

# **Planning and commission learning for young people: National Commissioning Framework Consultation Response 5 February 2010**

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## **Introduction**

This consultation is submitted on behalf of the Third Sector National Learning Alliance (TSNLA), a growing national alliance of voluntary and community sector (VCS) organisations and social enterprises involved in learning and skills. The TSNLA aims to provide a strong, independent, national ‘voice’ for third sector learning providers, including those for whom learning is part of a wider mission. The TSNLA has established a National Communications Network of some 300 plus third sector organisations ranging from large national learning providers to small community based organisations. The network provides a forum for the development of ideas, proposals, responses and evidence around learning and skills. The TSNLA wishes to provide influential and responsive advocacy for third sector providers of learning and skills and to be a source of intelligence about their views, in order to contribute to thinking across government and within other key bodies.

The TSNLA welcomes the opportunity it has had to feed into the development of the National Commissioning Framework through its involvement in the DCSF 16 - 19 Transfer Project Board and DCSF Third Sector Group. Over the last year, the TSNLA has provided briefings on the Machinery of Government changes via its website and participation in events around the country. We are currently being funded by the LSC to develop a toolkit for local authorities that will help them understand the contribution the Third Sector can make to improved learning outcomes for young people. This response is based both on contributions from individual TSNLA members and feedback from a number of consultation events.

## **Section 1: Overview and Summary**

1. The TSNLA welcomes the decision to make local authorities both responsible and accountable for all services for young people aged 0-19. This should provide an added focus and coherence to such services and allow more rounded interventions, particularly for those young people who are vulnerable or marginalised. We fully endorse the idea that the system should be ‘learner

centred'. Indeed, we believe this goes with the grain of the 'user centred' nature of much third sector service provision. The TSNLA is, however, unconvinced that all local authorities have the capacity to exercise their new leadership role effectively and, in particular, to recognise and nurture the contribution of other partners including those from the Third Sector.

2. The TSNLA believes this National Commissioning Framework (NCF) needs to be seen in the context of other changes in the commissioning landscape that have affected Third Sector providers over recent years. These include a shift away from grants to contracts and a trend towards packaging contracts in larger units with an increasing use of prime contractors. The TSNLA believes this particularly disadvantages those small organisations who are often closest to the most marginalised individuals and communities. In the area of learning and skills, in particular, negative experiences of sub-contracting and franchising arrangements with further education colleges in the past also fuel a degree of scepticism about the likelihood of funds reaching those organisations who can really make a difference to outcomes for the most marginalised young people. It is clear to the TSNLA that the success or otherwise of the policy that drives these structural changes will be determined by an ability on the part of all those who provide learning to recognise that 'more of the same' is not sufficient and to create the space for innovation and change. There is a concern, based on past experience, that local authorities will take the opportunity of these changes to bring more services 'in house' as was often the case when the Connexions service was placed within its remit.
3. The TSNLA also believes that the timing of the introduction of these changes is significant. The UK is emerging slowly from one of the worst recessions for many years. Young people have been particularly hard hit by the downturn with a significant rise in youth unemployment. If we are to avoid a situation in which those young people who are furthest away from the labour market become another generation of long term unemployed, targeted action will need to be taken to ensure the most disadvantaged young people have access to the best possible support to move them towards the world of work, including the kind of re-engagement activity that is a particular specialism of many third sector organisations. The TSNLA is concerned that the pressure on public sector funding over the next few years may lead local authorities to try and maintain the status quo and preserve existing provision rather than look for new approaches and new providers.
4. The TSNLA also wishes to stress the need for effective engagement of third sector organisations (and not simply learning providers) in the shaping of services, particularly for those young people who have traditionally been failed by the system. Many third sector providers deliver learning as part of a wider mission and are particularly well placed when it comes to understanding the complex barriers that get in the way of engaging with services. The government's decision to raise the Participation Age offers both opportunities and challenges when it comes to engaging the small but significant proportion

of young people who currently do not stay on in education and training. This is clearly an area where ‘more of the same’ simply will not do and to which the third sector can make a positive contribution. It is important that commissioning processes enable the sector’s contribution to the development of services to be realised.

5. The TSNLA broadly endorses the ‘Key Principles’ outlined in paragraph 1.1.-11. We believe the third sector has much to offer in ensuring diversity of provision and learner choice. We also fully support the notion that providers should be seen as key strategic partners. We hope that local authorities will make the effort to get to grips fully with the potential provider base within their areas including the contribution that can be made by those providers who have, in the past, contracted nationally for provision and who may struggle to make links at the individual local authority level. The challenges facing such organisations is an issue that has been picked up by the sub-group established by the DCSF Third Sector group and will be the subject of workshops at two forthcoming TSNLA events.
6. Whilst understanding the thinking behind the concept of ‘provider neutrality’, however, we believe that there are times when this should not apply e.g. where specialist expertise or ‘reach’ means that one particular sector may be better placed than another. The LSC has recently published research commissioned from IFF, drawing on data collected over a five year period, that strengthens the evidence that third sector providers are both more effective at reaching learners from particular backgrounds or communities and at enabling them to achieve. The main findings include evidence that third sector organisations are particularly effective at:-
  - Engaging ‘hard to reach’ learners
  - Developing employability skills
  - Delivering high quality learning outcomes
  - Re-engaging disaffected learners
  - Providing additional support to meet learners’ complex needs

Whilst these findings will come as no surprise to the sector itself, they may not be fully appreciated by those shaping and commissioning services and the TSNLA hopes that efforts will be made to ensure that they are disseminated as widely as possible across government at both the central and local level. A summary of the findings is available accessed from the LSC:

[http://readingroom.lsc.gov.uk/lsc/National/Understanding\\_the\\_Contribution\\_of\\_the\\_Third\\_Sector\\_in\\_LSC\\_-\\_Summary\\_Report.pdf](http://readingroom.lsc.gov.uk/lsc/National/Understanding_the_Contribution_of_the_Third_Sector_in_LSC_-_Summary_Report.pdf)

7. It is also clearly vital that government secures 'value for money' through the commissioning process. However, it is worth pointing out that 'value for money' does not necessarily mean the 'cheapest' provision. It is vital, particularly as we enter a period of severe constraints on public spending, that terms such as 'value for money' are rigorously defined. The success of the policies underpinning the changes to commissioning practice as outlined in the NCF will be judged by the difference in engagement and achievement of those young people who currently dis-engage from learning. It is likely that efforts to engage this group may be more expensive than mainstream provision for those who already 'stay on'.
8. The roles and responsibilities of key partners are clearly outlined in section 1.2. However, TSNLA members remain to be convinced that 'strong and effective collaboration' will actually occur, particularly given the challenging time constraints facing local authorities in developing and agreeing commissioning plans. We are concerned that the emphasis on the role of 14 - 19 partnerships, whilst logical, may not guarantee effective third sector involvement. Evidence from our members and work done by the LSC suggests that third sector involvement is currently extremely patchy. It is also important that third sector organisations are able to engage effectively with Sub-regional groups (SRGs) and Regional Planning Groups (RPGs), something that is not happening consistently at present. It may be possible for these groups to make more effective use of both generic and specialist third sector infrastructure organisations such as learning consortia, local development agencies such as CVS and regional networks.
9. We welcome the comments made in section 1.2-11 about the need to 'join up' support, particularly for vulnerable young people and their families. Once again, the holistic nature of much third sector provision positions them well to assist local authorities in doing this.
10. TSNLA welcomes the dialogue that has begun between both the Young People's Learning Agency, in its shadow form, and REACT and the Local Government Association (LGA). We are pleased that the issue of third sector involvement in the new arrangements is being taken seriously at the highest level and are committed to developing these relationships in the coming months. We are pleased that the YPLA has recognised the need to have dedicated officer support in order to build an effective relationship with the third sector and hope that the YPLA will ensure that its Board also includes members with third sector experience. We believe there is much to learn from the efforts the LSC has made in recent years to improve its relationships with the sector and believe it would be a great shame were that legacy to be lost.
11. There is ongoing concern about the interface between the YPLA and the Skills Funding Agency (SFA) and the potential fracture between the two systems, particularly where young people have had a disruption to their learning and find themselves at age 19 with learning needs that are more effectively met

within the 16 - 19 system. There are many third sector organisations who work across the 16 - 25 age range and who are concerned about their ability to make an 'equitable' service offer to two young people who may have very similar learning needs despite differences in their chronological ages. The TSNLA shares the concerns of organisations specialising in the needs of learners with Learning Difficulties and/or Disabilities (LLDD) such as Skill about how SFA planning will link with the local authority commissioning process. Progression planning will be particularly important if vulnerable learners, including those with specifically identified as LLDD are to bridge between the two systems rather than fall between them. We do not believe the current text, nor the diagram in paragraph 1.2-4 of the NCF adequately demonstrates that this will happen effectively and believe there is a role for the YPLA in ensuring that this happens consistently across the country.

12. The commissioning process, as outlined in section 1.3, is quite complex with challenging timescales. We are concerned that the process may be short-circuited in a way that reduces the potential involvement of third sector and other independent providers. TSNLA believes there is a huge opportunity for the YPLA to strongly recommend effective consultation with and involvement of disengaging and disengaged young people in 14 - 19 planning and commissioning, as both customers and consumers of learning and training. An excellent national example of this at work is the experience of the BIG Lottery requirement to evidence young peoples' involvement in project planning and design. Local authorities have varied experience of serious involvement of young people in the commissioning and design of Education, Training and Employment (ETE) services, and positive and detailed good practice would enhance the possibility of even more effective services for young people who are Not in Education, Employment or Training (NEET) or pre NEET.
13. If the policy objectives of these changes are to be achieved, it will be important for new providers to have an opportunity to enter the market. We welcome the fact that local authorities will work with learning providers to identify how provision needs to change to improve learning outcomes, particularly for the most marginalised learners. Paras 1 - 4 above outline some concerns about the extent to which this is likely to happen. The funding formula needs to take into account the additional cost of working with young people with complex needs. It is important that specialist provision that has, in the past, been contracted nationally or across a number of local authority areas is not lost. The TSNLA is keen to work with the YPLA and individual local authorities to find a way of ensuring this happens whilst going with the grain of the new arrangements. We recognise, however, that it may be necessary to build the capacity of such providers to engage with local commissioning processes. Where a lead commissioner is appointed to cover more than one local authority area, it is important that providers are not disadvantaged if they do not already have a track record of working in that particular area and/or are not on that authority's 'approved supplier list'. Paragraph 13.-19 indicates that

there may be certain circumstances where the YPLA may commission and procure delivery of a specialist nature. TSNLA believes that the criteria for YPLA intervening in such a way should be transparent and that providers should be able to apply to be a 'specialist' provider.

14. A number of TSNLA members are involved in FairTrain, a recently established Group Training Association (GTA) for the third sector which aims to promote and encourage the development of apprenticeships by helping third sector employers to access and manage training for apprentices. A successful launch event was held in early February involving speakers from NAS and a number of third sector organisations currently supporting apprenticeships. There is clearly scope for third sector organisations to play an important role both in promoting and providing apprenticeships for young people. Apprenticeships can provide an important stage on a journey toward work for young people that may see them moving from being a service user, a volunteer towards paid work within the sector. It is therefore important that local authorities, 14-19 partnerships and NAS work effectively with the sector to maximise this potential. Further information about Fair Train is available from: [www.fairtrain.org](http://www.fairtrain.org).
15. The vast majority of Learners with Learning Difficulties and/or Disabilities (LLDD) are in mainstream learning provision, provided by mainstream providers. Earlier comments made about the capacity of local authorities to meet the needs of all learners (paragraph 1 above) are particularly relevant when it comes to the needs of LLDD as are the comments about the interface between the two systems in paragraph 11.
16. TSNLA welcomes the fact that local authorities will be responsible for securing the provision of education and training for children and young people in youth custody. We are concerned that, currently, young people in custody do not fully benefit from the 'Every Child Matters' outcomes and hope that the new arrangements will enable some of the most vulnerable young people to access higher quality learning opportunities with greater continuity and progression. We would warmly embrace the inclusion of Third Sector organisations along with the statutory players, many of whom are already engaged in delivery through the Ministry of Justice and OLASS. Funding streams need to take account of innovative Third Sector and Private Sector practice e.g. the use of YOT/prison video links and post custody 'hands on' kinaesthetic learning, which are often more expensive to deliver than normal 'classroom based' delivery.

## **Section 2 - Planning, Allocation and Funding**

17. Some of the issues highlighted in this and subsequent sections have been picked up earlier.
18. The timetable and key deliverables outlined in section 2 seem very challenging. Third sector providers necessarily reflect a tiny part of overall provision and

there is a concern that the process will be dominated by the interests of larger institutional players. It appears that November/December 2010 will be a pressure point when provider dialogue will be particularly important. We wonder if third sector organisations, particularly smaller ones, will have the capacity to engage effectively. This will be even more challenging in those areas where there is inadequate involvement in the 14-19 Partnership. Section 2.2-8 assumes that local authorities will already be working closely with providers and that they will “have been fully involved in the development of the 14-19 Plan”. This is not a fair assumption on the basis of evidence provided by our members and by the LSC.

19. Third sector organisations can be a rich source of specialist provision and TSNLA welcomes the statement on p. 28 that local authorities will need to ensure that funding processes are Compact Compliant. The ‘Working Together Advisory Group’ has made an important contribution to building the LSC’s capacity to engage more effectively with the compact TSNLA believes the YPLA may wish to look at a similar model, possibly jointly with the SFA. See also earlier comments relating to the challenges facing providers operating across SRG areas.

### **Section 3: Funding, Payment and Assurance**

20. We recognise the need to provide a degree of continuity as the new arrangements bed in and that, in 2010/11, most provision will be negotiated. In subsequent years, however, we hope it will be possible for new providers to enter the market.
21. The timetable outlined in the table on page 34, particularly Step 2 seems very tight.
22. TSNLA welcomes the fact that there may be occasions when grants or grant in aid are more appropriate than contracts, including in the provision of the Foundation Learning Tier.
23. TSNLA has ongoing concerns about the use of payments in arrears which are very difficult for third sector organisations, particularly small ones, to deal with. There is also a particular issue for charities who could, potentially end up using charitable funds for non-designated purposes. These points were made strongly by third sector organisations when these policy changes were at a much earlier stage of development.

### **Section 4: Provider quality assurance**

24. The TSNLA welcomes the emphasis on quality assurance as an essential mechanism in ensuring good outcomes for young people. We also support the emphasis on looking at performance in the round, taking into account a range of factors that affect learner outcomes. We note that paragraph 1.3-37 in the

NCF, outlining the sponsoring agencies with responsibility for provider performance, does not appear to include third sector or other independent providers except those delivering apprenticeships who will be the responsibility of NAS. We would welcome reassurance that this lack of clarity will not mean that third sector organisations are inhibited from accessing development funding via LSIS.