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The Rt Hon Sir Keith Joseph Bt MP
Secretary of State
Department of Education and Science
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21 February 1986

As Keith,

The purpose of this letter is to seek your agreement, and that of colleagues, to us announcing in the Summer that TVEI will move from a pilot to a national scheme with effect from September 1987.

As you know the White Paper "Education and Training for Young People" published in April last year said that:-

"The Government is considering the wider application of the lessons emerging from the Technical and Vocational Education Initiative - the Government's objective is that all young people in schools should have the opportunity of following a more relevant and practical curriculum leading to the achievement of recognised standards of competence and qualifications".

I am anxious to maintain the momentum of TVEI pilots and already we and the MSC are under pressure from first round pilot LEAs to know what is going to happen at the end of the pilot period. The first round authorities will complete their first 14-18 cohort with TVEI funding in academic year 1987/88 and I am strongly advised that we need to announce this Summer whether there will be continuation of the TVEI funding thereafter so that LEA staff in the pilot areas have time to plan accordingly, and we do not lose momentum.

I am in no doubt that there should be such an extension. It is too early yet to give definitive evaluation results but those of us who have visited TVEI schemes are in no doubt about the impact it has had on changing attitudes and motivation of staff and pupils toward technical, practical and vocational studies. The facts are not, of course, wholly conclusive yet but we need a gesture of faith - which I am sure will be amply justified by the results.



... I attach an outline of proposals for the pattern of extension of TVEI funding which would allow and encourage local authorities to develop technical, practical and vocational studies in all their schools (and colleges) for the 14-18 age group. The costings are based on the MSC's best judgement in the light of the extensive contacts they have had with existing pilot authorities of the minimum inducement necessary to continue the momentum for curricular change. I would hope too that your new arrangements for the better targetting of in-service training through a specific grant would be used to complement the proposed extension of TVEI in achieving the kind of change we want.

We estimate that the total MSC costs over the next 10 years might be of the order of £600m (compared with the pilot costs of about £250m) - but I can think of few training and educational areas where the judicious expenditure of an average of some £60m per year has potentially such far reaching and long term effects as we can expect from further development of TVEI. The initial costs are relatively modest - if local authorities do not participate until the end of the fourth year of their pilot scheme, the costs to the MSC might be of the order of £15m in financial year 1987/88, £45m in 1988/89 and £65m in 1989/90. I am prepared to fund these costs within the PES period from within present planned MSC resources, in the expectation that as TVEI gathers momentum and young people are encouraged to stay in full time education the pressures on the YTS programme will ease.

The proposals are illustrative rather than detailed at this stage and I think it would be very desirable if officials could get together under DE chairmanship to work up more detailed proposals so that we can consider the final package for an announcement in the Summer. I suggest officials be asked to report by the end of April at the latest, so that given general agreement, we can announce decisions in June - perhaps in a White Paper on Vocational Education and Training in which TVEI extension and decisions on the Review of Vocational Qualifications could be major features.

An announcement then would allow the TVEI Unit to invite eligible education authorities to submit their development plans for TVEI extension to be implemented with effect from September 1987. The preparation and consideration of such plans will of course need more time to prepare than the initial TVEI submissions - because development plans will extend across the whole range of each authority's provision for 14-18 year olds rather than, as with the TVEI pilots, being limited to perhaps half a dozen schools and some colleges in each area.

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I am copying this letter to the Prime Minister, the Chancellor of the Exchequer, the Chancellor of the Duchy, the Secretary of State for Trade and Industry and the Secretaries of State for Scotland and Wales. I hope you agree that the attached proposals offer a realistic basis for early action so that our officials can get together - with those of the Treasury, Scotland and Wales - and work up detailed proposals and report to us by the end of April.

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DEVELOPMENT OF THE TECHNICAL AND VOCATIONAL EDUCATION INITIATIVE**AIM**

To maintain momentum in curriculum change for 14-18 year olds to give greater emphasis on technical, vocational and practical enrichment of the existing curriculum and build on lessons of pilot projects (which on current plans will cover 3% of 14-18 year olds in schools at a cost of over £250m) to ensure that TVEI opportunities are available throughout Great Britain.

PROPOSED APPROACH

- Additional resources to be channelled through MSC to fund 5 year development schemes in every LEA.
- LEA to be invited to submit, on a voluntary basis, comprehensive curriculum development plans which could enable all secondary schools to participate.
- Funding will be given in support of staff and resources promoting curriculum change.
- It will not be a condition of participation that LEAs switch more of their own resources into curriculum change.
- Authorities not participating in TVEI pilot rounds 1 to 4 (15% in total) to be offered chance of eligibility for development after first undertaking pilot project in further Round 5.
- The extension could begin from September 1987 when the 1st Round authorities will have completed 4 years of their 5 year pilot programme.

SCALE OF FUNDING

The MSC judgement of the financial incentive necessary to encourage LEA participation is a sum equivalent to about £15,000-20,000 a year for each school over 5 years, although the emphasis will be on funding resources at LEA level rather than in individual schools. Projected gross costs are £600m (including about £10m administration) over 10 years assuming all LEA and EA are able to participate from the end of the fourth year of their TVEI pilot project. Existing MSC staff levels would need to be increased by about 12.

On the above very broad assumptions the MSC costs in FY 1987/88 might be about £15m, and £45m and £65m in 1988/89 and 1989/90 respectively.

Department of Employment
February 1986