



Young People's
Learning Agency

Funding Statement 2012-13

January 2012

Context for 2012/13

Goals

- Full participation

Policy

- Wolf proposals for learning programmes and simplifying funding
- Green Paper on Special Educational Needs (SEN)
- Apprenticeships Vision/Growth Strategy - Department for Business, Innovation and Skills (BIS)
- Encouraging new types of provider
- 16-19 Bursary Fund
- New cross government strategy – *Building Engagement, Building Futures*

Implementation

- Overall tight fiscal policy underpinned by simplification / bureaucracy reduction
- Year of minimal change
- New funds – youth contract, work experience pilots



Building Engagement, Building Futures

Priority 1: Ensuring that young people have the skills they need to compete in a global economy

Priority 2: Helping local partners to provide effective and coordinated services that support all young people

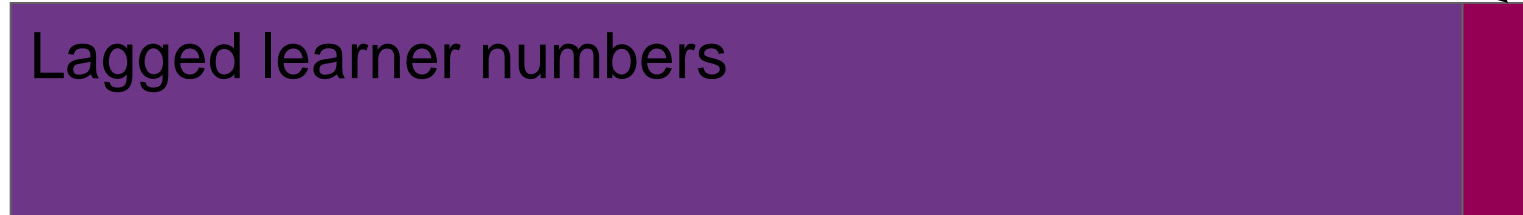
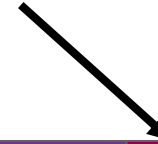
Priority 3: Encouraging and incentivising employers to inspire and recruit young people

Priority 4: Ensuring that work pays and giving young people the personalised support they need to find it

Priority 5: Putting in place a new Youth Contract worth almost £1 billion over the next three years

Existing and New Funds

Exceptions



ESF

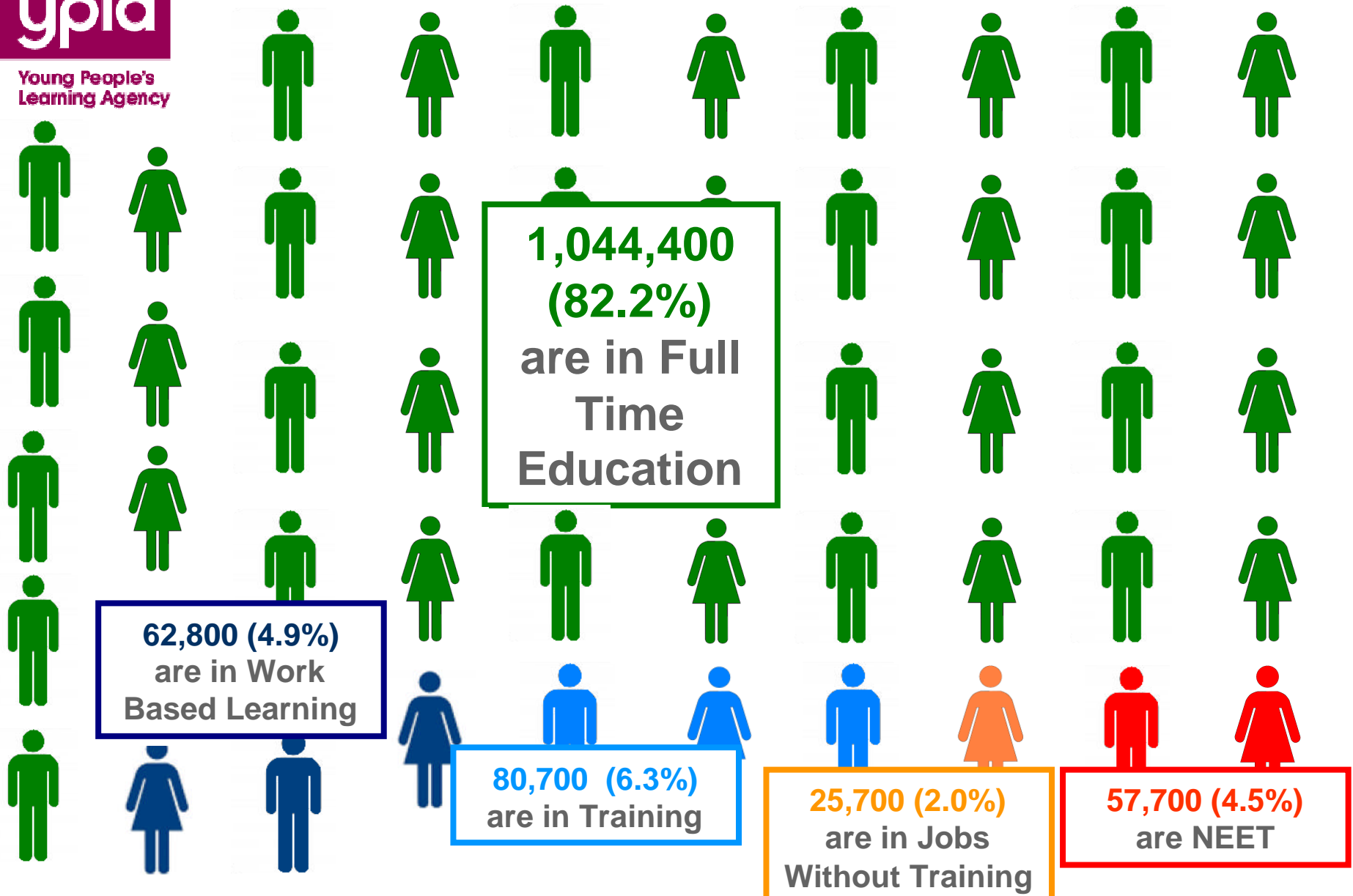
New Funds

Pilots

What are 16-17 year olds currently engaged in?



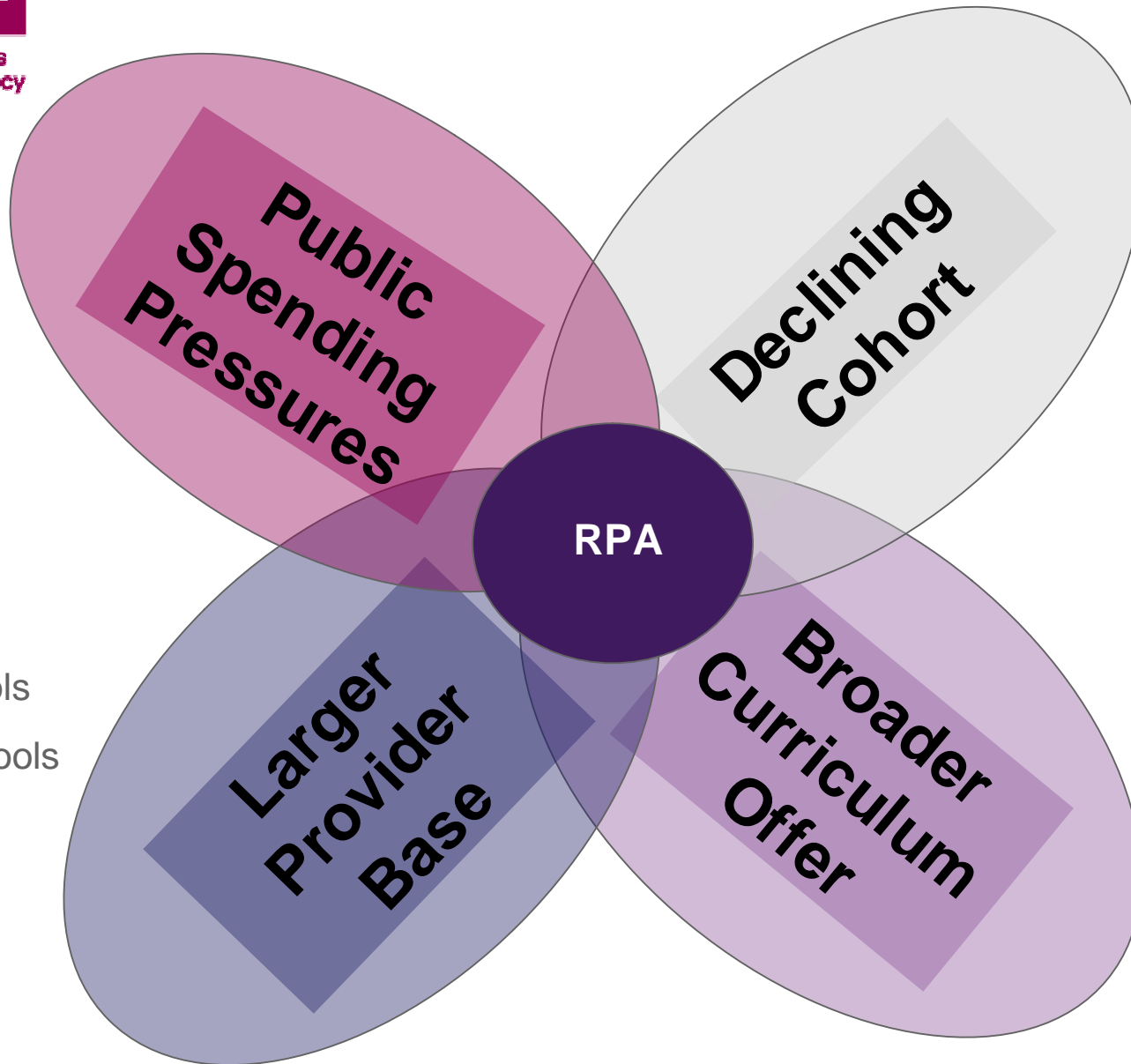
Young People's Learning Agency



Source: Statistical First Release, Participation in EET (June 2011)



Young People's Learning Agency



- Free Schools
- Studio Schools
- UTCs

- Fewer 16-18 year olds by 2015

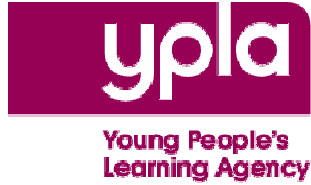
Wolf

- Substantial programmes
- English and maths

Apprenticeship

- 1 in 5

Spending Review 2011-12 to 2014-15



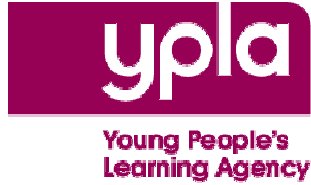
The Spending Review Settlement

Increasing investment

- Increase investment by £150m for disadvantage uplift and Additional Learning Support
- Fund increased numbers of learners and larger programmes for those not yet participating on a full-time basis
- Protect funding to support provision for LLDD
- Support increases in funding for core education provision and low level ALS

ESF investment of £164m (January 2011 – December 2013)

- To provide tailored packages for those least likely to participate

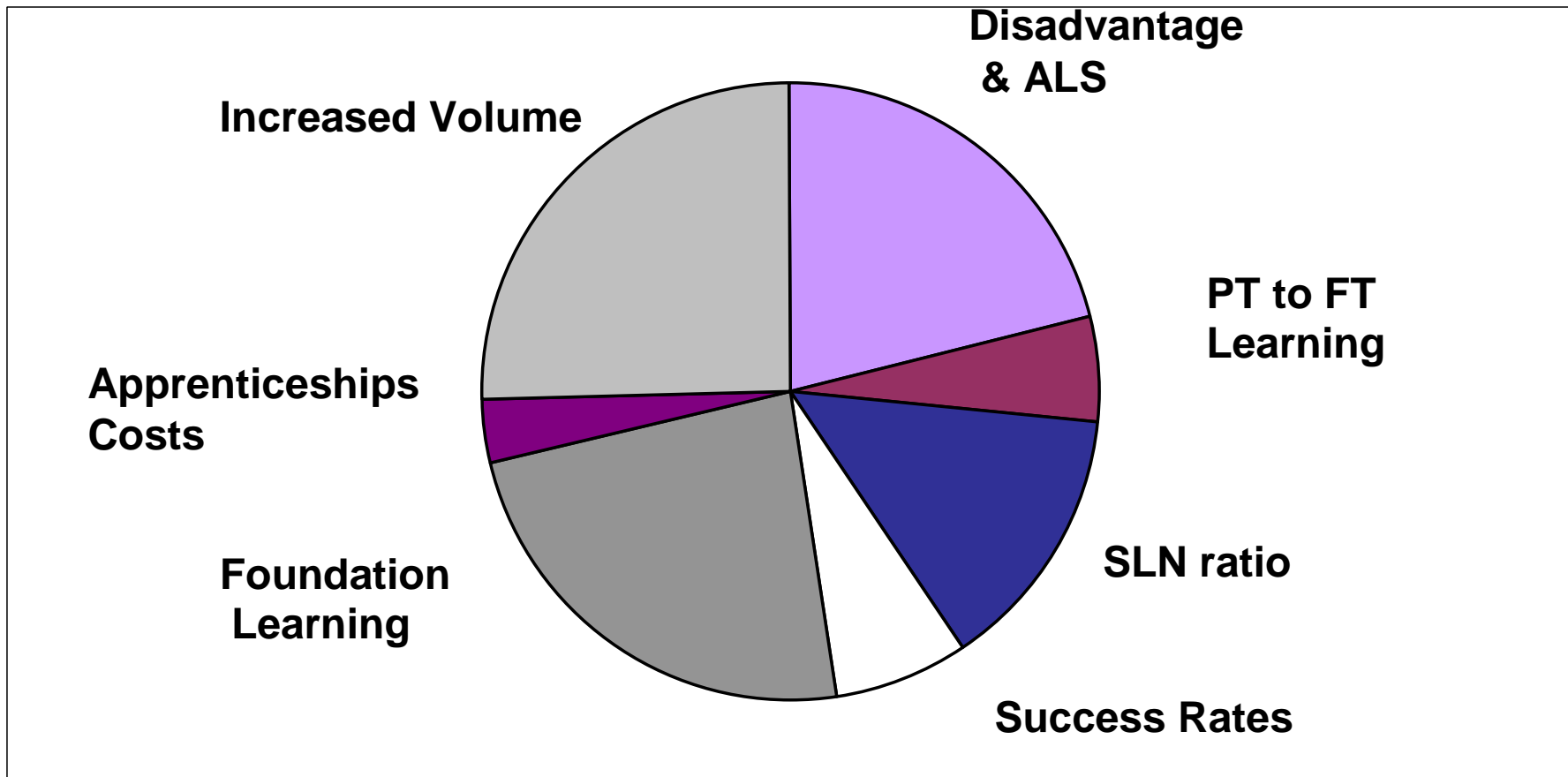


The Spending Review Settlement

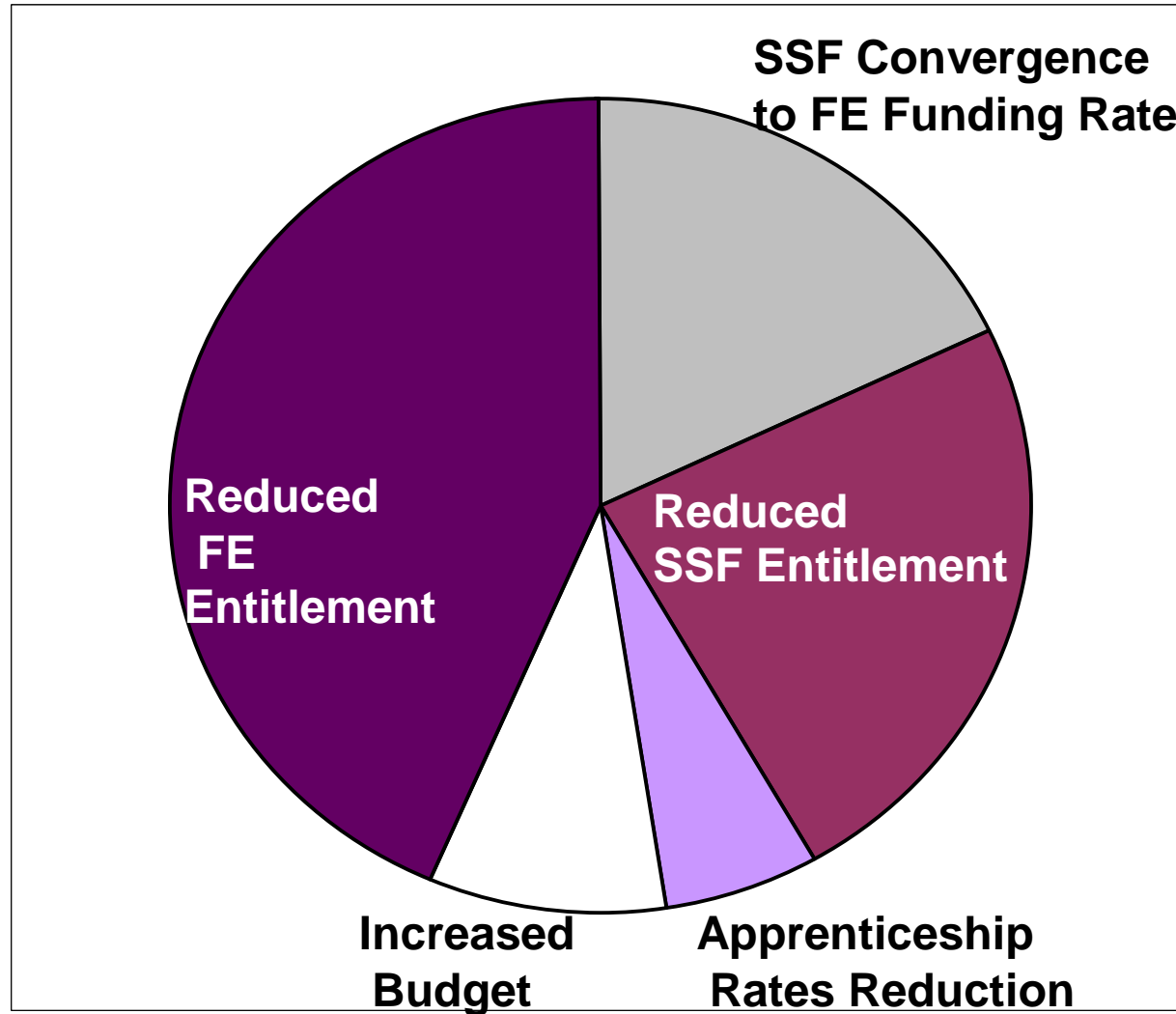
Policy for Spending Review Period set out last year:

- Funding for Entitlement reduced to 30 hours
 - National Funding Rate equalised for schools/Academies to a single rate
 - National Funding Rate for Apprenticeships to reduce by 2% per year
 - Staged removal of Teachers' Pay Grant
-
- To fund increases and provide transitional protection to manage changes in funding at provider level carefully and in stages

Indications of Cost Pressures across the Spending Review Period



Indications of Funding Cost Pressures across the SR Period





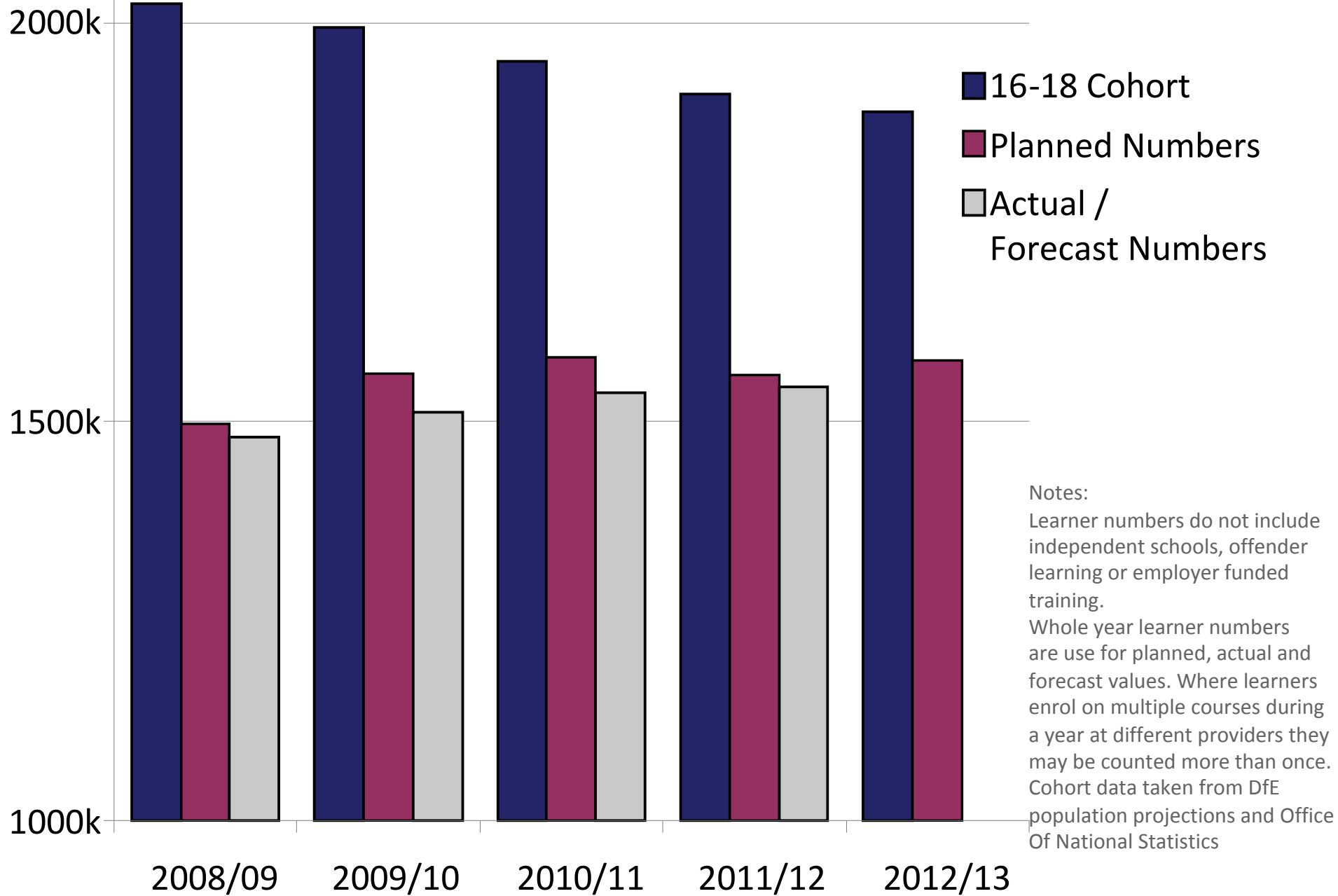
Capital Funding 2012-13

- Devolved Formula Capital for Sixth Form Colleges (£4m)
- Devolved Formula Capital for Academies (£TBA)
- Sixth Form College Building Condition Improvement Fund (£59m)
- Demographic Growth Capital Fund (£44m)
- Academies Capital Maintenance Fund (£276m)
- Building Schools for the Future (Legacy): Projects continue (PfS)
- 'Basic Need' Funding for new places (£800m)

The Drive to Full Participation

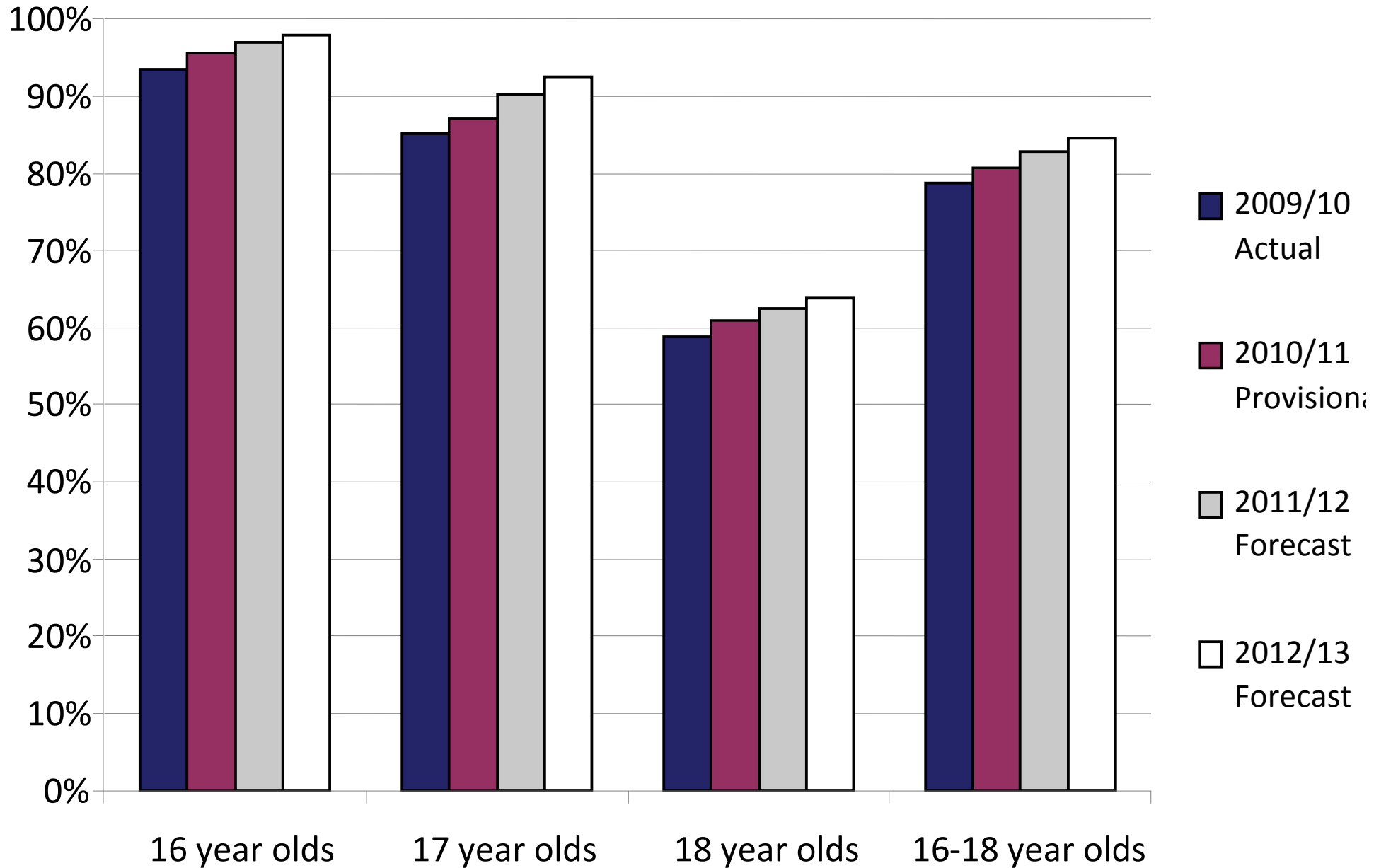


Young People in Learning in England



Notes:
Learner numbers do not include independent schools, offender learning or employer funded training.
Whole year learner numbers are use for planned, actual and forecast values. Where learners enrol on multiple courses during a year at different providers they may be counted more than once.
Cohort data taken from DfE population projections and Office Of National Statistics

Participation In Education And Work Based Learning



Learner numbers 2012/13

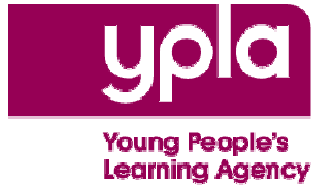
Young People Learning in England: Academic Year	2010/11 estimated	2011/12 estimated	2012/13 estimated
Total participation:^[1]	1,535k	1,543k	1,577k
Of which:			
Colleges and other providers	872k	863k	865k
School Sixth Forms (incl. Academies & Special Educational Needs (SEN)/Special Schools post-16)	441k	449k	465k
Apprenticeships	215k	222k	240k
Specialist provision for LLDD 16-24	4k	4k	4k
FE provision for LLDD 19-24 (TBC)	4k	4k	4k



Young People's
Learning Agency

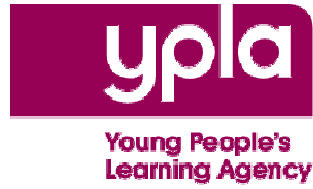
Budget 2012-13

Budget / Funding Financial Year	2010-11 Actual	2011-12 Planned	2012-13 Proposed
Total Teaching & Learning	£7,407m	£7,458m	£7,528m
Of which:			
Colleges and other providers	£3,957m	£3,962m	£4,009m
School Sixth Forms (incl. Academies & Special Educational Needs (SEN)/Special Schools post- 16)	£2,410m	£2,430m	£2,372m
Apprenticeships	£780m	£779m	£833m
Specialist provision for LLDD 16-24	£208m	£227m	£261m
FE provision for LLDD 19-24	£53m	£59m	£53m



Key Messages

- Enough funding to provide 1.58m places and enough places for 98% of 16 year olds, over 92% of 17 year olds and 65% of 18 year olds
- Extension of Transitional Protection by one further year for those with the biggest adjustments
- 34,000 more places than we expect to deliver in 2011/12 and against a fall in the cohort of over 20,000:
 - new places created to assist LAs to respond flexibly to pockets of need
- 18,000 Apprenticeship places more than we planned for 2011/12 to support the emphasis on Apprenticeships
- New funds and pilots



Priorities

- Improving retention between years 12 and 13
- NEET Group age 16 and 17
- Improving the contribution for participation and progression from Foundation Learning
- New Cross-Government Strategy – *Building Engagement, Building Futures*



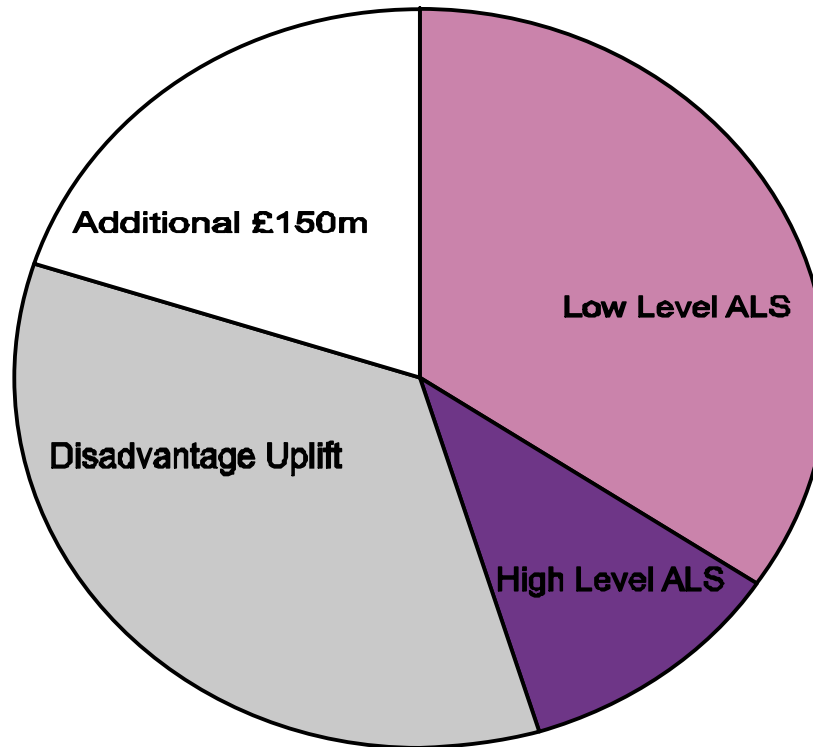
Foundation Learning Review

- Recruitment is a significant challenge
- Sizes of programmes variable
- Foundation learning is not providing bridge to Level 2
- Relatively little 'personalisation' of programmes
- Progression in 2010/11 is expected to be weaker than in 2009/10
- Very focused programmes are more successful
- Capacity of providers is an issue
- Effective marketing and support for learner are key to success
- Study programmes consultation includes FL and could deliver some flexibility

Rebalance funding towards disadvantaged learners and those needing additional support

Disadvantage Uplift and Additional Learning Support

In 2011/12 £750m of ALS and disadvantage funding was allocated

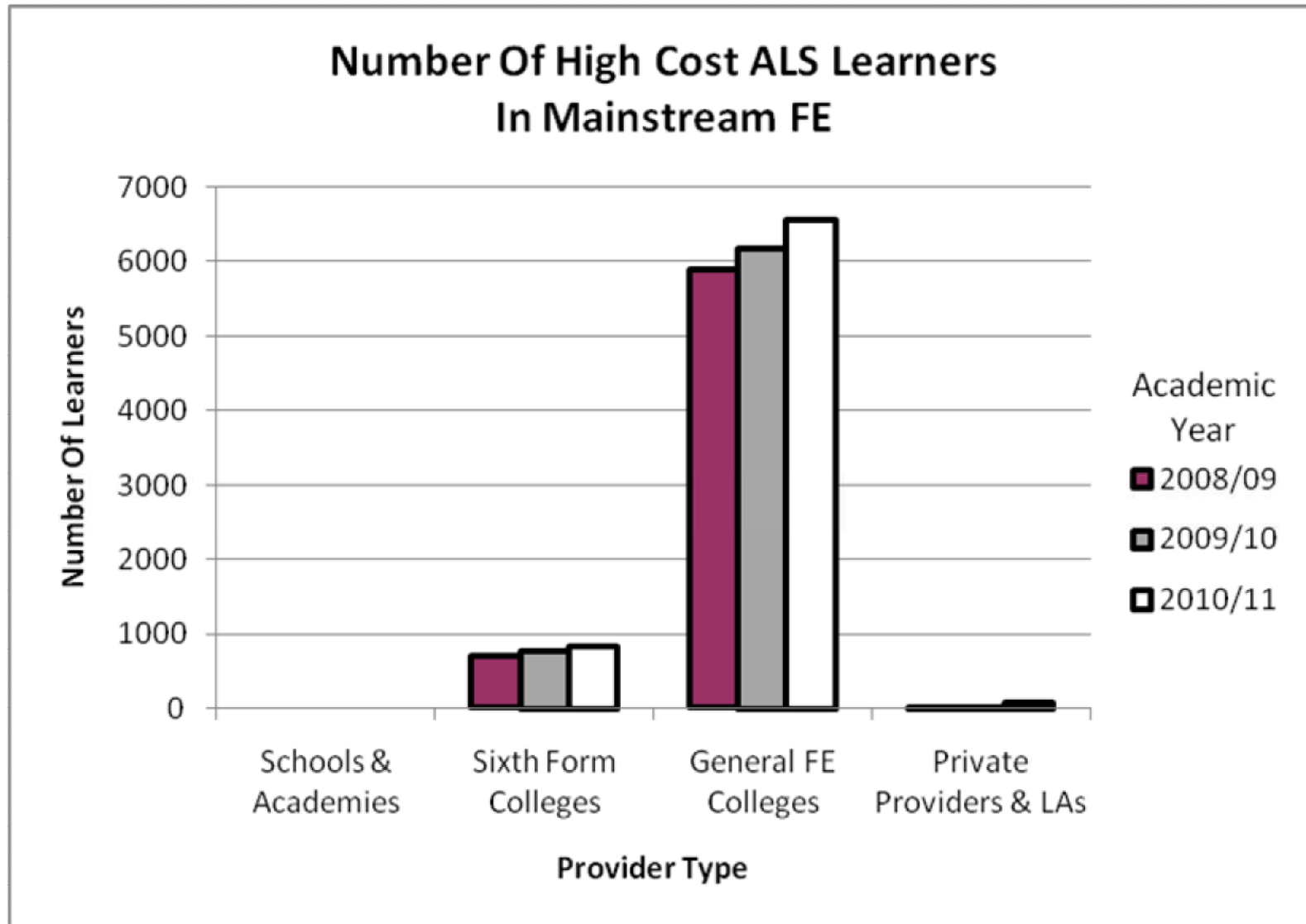


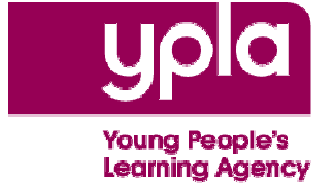
*Mainstream ALS and disadvantage only. Excludes ALS claims over £19,000 and funding for special schools and specialist LLDD providers.

Protecting Funding for Learners with Learning Difficulties and/or Disabilities

- Arrangements for funding learners with LDD to remain the same in 2012/13 as in 2011/12
- Budgets for 2012/13 will be calculated and passed out to providers as for 2011/12
- The Consultation on School Funding Reform set out Ministers' plans to revise funding approaches for high needs pupils (affecting high level support budgets over £6000) and set an earliest date for change as financial year 2013-14
- Proposals for next steps will be made available in due course
- DfE considering future arrangements for provision for learners with special educational needs (SEN) or LDD

High Cost ALS

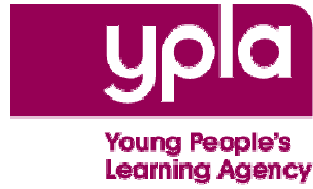




Bursary Funds 2012/13

Bursaries (£180m Academic Year)

- Funds available increase from £115m to £180m as EMA transitional payments end
- Bursaries of £1200 will continue for those in defined vulnerable groups



Targeted Learner Support Funds

Arrangements still to be confirmed for

- Care to Learn
- Residential Support

Dance and Drama Awards

- Arrangements for 2012/13 as in 2011/12



Young People's
Learning Agency

Allocations





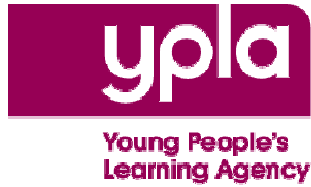
Lagged Learner Numbers

Schools/Colleges/Academies

- Numbers funded in 2012/13 will be those recorded on autumn data returns for 2011/12 – uplifted to an all-year estimate for colleges
- No reconciliation except for those Academies which are funded on provider estimates

Independent Private Providers

- Numbers funded in 2012/13 will be the number enrolled in the last 12 month period at January 2012
- In-year and end-year reconciliation will be applied



Exceptions to Lagged Learner Numbers

Infrastructure changes	New institutions, mergers, closures Extension of age range in 11-16 schools/Academies
Re-distribution of provision by agreement	Agreed re-allocation of learners (learner number neutral)
Academies	Where Funding Agreements stipulate the use of provider estimates
Significant provider failure	Performance issues, financial stability, breach of contract
Capital projects are not a routine exception to lagged learner numbers	



Gaps in Provision

- For 2012/13, a simple process has been put in place to help address exceptional gaps
- Expected that in the vast majority of cases, the lagged learner number approach will ensure that the needs of learners are met
- Local authorities were asked to notify YPLA by end of November 2011 if they had identified significant gaps that require new funded places for 2012/13
- As part of the evidence submitted, local authorities were asked to identify steps previously taken to fill gap by provider negotiation and set out which providers have been approached and their reasons for being unable to fill the gap
- The budget and number of additional places will be confirmed in February

Minimum Levels of Performance

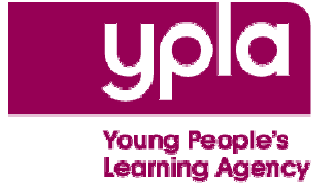
Programme / Qualification type	Minimum level
FE long qualification Level 1	63 per cent
FE long qualification Level 2	63 per cent
FE long qualification Level 3	63 per cent
A levels	75 per cent
FE long qualification Level 4 or higher	61 per cent
FE short qualification (all levels/ 5 to 24 weeks)	65 per cent
Apprenticeships (full framework)	53 per cent
Advanced Apprenticeships (full framework)	53 per cent

Minimum Levels of Performance

- Using 2010/11 performance data - any Notices to Improve (Ntl) issued in this round will apply to the 2012/13 academic year
- Responsibility for any Ntl's issued by YPLA and not lifted by end of March 2012 transfers to DfE or EFA

Beyond this year

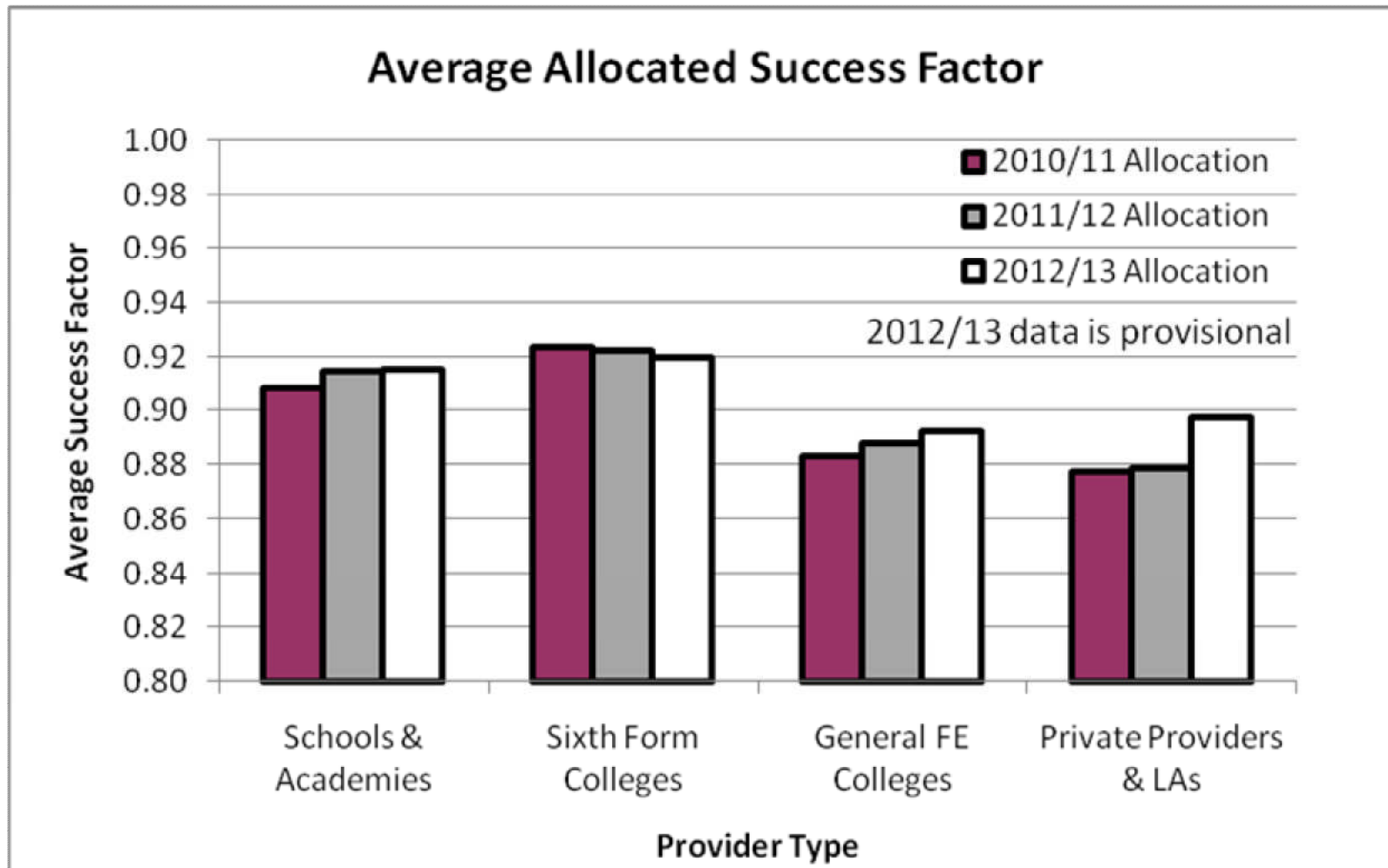
- DfE are thinking about a minimum standard that can apply across all 16-18 provision (current MLP does not apply to school sixth form provision)
- We expect DfE to bring out proposals some time in the new year



Funding Formula

- The SLN to learner number ratio will be updated based on 2010/11 data
- The success factor will be updated to use 2009/10 qualification success rate data
- A 2% cap will be applied to reductions in success factors due to data volatility
- All increases in success rates will be funded in full
- Latest version of IMD used, 2010 rather than 2007

Success Factor Trends





Young People's
Learning Agency

IMD Table – Top 10

Local Authority	IMD2007 based ranking	IMD2010 based ranking	Change in IMD2010 ranking relative to IMD2007 rank
Manchester	2nd	1st	up 1
Hackney	3rd	2nd	up 1
Tower Hamlets	1st	3rd	down 2
Liverpool	4th	4th	Same
Newham	5th	5th	Same
Knowsley	6th	6th	Same
Haringey	11th	7th	up 4
Birmingham	8th	8th	Same
Blackpool	17th	9th	up 8
Middlesbrough	9th	10th	down 1



Foundation Learning

Foundation Learning 2011/12

- Funding increased– additional £12m nationally
- Larger programmes – increased SLN/LN ratio
- Learner numbers decreased since 2009
- Clawback increasing - £21m in 2010/11

Foundation Learning 2012/13

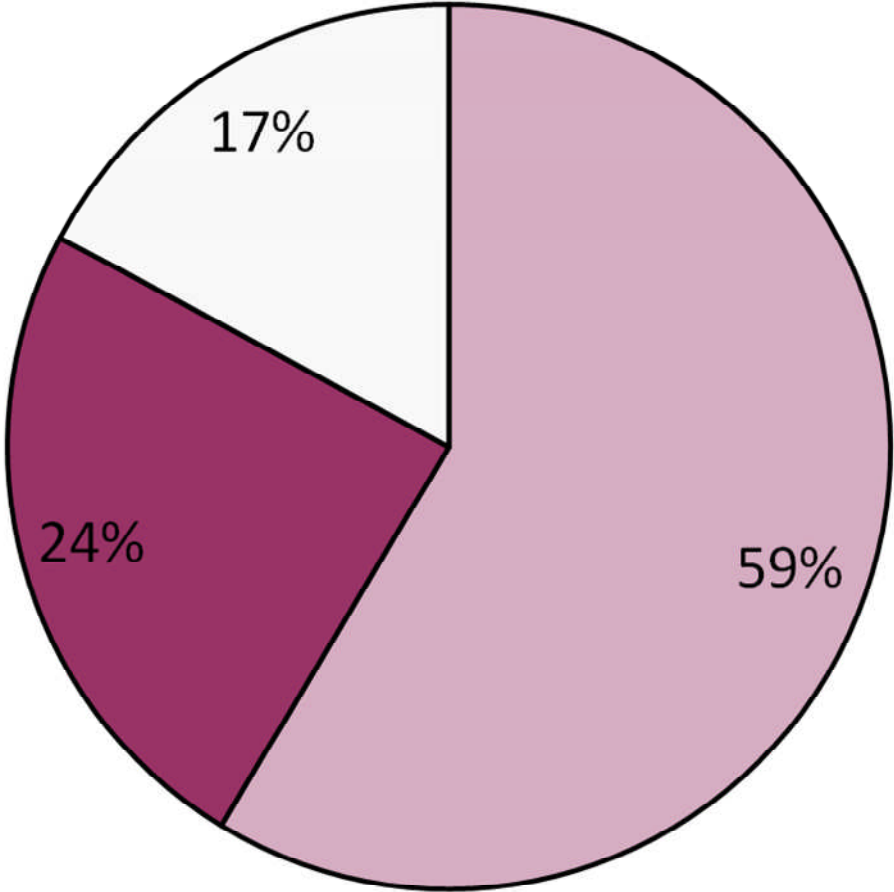
- Lagged learner numbers
- Regional briefings on Foundation Learning

Allocations 2012/13 Timeline

October/November 2011	Local authorities and providers inform YPLA of new provision and gaps in provision in their local area
December 2011	YPLA issues Funding Statement confirming budget and final policy decisions
December 2011	2011/12 data available – R04 for FE colleges, autumn census for sixth forms
January 2012	YPLA confirm to existing providers the volume of activity to be funded in 2012/13 [NB: not cash at this stage]
February 2012	Providers and YPLA review data and consider business cases ('catastrophic data failure') Gaps confirmed R06 data available for IPPs funded on rolling 12 months
March 2012	Final funding rate and allocations confirmed to all providers
May 2012 onwards	EFA issues funding agreements to providers for signature

Transitional Protection

Percentage Of Providers Receiving Transitional Protection And How It Is Being Removed

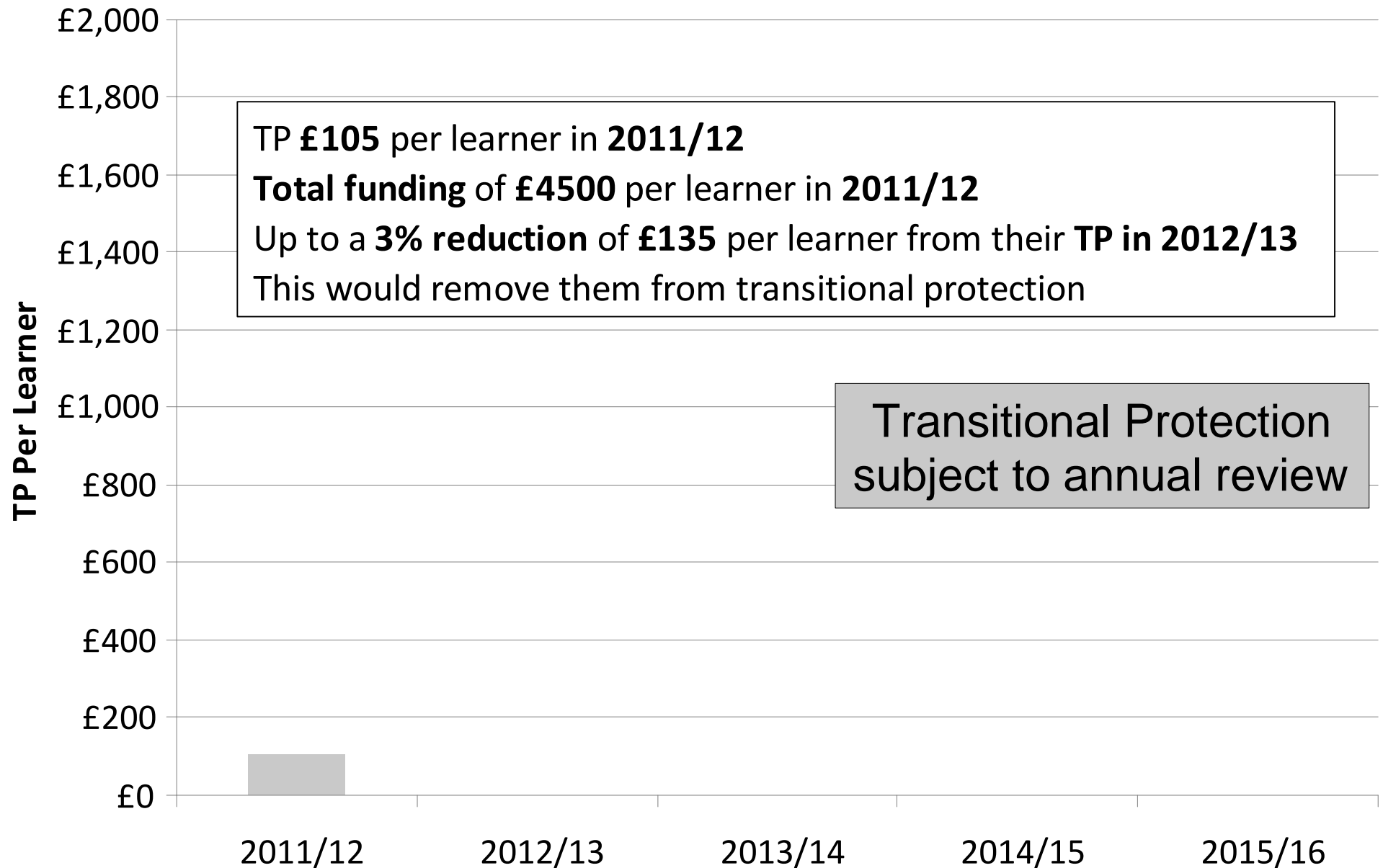


Transitional Protection
subject to annual review

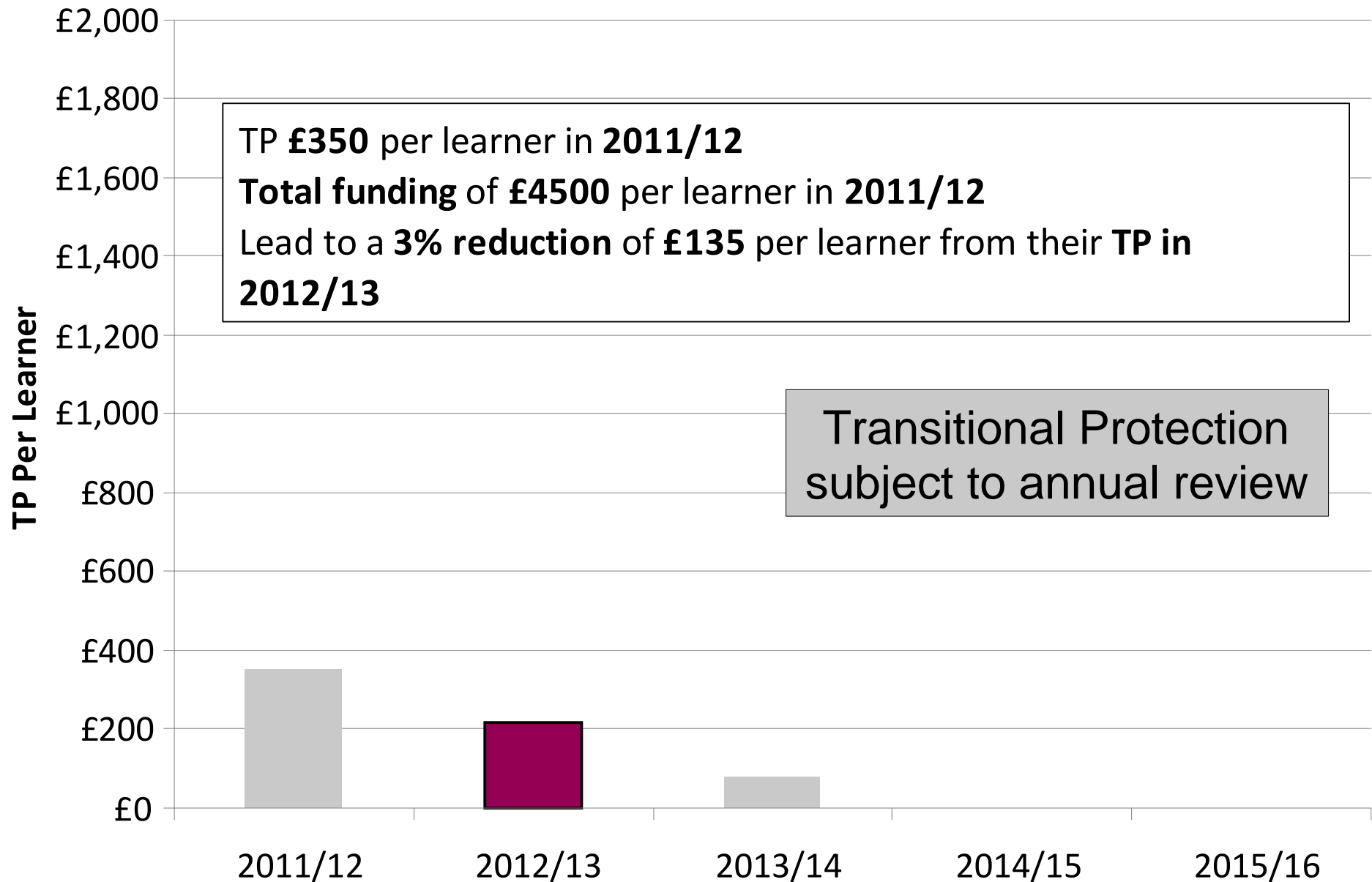
- TP Removed In 4 insts
- TP Removed At 3% Of Providers Funding
- No Transitional Protection (TP)

Chart relates to transitional protection originally allocated in 2011/12.

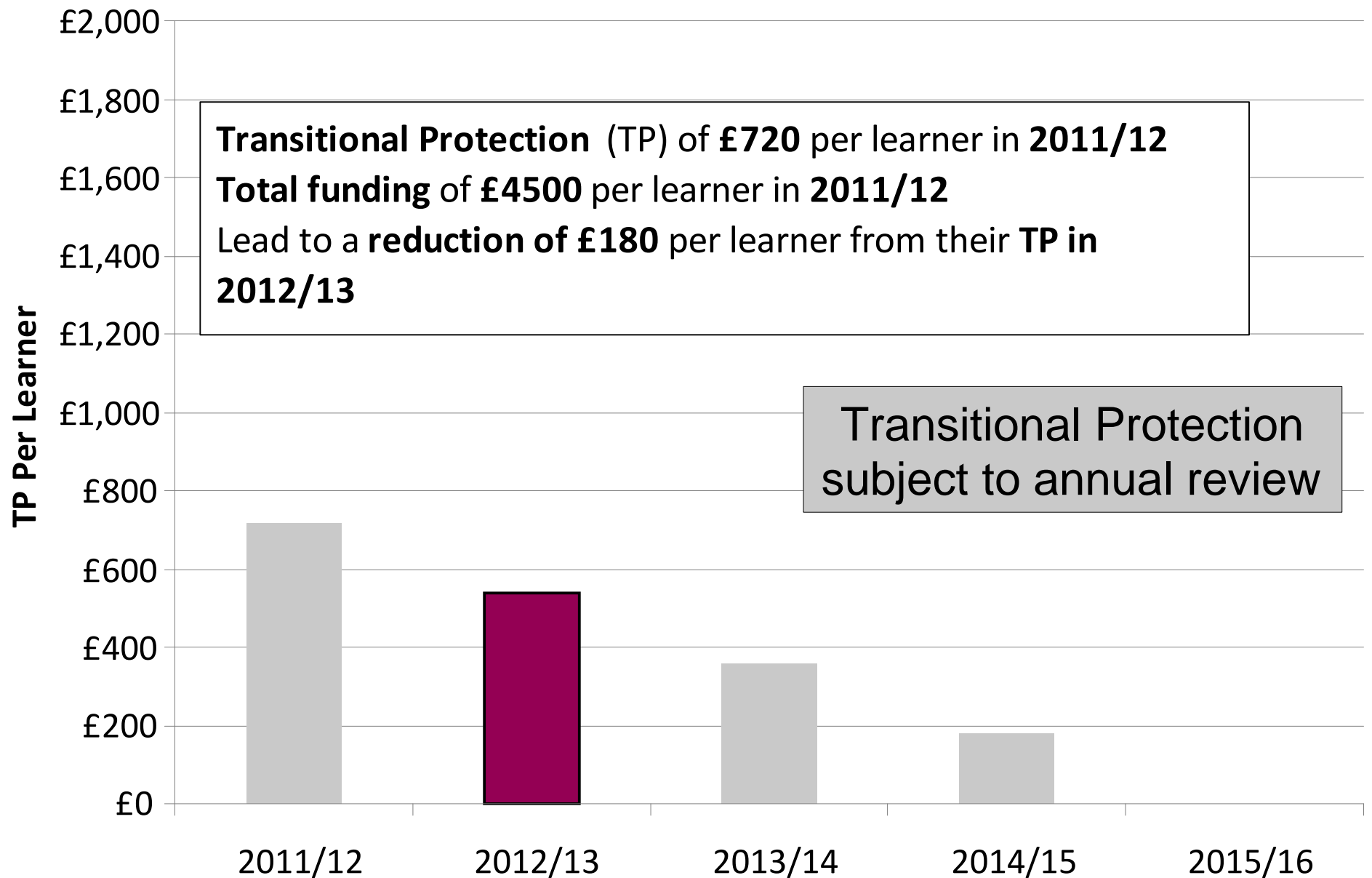
Transitional Protection: Example 1



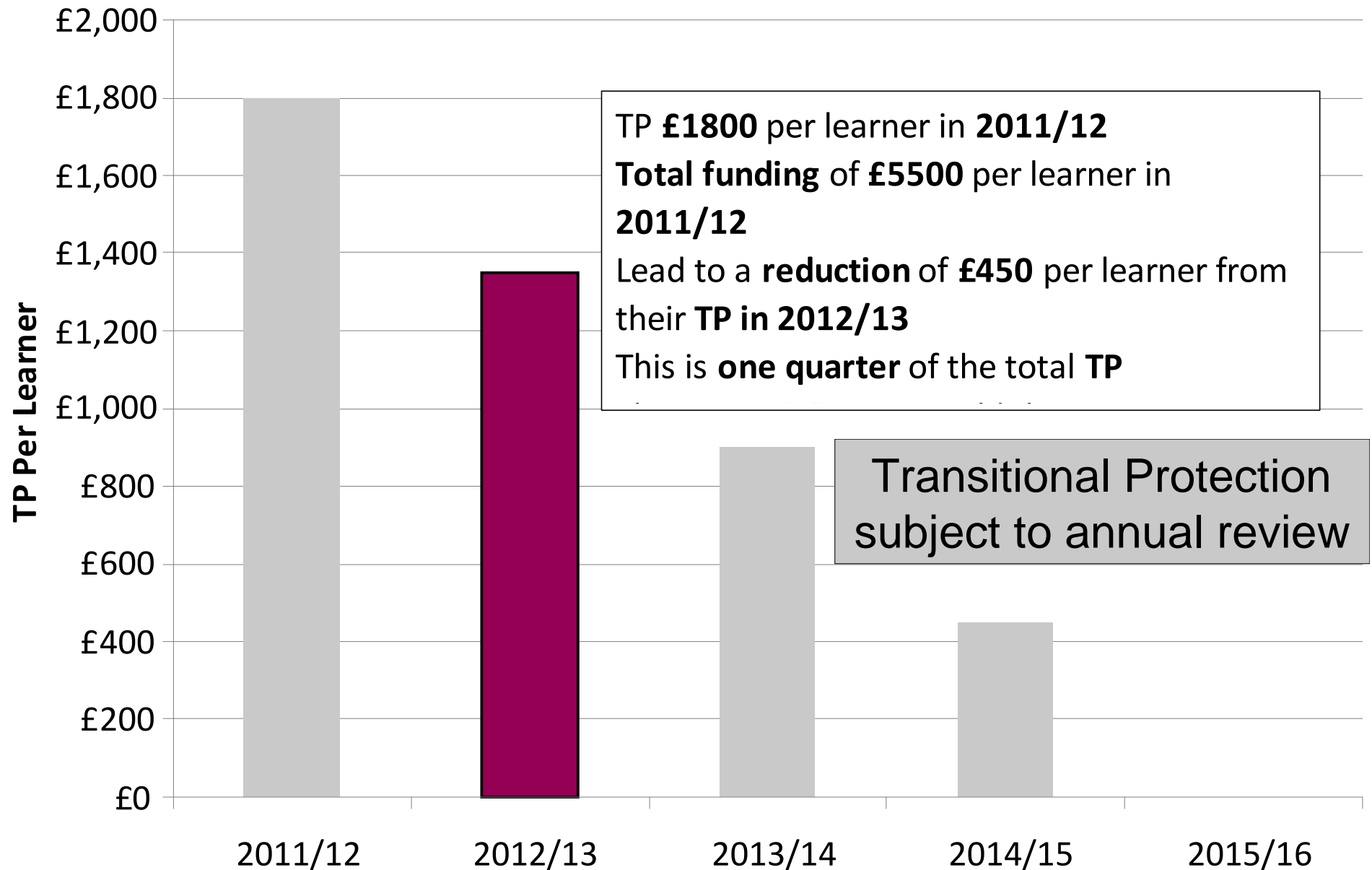
Transitional Protection: Example 2

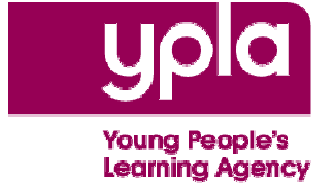


Transitional Protection: Example 3



Transitional Protection: Example 4





Next Steps

- January Learner Number Statements
- All key information will be put on the YPLA IM Portal
 - 11/12 statements are already there
 - Provider reports, Open Book and more
 - Useful links to guidance

<https://gateway.imservices.org.uk>

- Key Contacts – Territorial Teams



Young People's
Learning Agency

Questions

