

**Association of Learning Providers  
Budget press release – 23 April 2009**

**Chancellor's budget fails to confirm immediate help needed for young unemployed**

Britain's training providers have welcomed measures in the Budget which will specifically help young people being hit by the recession, but remain deeply concerned that no assurances were offered on funding urgently needed now for unemployed youngsters wanting to join a key government training programme.

Last week the providers' trade body, the Association of Learning Providers (ALP), wrote to Ed Balls saying that providers were currently cutting off provision to trainees on the Government's Entry to Employment (E2E) programme for people with few or no qualifications because they could not secure funding from the Learning and Skills Council. The programme acts as a stepping stone to apprenticeships for many disadvantaged young people who live in some of most deprived areas of the country.

Providers are reporting an unprecedented demand for E2E and without the funding, the so-called NEET group of unemployed youngsters will expand at an even faster rate than it is now.

Yesterday the Chancellor gave an assurance that funding for next year's programme would be guaranteed for 16-18 year old trainees alongside sixth-formers and college students, but he made no reference to funding for the current year even though these trainees have a statutory right ('the September guarantee') to it.

Graham Hoyle OBE, ALP's chief executive, said: "Training providers are pleased that apprentices and E2E trainees have received a commitment from the Government that their places will be fully funded for next year and we assume that the same commitment will be forthcoming for the remainder of this year.

"I am urgently seeking confirmation that our understanding is correct. Otherwise some of the country's most vulnerable young people, often with multiple disadvantages, are at risk of facing life on benefits or getting into trouble with all the costs to society which that can entail."

Related to this, ALP welcomed the Chancellor's £2bn jobs and training package which will provide a guarantee of a job or training for all 16- to-24-year-olds unemployed for more than a year. The Association has now asked for assurance that in keeping with the Government's commitment to competitive neutrality for the procurement of public service delivery, the funding for local provision of this programme will be open to public, private and Third Sector providers, whichever is the most appropriate.

Last month, providers called for a return to an 80s-style Community Programme for the jobless but updated to link into the Apprenticeship programme to give young people and

adults the skills they need when the upturn comes. Yesterday's recognition that government support should include training rather than rely just on jobs placement was seen as a positive step.

Graham Hoyle said: "The acknowledgement that we need to re-skill unemployed people in the face of a rapid decline of non-skilled jobs is long overdue. The jobs-first strategy that has dominated the government approach to welfare-to-work for decades is no longer appropriate and has to go. Ministers recognise this but we need to see things change on the ground."

ENDS

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## **Notes to editors**

### **1. About Entry to Employment**

Information about the Entry to Employment programme can be accessed on the LSC's website at <http://e2e.lsc.gov.uk/background/>. The programme's budget for 2008-09 is £185 million with the aim of funding 70,000 young people not yet ready for an Apprenticeship or work. For many young people, it offers the most appropriate or only route to avoiding becoming a member of the NEET (not in education, employment or training) group. The recession has resulted in increased demand for the programme and further demand can be expected when young people leave school in the summer.

The current funding difficulties mean that E2E provision is about to be cut for 16-18 year olds at greatest risk of becoming part of the NEET group. This is because training providers, many of which are charities or not-for-profit organisations, have been unable to get confirmation of funding from the LSC for youngsters who have already joined the scheme and for many who wish to start either now or in the near future.

The Association of Learning Providers (ALP), which represents many E2E providers such as the Rathbone and YMCA charities, has pointed out to Ed Balls that young people in the 16-18 age group have a statutory right to appropriate education or training and that for many of them E2E is the most appropriate form of provision. ALP has suggested the reported current underspend in Apprenticeships for 16-18 year olds, resulting from a drop-off in employer demand, should be used for responding to the increased demand for E2E.

### **2. About the Association of Learning Providers**

The Association of Learning Providers (ALP) is the leading trade association for vocational learning and employment providers in Britain. The majority of its 470 members are independent private, not-for-profit and voluntary sector training organisations. Membership is open to any provider committed to quality vocational learning and it includes over 60 FE colleges involved in work based learning. ALP members train a significant majority of the apprentices in England and are the major deliverers of New Deal and Train to Gain contracts on behalf of government. More information is available at: [www.learningproviders.org.uk](http://www.learningproviders.org.uk) .