

**Schools Forum 11 December 2007**

**Report of the Director of Children's Services**

**14 - 19 Reforms**

**Purpose of Report**

1. The purpose of this report is to advise Schools Forum of the 14-19 Reforms together with the recent statement made by the DCSF.

**Budget Working Group Discussed**

2. No.

**Action for Schools Forum**

3. To note the DCSF statement dated 9 August 2007 and to consider the 14-19 reform proposals arising from Dudley's 14-19 Strategic Partnership.

**Attachments to Report**

4. DCSF statement dated 9 August 2007 – 14- 19 Reforms – Appendix A.

Karen Cocker  
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26 November 2007

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**14-19 Reforms**

**Purpose of Report**

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**Background**

2. On 25 June the DCSF announced its response to the Spring 2007 consultation with local authorities regarding the School, Early Years and 14-16 Funding Arrangements 2008-11. A copy of the summary decisions was included on the October Schools Forum agenda.
3. The key decision in respect of 14 –16 funding arrangement was that local discretion can be exercised in the method of delivering funding for 14-16 year olds taking up diplomas.
4. Since that date, the DCSF has now issued further detailed guidance in respect of all of the key decisions. This report concentrates on the 14-19 reforms; in line with the 14-19 funding statement issued by the DCSF on 9 August 2007. Attached at Appendix A.
5. The statement provides an overview of how the schools and 16-18 funding systems will work in 08/09 and 09/10 to support delivery of the 14-19 reforms, prior to transition to the new funding arrangements, which are expected to take place from 2010/11. It includes detail on some of the more technical issues which have arisen through the DCSF consultations. It also aims to provide reassurance about the need for good and well-planned transition arrangements, following a wide consultation, to achieve a smooth and successful transfer of 16-18 funding to local authorities.
6. In order to achieve the principles of the 14-19 reform this will require a new curriculum and qualification entitlement including: 17 new employer-led Diplomas; a Foundation Learning Tier of qualifications; functional skills; strengthened GCSEs and A Levels; a significant expansion of Apprenticeships; wider availability of the

International Baccalaureate; and a revised secondary curriculum to ensure students are well prepared for the 14-19 phase.

7. By the time the new entitlement comes into effect in 2013, the DCSF want 85% of those aged 19 to be achieving a Level 2 qualification, and a significant increase in the numbers achieving Level 3 at 19. Currently around 78% of 17 year olds are participating in education or training. But almost 10% are not in any form of education, employment or training (NEET) and others are in low-skilled jobs or jobs without training.
8. In parallel with the statement, the DCSF has issued a narrative about how local 14-19 Strategic Partnerships should work to deliver the 14-19 reforms, so that local authorities can begin to consider how we are working locally to bring together providers to deliver the entitlement in the best way for the local area.
9. The DCSF advise that the issues for further consideration include:
  - How authorities will commission and plan 14-19 provision in a local area, working with providers, and use the funding system to support and incentivise achievement and participation;
  - How authorities will work together to fund the delivery of Diplomas in a way that most benefits young people including:
    - developing a local strategy for achieving the Diploma entitlement by 2013, across all providers, based on an assessment of local demand and supply;
    - reviewing how the Dedicated Schools Grant (DSG) allocation for practical learning which is already within Schools' baseline delegated budget will be deployed to build capacity for Diplomas.
10. The reform of 14-19 will bring together funding streams and processes which are currently administered by either the local authority or the LSC with the overall key principles of:
  - Funding Diplomas and practical learning at Key Stage 4;
  - Bringing together funding for all 16-18 year olds;
  - Identifying the 14-19 partnerships as the pivotal role of in planning and commissioning.
11. Annex1 to Appendix A sets out how the DCSF expect each of the three principles to work in more detail. It covers:
  - Funding practical learning provision
  - Funding of Diplomas at Key Stage 4
  - Funding Sources for the Diploma Grant
  - Funding 16-18 Provision
  - The Key Role of the 14-19 Strategic Partnerships

12. Annex 2 outlines the funding for diplomas at 14-16.
13. Further to the DCSF statement of the 9 August, the School Funding settlement for 2008-11, issued on 12 November 2007 advises of the funding for 14-16 diplomas. An extract is as follows:

*“The Learning and Skills Council plans to announce increases in the funding rates for school sixth forms as well as the details of its new funding methodology, to be used for school sixth forms and other 16-18 provision, including transitional measures to smooth the introduction of the new formula. Sixth form funding will therefore no longer be taken into account when local authorities apply the MFG to schools with sixth forms. **We will announce in December allocations of the specific formula grant to support the introduction of diplomas from September 2008. That will augment the £110 million we allocated through DSG in 2007-08 to support practical learning options. That funding is now part of the DSG baseline going forward and we expect local authorities to utilise it to support the roll out of Diplomas.**”*

14. For 2007/08, an amount of £467k has already been delegated to Dudley secondary schools in respect of Practical Learning Options; this is expected to continue into 2008/09 and future years at a similar amount. In addition, additional ring fenced grants are expected from the DCSF for 2008/09, as detailed in paragraph 13, the precise details will not be known until December 2007. This will be reported to Schools Forum at the earliest opportunity.
15. An update from the meeting of the 14-19 Strategic Partnership, which is due to meet on 6 December to consider actions arising from the DCSF statement, will be provided to Schools Forum at the meeting.
16. It is envisaged that the planning and funding process for the reform of 14-19 will be delivered through the 14-19 Strategic Partnership and reported to Schools Forum on a regular basis, for final approval.

## **Finance**

17. The funding of schools is prescribed by the DCSF through the School Finance (Amendment) (England) Regulations 2007.
18. Schools Forums are regulated by the School Forums Regulations 2002 as already amended by the Schools Forums (Amendment) Regulations 2004 and the Schools Forums (Amendment) 2005 Regulations.

19. From 1<sup>st</sup> April 2006, the Schools Budget will be funded by a direct DCSF grant: Dedicated School Grant (DSG).

### **Law**

20. Councils' LMS Schemes are made under Section 48 of the School Standards and Framework Act 1998. The Education Acts 1996 and 2002 also have provisions relating to school funding.

### **Equality Impact**

21. The Council's Equal Opportunities Policy is taken into account when considering the allocation of resources.

### **Recommendation**

22. Schools Forum to:

- Note the contents of the DCSF statement dated 9 August 2007 in respect of 14-19 Reforms and advise the Director of Children's Services accordingly;
- Consider the planning and funding process options to be presented to the Schools Forum meeting on behalf of Dudley's 14-19 Strategic Partnership.



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**Director of Children's Services**

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