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"Training Credits and Young People with Special Training Needs"

INTRODUCTION

Training Credits (TCs) is one of the outcomes of the Confederation of British Industry's (CBI) call for action on education and training in "Towards a Skills Revolution" of 1989. The other is the government endorsed National Targets for Education and Training (NTETs). TCs were launched in March 1990 by the then Secretary of State for Employment, Michael Howard.

Chapter Six of the White Paper "Education and Training for the 21st Century" (1991) explained the phased introduction of training credits. From April 1 1991, 11 Training and Enterprise Councils (TECs) joined the first round pilot. From April 1 1993, a further nine formed the second round pilot, and from April 1 1994, 13 others, including "Heart of England" TEC which covers most of Oxfordshire, comprised the third round. The intention is that by 1996, every young person leaving full-time education will be offered a training credit

A training credit is a voucher with a monetary value. It is available to all 16 and 17 year old young people who leave full-time education in participating TEC areas. It may be used by the young person to purchase the training of their choice in order to achieve a National Vocational Qualification (NVQ) with support and guidance. Its main purpose is to develop and improve training for young people by empowering and motivating the individual and by encouraging employers to invest in training.

All training is matched to the student's personal training plan (PTP) drawn up in consultation with the Careers Service. Whether it takes place in a College of Further Education, an Approved Training Organisation or in the work place, it must lead to an NVQ level 2 or 3 or its equivalent.

TCs are funded from resources which would otherwise have been paid to colleges for part-time provision for 16 and 17 year olds. Funding will not be paid in full if a student does not achieve an NVQ level 2 or its equivalent, or if the student fails to complete the personal training plan. Hence the output related funding (ORF) element of TCs "...represents a relatively 'high risk' unpredictable and unreliable source of funding for FE colleges."

(FEU 1993)

Students with Special Training Needs

The avowed intention of training credits is that they should be available to **all** 16 and 17 year olds. However, some young people who may be vocationally uncommitted or unmotivated, may demonstrate special training needs which may be endorsed by the Careers Service according to need.

- Category A Those in need of preparatory training
- Category B Those with no realistic prospect of achieving NVQ level 2
- Category C Those needing significant additional support to achieve NVQ level 2

Extra resources are available for the training of endorsed trainees. In fact, "Some pilot scheme colleges succeeded in negotiating targets for students with special educational needs, whilst not representing full NVQs, incorporated NVQ elements or units, supplemented by other targets, appropriate for the individual and expressed in competence terms."

(FEU 1993)

Concerns

A number of concerns have been expressed nationally about the introduction of TCs. Oxfordshire colleges "...had concerns

- that the level of funding might lead to a closing down of provision
- that the requirement for a trainee with special training needs to achieve (even) NVQ level 1 or its equivalent, was unrealistic
- that the expectation of employers to make a contribution towards trainees' allowances would not be realised."

Brayton 1994

The concern about output related funding was echoed many times.

(FEU 1992, 1993, 1994, Rathbone 1992)

The concern regarding employers' reactions is summed up in the following from the Report of the National Commission on Education

"Training credits do not hold out much of an enticement to an employer to respond. Employers who do not want to engage a young person are not persuaded to do so by the fact that the young person has a credit to offer; and employers who do not take on young people are not persuaded by the offer of a credit to alter their approach to training. In other words, whatever their theoretical merits, training credits are not likely to bring about a fundamental change in employers' behaviour".

(Walton 1993)

The overall position is highlighted by the president of the Society of Education Officers and CEO for Northumberland:

"As the number of young people staying on in full-time education has increased, the number of part-timers with credits has declined. There is no evidence that the existence of the credits...has had a motivating effect." (Tipple 1994)

THE RESEARCH

The purpose of the research was to discover at first hand, the situation regarding training credits and students with STNs across the Country and then to look in more detail at the position in the area covered by the Heart of England TEC - Oxfordshire excluding the Henley area.

In February and March 1994 a questionnaire was sent to each of the 82 TECs in England and Wales seeking information about their involvement in training credits and arrangements for students with STNs; the amount of output-related funding (ORF) and the time allowed to achieve this. Questions were also asked about the level of financial contribution requested or required of an employer, percentages of STN on college-based courses and arrangements for additional funding for support services.

In April a letter was sent to 40 local employers all of whom had supported students with STNs, asking them if they would be willing to make a contribution in the region of £10.00 to £20.00 a week towards a trainee's allowance. A return slip was provided. Each employer was also visited by a college based Employment Officer, who explained the reasons for the enquiry.

From April to July, information was gathered from college principals and those responsible within colleges for training credits and students with STNs, the Careers Service, employers and training providers and the Heart of England TEC. Telephone calls were first made to potential respondents asking for their participation. They were then sent a questionnaire which was followed up in a sample of cases with semi-structured interviews.

THE FINDINGS

1. THE QUESTIONNAIRE TO TECs

39 returns were received from the 82 TECs - a 47% response.

20 of the 39 responding TECs were offering training credits - 50%

Output-Related Funding (ORF)

The ORF given for the achievement of Foundation Level **Wordpower** or **Numberpower** City & Guilds accreditation for basic skills, varied between £100 and £1113.

60% of TECs offered between £400 and £500.

The time allowed for the achievement varied from two to 24 months. The average was six months. 11 respondents gave no figure but indicated that it varied.

The ORF given for the achievement of NVQ level 1 varied between £100 and £3741. There appeared to be no pattern, but the average was £1000; six TECs indicated that it varied.

The time allowed for the achievement varied from six to 30 months. 64% allowed between 12 and 24 months. Nine indicated that it varied.

Employer Contributions

28 of the 39 TECs (74%) reported that the employers' contributions varied.

5 NIL

The other 11 stated:

1	£10-50	per week		
1	£20-00	"	"	
3	£40-00	"	"	

Special Schemes

27 of the 39 TECs (70%) reported that special schemes were available for students with STNs.

The amount of college-based time varied from nil to 85%, with 66% spending between 10% and 20% of their time in college.

All TECs made additional funding available for **support services** such as sensory impairment and access to buildings.

2. THE LETTER TO EMPLOYERS

12 of the 40 employers responded either by returning the slip provided or by telephone (30%). Of the 12, one agreed to a weekly contribution of £10-00. The other 11 said that although they were willing to take trainees and support their training, they were unwilling to contribute towards a trainee's allowances.

The reasons given included:

- they already had to give a high level of support
- they contributed through the costs involved in supervision
- "...the return on effort is not worth paying for."
- "...they (trainees) don't contribute to the output of the firm."

3. QUESTIONNAIRES TO HEART OF ENGLAND TEC AND CAREERS ADVISERS

The TEC, as the funder of TCs, was understandably positive in its response. The main effects and benefits being:

- Ownership of training options by young people
- A wider acceptance by young people, school staff and parents that TCs provide a real option
- Parental involvement
- Direct contact by young people with the TEC

The feeling was that training credits had ensured that a young person's potential was more likely to be reached with targets of ORF for an NVQ level 1 or equivalent. No trainee should be disadvantaged by the system.

"The introduction of TCs has not disadvantaged young people with STNs... the funding for this group is structured in exactly the same way as before. The emphasis on NVQs should not disadvantage young people if training providers do **not** adopt the attitude that if a young person cannot achieve an NVQ then they cannot train them...If a young person is not going to get an NVQ or (equivalent) we must be realistic, this should not mean that they cannot benefit from TCs, and funding is available."

Careers Advisers also welcomed the introduction of TCs. The additional funding had enabled better marketing and publicity of training. Additional careers advisers had been recruited to facilitate the interview and assessment of virtually every year 11 pupil in school. The role of the Careers Service had not changed significantly neither had the procedure for endorsement, merely the paperwork. "All 16 and 17 year olds"... in Oxfordshire..." who want to enter the labour market are guaranteed a place."

There were some reservations:

- TCs have "...not improved or extended the training provision available."
- "...provision in some occupational areas is very limited/not available. Some aspirants cannot do what they would ideally like to."
- There is "...still a need for training which offer intensive support, sometimes in a "sheltered" environment."
- "I am not at all happy that ORF is tied to NVQ outcomes only. A large percentage of ORF should be payable in respect of permanent job outcomes..."

4. QUESTIONNAIRE TO COLLEGES AND TRAINING PROVIDERS

College principals all agreed that the financial impact of TCs was significant, partly due to the insistence that ORF is tied to NVQs; the effect of ORF will be to "...decimate it..." (provision) and partly due to the expectation that employers should contribute towards the training allowance. One suggestion was to reduce "... the present two days off-the-job-training, to one and a half days or even one day because of reductions in the unit of funding."

Provision for young people with STNs, whilst viable at present, was considered to be "...less and less so in the future", because of the level of funding and the funding methodology of the Further Education Funding Council (FEFC) which does not contribute towards the training of a TC holder.

Training providers were the least enthusiastic about training credits. Because of the requirements dependent upon ORF, recruitment was inevitably more selective.

"Under the TCs scheme, it is assumed that all young people...are ready for work...Many who had previously benefitted for youth training will be unsuitable for TCs as there is very little facility for doing the preparatory work needed."

"It has precluded young people from Care and Childcare training as there is no NVQ level 1"

All agreed that finding appropriate work experience was becoming increasingly difficult. "Small companies cannot offer the level of supervision...large companies are only interested in high flyers."

It was recognised that support for the employer was often as important as support for the young person. The level of support varied between providers. All agreed that the "...level of funding is insufficient to provide the level of support which many in this category need", particularly if employers do not contribute towards a young person's allowances and the training provider "...has to pay them as well."

"It is getting more difficult, as the government is only looking at outcomes and is not interested in developing '...the whole person.'"

CONCLUSIONS

- It is generally recognised that TCs have raised awareness of NVQs and the overall status of training of the employed young person.
- However, there is a significant difference in the awareness of the effect of TCs on young people with STNs between the funders and the providers.

- In order to achieve ORF, training providers have to be more selective. Some young people are being disadvantaged - those with low ability, low motivation and those with social and emotional problems. In other words, those who are unlikely to achieve an NVQ or even sustain a full training programme.
- The NVQ system does not include sufficient level 1s at present and is not sufficiently comprehensive to cover all occupations.
- NVQs which are practically based are more easily achievable
- Young people with STN are being disadvantaged by TCs' funding mechanism. If the training provider has to pay the whole of the allowance (£40) there would be insufficient funds to provide the level of support required.
- Employers are reluctant to contribute towards training. Not all have an understanding of NVQs.
- The 13 week initial training for endorsed Category A trainees (page 2), is not long enough for some young people with STNs to experience vocational sampling.

RECOMMENDATIONS

- A young person with STN needs to be vocationally committed before using a TC in order to work towards NVQ accreditation.
- Ideally s/he needs to have attended a full-time competence-based, pre-vocational course which includes supported work experience. The Vocational Access Certificate (London Chamber of Commerce Institute - LCCI) was being used successfully by two colleges.
- For those within Category A, there needs to be an extended period of assessment and vocational sampling prior to taking up a TC.
- Careers counselling and advice as well as assessment, is essential to ensure that young people have a realistic idea of their future vocational area. Careers advisers need to be fully aware of the extent of the support given by individual training providers. They would then be in a better position to assure young people and their parents, that individual needs can be met.
- The TEC might consider a proportion of ORF being offered for unit accreditation towards a full NVQ or for the successful acquisition of a job. (It is appreciated that this would not help the TEC to reach its NTETs targets. Lobbying the Employment Department might be necessary.)
- A follow-up paper on the position in 12 to 18 months time might be useful.

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