Item 1. Welcome and introductions

1.1 The Chair welcomed the Committee and introduced three new members: Bushra Jamil, Anthony Wilkes, and Steven Lowden. Anne Madden, an observer from EHRC was also introduced. Anna Reich, who is shadowing Shirley Cramer for the week.

1.2 The Chair thanked Jeremy Crook for helping with the interviewing of the new members, and also for chairing the previous meeting.
1.3 There have been big changes at the LSC since the last meeting, and there are more changes to come. There is the greatest level of change and uncertainty at the LSC and senior staff have been brilliant at handling this.

**Item 2. Minutes of last meeting**

2.1 The minutes of the last meeting were approved.

**Item 3. Machinery of Government (MoG) and National Office Structure Changes**

3.1 Jaine Clarke was welcomed to the meeting.

3.2 There was a change to the National Directors around three months ago which aimed to prepare the organisation for future changes whilst still working on the organisation’s priorities. As a result Verity Bullough is now the National Director of Funding, Planning and Performance; David Way has taken the lead on apprenticeships and the National Apprenticeships Service (NAS), David Cragg is working on the Skills Funding Agency (SFA) and Chris Roberts was for a time working from the National Office but has since returned to his Regional Director role. It should be noted that these arrangements are about to change again.

**Action:** An up-to-date ‘Who’s Who’ should be circulated to the Committee by Jaine Clarke

3.3 The formal consultation to MoG ended on 9 June, the LSC did not make an official response. It was felt inappropriate to comment on proposals to abolish our own organisation and replace it with other bodies. There was instead an internal consultation and the feedback from staff was interesting.

3.4 The staff consultation will be circulated to the Committee, however it has also been leaked to the TES and is likely to be published on Friday. The LSC are concerned that much of the third sector work will be lost. It would be helpful if the Committee could respond to the consultation with a list of what should be considered in the Skills Funding Agency and where the priorities are.

**Action:** Staff consultation to be circulated by Karen Murray

**Action:** The Committee to coordinate a response to the SFA consultation, when it comes out.

3.5 Skills have improved steadily over the last decade and the LSC has successfully achieved all its targets; however a rapid acceleration will be needed to meet the Leitch proposals by 2020.

3.6 The Skills Funding Agency (SFA) will be much closer to the Department than the LSC is, and will be a funding only body, not a funding and planning body. Whilst micro-management has never been desirable staff felt that some planning will be needed in future, especially in areas where cash resources do not meet demand. The SFA will most likely have a national and regional focus however this is still in debate.

3.7 The National Employer Service (NES) is looking to grow in size and shape. The current ambition is to get 75% of FTSE 500 companies signed up within three years, and to increase the number of learners engaged in each
company. Streamlining the process and paperwork will be key to achieving this.

3.8 There will be two key mechanisms: Skills Accounts – which have already been piloted at Level 3 – and Adult Advancement and Career Services (AACS). Both of these will be all inclusive at all levels.

3.9 Chief Executives of the new bodies will be recruited in April 2009, and the bodies will be established at that time.

3.10 Train to Gain still cannot target people who are not currently employed. Integration of employment and skills needs to be further developed.

3.11 The pace and scale of this change will be difficult to manage, and different bodies and programmes will become active at different times. The timescales are aggressive and many areas are likely to be completed before the 2010 deadline.

3.12 The Committee expressed concern that individuals with individual needs are likely to get lost at the interfaces of these new bodies, it was also noted that learners with difficulties and disabilities are most likely to be affected most as they cut across all bodies, ages and schemes. It is difficult to know who is leading on Equality and Diversity in DCSF and DIUS.

**Action:** Dan Simons to investigate who is leading on Equality and Diversity in DIUS and DCSF and feedback to the Committee in September

3.13 The Committee noted that they must be proactive in pushing the equality agenda not only to the LSC directors, but to the National Council and ministers. The Committee were pleased that their views and concerns were closely reflected by LSC staff at all levels.

3.14 The Committee questioned whether an impact assessment of MoG had been done at any stage of the process.

**Action:** Karen Murray will raise this question with DIUS.

**Item 4. National Apprenticeship Service and Apprenticeships**

4.1 Steven Gardner was welcomed to the meeting.

4.2 There has been a review of the whole apprenticeships scheme; a key driver was to understand why the demographics of apprentices did not match the demographics of the population at local, regional or national levels. This stock take was needed before the expansion of the scheme. Currently 1 in 15 young people take an apprenticeship; the target will now become 1 in 5.

4.3 Because apprenticeships are delivered through employers, the scheme must look at both employers can be engaged, and at employability of individuals.

4.4 The statistics are currently not robust enough. There is no way of knowing the number of apprenticeship starts, or the number of people wanting to start an apprenticeship. Only completions are currently recorded.

4.5 Information, advice and guidance to prospective apprentices is not sufficient. Most apprentices learn about the scheme through word of mouth rather than career services of schools. The information that is received is often not timely, students must be made aware of the scheme as soon as they start secondary school.
4.6 Only 10% of all employers offer apprenticeships, of the 90% that do not, many were keen to participate in the scheme but either did not know how to sign up, or felt there were too many barriers preventing them.

4.7 The vacancy matching service is a web based system which will support employers and young people. It will not only improve the data available to the LSC, but also provides information and case studies to employers and prospective apprenticeships, including career progression paths and potential earnings.

4.8 On many occasions the matching service will not be required; however the data will allow the identification of individuals who need additional help. If a candidate is rejected five times a careers advisor will meet and assist them in improving their application.

4.9 Everyone who wants to go on the matching service will be able to use it. There will need to be some way of managing expectations to that everyone has a realistic idea of what can be achieved with the qualifications they have.

4.10 The Committee noted that disability and mental health are bigger problems in regards to apprenticeships than gender and ethnicity. Disability does not necessarily occur in silos and the critical mass pilots should use a single equality approach, rather than individual strands.

4.11 It was also noted that nothing has been mentioned around the over 25s since the announcement 5 years ago which opened the apprenticeships scheme to all age groups.

4.12 Steven Gardner confirmed that the age limits have been removed and that over 25s are engaging in the programme, however the progress has been slower than desired. There are no restrictions based on firstness or level, however those with degrees will not be eligible for funding.

4.13 The Age and Employment Network (TAEN) has previously written to the LSC regarding apprenticeships for over 25s but have not yet received a response. Steven Gardner confirmed that the letter has been passed to DIUS for a response as it is their policy.

4.14 Disability is one of the areas that a critical mass pilot will be focussing on. The strategy for reducing under-representation in apprenticeships should be provided to Committee members.

**Action:** Steven Gardner to send the strategy for reducing under representation in apprenticeships to members.

**Action:** Stephen Gardner to follow up with DIUS regarding TAENs letter on Apprenticeships for over 25s.

**Item 5. Improving Equalities in Apprenticeships**

5.1 Jeremy Crook introduced the paper. BTEG were commissioned by the LSC to do a small study into equality in apprenticeships. Jeremy thanked the members of the Committee who helped with this work.

5.2 The 21 recommendations aim to benefit all strands of equality and diversity without specifically going into detail on each strand. Structures and processes have largely been considered.
5.3 These recommendations will be reported to the National Council. A letter should be sent to National Council ahead of a presentation at the July or September meeting. The National Council must then decide how best to take the issues forward with DIUS and NAS.

**Action:** Jeremy Crook should draft a letter to National Council. Committee members must be given the opportunity to comment on the letter.

**Item 6. Directors Report and Equality and Diversity Priorities**

6.1 Karen Murray thanked Dan Simons for his help in producing the Directors Report.

6.2 A brief review of the Single Equality Scheme has just been completed and the results will be shared at the next Committee meeting. A wider review is being planned for later this year.

6.3 There are around 8 Committee meetings left until the end of the LSC, members were invited to suggest key items to include on the remaining agendas. The following items were included:

- Apprenticeships
- Transition of LSC staff. The three National Directors leading on MoG should be invited to a meeting.
- Transfer of Learning Difficulties and/or Difficulties activity to Local Authorities
- Framework for Excellence
- Equalities Bill and how to best respond to the consultation
- Skills Accounts and their fitness for purpose
- Adult Advice Service and its fitness for purpose
- Train to Gain delivery and removal of ‘dead-weight’ funding
- Impact of qualifications reform
- Impact of reform of Adult Community Learning
- The link between equality and poverty
- End-of-year Review.

6.4 The members felt that they must maintain pressure on ministers up until the end of the LSC. The environment is likely to change significantly between now and 2010, and items are likely to be added and removed from the list above.

**Item 7. Qualifications Reform – Foundation Learning Tier**

7.1 Janet Ryland was welcomed to the Committee. This reform has been a long time in the process and badly needed for even longer. It is wonderful to see that this will soon be a reality.

7.2 The system will be based on credit that can be accumulated and transferred, therefore the system must be about both suitable qualifications and suitable credit. The qualifications part is relatively straight-forward, however the credit...
aspect will be an enormous challenge to get right due to the complexity; the LSC will not let the difficulties prevent them doing the right thing.

7.3 Entry Level and Level 1 provision has historically been overlooked, these will be key areas to consider and the delivery of the qualifications will be as important as the progression pathways.

7.4 Progression pathways will have a phased introduction from this August. Broadly there will be four pathways which will enable learners to progress and achieve according to their own potential and ambitions. Each pathway will be flexible so that every learner can be accommodated and, because of that, pathways will not always been neat or linear. Accreditation will be a key factor which will create a goal to work towards.

7.5 A credit success rate will enable achievement to be tracked, even in very small increments.

7.6 In future, if provision is not part of the framework it will not get public funding, therefore it must be ensured that provision is properly recognised, and that it is broad enough to accommodate the needs of every learner.

7.7 Pre-entry will no longer exist; entry level will be a bottomless system which cannot have anything below it.

7.8 There will be risks to providers in the transition from the current position to the Qualifications and Credit Framework. These must be minimised, and the two systems will have to run in parallel for a year or two to help reduce risks. It is unlikely that all aspects of the framework can be implemented before 2030, but the aim is to implement as much as possible by 2010. Funds will start transferring to the QCF from 2009.

7.9 This will be of benefit to employers as the credit system will allow smaller chunks of learning, which will be potentially cheaper, less disruptive, more flexible and easier to incorporate into the work environment. Employers will be cautious of the change and will need to have the benefits explained. This should make the qualifications system much more straightforward to understand.

7.10 Qualifications and experience gained a long time ago may not count for credit under this new system; relevance and appropriateness to the context of that learning will need to be considered. This may create a funding problem for some learners who already have a level 2, but received it too long ago to get credit for it. Learners may not receive funding to modernise their skills; however as a variety of pathways will now exist a full level 2 may not be the desirable outcome for all learners and skilled work may be a better option.

7.11 There were concerns over the length of time the implementation will take, and further concerns that the infrastructure will not be sufficient to take this forward in the successor bodies to the LSC.

7.12 A risk register should be compiled for this project, and this should come back to Committee following each subsequent step in the process. With MoG looking for such widespread changes there is a risk that this reform will be asked to tackle too much too soon.
Action: Janet Ryland to produce a risk register of the reform and to report back to the Committee following the completion of each stage of the process.

Action: Janet Ryland to consider how the Committee can assist with the QCF.

Item 8. Update from the Mental Health Task Group
8.1 David Barker updated the Committee. The LSC has committed to funding the group until the end of the LSC; Shirley Cramer was thanked for her hard work in securing that funding.

8.2 The task group has confirmed the new terms of reference and is currently meeting monthly; the new strategy will be ready to present to the March meeting. Kathryn James from NIACE will be invited to speak.

Action: Kathryn James to be invited to March 2009 meeting.

8.3 Regional Networks have grown to nearly 1,700 members including some from other sectors such as social care and the voluntary and community sector. The 4 stakeholder seminars have been very successful. The impact of this group must be better publicised in future.

8.4 A more complete feedback will be made to this Committee with Julie Lynes-Grainger in due course. The Committee congratulated David on his work so far.

Action: Julie Lynes-Grainger to produce an update on progress with Mental Health and press coverage for this area.

Action: Karen Murray to ask Rob Wye for an update on LLDD and transition arrangements which will then be circulated to Committee members.

Item 9. Update from the Working Together Task Group
9.1 It has been a busy period for the task group. Mark Haysom agreed to an external review of the LSC compact, the results of which are now published on the website. There was a mixed response which highlighted some positive aspects and some negatives, including:

- Some Regional Directors were shown to have good leadership.
- A patchwork approach to engaging with the third sector needs to be made more uniform
- Train to Gain still has barriers preventing the voluntary sector fully engaging.

9.2 Each region now has a senior member of staff to take on the voluntary agenda. Much work has gone into changing the way procurement is contracted which has enabled more of the voluntary sector to apply for funding, however some organisations are still prevented from applying.

9.3 Capital funding will be extended to the voluntary sector which will allow organisations to apply for capital funds on the same basis as other providers. This is a significant step which will have a big impact on the sector.
Item 10. Forward look to September and November meetings
10.1 The following agendas were suggested for the next two meetings:

**September**
- Integrating Employment and Skills/Skills Funding Agency /Adult Advancement and Careers Service: David Cragg
- Equalities Bill/EHRC: Anne Madden
- Framework for Excellence: Lesley Davies
- Community Cohesion
- MoG

**November**
- OfSTED – Tasleem Chaudary
- DIUS – Julie Nugent
- Transition of learners with learning difficulties and/or disabilities activity - Rob Wye
- MoG
- End of year review

Item 11. Any other business
11.1 Anne Madden will e-mail Committee members regarding the EHRC regional consultation events.

Item 12. Date of next meeting
12.1 The next meeting of the Committee will take place on Thursday 5 September, at LSC London Central.

Meeting chair Shirley Cramer
Minute taker Pete Sanders
Date created 1 July 2008