



House of Commons
Education Committee

**Participation by 16–19 year
olds in education and training:
Government Response to the
Committee's Fourth Report**

Eighth Special Report of Session 2010–12

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The Education Committee

The Education Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for Education and its associated public bodies.

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Eighth Special Report

On 19 July 2011 we published our Fourth Report of this Session, *Participation by 16–19 year olds in education and training*.¹ The response from the Government was received on 17 October 2011 and is published as an Appendix to this Report.

The Committee's recommendations are in **bold** text and the responses are in plain text.

Appendix

Government response

Government response to the Education Select Committee report into Participation by 16–19 year olds in education and training

The Education Select Committee published the report of its inquiry into *Participation by 16–19 year olds in education or training* on 19 July 2011. This document sets out the Government's response to the Committee's report. In some cases these responses reflect the fact that the Government is continuing to develop policy in these areas ahead of the publication later this year of a cross-government Participation Strategy, as well as consultations on 16–19 Study Programmes and the Funding Formula.

Introduction

The Government welcomes the Committee's recognition of the importance of achieving full participation by young people in education or training. Participating in education or training has clear benefits: increasing skills and qualifications, and leading to improved earnings and career prospects. Ensuring that all our young people are able to access high quality education and training drives social mobility and economic growth.

Evidence clearly shows that attainment pre-16 is the key driver for increasing participation post-16. Whilst the Committee's report does recognise this, we feel that far greater consideration should have been given to our ambitious programme of reform of the schools system, which will result in improved attainment for all and therefore in increased likelihood of participation after 16. These reforms were outlined in our Schools White Paper, *The Importance of Teaching*. Through these reforms, we will ensure that all children receive a high-quality education grounded in those areas which will stand them in the best stead for their future lives and careers—from the teaching of reading through phonics to increasing the quality of teacher training. By providing the highest quality education leading to valued and recognised qualifications at 16, we will

¹ Education Committee. Fourth Report of Session 2010-12, *Participation by 16–19 year olds in education and training*, HC 850-I

ensure that all young people are able to go on to study or train post–16, preparing them for higher education and fulfilling careers.

When the Government last made a major change to the leaving age, from 15 to 16 in 1972, 73% of young people were in full-time education in the equivalent of Year 11. In theory, therefore, we were expecting an additional 27% of the cohort to participate from one year to the next. As we now prepare to raise the participation age, with all of the different education and training options that includes, we are already at 96% participation for 16 year olds, with two more years to go before it is compulsory. There was a good deal of evidence that the education system was ill-prepared for the last change, with temporary ‘ROSLA huts’ as one example of how the system struggled to accommodate the numbers staying on with little time to prepare effectively beforehand. This is a clear benefit of legislating several years in advance of raising the participation age coming into effect, to ‘galvanise’ the system and ensure it was ready for full participation.

Whilst participation is increasing, we agree with the Committee that further work needs to take place to ensure that the system is prepared for full participation and that the right support is in place for all young people to engage in education or training. We are now supporting 22 Raising the Participation Age (RPA) locally-led projects, covering 35 local authorities. This is the third phase of projects to prepare for RPA, and unlike previous phases these are now locally-led to focus on local authority priorities. These projects provide extra capacity to local authorities, giving them the opportunity to test different approaches to increasing participation and share their learning with other areas. These local areas are now further ahead in their preparations for RPA and so are able to share their experience and support other areas.

Given the timing of the Committee’s inquiry, we understand their focus on financial support for 16–19 year olds. However, it is important to recognise that the evidence shows that other factors have a greater influence on young people’s decisions to participate post–16.

The Committee rightly concludes that “a change to financial support for 16–19 year olds was inevitable” (Paragraph 106). EMA was paid to very nearly half of all young people in full-time education and training. Yet we know, from rising trends in participation and from what young people tell us, that young people understand that continuing in high quality education or training post–16 will bring benefits to them throughout their lives and careers and that the majority would have participated anyway without any financial incentive. With the raising of the participation age it is no longer sensible to operate an incentive-based system of financial support. However, we must ensure that those who face financial barriers to participation post-16 receive the support they need, and this is what we have done through the creation of the £180 million 16–19 Bursary Fund.

We agree with the Committee about the importance of basing the changes to financial support on clear evidence and of consulting fully on our decisions. We have made clear

that our decision to close EMA was based on a wide range of evidence. This included the formal evaluation, which projected an increase in participation of around 4 percent overall—not enough to justify an entitlement fund of that size. We undertook both formal and informal consultation, and have committed to monitoring the new arrangements closely. By going through this proper transparent process, we have made sure that our new arrangements will ensure that the support gets directly to those who need it most.

We have a clear strategy for achieving full participation of 16–17 year olds and significantly increasing the participation of 18–19 year olds, which focuses on three key areas:

- Raising attainment—As we have seen, this is the key to increasing post-16 participation by giving young people the qualifications and confidence they need to continue to engage. *The Importance of Teaching* and response to the Wolf Review of Vocational Education, together with reform of A levels and expansion of Apprenticeships, set out a comprehensive programme of reform to improve attainment for all young people.
- Early intervention—We know that barriers to participation can have their roots much earlier in life and successful early intervention can prevent these from developing. Through the Early Intervention Grant, we have given local authorities the freedom and flexibility to focus funding on prevention, whilst the Pupil Premium will provide schools with additional funding to raise the attainment of disadvantaged pupils.
- Targeted support—By raising attainment and intervening early, more young people will reach 16 well placed to continue in learning, allowing us to focus resources and support more tightly on those who face significant barriers to participation. Through the system of funding for 16–19 education and training places and through the new 16–19 Bursaries, we will make sure economic circumstance is not a barrier to learning for any young person. For those young people with learning difficulties or disabilities, who we know are less likely to participate, our Green Paper, *Support and Aspiration* sets out our vision for a radically different system to support better life outcomes. Through the Innovation Fund, we will invest £30m over the next three years to improve the long-term prospects of vulnerable young people.

Later this year, we will set out a cross-government strategy to maximise the participation of 16–24-year-olds in education, training and work.

Responses to individual recommendations

Raising the Participation Age

1. We acknowledge the Government's support for the expansion of University Technical Colleges, which we see as a bold experiment in providing learning opportunities for young people motivated by a more practical curriculum. (Paragraph 28)

We welcome the Committee's endorsement of the Government's commitment to establish at least 24 University Technical Colleges by 2014. As the Government response to Alison Wolf's review into vocational education² made clear, they are an important part of how we are reforming the schools system. Their unique partnership between university and industry will give young people the opportunity to develop technical expertise that will set them in good stead for their future careers and deliver the skills that our employers need. Over Summer 2011, we ran a public applications process and by late September we plan to announce which projects have been approved to move forward to the pre-opening stage.

2. We recommend that the Government should commission further research to assess the effect of applied learning and vocational study at age 14 to 16 upon participation in education and training at age 16 to 18. That research should take into account the location of study, and experience from a range of vocational courses. (Paragraph 33)

We welcome this recommendation. Professor Wolf highlighted in her report on vocational education that we need to ensure that every student, wherever they are educated, studies only the best qualifications. These need to be appropriate for their age and help them to progress on to further study and then into work. To support the implementation of the recommendations of the Wolf Review, we have commissioned further research on a range of different elements of vocational education and qualifications, and we will consider this issue as part of that work.

3. While we would not want to encourage over-specialisation at Key Stage 4, we recommend that the Department should consider whether a 40%/60% split between time spent on specifically vocational or technical study and on core academic curriculum would best suit 14 year olds who take up vocational options while at school. (Paragraph 34)

Young people aged 14–16 must have a broad and balanced education that provides the foundation for further learning. We want the vast majority of 14–16 year olds to be taught an academic core, which can then be supplemented by a vocational element. As Professor Wolf makes clear in her report, almost all developed countries provide quite

² <http://media.education.gov.uk/assets/files/pdf/w/wolf%20review%20of%20vocational%20education%20%20%20government%20response.pdf>

general vocational programmes for 14–19 year olds, retaining a large common (academic) core, with a much smaller vocational specialisation element. We agree with her that allowing young people to specialise too soon narrows their choices and limits their chance to secure further learning and employment in the longer term. We therefore feel that a 80%/20% split—equivalent to one day each week—be appropriate in most cases and will, for example, allow pupils to study vocational subjects alongside the English Baccalaureate.

Educational attainment is highest where heads are free to determine how their schools operate and we believe that schools are best placed to decide their own curriculum choices for their pupils, but given the compelling evidence underpinning the Wolf Review, we would encourage them to design their programmes in light of its findings.

For some 14 year olds, colleges can offer a more conducive learning environment and greater access to good quality vocational provision alongside the core academic Key Stage 4 programme, subject to ensuring that appropriate safeguards are in place. Students are currently able to enrol in colleges pre-16 and we want to see more young people being offered this opportunity. We will work with colleges in the autumn term to better understand the existing barriers to enrolling 14 year old learners.

We are also keen to see many more Studio Schools across the country, an innovative new model of 14–19 provision delivering project-based, practical learning alongside mainstream academic study. Students will work with local employers and a personal coach and follow a curriculum designed to give them the employability skills and qualifications they need for work or further education. University Technical Colleges (UTCs) will have a longer school week, enabling them to deliver the common core whilst delivering the UTC requirement for a 40/60 vocational/academic split.

Regardless of which kind of institution they study in, what is most important is that no 14-year-old is forced onto a route that closes down their options, that up to age 16 they are taught a good common core and when they do choose vocational options they have access to high-quality equipment and professional teaching.

4. We accept that the cost of the Young Apprenticeship programme is currently difficult to fund, despite its impressive results. We acknowledge that there is some evidence of effective joint working between schools and colleges to provide vocational study opportunities for 14 to 16 year olds; but this appears to be in decline, for financial reasons. The success of Young Apprenticeships suggests that high quality vocational training for 14 to 16 year olds can raise engagement and academic achievement, and we urge the Government to consider how best to build on this model. (Paragraph 38)

We know that many employers, schools and pupils thought highly of the Young Apprenticeships programme and it is the case that it had some success. But the evidence from the evaluation of the programme shows that it required significant additional

funding and did not have the positive impact that the headline data of GCSE or equivalent attainment may have suggested.

The increase in performance at level 2 was small when compared with the cost of the programme and many participants attained the 5 A*-C threshold by moving away from GCSEs, which they may otherwise have achieved. Instead, pupils took alternative qualifications which, for many, offered more limited opportunities and may not have fully prepared them for progression to further education, Apprenticeships or skilled employment. This is particularly clear in the data on achievement of level 2 including English and mathematics, where pupils on Young Apprenticeship programmes performed below expectations based on their prior attainment. Professor Wolf's report was clear that good English and mathematics are the key vocational subjects, and we should ensure all pupils achieve their potential at KS4 in these subjects.

We therefore remain confident that our decision to discontinue the Young Apprenticeship pilot programme was the right one. But we agree that there are features of the programme that offer valuable lessons. In addition to informing the Wolf Review, we are drawing upon these broader lessons in the design of several current programmes and policies. These include University Technical Colleges and developing work experience as an important element of programmes of study for all 16–18 year olds, including for those with low levels of prior attainment. Schools are free to continue to offer and fund similar programmes locally, drawing on lessons from the evaluation of the Young Apprenticeships as well as the findings of the Wolf Review to maximise the success and long term benefit to their pupils.

5. The forthcoming review of funding for post-16 learning should recognise the higher cost of supporting learning by young people lacking motivation or confidence; and the future funding mechanism should enable all providers, including voluntary sector bodies, to offer the learning opportunities which are required. (Paragraph 41)

We agree that additional funding should be provided to support the education and training of young people with the greatest needs. The current 16-19 funding formula already provides funding for young people in need of additional learning support, including those lacking motivation and confidence. We also know that learners from disadvantaged backgrounds are less likely to successfully achieve qualifications and so we have increased funding for disadvantaged young people and additional learner support by £150m in 2011/12, giving a total of around £750m. This funding targets help and support to those students who face the greatest barriers to participation in 16–19 education. Schools and colleges are free to use the increases in funding for disadvantaged young people in the way that most benefits their students.

6. We are not convinced that the “lagged learner funding” mechanism currently used by the Young People’s Learning Agency as a basis for funding learning providers necessarily prevents flexibility in course starts. We welcome the Agency’s willingness

to adjust funding for colleges in 2011 to reflect significant increases in in-year enrolments. We recommend that the Agency should indicate as soon as possible whether it intends to use lagged student numbers as a basis for calculating allocations to colleges for study in 2012; and we encourage it to confirm at the same time that it will continue to recognise in its funding allocations significant rates of in-year enrolment in individual colleges. (Paragraph 47)

We welcome the Committee's comments on the lagged funding system and the recognition that it does not present a blockage to offering the flexible start dates that can help young people to reengage quickly in learning.

The YPLA announced in its statutory guidance, published in July 2011,³ that lagged funding will remain in place for 2012/13. There are no plans to move away from funding predominantly on a lagged basis as it brings with it clear benefits in terms of reduced bureaucracy and the financial security needed for planning.

Lagged funding takes account of the likelihood of providers recruiting young people during the year on flexible enrolments because it is not simply based on recruitment in the autumn. Where a provider either recruits more learners in the autumn or during the year compared to their lagged allocation this will be taken into account in their funding the following year.

7. We do not accept that the activities and services supported by entitlement funding are necessarily needed more by those who benefit from 'disadvantage uplift'; and we are not convinced that they should be targeted to the extent proposed by the Young People's Learning Agency. The quality of the universal offer is likely to decline once entitlement funding is reduced, and student motivation, retention and achievement may suffer. (Paragraph 51)

8. The Department's forthcoming review of the funding formula for 16–19 learning should, in assessing the value of every aspect of provision (including qualifications), consider the case for restoring a higher level of entitlement funding. (Paragraph 52)

Our first priority for funding must be to protect the core education programmes offered by schools and colleges. This covers the whole range of courses including A levels, vocational qualifications, Foundation Learning and Apprenticeships, which equip young people with the knowledge and skills they need to progress. It is this core offer that is fundamental to their successful progression into higher education or employment.

We do not regard the other activities that might be funded from the public purse as additional enrichment activities as unimportant. But, at a time when we are experiencing a welcome increase in participation alongside a need to respond to extremely difficult economic circumstances, we cannot also prioritise the provision of

3 www.ypla.gov.uk/aboutus/ourwork/16-19-statutory-guidance/

an entitlement to those activities for all full-time learners. We do accept, however, that tutorial provision for all is important and that is why we have protected that as far as possible.

Our second priority is to support the most disadvantaged and less able young people to succeed. The Government has therefore increased funding for disadvantaged young people and additional learner support by £150m in 2011/12. Schools and colleges are free to use the increases in funding for disadvantaged young people in the way that most benefits their students.

So we are not targeting just those who benefit from the “disadvantage uplift” but all those learners who need additional learning support. We have also given providers the flexibility to decide how to use this funding as they will be best placed to know how to support their students.

The forthcoming review will examine the funding formula within the context of the overall amount of funding secured in the spending review settlement. It will not present an opportunity to increase the overall amount of funding available.

However, our plans to move to funding learners rather than qualifications will enable us to give providers more discretion about the programmes of learning they wish to put together with their funding. We will expect all 16–19 learners to be on a substantial programme leading to a qualification which helps them progress in further learning or work. For those with low levels of mathematics and English we would expect those subjects to be a major part of their learning programme and, for those needing it, an element of work experience.

Where appropriate, we would expect all learners to engage in some non-qualification bearing activity to support their main programme. The general principles for the post-16 programmes of study are being developed and we will be consulting with stakeholders and practitioners on these principles this autumn.

9. We recommend that the regulations on transfer of pupil information be amended, so that further education and higher education institutions are entitled to receive the Common Transfer File and educational record relating to any pupil being admitted. We recognise that colleges do not currently have access to the secure system used for the transfer of such data and that work would need to be done to allow this. In principle, however, security of data transfer considerations should not be allowed to impede the free flow of information on individual pupils’ needs from schools to colleges and higher education institutions, where this is to the benefit of the pupil. (Paragraph 60)

Schools already have an express legal power which enables them to share “individual pupil information”⁴ with institutions within the further education and higher education

4 Individual pupil information is defined as “information relating to and identifying individual pupils or former pupils at maintained schools, non-maintained schools, and independent schools”.

sectors under powers set out in s537A of the Education Act 1996, and the Education (Individual Pupil Information) (Prescribed Persons) Regulations 2009. However there is no specific legal requirement placed on schools to transfer pupil records when a pupil transfers from a school to an FE institution.

We agree that it is important for information to flow between institutions where that benefits individual pupils. However, we are committed to reducing the amount of regulation on educational institutions, and to identifying non-legislative measures to pursue our policy aims. As legal powers to share the data do already exist, we do not believe that amending the regulations on data sharing is necessary at this time.

Instead, we will clarify to schools and colleges that the legal power to transfer information already exists and encourage them to do so through local mechanisms in order to benefit their pupils.

In the longer term we will seek feedback from schools and colleges on how these powers are being used and on any specific barriers they are facing. Depending on this feedback, we will consider again whether a change in regulations is necessary.

10. We recommend that the Secretary of State’s Ministerial Advisory Group should consider, as a distinct work strand, local authorities’ roles in supporting the raising of the participation age, and whether statutory powers are required to enable them to make a meaningful contribution. (Paragraph 68)

The Ministerial Advisory Group has been established to provide advice to Department for Education Ministers on the local authority role, in the context of a more diverse and decentralised schools system. It is currently engaged in a full programme of work focusing on the practical implications for local authorities in a number of areas, including school improvement, new approaches to funding for schools, the provision of education for vulnerable children and places planning. All of these topics are viewed as highly important by local authority representatives on the group. To date there has been no request from any members of the group to consider RPA as a specific issue.

When the group has completed its work on these current topics it will consider options for future work around issues that local authorities are themselves raising as priorities. It will be up to members at that point whether to focus on RPA.

As described earlier, the Government is supporting local authorities to develop and test their role in delivering RPA. There are 22 projects currently underway across 35 local areas, where the local authorities are working with partners to investigate different approaches to increasing participation and delivering RPA in their areas, in response to their own local priorities. These projects are the third phase of local work to prepare for RPA, and the findings from previous phases are already providing useful learning and examples for other areas to consider and build on.

In relation to local authorities' statutory powers in this area, the Government is clear that local authorities already have the powers they need to deliver RPA, and with the commencement of the RPA legislation in 2013 will have a statutory duty to do so.

Local authorities already have a statutory responsibility to secure suitable education and training in their areas, taking into account quality and other important factors, such as achieving full participation. Working with their partners, local authorities can shape provision in their area by identifying gaps, enabling new provision and developing the market. They may wish to set this out formally in a strategic overview of provision and needs in their area.

The importance of the local authorities' strategic influencing role cannot be overstated. In championing the interests of young people in their area they will need to influence local schools, colleges and other providers, as well as employers and other stakeholders, so that everyone understands local priorities and broadly how those priorities should be met.

11. We accept that the cost of using powers under the Education and Skills Act 2008 to enforce the increase in the age of participation could turn out to be disproportionate to their effectiveness. We therefore agree with the decision to delay introduction of those powers, but we believe that a formal review should take place as soon as the level of compliance with the duty to participate becomes clear. (Paragraph 75)

We welcome the Committee's support for our intention to delay the enforcement powers applicable against young people that do not participate. This will make sure that everyone fully understands the RPA duties and that the policy is embedded without enforcement action being taken against young people. It will also reduce the risk of young people finding themselves in the enforcement process for the wrong reasons.

Our ambition is that the education and training offer, financial and other support that young people receive will be sufficient to reach our goal of full participation without the need to use enforcement. We want young people to participate because they recognise the benefits it will bring and because our reforms to education and training create a system that caters for the needs and aspirations of every young person—not just most young people. At the end of last year 93.4% of 16 and 17 year olds were in education or training, an increase of nearly two percent on the previous year, and we believe that through our reforms of the pre-16 and post-16 systems we will reach full participation in 2013 and 2015.

We will review the need for the introduction of the enforcement system on an annual basis from 2013 onwards. If, at a later date, we consider it appropriate to commence those powers, we will do so. But enforcement will always be a last resort, and the system contains a number of safeguards to minimise the risk of young people facing inappropriate enforcement action.

Financial support for 16–18 year olds

12. The Government was right to recognise, even if belatedly, that the initial proposals for replacing the Education Maintenance Allowance fell short of what was required. We welcome the Government’s decision to provide transitional funding for some learners who had begun courses in the expectation that they would continue to receive Education Maintenance Allowance. (Paragraph 87)

13. Allocations of funding for student support through the bursary scheme for 2011–12 have been made far too late to allow Year 11 students to make fully informed decisions on what they will do the following year. The Government misjudged the scale of support necessary when announcing the abolition of the Education Maintenance Allowance, and precious months were lost while it revised its plans and consulted on the bursary proposals. The delay in deciding on allocations and guiding principles for distribution was regrettable and should not have been allowed to happen. (Paragraph 89)

14. We would have welcomed a more measured and public analysis by the Government before it reached its decision to abolish the EMA. The Government’s assertion is that there was a substantial economic “deadweight” cost element to the EMA, meaning that a significant proportion of young people would have taken courses whether or not they received the EMA. However, economic “deadweight” costs are a feature of many interventions and do not necessarily mean that the policy is invalidated. The Government should have done more to acknowledge the combined impact on students’ participation, attainment and retention, particularly amongst disadvantaged sub-groups, before determining how to restructure financial support. (Paragraph 99)

16. We accept that a change to financial support for 16–19 year olds was inevitable. (Paragraph 106)

17. It will be difficult to ensure that bursary funds are matched efficiently to need and that inconsistencies which will inevitably arise do not erode confidence in the scheme or distort learners’ choices of where to study. The Committee is not persuaded that a strong enough case has been made for distributing £180 million in student support as discretionary bursaries rather than as a slimmed-down, more targeted entitlement. We believe that the Department should have conducted an earlier, more public assessment of the options for better targeting of student support. (Paragraph 108)

We welcome the Committee’s agreement that the previous financial support system was not sustainable and we agree that this change is particularly important in the context of raising the participation age. As we move towards full participation, we will keep the mechanism for allocating these funds under consideration to make sure that they continue to reach those students with the greatest need and thereby support them to participate.

We are aware that we have undertaken these very important reforms relatively quickly and that this has resulted in some uncertainty, both for young people and for providers. In addition to the YPLA's guide to the transitional arrangements for EMA recipients and the new 16–19 Bursaries, we have asked the YPLA to write to every young person in receipt of the EMA to clarify their payments for the 2011/12 academic year. We will be monitoring the new arrangements carefully, working with representative bodies such as the Association of Colleges, Sixth Form Colleges Forum, Association of Employment and Learning Providers and Association of School and College Leaders, to learn the lessons from this first year of operation.

As Lord Hill acknowledged to the Committee, the delay in announcing the details of the new scheme was not ideal. However, we felt it was important to consult fully on the new arrangements, in order to get the scheme right for students starting courses this September. We received around 900 responses to the consultation, indicating the strong appetite amongst schools, colleges, training providers and representative bodies to have an influence over the new arrangements.

The Government's decision to close EMA was based on a wide range of evidence, including an evaluation of the scheme commissioned by the previous government. As we move towards raising the participation age, making weekly payments to 45% of the cohort to incentivise participation is no longer a rational policy response. Overall, the evidence—from the evaluation and subsequently—suggests that only one in ten of those receiving the EMA would not have participated without it. We accept that 'deadweight' is a feature of many interventions, but are clear that, particularly in the current economic climate, we must focus on reducing such costs as far as possible in order to maximise the value for money from public investment. Establishing a discretionary scheme, which can be more sensitive to individual needs and circumstances than a national income-based scheme, allows the Government to target resources to those young people in greatest need. The new £180million 16–19 Bursary Fund will more sharply target disadvantaged young people who need additional support to stay in education or training post-16.

When developing this policy, we listened carefully to the concerns of young people who are currently receiving EMA, and to the case put by the Advocate for Access to Education. Both argued for some protection for those presently receiving EMA, particularly those in receipt of a guarantee from the previous Government and those receiving the highest rate of payment. We decided that, in addition to the new 16–19 Bursary Funding, we would provide transitional support for young people in receipt of the EMA. As the Committee notes, the young people who are subject to these arrangements during the 2011/12 academic year will also be eligible to apply for 16–19 Bursary Funding.

EMA eligibility was based on assessment of family income, which is a blunt instrument for targeting. In making the decision to move towards a discretionary scheme, we took account of representations received from teachers, parents and young people, who

noted the inflexibility and perceived unfairness of the EMA scheme. For example, EMA eligibility was based on evidence of the previous year's income, meaning that a young person whose parent was made redundant mid-year had to wait until the next year to apply for EMA. In the case of young people whose parents had divorced, the income assessment took account of the resident parent's income only, and not any support received from a non-resident parent. These matters could not be resolved cost-effectively through a national scheme, where it is important to maintain consistency with other approaches to means testing. A locally-administered, discretionary scheme will be better able to take account of changes in circumstance. But we have also retained features of the current scheme—such as conditionality—where schools and colleges have told us they have an impact on attainment and retention.

We do not consider that schools and colleges taking different approaches to Bursary allocation is necessarily a problem. It is right that there should be different approaches in different areas—young people's needs are not uniform across the country, and will depend on local and individual circumstances. We believe that providers are best placed to decide on the young people that will benefit the most from additional resources. The flexibility of discretionary funding also meets the real costs of participation rather than a fixed cost payment option like EMA. Some young people need relatively little to address financial barriers while others may require more support.

15. We recommend that the Government should issue guidance to schools and local authorities that there is no legal impediment to the transfer of information on Year 11 children's eligibility for free school meals to post-16 providers. We further recommend that the Government consider whether a child's eligibility for free school meals should be recorded on their Common Transfer File. (Paragraph 105)

The Committee helpfully recognises that there is no legal impediment to the transfer of this information to post 16 providers at a local level and we will consider how best to clarify this in future guidance on the 16–19 Bursary Fund. The latest version of the Common Transfer File records eligibility for free school meals and the next version (available from late 2011) will record free school meals eligibility as a historical record. Our response to recommendation 9 sets out our intention to clarify the ability of schools to share information on pupils with Further Education institutions.

18. We recommend that the Government should, as part of its review of school transport, assess the cost of offering free or subsidised travel to all 16 to 18 year olds travelling to and from learning. The aim should be to achieve, through co-operation between schools, colleges, local authorities and transport companies, free or subsidised travel to and from learning for all 16 to 18 year olds. (Paragraph 116)

We are committed to ensuring that the cost of transport is not a barrier to accessing education or training. Local authorities are required to publish a transport policy statement annually, setting out the levels of assistance available. Statutory guidance requires local authorities to ensure that the contribution that young people and their

families make towards travel costs are affordable. Our analysis of 2010 local authority transport policy statements show that a significant number of local authorities already offer some form of subsidised provision. The Department for Education is in the process of establishing whether all local authorities have published their 2011 transport statements.

We recognise that transport represents one of the main costs associated with participation post-16, and for young people from lower income backgrounds it can be a factor that either prevents them from continuing in learning or constrains their choices. That is why we have made clear that the 16–19 Bursaries will have the flexibility to help meet transport costs for individual students, where those costs have been identified as a real barrier to that student's participation.

The efficiency and practice review on home to school transport is looking at how local authorities consider transport as a whole for mainstream, SEN and post-16 students. This should provide evidence of good practice and show where efficiencies can be made. We will further review the need for financial support arrangements for 16–19 year olds as we move towards raising the participation age, including what support is needed for transport.

19. There is no logic in making free school meals available to 16–18 year olds in schools but not in colleges, and, while we recognise that the financial implications would make an early change of policy difficult, we recommend that parity of eligibility should be the medium to long-term aim. (Paragraph 119)

We recognise that this is an anomaly, and welcome the Committee's recognition of the challenging financial context. The introduction of 16–19 Bursaries aims to provide students with the support they need, whether it be for transport, meals or equipment. This funding will enable schools, colleges and training providers to target support towards those young people facing the greatest financial barriers to participation. Providers can then decide whether to provide subsidised meals in college or give young people a bursary that allows them to pay for food outside of college.

We will consider the need for support for meals again when we review financial support arrangements for 16–19 year olds as we move towards raising the participation age.

Apprenticeships for young people

20. We welcome the latest statistics on Apprenticeships, showing a major increase in Apprenticeship starts, with growth at all levels and for both under-19 year olds and 19–24 year olds. (Paragraph 124)

We are pleased that the Committee recognises the important expansion of Apprenticeship places. This will help more young people and employers across the country benefit from the positive returns that completing an Apprenticeship brings, including increased wage returns and career prospects for the apprentice and a growth in productivity for the employer. Provisional data shows 326,700 Apprenticeship starts at all ages in the first nine months of the 2010/11 academic year, representing an increase of over 114,000 on the previous year. Overall, this Government will deliver at least 250,000 more Apprenticeships over the spending review period than the previous Government had planned.

21. We welcome the Government’s measured response to the recommendation by Professor Wolf in her review of vocational education that students under 19 who had not achieved GCSE mathematics and/or English at grade A*–C should continue to study towards it beyond the age of 16. We agree that existing good and innovative practice in provision of English and mathematics courses for these young people should be assessed before further policy decisions are taken. (Paragraph 130)

We welcome the Select Committee’s recognition of the importance of achievement in GCSE English and mathematics, as this is recognised as fundamental to young people’s employment and education prospects. Professor Wolf recommended that students who are under-19 and do not have GCSE A*–C in English and/or mathematics should be required, as part of their programme, to pursue a course which either leads directly to these qualifications, or which provide significant progress towards future GCSE entry and success. The Government response to the report accepted this recommendation in full. We will make further statements on which English and mathematics qualifications we believe provide significant progress towards future GCSE in autumn 2011.

22. Employers should not be expected to lower their requirements for entry to Apprenticeships in order to help meet a Government policy aim. Apprenticeships, if they are to retain the confidence of employers, should be for those who are prepared to show commitment, so they should be extended rather than brief (normally two years minimum); and it is acceptable for Apprentices to have relatively low rates of pay up until the completion of their Apprenticeship framework. (Paragraph 132)

We agree that the requirements for entry to Apprenticeships should remain high, as should the quality of the programme itself. A flexible, high quality programme will retain the confidence of employers and attract those students who are prepared to show commitment. The flexible nature of the programme means the duration of an

Apprenticeship is not fixed, though the majority of Apprenticeships last between 12 and 24 months. The move to the Apprenticeship National Minimum Wage has been attractive to employers, though of course employers are free to pay more than this if they so choose, and many do—the average is £170pw net.

23. We recommend that the Government should publish its assessment of the costs and benefits of paying employers to take on Apprentices, before it decides whether or not to go ahead. On the existing knowledge base, however, the Committee does not support the principle of payments to employers taking on Apprentices. (Paragraph 134)

As set out in the Government's response to the Wolf Report, we are committed to basing any decision on future employer payments for involvement in Apprenticeships on a thorough review of the evidence available. As the Committee recognises in their report, payments to employers would represent a fundamental shift in how the Apprenticeship programme operates. It will be essential to ensure that deadweight is minimised and that employer payments genuinely support a higher quality experience for the apprentice and for the employer. We will provide further detail on how the government will respond to the specific recommendation in the Wolf Review on payment to employers in due course.

24. We welcome the Government's acknowledgement that driving up numbers of Apprenticeships carries a risk of diluting their quality. We question whether Apprenticeships offered through Apprenticeship Training Agencies, where there is no long-term commitment or investment on the part of the employer offering the work placement, are of the same quality as work-based Apprenticeships with a regular employer. We recommend that such opportunities should be regarded primarily as a form of training and should be treated separately for statistical purposes. (Paragraph 140)

We acknowledge that Apprenticeship Training Agencies (ATAs) are still in their early stages and that there is not yet a comprehensive evidence base which can attest to their effectiveness. However, unlike Programme-Led Apprenticeships, with ATAs the apprentice is paid and protected by employment law whilst on the Apprenticeship and there is always potential for the apprentice to take up employment with one of the host employers.

Our ongoing work on small and medium sized enterprises engagement will consider which Apprenticeship delivery model (or models) provide the best experience for the employer and equip the apprentice with the transferable skills needed to progress in their chosen career. We will look at ATAs as part of this work and will consider the Committee's suggestion as part of this.

Careers services

25. We recognise the difficult financial circumstances in which local authorities find themselves. However, the sharp reduction in the availability of career guidance services for young people outside schools is damaging and should not be allowed to continue. Any reductions in Connexions services should be proportionate, and local authorities should respect the duty imposed by Parliament. The Government should assess local authorities' compliance with their statutory duties and should not hold back from taking legal action, if necessary, to ensure compliance. (Paragraph 148)

As the Committee recognises, local authorities retain a responsibility, under section 68 of the Education and Skills Act 2008, to make available to young people “such services as it considers appropriate to encourage, enable or assist the effective participation of those persons in education or training”. There is no statutory duty on local authorities to provide a universal careers service but many will provide careers guidance as a means of supporting young people to participate, in advance of the new duty on schools coming into force.

We know that in some areas, local authorities are already working with schools to establish sensible transition plans, while in others they are choosing to maintain a full careers service for longer. The Department for Education and the Local Government Group recently held a transition summit to support the sharing of different delivery models.

We believe that local authorities should determine how they plan to fulfil their responsibilities based on the needs of their local communities. Central government should not make those decisions for them. However, the Secretary of State has powers to intervene if a local authority is failing to meet their statutory duties. The case for intervention should be based on clear evidence of outcomes demonstrating the extent to which young people in an area are participating in education or training, rather than specific inputs such as the way youth services are organised.

26. We believe that there should be some form of clear accountability measure for the quality, impartiality and extent of career guidance services in schools. We recommend that Ofsted school inspections should, as part of the pupil achievement strand within the framework for inspection of schools, assess specifically whether schools are meeting their statutory duty to secure the provision of independent and impartial career guidance. (Paragraph 155)

The new inspection arrangements ensure that inspectors evaluate the school's effectiveness in preparing pupils and students for the next stages of their education. An important component of this will include consideration of the quality of independent careers guidance.

We have accepted the recommendation of the Careers Profession Task Force that a thematic review of careers guidance be undertaken by Ofsted to identify excellent provision and to establish a baseline for future policy development. The most appropriate timing of this is being considered. We will write to HMCI to confirm arrangements for a thematic inspection of careers guidance in due course.

27. We recommend that the all age careers service should be funded by the Department for Education for face to face career guidance for young people. (Paragraph 156)

Those who are closest to pupils know them best; we are giving the responsibility for securing access to independent, impartial careers guidance to schools and, in due course, to colleges. Schools will be able to determine how best to fulfil this duty, including by working with external providers of careers guidance, such as the providers who will be delivering the National Careers Service. Local authorities will be responsible for continuing to provide support to young people who are not in school, college or work-based training as part of their duty to encourage, enable or assist young people's participation in education or training. This will include consideration of the young person's need for careers guidance. Again, local authorities may choose to work with the providers who are delivering the National Careers Service in their area.

Evidence shows that young people receive advice on their futures from many different sources, principally their parents, teachers and careers advisers. Increasingly they look for advice online or by telephone, and they will be able to access the National Careers Service via its online and helpline offers.

As part of the development of the cross-government Participation Strategy, we are considering the support available to the very few 16–17 year olds who claim Job-Seekers Allowance.

28. We recommend that the Department's consultation on the age of pupils for whom schools should provide career guidance should be extended to examine the case for the statutory duty to apply to pupils in Year 7. (Paragraph 160)

We recognise that young people can benefit from wider, career-related learning from the beginning of secondary school, or even in primary school. The Department for Education recently published a research report on career-related activities at Key Stage 2, which has been made available to schools online as a source of good practice. Schools should have the freedom to introduce pupils to the world of work in a way that best suits their needs, helping them to progress their learning and secure the kinds of qualifications employers want. We will consider what more can be done to encourage schools to offer appropriate activities in this area through the statutory guidance that we plan to issue in advance of the new duty being commenced.

The new duty is not concerned with this broader access to career-related learning. It addresses the specific issue of pupils receiving independent guidance to support decisions about future learning that takes account of their interests, skills and abilities. As the first major decision point is when choosing key stage 4 options, we do not consider that this type of personalised guidance is likely to be of any significant benefit in year 7 but will be consulting on introducing this in year 8.

Conclusion

In responding to the Education Select Committee's report on Participation by 16-19 year olds in education and training, we have been clear that there is consensus between the Government and the Committee on a number of issues and in many areas action is already in train—or will shortly be in train—to address them. In other areas, such as the decision to end Education Maintenance Allowance, we trust that we have given a full account of the evidence and underpinning rationale for our decisions. We would like to thank the Select Committee for its careful consideration of the range of issues impacting on the participation of 16–19 year olds and for its subsequent report and recommendations.