- **Key Contributors to the Commissioning Process**
- Do the roles and responsibilities of each of the partners seem right? If not, what changes would you propose?

Consultation Questions

- **Key Elements of the Commissioning Process**

- Are the elements of the commissioning process (and the responsibility for undertaking particular tasks) sufficiently clear?
- Are all the right steps included, and are they in the right sequence? If not, what do you think should be different and why?

- **Planning Allocation and Funding**

- Is it clear how planning, allocation and funding will operate within the NCF? If not, how could it be improved?

Consultation Questions

- **Commissioning 16-19 Apprenticeships**
- Is it clear how 16-19 apprenticeships will be commissioned within the NCF? If not, how could it be improved?
- **Learners with Learning Difficulties and/or Disabilities (LLDD)**
- Is it clear how LLDD provision will be commissioned within the NCF? If not, how could it be improved?
- **Youth Custody Education and Training**
- Is it clear how youth custody education and training will operate within the NCF? If not, how could it be improved?
- How can this process be effectively integrated and aligned with wider mainstream planning and commissioning?

Consultation Questions

- **Funding, Payments and Assurance**
- Is it clear how funding, payments and assurance will operate within the NCF? If not, how could it be improved?
- Is a system of in-year reconciliation of funding allocations desirable and practical? If changes should be made, what are they?

Consultation Questions

- **Performance Management Framework**
- Is it clear how the performance management framework will operate, and what the respective roles of the YPLA and LAs are? If not, how could it be improved?
- Do you think Minimum Levels of Performance policy should be reviewed in the light of the new commissioning arrangements? If so, why and how?
- The YPLA will have statutory powers and duties relating to intervention. It is clear from the NCF how it will exercise those powers and duties?

Questions and Answers

Thank you for listening

Reminder that slides are available at:

<http://www.lsc.gov.uk/regions/London/Providers>