



PRESS RELEASE

9 December 2009

City & Guilds Centre for Skills Development responds to Pre-budget report: 'Chancellor must give detail on the fine print.'

- Clarity needed on £650m 'savings' from education budgets
- Young Person's Guarantee welcome, but more clarity needed on support for over-25s

Responding to today's Pre-budget Report statement from the Chancellor of the Exchequer, the City & Guilds Centre for Skills Development's Policy & Strategy Adviser, Chris Sims, said:

"We note that the Pre-budget Report makes provision for £300m of savings from reductions in funding for 'lower priority' skills budgets and 'efficiencies in the delivery of learning', and a further £350m of savings from the Department for Children, Schools and Families to be found from 'core budgets'. Clearly at a time of some economic turmoil the Government is compelled to make difficult decisions. On the face of it, however, this would seem to be asking the skills sector – on whom our economic recovery is very heavily dependent – to do more with less. We urge the Chancellor to clarify what is meant by 'low priority skills' and how efficiencies are to be found from the DCSF core budget.

"On a positive note, we welcome the Chancellor's decision to bring forward the young persons guarantee, so that 18-24s claiming Jobseeker's Allowance for six months will now be guaranteed a job, work placement or work-related skills training. In lowering the threshold from the 12 months set during the Budget earlier this year, Mr Darling clearly recognises that this recession has hit young people particularly hard. Along with his announcement that



around 10,000 undergraduates would be able to benefit from internships funded by the Government, this indicates that the Government is keen to make sure that the UK invests in the skills needed to deliver a strong and lasting recovery.

“We would, however, urge the Chancellor to bear in mind that the majority of the labour force fall outside the policy’s age limit. Job creation must be based upon solid skills and training strategies, and despite an admirable focus on Britain’s future industrial needs, we heard little about how the existing labour force can be retrained to take advantage of new career opportunities. We hope that this issue will be clarified in coming weeks.”

ENDS

To follow up or to arrange an interview with Mr Sims, please contact Andy Wasley, PR & Communications Manager, on 07813 886189 or 0207 294 3576.

Notes to editors

1. **Savings.** The PBR states in Chapter Six that the Government can find £5bn of savings by 2012-13 including (inter alia):

£300 million by reducing funding not directly supporting learner participation and lower priority adult skills budgets, increasing co-funding of training, and further efficiencies in the delivery of learning to focus spending on those people that need it most and on the skills most vital to Britain’s future

and

£350 million of savings from the Department for Children, Schools and Families to be found from central budgets, NDPB efficiency savings and from reviewing pilots and programmes to focus on the most effective interventions.

About CSD. The [City & Guilds Centre for Skills Development](#) is a not-for-profit research and development body which is committed to improving the policy and practice of work related education and training internationally. It aims to achieve its vision of a world in which all people have access to the skills they need for economic and individual prosperity. To do this, it works worldwide with policy makers, employers, training providers and learners to share knowledge and help to lead the debate on policy and practice. It is a part of the City & Guilds Group.