

REPORT TO: Employment, Learning, Skills and Community
Policy & Performance Board

DATE: 26th March 2012

REPORTING OFFICER: Strategic Director - Policy & Resources.

PORTFOLIO: Economic Development

SUBJECT: Employment, Learning & Skills Quarterly Policy
Update

1.0 PURPOSE OF THE REPORT

1.1 To inform the Board of recent national policy announcements relevant to employment, learning and skills.

2.0 RECOMMENDATION:

2.1 That the report is noted.

3.0 BACKGROUND

3.1 A steady flow of policy announcements, consultation exercises, reports and ministerial statements are issued by government departments and agencies that have varying degrees of relevance to issues on the employment, learning and skills agenda and related topics.

3.2 Therefore, it is proposed to provide brief summaries of key announcements in a 'digest' format to the board on a quarterly basis, along with observations of local relevance, where appropriate, so the Board can consider whether to initiate more detailed scrutiny and/or report to a future meeting.

4.0 RECENT KEY POLICY ANNOUNCEMENTS

4.1 Regional Growth Fund

In December 2011 the Deputy Prime Minister set out further details on the boost to the RGF that had been announced in the Chancellor of the Exchequer's Autumn Statement.

He confirmed that there would be at least two further rounds of bidding, worth up to £1 billion, with the next round opening during February 2012. The fund has now reached £2.4 billion in total, with a target of providing support for around half a million jobs.

Round 3 of the Regional Growth Fund (RGF) with £1bn available, duly opened in late February 2012. The deadline for the submission of

completed application forms and supporting documentation is 13 June 2012.

To date conditional allocations have been made to 176 bidders from the first two rounds, which will lever an estimated £7.5bn of private sector and safeguard or deliver around 330,000 jobs.

COMMENT; The RGF operates across England from 2011 to 2015. Its key objective is to provide support for projects and programmes that lever-in private sector investment to create economic growth and sustainable employment. It aims particularly to help those areas and communities which were dependent on the public sector to make the transition to sustainable private sector-led growth and prosperity.

To date only one Halton-based application has been successful; a £9 million grant to a partnership between Stobart, Prologis and Halton Borough Council to improve the rail infrastructure at the Mersey Multimodal Gateway (3MG) site.

4.2 Unlocking growth in cities.

This document sets out an initial ‘menu’ of things that the Government would be willing to discuss and negotiate as part of the deal-making process of devolving greater power and freedoms to English cities. The menu is not exhaustive but includes options to give cities greater freedoms to invest in growth; the power to drive critical infrastructure development; and new tools to help local people to get the skills and jobs they need. The document can be downloaded from [HERE](#) .

COMMENT: The initiative has a specific focus on the eight core cities of Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle, Nottingham and Sheffield and their wider Local Enterprise Partnership areas. In late January Liverpool City Council agreed a deal with government on its City Deal proposal, which also involved moving to an elected mayor council system.

4.3 ‘Building Engagement, Building Futures’, BIS/DWP.

At the end of 2012 the Government published its strategy to increase participation of 16-24 year olds in education, training and work through the publication of ‘Building *Engagement, Building Futures*’, which pulls together their five priorities for action;

- Raising attainment in school and beyond so young people have the skills they need to compete in a global economy.
- Help for local partners to provide effective and coordinated services that support all young people, including the most vulnerable, with a target of full participation by 16-17 year olds by 2015.

- Encouragement and incentives to employers to recruit more young people by offering more high quality apprenticeships and work experience places.
- Ensuring that work pays and giving young people the personalised support they need to find it, through Universal Credit, the Work Programme and our Get Britain Working measures.
- Implement the recently announced Youth Contract to help young people get into 'learning or earning'.

The strategy also announces a new phase of Raising the Participation Age (RPA) locally-led delivery projects that will start in April 2012 and run until March 2013. These projects are designed to enable local areas to develop and test their approaches to increasing participation and delivering RPA, and to share learning with other areas in the build up to full participation.

COMMENT; Whilst the document doesn't contain a lot of new proposals, it is good to see a commitment in the Strategy on early intervention, recognising the need to do more, sooner, to support young people at risk of disengaging, to stay in education. With well over a million young people are not in education, employment or training (NEET). It is now even more essential that young people, particularly the most vulnerable, are given the advice and guidance they need to develop their skills, and gain the right experience to succeed in adult life.

4.4 Young People's Learning Agency (YPLA) 16-19 Statement.

The YPLA, which funds provision of further education for 16-19 year olds in England, including education delivered by academies, Further Education colleges and Sixth Form colleges, published its 16-19 Funding Statement for the funding of education and training in England for the financial year 2012-13 in January. The statement sets out the funding available for 16-19 education and training for 2012-13, for 1,577,000 places.

The government has also set out its capital funding for 16-19 provision, including £107 million available to meet maintenance and building needs of sixth form colleges and demographic pressures for new 16-19 places in schools, academies and sixth form colleges.

A copy of the statement can be found [HERE](#)

COMMENT; whilst not directly relevant to the Council, it should be noted that under the Education Act 2011, the YPLA will cease to exist on 31 March 2012, with some of its statutory responsibilities falling to the Secretary of State and the remainder transferring to the newly created Education Funding Agency.

4.5 UK Commission for Employment and Skills announce preferred providers for the delivery of standards and frameworks.

A commissioning process ran from September to December 2011 to identify preferred providers to deliver National Occupational Standards, Apprenticeships and Modern Apprenticeship frameworks and qualification

related products for a three year period starting from 1st April 2012. Sector Skills Councils will share services and resources through a process that was designed to encourage collaborative partnerships to deliver UK wide skills training.

A list of the successful bidders can be found by clicking on this [LINK](#).

4.6 National Audit Office Report into the launch of the Work Programme.

The report, which can be downloaded from [HERE](#) assesses how the DWP managed risks to value for money in introducing the Work Programme.

The report accepts that it is too early to fully assess the Work Programme as there is not yet reliable data on how successful it is in getting people into work. However, as the quality of decisions made at the early stage of major programmes are often highly predictive of future success, or otherwise. The report, therefore, identifies risks that the Department will need to manage well if value for money is to be achieved.

The NAO intends to examine actual performance of the Work Programme in later reports.

COMMENT: There has been considerable debate in Parliament and discussion in the media about the Work Programme in recent weeks. The Government's response to the report can be found [HERE](#).

4.7 Action to safeguard and improve the quality and standards of apprenticeships.

In a statement to Parliament on 27th February 2012 Skills Minister, John Hayes, outlined plans to strengthen safeguards and improve the quality and standards of apprenticeships.

Statutory standards for apprenticeships were introduced in Autumn 2011. This announcement listed several further changes aimed at driving up quality and standards. National Apprenticeship Service (NAS) has been asked to develop an action plan to ensure every apprenticeship meets these standards on behalf of apprentices and employers;

- From August 2012, all apprenticeships for 16-18 year olds will be for a minimum of 12 months
- A review by NAS and the Skills Funding Agency of all short duration programmes has resulted in improvements to many apprenticeships and the withdrawal of inadequate sub-contracted provision
- New safeguards are being put in place to strengthen monitoring, reporting and subcontracting arrangements, including making public a list of all sub contracted provision over £100,000

- New contracts will ensure that training providers not only act according to regulations, but also within the spirit of the apprenticeship programme
- A new 'enquiry panel' has been established, reporting directly to the Minister, to manage poor quality providers as soon as they are reported.

Additionally;

- Further action over the coming months will deliver new measures to ensure all adult apprenticeships are of sufficient length to deliver the training employers need
- NAS will undertake a review into apprenticeship frameworks that have been deemed a cause for concern
- New guidance on the implementation of quality standards will be published
- The Government will take forward measures to ensure all apprentices are given the opportunity to get Level 2 English and Maths.

COMMENT: As the Government is giving an increasingly high level of priority to the apprenticeship routeway, stronger and additional measures to safeguard the quality of provision is welcome.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

The varied range of issues covered in this report potentially present a number of challenges and opportunities across a number of the Council's current priorities. Each would therefore require a thorough analysis at some point in the future.

6.0 RISK ANALYSIS

There are no immediate risks or opportunities directly relating to the information in the report at this point in time. Again, a full assessment could be necessary at some point in the future.

6.0 EQUALITY AND DIVERSITY ISSUES

Not applicable.

7.0 FURTHER INFORMATION

If members would a more detailed analysis of any of the issues mentioned in this report, or paper copy of any of the documents referred to, the should contact;

Nick Mannion at Nicholas.mannion@halton.gov.uk 0151 906 4885

7.0 BACKGROUND PAPERS

None under the meaning of the Act.