



Education
Funding
Agency

Local authority roles in the youth contract for 16 and 17 year olds

version 5.0

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Version 5.0

Earlier versions of this document were published in March (version 1.0), April (version 2.0), October 2012 (version 3.0) and January 2013 (version 4.0).

This latest version has been reviewed overall to remove information that is no longer current or relevant and updated to include specific reference to:

- delivery of the Youth Contract in London North and South (Para 16)
- the Raising of the Participation Age (RPA) and the Youth Contract with particular reference to the letter from the Minister of State for Skills and Enterprise to directors of children's services about the RPA (Paras 20 – 22).

Outline of the Youth Contract

Background

1. The Deputy Prime Minister, Nick Clegg, announced the Youth Contract scheme in November 2011. The purpose of the Youth Contract is to support the participation of 16-24 year olds in education, training and work. It contains three main elements:

- Additional support for unemployed 18-24 year olds, including Work Experience places, wage incentives and additional support from Jobcentre Plus advisers¹. The delivery of this element is being led by the Department for Work and Pensions.
- Subsidies for small businesses taking on an apprentice aged 16-24². This element is being led by the Department for Business, Innovation and Skills and the National Apprenticeship Service.
- A programme of additional support aimed at 16 and 17 year olds who are not in education, employment or training (NEET). The delivery of this element is being led by the Department for Education (DfE).

The Youth Contract programme for 16 and 17 year olds

2. There are two strands of the Youth Contract Programme for 16 and 17 year olds. The first strand is managed by the Education Funding Agency (EFA) and is delivered across England over 12 regional 'lots' by six prime contractors. Payment to prime contractors for this strand of the Youth Contract programme is through a 'payment by results' model.

3. The second strand of the Youth Contract programme for 16 and 17 year olds is delivered as part of the government's city deals in three areas of the country (Liverpool, Newcastle-Gateshead and Leeds-Bradford-Wakefield).

4. This document focuses on the EFA managed strand of the Youth Contract programme for 16 and 17 year olds only.

Main objectives of the EFA managed strand

5. This element of the Youth Contract is to support 16 and 17 year olds who are NEET and at risk of long-term disengagement to move them into education, training or employment with training and to sustain this outcome. We also want to increase these young people's experience and qualifications so that they have the opportunity to

¹ <http://www.dwp.gov.uk/youth-contract/>

² <http://www.apprenticeships.org.uk/Employers/Steps-to-make-it-happen/Incentive.aspx>

continue in education and successfully find work, reducing the proportion that become unemployed in adult life. A further objective is to test methods of local delivery and payment by results, increasing the effectiveness of these models and developing best practice. These models will assist in meeting the objective of full participation and can be used by local authorities to meet their statutory duty of providing a quality place in learning for all young people.

6. The [full specification of the Youth Contract programme for 16 and 17 year olds](#) published in 2012 during the procurement exercise for the programme can be found on the [Contracts Finder website](#).

The target group

7. The original core target group for this programme as defined during the procurement exercise was:

- 16 and 17 year olds who are not participating in education, employment or training (NEET) with low levels of attainment (No GCSEs at A*-C).

8. In January 2013, Ministers agreed that the eligibility for the programme should be extended to include the following additional groups of 16 and 17 year olds who are NEET and who face the greatest challenges in moving into education, training and employment. As a result, the following additional groups are also eligible for support through the Youth Contract:

- young people with one GCSE at A* - C; or
- young offenders released from custody with one or more GCSEs A*-C; or
- young people in care or who were in care (care leavers) with one or more GCSEs A*-C.

9. As indicated in a letter sent by the EFA to Local Authorities in July 2013, from August 2013 we further expanded the eligibility of young offenders in the extended eligibility group, to include young people NEET serving Community Sentences.

10. Funding and delivery targets for both the original core target group and the extended eligibility group are ring fenced; so the original budget and targets for the original core target group remain as agreed with separate delivery targets for the extended eligibility group.

The outcomes

11. Full details of the outcomes for young people that we will pay prime contractors to achieve are set out in the programme specification. These closely match the different routes which young people will be able to participate in line with the raising of the

participation age, helping local authorities to achieve increased participation in their local area. A final valid outcome will be claimed by the prime contractor when the young person has been successfully engaged in an eligible activity (below) for 5 out of 6 months:

- full-time EFA funded education or training leading to an accredited qualification
- apprenticeship
- full-time employment (>20 hours per week), paid or unpaid with part-time accredited training equivalent to at least 280 guided learning hours (GLH) per year
- full-time self-employment with part-time accredited training of at least 280 GLH per year
- full-time employment without training (where young people turn 18 whilst taking part in the programme).

Service requirement

12. We want to give delivery organisations as much freedom as possible to work with local partners to deliver in the most innovative and effective way possible to achieve the desired outcomes. The content of the programme is, therefore, for delivery organisations to design and implement. The programme should not replace or substitute education or training provision or other support that is already available within the system. Rather, it should fit alongside and complement the existing offer, helping disengaged young people to make a successful and sustainable transition into a positive outcome.

EFA contracted delivery

13. Contracts were issued to successful bidders in July/ August 2012, with delivery having started in September 2012. The programme will recruit young people until March 2015 and will continue supporting young people on programme to March 2016 in local authority areas.

14. The [names of the prime contractors and their supply chains](#) can be found on our website.

15. All of the [documentation for the procurement of the Youth Contract programme for 16 and 17 year olds](#) can be found on the [Contracts Finder website](#).

16. As of 1 August 2013, Prevista Ltd ceased to deliver the Youth Contract in London North and London South and responsibility to deliver the programme in these areas was transferred to Prospects Services.

Core cities

17. In three areas (Liverpool, Leeds-Bradford-Wakefield, and Newcastle-Gateshead) there are local arrangements for commissioning of the Youth Contract provision for 16 and 17 year olds.

18. The Core Cities are taking a local approach to commissioning which is being run by the relevant local authorities in these areas. This is a distinct process from the national procurement process which was run by the EFA. To preserve this separation, providers appointed through the process run by the EFA are not able to work with young people from these three core city areas as part of this programme. Providers interested in supporting young people within the Core City areas should enquire directly with the relevant lead authorities to ascertain the details of their approach.

Expected involvement of local authorities throughout the programme

19. It is a contractual requirement that delivery of the Youth Contract programme must take place in every local authority covered by the contracts with each prime contractor.

Raising the participation age

20. In March 2013, the Department for Education (DfE) published [Statutory Guidance](#) setting out the duties on local authorities and their partners in relation to raising the participation age (RPA) and promoting the participation of 16 and 17-year-olds.

21. On 2 September 2013, [Matthew Hancock, Minister of State for Skills and Enterprise, wrote to directors of children's services, outlining key points about RPA](#). In this letter, Matthew Hancock makes reference to the Youth Contract programme for 16 and 17 year olds and how councils, working with their regional Youth Contract provider as a safety net service, can ensure that the most hard to help are supported to meet their duty to participate.

22. Youth Contract providers are required to work with local authorities in their delivery areas to ensure suitable working arrangements are in place for the success of the programme. The expected involvement of local authorities as part of these arrangements is detailed below.

Sharing local information on current and emerging needs

23. Given the statutory duties of local authorities, prime contractors are expected to agree with local authorities the target group for support, within the eligibility criteria set out above.

24. We want to harness local knowledge and build on the statutory responsibilities that local authorities have for supporting young people to participate in education or training. Therefore, prime contractors and their sub-contractors are required to work closely with the local authorities in their contract area to determine the target group in that area, working within the eligibility criteria set out above.

25. From the summer of 2013, all young people will be required to participate in education or training until the end of the academic year in which they turn 17 – so it is likely that, from that point, the Youth Contract may be more focussed on 17 year olds. However, it is still likely that there will be some young people aged 16 who, for whatever reason (such as permanent exclusions etc), are not participating. These young people continue to be eligible for the Youth Contract. Therefore, it is important for local

authorities to work closely with services who support these young people so that they can be quickly be referred to the programme.

Sharing information for referrals and about young people's progress

26. It is the prime contractor's responsibility to establish relationships and enter into formal Service Level Agreements with local authorities. The prime contractor must ensure that all local authorities have been contacted and there is agreement on their role / timescales to receive information etc. It was a requirement that data sharing agreements should be in place between the provider and the local authority by 30 September 2012.

LA referrals

27. As NEET young people are likely to come into contact with local social or educational services, we expect successful providers (YC prime contractors and their sub-contractors) to work closely with local authorities to ensure that successful referral arrangements are put in place so that young people identified by local authorities as being most in need of this support, within the target group, are able to access the provision.

28. If referrals do not come through from a particular local authority, prime contractors will need to work closely with them to find a solution. Where necessary, the EFA will work with prime contractors and local authorities to identify any issues arising and help to discuss/broker a solution.

29. To note: a number of local authorities have expressed concern about whether they are able to pass on details of young people who are eligible for help under the Youth Contract to providers, we have issued a [Data Sharing note](#) to local authorities to confirm that a written agreement should be in place between the Youth Contract provider and the local authority and also to confirm that explicit consent to share is not essential provided that "the processing is necessary for compliance with any legal obligation" (i.e. the section 68 duty).

LA involvement in the young person's suitability to enrol on the Youth Contract programme

30. Young people can refer themselves and in addition, Youth Contract providers may well want to undertake outreach work to contact eligible young people.

31. The local authority may be able to inform the provider of the suitability of a young person to enrol on the Youth Contract but it is ultimately the prime contractor's responsibility to ensure full eligibility of the young person for enrolment on to the

programme, whether that young person has been referred onto the programme by the LA or not. The eligibility criteria are as stated in the original specification, and the recent extension, and cannot be flexed. It is also the provider's responsibility (and ultimately the prime contractor's responsibility) to ensure that robust evidence is kept for each outcome stage (engagement, re-engagement and progression). An email exchange between the local authority and provider will be considered sufficient.

Information to be shared with LAs

32. In circumstances where the young person is not referred by the local authority, the provider must let the local authority know that they are working with the young person so that the local authority has a full record of everyone on the programme. Information on these young people should be passed to the local authority as appropriate, and the local authority may be involved in some eligibility checking if that is agreed, but it is for the provider to be assured of the young person's eligibility, and retain evidence of that assurance. In all circumstances, we will also expect the young person to sign a declaration that they meet the criteria to join this programme.

33. Providers will share information and data with local authorities on the individual young people engaged:

- a) At recruitment point: in order to claim for the first payment we have asked providers to provide written evidence of the local authority being advised that the young person has been engaged in the programme. All local authorities are expected to have arrangements in place to monitor young people's participation and record this on their local Client Caseload Information System (CCIS). This should include all young people who are resident in their area, including those in Academies.
- b) When submitting monthly returns to the EFA, it is a mandatory requirement for the prime contractor to supply the young person's ULN. Wherever possible, the EFA will expect the local authority to inform the prime contractor of the CCIS number as this will be requested on the prime contractor's data return to the EFA.
- c) After recruitment: given the statutory responsibility of local authorities to track and support all 16-17 year olds and RPA, prime contractors are required to provide regular updates to the local authorities within whose areas they are working within on the progress and status of young people on this programme. This will help local authorities to keep their local records of young people's participation (the Client Caseload Information System) up to date (local authorities are also able to record details of young people's attainment in CCIS), and ensure this is built in to RPA strategic planning.

Ongoing work with LAs

34. Prime contractors will be required to work with local authorities to establish appropriate local communication channels. It is open to prime contractors and local areas to determine the most effective method for doing this, but this might involve using existing local arrangements such as NEET Strategy Groups, RPA and/or 14-19 partnerships (where they continue to operate) to ensure that all local partners are aware of these opportunities for young people and can work collaboratively to secure progression routes for young people. Prime contractors that choose not to work with local authorities and any appropriate local partnerships will be reviewed by the EFA, as it is made clear in the service specification that this engagement and communication is required.

Onward referral

35. Where young people are referred by a prime contractor to a sub-contractor or where a young person is supported into education or training, the provider will ensure that the new host organisation receives full details and sends confirmation of engagement. All young people will be supported by the lead organisation during the onward referral process.

Early Leavers

36. When a young person leaves the programme early (without progressing to education, training or employment with training), the provider will feedback details to the local authority and will encourage the young person to make contact with the local authority services. This will help to ensure a smooth transition for the young person into the wider support services offered by local authorities as part of their duty to support young people's participation.

Assurance of funds

37. The responsibility for assurance of funds is between the EFA and its prime contractors.

Performance management

38. The EFA holds contracts with the prime contractors and will review their performance on a regular basis. Should the prime contractor fail to deliver the services to the required standards as specified in the contracts, then a range of actions will be considered, including remedial action and identifying a different prime contractor.

39. Where a local authority becomes concerned about the performance of their Youth Contract provider, in the first instance, we would expect that the local authority would

want to take all reasonable steps to resolve the issue through their own local communication channels with the sub-contractor and prime contractor in the interests of successful delivery. If agreement cannot be reached and there is no improvement in performance then we would welcome the local authority notifying EFA about their concern.

Delivery data on the Youth Contract programme for 16 and 17 year olds

40. As part of the Government's Transparency Agenda, the EFA is committed to publishing delivery data on the Youth Contract for 16 and 17 year-olds on a six monthly basis. The [latest delivery data](#), published on 28 November, shows delivery information from September 2012 to the end of September 2013 and is available on our website.

41. The published data set contains delivery information on the total number of young people engaged, details of how many have progressed into a positive outcome of education, training or employment with training, and details on how many have sustained in the positive outcome for 5 out of 6 months.



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