

Date 7 September 2011
Subject Advisory Forum
Location Media Suite, Coventry
Time 11:00-13:30

Attendees:

Sue Baldwin (Chair)	YPLA
Jane Cowell	YPLA
Kim Thorneywork	Skills Funding Agency
Miranda Floy (Minutes)	Skills Funding Agency
Keith Smith	Skills Funding Agency
Graham Brough	Skills Funding Agency
Ruth Curry	Department of Business, Innovation and Skills (BIS)
Gary Clarkson	Department for Education (DfE)
Tom Goldman	DfE (Dialling in for item 3 only)
Julian Gravatt	Association of Colleges (AoC)
Sue Rimmer	AoC
Stewart Segal	Association of Employment and Learning Providers (AELP)
Angela O'Donohue	157 Group
David Igoe	Sixth Form Colleges Forum (SFCF)
Andrew Jones	SFCF
Nigel Robbins	Tertiary Colleges Group (TCG)
David Kendall	NatSpec
Malcolm Trobe	Association of School and College Leaders (ASCL)
Mark Ravenhall	NIACE
Bob Powell	HOLEX
David Lawrence	Landex

Apologies:

Verity Bullough	Skills Funding Agency
Julie Nugent	Skills Funding Agency
David Way	National Apprenticeship Service (NAS)
Susan Pember	BIS
Jo Thomas	DfE
Marion Plant	AoC
Graham Hoyle	AELP
Jim Chambers	AELP
Paul Warner	AELP
David Hughes	NIACE
Stephen Jeffery	Third Sector National Learning Alliance (TSNLA)

Tim Ward	TSNLA
David Grigg	ASCL
Jonathan Fawcett	ASCL
Alastair Moon	Independent Academies Association (IAA)
Jasbir Jhas	Local Government Association (LGA)
Philip Mind	LGA
Juliette Sargeant	Universities UK (UUK)

Item 1. Welcome and introductions

- 1.1 Sue Baldwin introduced herself as Chair for this meeting and welcomed the group.

Item 2. Minutes of last meeting

- 2.1 The group agreed the minutes of the last meeting.
- 2.3 The action on Transport issues will be carried over for update at the next meeting.

Action: Transport issues – David Lawrence to organise a meeting with Sue Baldwin and Julian Gravatt

- 2.4 Sue briefed the group on the work being done around Simplification and suggested a substantive agenda item for the next meeting, to include a paper prepared by Geoff Daniels.

Action: Miranda to add 'Simplification in the round' to the agenda for October

Item 3. Wolf

- 3.1 Sue gave the background to this item and introduced Tom Goldman from the Department for Education.
- 3.2 Tom talked through his paper and highlighted four key points:
1. Any qualification needs to offer solid progression
 2. Qualifications need to be of an appropriate size – at least the size of a GCSE – and while there will be no maximum size, they can only count as one, to avoid the incentive to create large qualifications
 3. Qualifications must be externally assessed, measured more than by pass/fail
 4. Qualifications must have a proven track record

- 3.3 Tom confirmed that the Section 96 rules would still apply, so information about qualifications success rates would still be published.
- 3.4 Tom acknowledged that the requirement for a proven track record raised the issue of new qualifications, and explained that in such cases pilots would be run in schools – with the results included in performance tables while the pilot was going on.
- 3.5 Tom said that the DfE would be working with the Awarding Organisations and other stakeholders towards publishing the guiding principles and the list of qualifications in the new year.
- 3.6 Sue asked the group for comments and questions. These included:
- There is widespread support for the principles described with some points of detail to be discussed
 - We would ask that colleges be included in these pilots
 - There are different rules around Section 96 for 19+
 - The key pressure on schools is their performance tables, so you may end up with a perverse incentive for them to keep things out of the public sphere and not follow important lines of qualifications
 - The sector is experiencing a big impact on progression at the moment, with large numbers of 16 year olds who think they have a full level 2 equivalent now being told that they haven't and therefore cannot progress to level 3 and this is causing a great deal of confusion for young people and parents; clarity is of vital importance
 - Another issue is the capacity of schools to teach vocational qualifications: a lot of teachers don't have the skills to teach these vocational qualifications; and the school doesn't have the right type of equipment needed. Far better to do in partnership with colleges
 - On the issue of progression, this isn't just about school, this needs to involve partner organisations
 - How should Apprenticeships be included in this?
- 3.7 Tom responded by saying that the assumption was DfE would be less prescriptive about what was on offer post-16 in terms of criteria – that they would leave it to schools and colleges to establish routes of progression – and that there was different approach for 16+ to 14-16.
- 3.8 Tom said he was aware there was a risk of devaluing qualifications not in the table, but that on balance the decision was there was more risk in tables promoting the offer of qualifications not of value. He said there would always be a question of whether the balance was right.

- 3.9 Tom said that the incentive was on schools to ensure they were properly supporting progression, and in response to the issue of equipment, he said there were no national rules which could be applied to enable the department to pick this up. He stressed that other areas of Wolf are about promoting opportunities for colleges to take 14-16 year olds if the qualification is appropriate for them, and while the department are not yet clear what all the barriers to this might be, work was being done to establish this.
- 3.10 On the issue of the Young Apprenticeships Scheme, Tom said that these were no longer funded by the department as it had been a very costly scheme to run.
- 3.11 There was a discussion about English and Maths post-16 for those that did not get a Grade A-C at GCSE. Tom said that more thinking needed to be done around this and said the expertise of the group would be needed to support this to determine how they should be promoted and which qualifications might support them.
Comments from the group included:
- The issue of English and Maths would be a difficult to crack, re-takes simply don't work because there are many students who simply will never achieve the required grade and will simply have to keep sitting the exam
 - There is a question as to whether the Maths GCSE is fit for purpose, as even those with the required grade are often at a very basic, remedial level
 - Ruth Curry confirmed that for those at 19+ BIS is committed to fully fund those learners with a Level 2 to do English and Maths, but they are looking at vocational qualifications to determine whether the GCSE is the right qualification
- 3.12 Tom confirmed that the issue of English and Maths was on the DfE agenda, and another big issue was work experience. He said that currently this wasn't working pre-16 and that they were looking to move on and pursue where this can appropriately be promoted post-16 and he would come back to the group to ask what could be done around this, and also with respect to raising the participation age.
- 3.13 Tom confirmed that in terms of implementation dates and timetables, the consultation was out until 30 September and they would look to publish in the new year for 14-16. On 16-19, the aim was to tie in the curriculum and study progression with the 16-19 funding review and that the timetables would go hand in hand.

3.14 A question was asked about the inclusion of Functional Skills in Apprenticeships and whether the changes would be implemented in 12/13 or 13/14. The Agency responded that the minister would review the position at the end of 2011 and would be asking if the sector was ready, and the submission would need to include the Wolf Review.

Action: DWP and BIS to chase down aligning Functional Skills and what's being done in respect of Wolf

Action: Tom Goldman to attend a future meeting of the Forum to discuss the wider range of topics coming up and to report back

Item 4. Communications

4.1 Sue introduced the paper on consultative structures, and said that the role of the group remained as trusted friends and confidants, as well as to support and challenge.

4.2 Kim Thorneywork addressed the Skills Funding Agency part of the paper, and said that the general rule was each time a new strand of work was begun the Agency would set up a new consultative group; currently the main strands of work were Fees and Loans and Simplification. She said that the Terms of Reference needed to address the unique position of the Advisory Forum. The key feature seemed to be that this is the only time when the two Agencies met with the whole spectrum of sector representatives.

4.3 Sue agreed and said that many of the groups listed were of a 'task and finish' nature. She said that in the current climate of barriers being knocked down, were the Agencies using this group enough to look at specific topics across the piece?

Comments and questions included:

- The paper doesn't include departmental groups
- The splitting of the two departments was damaging to all areas and this is the only group where it's possible to look at all areas of the sector and get an holistic view across the board

Action: ToR to be reviewed at the next meeting

4.4 The point was made that for the group, the main issue with regard to communications was the volume and number of different communications coming out to the sector and the sign posting of them for action. An issue of concern for schools and colleges is that not all Local Authorities are communicating with them, although they still have a strategic overview role.

- 4.5 Kim said that she had commissioned a review of everything that the Skills Funding Agency asked colleges to provide and everything that the Agency puts out; she said that although she expected this to be wide and complicated, until she had seen whole picture, it wouldn't be possible to determine where things could be streamlined.

Comments included:

- This is welcome, but with any communication it is vital to know which are specifically for action.
 - It would be very helpful to know in advance of these meetings what was going to be discussed, so members could put topics out and gather feedback from their members.
- 4.6 Sue said this was an issue of how the group was run, but it shouldn't hard to provide a forward plan of items over the course of a year.

Action: Miranda to work with Sue and Kim to provide forward plan and bring to the next meeting

Item 5. YPLA and Skills Funding Agency Update

Skills Funding Agency Update

- 5.1 Kim began by giving an outline of the four main areas of work currently being undertaken by the Skills Funding Agency:

1) Simplification

- Despite the work of the past two years, the Agency does not feel we have done enough or that what has been done has had enough of an impact. So, currently, the Agency is taking stock and looking to see where further improvements can be made
- The adult side has seen the introduction of the single budget and Single Account Management System, but the response coming back from the sector is that the Agency hasn't at provide level really achieved simplicity
- Kim has set up an Agency cross-functional group to take another view through a case study approach
- The purpose of simplification is to get the efficiencies from the government end passed through to delivery

2) Funding Simplification and the Large Employer Pilot

- The Large Employer Pilot has just been launched and was another aspect of the Agency's Simplification work

3) Whole Provider View

- This will involve a whole raft of field work, running case studies in 3 or 4 colleges, with Agency audit, data, MI etc. in place so the information

gathered can be used to evaluate what could really be taken out of the system

4) Communications

Kim said that these four areas of work would be her main focus for the next year, and then introduced Keith Smith to talk in greater detail to the work around Simplification.

5.2 Keith said that an action which came out of the last meeting was to set up a sub-group to look at the changes to the funding proposals, with the aim of achieving the right balance in the changes, to be used as a sounding board and to help the Agency determine how the changes would be implemented.

5.3 He said that the Agency was now in a position to go out to the sector with the proposals and direction of travel but needed to agree the way of testing the new model. He stressed that it was vital to get the changes right and that more work needed to be done to ensure sensible implementation of the changes. He stressed that:

- The changes would need to go to the minister for approval
- The Agency didn't want to simplify for the sake of it
- It may be desirable to have a year to dry-run the changes, so that a full impact-assessment could be conducted on the changes to funding rates
- A full cover-to-cover review of the requirements was needed
- The Agency is working with BIS to look at Learner Support as well as core funding; looking to streamline
- The Skills Investment Strategy would set out the strands of work and work was being done to make sure the right policies and landscapes were in place
- One key difference is one of transparency; the Agency is aiming to follow the publication of the SiS with an Implementation Plan setting out how the SiS will be delivered, and a draft version of this will be shared with the group for comment
- A key piece of work is around how the Agency strengthens that briefing into staff and the wider group

Action: Miranda to add the SFA Draft Implementation Plan to the next agenda

5.4 Keith said that changes on Fee Remission were only just out, but he welcomed questions on it. In terms of Procurement the Agency had almost finished the NEET round and contracts would be issued soon, and the next round of ESF procurement would be out soon.

- 5.5 Ruth Curry said that one the SiS the assumption is there would be as few changes as possible. She apologised for the changes in Entitlements happening so late in the day.
- 5.6 Comments and questions included:
- There is a lot of doubt among providers about what Freedoms and Flexibilities really mean; if the aim is to be flexible then you have to be flexible
 - There is a need to identify the key points of control so the work on this is welcome, and the opportunity to be able to shadow-run changes is invaluable
 - With the NAO conducting a study on reducing bureaucracy there remains doubt as to whether there really won't be audit requirements and whether organisations can take risks
 - The fact that the SiS won't contain a great deal of changes is actually of concern – the changes outlined for 12/13 were huge and Ministers need to be clear on the consequences of these changes
 - The sector would like assurances that the Large Employer Pilot isn't going to be the model for the future
 - The sooner after the SiS that the Implementation Plan is published the better; but the Agency needs to stick to the timetable
- 5.7 Keith responded by saying the Skills Funding Agency wants to align their changes with the changes pre-19 and the new methodology needs to align with Apprenticeships work too, as it would be impossible to run two different systems at the same time.
- 5.8 Keith said that the modelling had been based on 09/10 data so was out of date, meaning it wouldn't be possible to look at the turbulence at provider level accurately. If funding continued on the old system and pilot schemes ran concurrently it would be possible to compare two sets of data and see what lessons could be learned, and providers would be able to shape and plan. He said that the planned changes were so profound it was important to make sure there was a feedback mechanism in place and if pilots are dual run, providers can then talk about modelling on experience.

YPLA Update

- 5.9 Sue Baldwin said that the message which came from the group at the last meeting that 'we all talk about trust and autonomy and then all back off from it' got her thinking. She said that an issue for the YPLA on Simplification is that whilst leaving it to the school/college/provider to decide the best route for the learner may free up the system, the Agency needs to make sure it

doesn't apply this freedom with one hand only to take it away with the other eg: through MI requirements.

5.10 Sue gave details of the main areas of work concerning her at the moment.

She said that:

- The 11/12 allocations have been published and the YPLA Capital allocations would be published soon as part of the drive for transparency
- An important piece of work at the moment is the Bursary Contingency Fund
- Local Authorities are still responsible for identifying gaps and working with us on competitions and several have been completed or are about to start. But the process is too clunky and bureaucratic and there is a need in future to look ahead and streamline the process
- The statutory guidance is now out. A key learning point from this year is to get the bursaries out quickly. The ambition would be to confirm bursary arrangements with the funding statement
- Another issue for the YPLA is looking at the arrangements of 12/13 Capital from 14-16
- The Funding Review Consultation would be due around the time of the party conferences, so clearly the timing needs to be looked at so that it doesn't clash
- There is a critical piece of work being done around Market Entry and Exit – in the Department of Education family there are lots of new types of institutions such as Free Schools, UTCs, Studio Schools as well as a blurring of the traditional roles of existing institutions eg: colleges getting more and more involved in pre 16. There needs to be clarity over how these are funded and what the presumptions are – this presents a big policy and operational issue especially at a time of austerity
- The Simplification and Audit Review was being conducted and the data and Qualifications Action Plan would be ready to be brought to the next meeting

Action: Miranda to add as part of the wider simplification agenda item in October

5.11 Sue said that LLDD was one of the big challenges faced by the YPLA and that there was a lot of work going on including the NAO and Ofsted reviews as well as the Green Paper and ideas emerging from that. She said that she welcomed advice from the group on how to steer through these big challenges and proposed an item on LLDD (youth and adult) for the next meeting.

5.12 Another large area of focus is the re-shaping of the YPLA, with a big push towards greater efficiency and autonomy for organisations as well as the

response to the growth in Academies. The YPLA has moved staff out to work on Academies.

- The new Agency has 4 geographies known as 'Territories'. Northern (the old NW, NW, Y&H), Eastern (E Mids, East of England), West (West Mids, South West) and South (London, South East)
- Each region has a lead for the YPLA and a lead for Academies. The case load has therefore changed, which means there is a need to ensure the flow of intelligence is maintained. The questions we are considering, therefore, include: how can the YPLA use MI and intelligence to allow staff to do their jobs better? And what does it mean in terms of intelligent engagement with schools, colleges and other providers?

5.13 Sue responded to a question about the funding of Academies, including those wanting to set up sixth forms, by confirming that LAs do still have strategic oversight of education and training in their area. Also to note, that in some areas, the majority of schools are now academies and it is clear that the quality of discussion between the LAs and the academies is as good as if not better than before. DL commented that this was his experience as an academy sponsor. Funding of new sixth forms is based on the previous administration's processes so are being updated. As soon as this is done, it will be communicated.

5.14 Kim Thorneywork confirmed that there would be some extra Capital money being announced next week for this year and next, but this was just for FE College.

Action: Julian Gravatt to circulate the information when it becomes available

Item 6. Full Participation and the YPLA Funding Statement (moved to Item 8)

Item 7. BIS Consultation: New Challenges, New Chances

7.1 Kim introduced the consultation paper and said that this was the next step in implementing FE Reform. She encouraged people to engage and respond and said that advice was needed on the detail of the last bits; that the questions raised were very broad and it needed good ideas.

7.2 Ruth Curry added that the consultation period was short – just 10 weeks – because BIS want to publish the document around the same time as the SiS; the same time as the AoC Conference. So she asked people to get their responses in early and said they needed worry about being too formal.

- 7.3 Mark Ravenhall said that NIACE have a survey on their website for the public to respond on the community and adult side.

Action: Mark to send the link to Miranda for circulation to the group

Item 8. Full Participation and the YPLA Funding Statement

- 8.1 Jane Cowell gave a presentation, which gave an outline of the planning assumptions used for 2010-11 and Assessment of Delivery against them and then she talked the group through it.

The key points she made were:

- Over the past few years there has been a growth in numbers and participation, but assumptions about the impact of the effects of the recession needed to be made in planning for 2010/11
- What actually happened was that volumes did increase but not the level expected
- The area where there was the greatest shortfall against planned volumes was at Level 1
- Increases in achievement of 5 GCSEs at A* did not lead to the expected increase in participation at Level 3
- More young people had chosen to stay on in school/Academy sixth forms in 2009/10 but the drop out or non-continuation rates at 17 increase significantly in 2010/11
- While the starts on Apprenticeships increased, the length of stay has reduced – there is a need to look at 17 year olds going forward
- The increase in in-year enrolment seen in 2009/10 was not sustained in 2010/11
- In terms of planning for 12/13 the crucial questions are:
 - Participation of 17 year olds
 - Will 18 year old volumes continue to rise as HE fees increase and the job market remains tight?

- 8.2 Jane invited questions from the floor and these included:

- A plea that the Department bear in mind that there is a squeeze on all resources, not just education, and that made the RPA difficult. Can they consider this and stop the squeeze?
- On the question of why 17 year olds who complete an Apprenticeship and then don't progress there is an issue of the balance of 'employment' to 'scheme'; need to make sure the offer doesn't become a scheme over and above its need to be employment with high quality structured training.
- There is real concern on those 17 year olds doing AS Levels and whether they are getting the right advice from schools; with the change in the Careers Service this may get worse – Sue Baldwin said that the

introduction of accountability through progression measures would be important here.

- There is a real lack of information going into schools. The work with Connexions has changed significantly over the past year and the withdrawal of the EMA has had an impact on January starts.
- There is a real worry around IAG – the bill is only making independent advice compulsory post-16 and the sector don't see BIS and DfE talking to each other about a joined up approach to the IAG strategy.

Action: Gary Clarkson to take these comments back to the DfE

- There is a real issue about Apprenticeships; why the drop out at 17?
- 8.3 Jane confirmed that there were more boys dropping out than girls and that travel was often an issue in rural areas. She summed up by saying: One theme coming out of the meeting was the affects of accountability measures and how that drives changes. There is clearly an issue at 17 – but the group had differing views for example of whether the introduction of AS and A2 as separate qualifications was a good or bad thing. Young people are now getting to the end of the academic year, looking at HE and thinking 'it's not for me,' so they drop out with their AS levels. Either the stress needs to go back on retention or AS shouldn't be a stand-alone qualification; AS Levels need to be considered as they has no progression value. The options are limited to 'GCSEs & A-Levels' or 'Apprenticeship'
- Comments included:
- There may be an issue of AS Levels being mis-sold. Their value lies in preventing a young person who leaves after one year having wasted a year.

- 8.4 Sue Baldwin suggested that Jane Cowell and Julian Gravatt look at some case studies and bring them to the next meeting.

Action: Jane and Julian to work on this and add Apprenticeships to it

Action: Miranda to add Apprenticeships to a future agenda

Item 9. Any other business

- 9.1 Sue summed up the items to be added to the next agenda as:
1. Terms of Reference
 2. Simplification – including YPLA paper on reduction in bureaucracy
 3. LLDD
 4. Skills Funding Agency Draft Implementation Plan
 5. Communications
 6. Funding Consultation and Wolf (pending decision)

Item 10. Date of next meeting

10.1 The next meeting is **26 October, 11:00-13:30** in the BIS Conference Centre, London.

Meeting chair	Sue Baldwin
Minutes creator	Miranda Floy
Date created	8 September 2011