Of interest to everyone involved in improving skills and learning opportunities across England
Introduction

This report provides National Council with an update on performance against Public Service Agreement (PSA) targets; strategic priorities and the development and implementation of policy and strategy from across the LSC. The report pulls together all of the information, setting out our latest achievements and challenges.

Section 1: Key highlights since last report

Learner achievement across the FE system continues to rise
On 17 April we published the latest success rate performance for 2005/06. This Statistical First Release confirmed:
The success rate target for FE colleges has been reached two years ahead of schedule. Success rates in FE colleges have increased by 2 percentage points to 77% in 2005/06, which exceeds the LSC’s target of achieving a 76% success rate by 2007/08.

Improvements in full level 2 FE success rates boost contribution to PSA level 2 target. Full level 2 success rates for 16-18 year olds are up by 5 percentage points to 66% and for adults by 6 percentage points to 65%.

Success rates for full apprenticeship frameworks have increased by 13 percentage points. Framework success rates now stand at 53%, up from 40% in 2004/05.

WBL success rates are now within striking distance of 59%, which is the 2007/08 target. In year figures for 2006/07 suggest we are likely to exceed this target one year early.

Procurement
We are now well into the E-tendering process, designed to procure a provision across all 9 regions for 2007/2008. This is the first time we have conducted one single national procurement exercise. It is in two stages, a pre-qualification questionnaire (PQQ) to determine the competence of potential providers to deliver to our standards, and a tendering exercise where we specify the provision we wish to buy. Providers respond with details of how they might deliver to our specification.

The PQQ stage is complete and 827 providers have satisfied us that they can deliver to our standard (subject to final confirmation). A full report of the process, lessons learnt and next steps will be available once we have finished stage two, the tender stage, in July 2007.

Leitch Implementation Plan
DfES have shared the first outline of the Leitch Implementation Plan with LSC and other partners, alongside a timetable for drafting and agreeing the plan. The anticipated date for publication is June, in line with the Skills Pledge formal launch.

Survey of Employers with over 5000 employees
The research team are carrying out a piece of work for NES. This work will focus on gaining a better insight into the training needs, perceptions and attitudes of large employers (i.e. have over 5,000 employees). We will draw on the views of those employers who currently work with the National Employer Service and other employers to aid our understanding of how we can develop a further education system that is responsive to employers. The outputs will include strong case studies around the benefits of training to the employers bottom line.

Skills Pledge
David Bell attended a Public Sector ‘Signing Ceremony’ on 18 April arranged by Government Skills – the first Skills Pledge event. Fourteen Government Departments signed the Skills Pledge.
Key Risks and Issues

Train to Gain
Although Train to Gain is on track to meet targets for employer engagements and the percentage of hard to reach employers, programme delivery performance remains a significant concern. We are working closely with Regional Directors to ensure that each region continues to meet expected target levels by the end of the academic year. In addition, we have developed an action plan to address underperformance. More information on the action plan is covered later in this report.

New Standard
The roll-out of the new standard for providers’ responsiveness to employers will be a significant step forward in creating a universal, independently-owned mark of quality for providers who meet agreed standards in employer responsiveness and vocational excellence, and will build on the existing CoVE network. Former CoVEs will be required to substitute their CoVE status on achieving the new standard, to avoid creating confusion among employers and learners, and will be granted a finite period in which to meet the new standard. There is a risk to be managed to avoid any implication that this will suggest failure of the CoVE programme.

Adult Learning Option
Participation on the Adult Learning Option (ALO) pilots is causing concern. The five pilot areas are significantly behind profile for the year, and work is underway to extend the pilots to new districts, and open the pilots up to city strategy pathfinders. The proposal to extend the pilot areas is going through the Jobcentre Plus change management process, which could take two months to complete, and there is a risk that this will be too late to build capacity to have significant impact on the learner numbers, beginning on programmes in September.

The Department for Work and Pensions has announced that the ten City Strategy pathfinder areas can introduce the ALO to support Jobcentre Plus customers to move off benefits to study a first full Level 2 qualification on a full time basis.

Vocational Qualification Reform
The LSC is highly dependent on the work of our partners in SSDA, SSCs and QCA in order to deliver reformed qualifications into the new Qualifications and Credit Framework for use in September 2008. Whilst we are working closely with them on the reform programme, a risk remains that if any of these organisations fail to deliver their remit, this will have a significant impact on our ability to secure delivery of qualifications that employers want in a timely way.

14-19 Commissioning Arrangements
Whilst the LSC is developing our approach to commissioning provision through the publication of regional commissioning plans as part of the current business cycle, there is still much to do on preparing for the new task of commissioning for 16 -18 provision, and ensuring that this aligns with local authorities’ (LA’s) remit to secure and commission provision for 14 -16 year olds from 2008/09. Consequently, we have established joint working with a representative group of Directors of Children’s Services to ensure that we have a shared and compatible set of processes that can be applied nationally. This will be of particular importance where providers and provision extends across LA boundaries.

Section 2: Update on delivery of PSA Targets
This section provides an update on our latest progress toward the delivery of our PSA targets. All information included in this section has been updated to reflect the latest delivery information.

Young People
Our PSA target for Young People is to:
Increase the proportion of 19 year olds who achieve at least level 2 by 3 percentage points between 2004 and 2006, and a further 2 percentage points between 2006 and 2008 and improve attainment at level 3

The DfES Statistical First Release (SFR) published on 27 February 2007 confirmed that 71.4% of people aged 19 in 2006 were qualified to at least level 2, a rise from 66.3% in 2004.

This now confirms the first part of the target has been exceeded, with a 5.1 percentage point increase in attainment of people aged 19 between 2004 and 2006. The 2008 target is now set at 71.4%.

The proportion achieving level 2 by age 16 increased by 3 percentage points between the 2004 and 2006 cohorts, from 49.2% to 52.2%. The post-16 contribution has increased from 17.1% of the cohort in 2004 to 19.2% in 2006.

The proportion gaining a Level 3 also increased, with 46.8% of young people aged 19 qualified to level 3 in 2006, an increase of 4.7 percentage points on those young people aged 19 in 2004.

**Adult Skills**

Our adult skills target is comprised of two elements:

*Increase the number of adults with the skills required for employability and progression to higher levels of training by:*

**Improving the basic skill levels of 2.25 million adults between the launch of Skills for Life in 2001 and 2010, with a milestone of 1.5 million in 2007;**

Latest estimates from March 2007 confirm that the 2007 milestone of 1.5 million adults with improved skills has already been exceeded one year early. We have 1,759,000 confirmed achievements by the end of July 2006, with the estimated out-turn being slightly above this at 1,760,000.

These latest estimates show there were 473,000 LSC-funded Skills for Life achievements in 2005/06 and we expect this to rise to 509,000 in 2006/07. The increase in 2006/07 is due to our continued focus on ensuring a focus on target bearing qualifications.

While performance against the existing 2010 Skills for Life target is very positive, we recognise that we will need a continued focus on performance in this area to reach the 2020 Leitch ambition for 95% of adults to achieve the basic skills of functional literacy and numeracy, particularly as ESOL will no longer contribute to the future PSA target.

The second element of the adult skills target is:

*Reducing by at least 40 per cent the number of adults in the workforce who lack NVQ 2 or equivalent qualifications by 2010. Working towards this, one million adults in the workforce to achieve Level 2 between 2003 and 2006.*

**Our direct contribution**

The LSC delivered over 200,000 full level 2 achievements in 2005/06, more than half of which were through FE. Of these, we estimate 141,300 were first full level 2 achievements.

In 2006/07, early participation information for the year to date shows an increase of 7% in the number of full level 2 learners in FE in October 2006.

Train to Gain will deliver a significant number of achievements in 2006/07, although this figure is likely to be less than the 86,900 anticipated at the beginning of the year due to delays in learners starting on the programme. At present there have been 15,010 full level 2 achievements since the programme started on 1 April 2006.

**Overall national performance**
The statistical first release based on the Labour Force Survey published on Thursday 15 March confirmed that in the last quarter of 2006, the proportion of economically active adults in England qualified to at least NVQ level 2 or equivalent was 73.9%. This represents around 17.5 million adults from an economically active population of 23.7 million.

There has been an increase of 0.8 percentage points since the equivalent quarter in 2005. This corresponds to an increase of 1,546,000 since the fourth quarter of 2001 (the PSA target requires an increase of 3.6 million by 2010), and an increase of 1,141,000 since the fourth quarter of 2002.

**These results show that the 2006 milestone of an increase of 1 million between 2003 and 2006 has been achieved.**

**Apprenticeships**

Good progress continues to be made against the Performance Indicator for 75,500 framework completions in 2007/08. We have 49,900 framework completions by the end of period 7 in 2006/07.

The framework completion success rate continues to rise, and at present for 2006/07 is 59% - a 6 percentage point increase on the final figure for 2005/06. If this level is maintained for the rest of the year, it would meet the target.

Overall numbers on Apprenticeships are down in 2006/07, due primarily to the number of leavers during 2005/06. However, we remain confident that despite reductions in average in learning, the significant improvements in success rates mean that the Performance Indicator for framework achievements in 2007/08 will be achieved.

We have produced an action plan to address the reduction in Apprenticeship numbers in 2006/07. A separate paper on this is provided.

**Section 3: Delivering our Priorities**

**Priority 1: Raise the quality and improve the choice of learning opportunities for all young people to equip them with the skills for employment, further or higher learning, and for wider social and community engagement.**

**Increasing the Number of Apprentices in Learning 2006/07**

Although performance of apprenticeship completions and success rates are exceeding targets, the number of apprentices in learning in 2006/07 has fallen below planned volumes. This is due in part to a small increase in starts in 2006/07 failing to compensate for the large number of leavers at the end of 2005/06 and may also be a consequence of introducing EMA to work based learning.

An action plan has been developed to reverse this reduction in 2006/07. These actions include regional reviews of contract volumes for 16-18 and 19+ to ensure that all providers that meet Minimum Levels of Performance, with potential to increase apprenticeship numbers are allocated funds to enable them to do so. In addition, Train to Gain skills brokers and providers have been reminded about the policy of apprenticeships being the preferred option for vocational learners aged 19-25 and that they should be recruited onto the apprenticeship programme wherever possible.

The number in learning will be monitored monthly by the Apprenticeship Task and Finish Team, established by Management Group and chaired by the Regional Director for the South West, Malcolm Gillespie. Progress will be reported to Management Group and the Chief Executive will review the effectiveness of these actions during Spring performance reviews.
Learning Agreements
After a slow start, there has been a significant improvement in performance from October 2006 to March 2007. In that six month period 2,465 young people signed up to a Learning Agreement, compared to the 466 learner starts achieved in the first six months of the year.

The Budget 2007 announced an extension of the pilots into the 2007 CSR period. In the light of the Budget announcement, DfES has indicated that the pilots will not cease in March 2008, but will continue after that date to allow time for full consideration of the evaluation findings.

14-19 Implementation Plan update
On 28 March Education and Skills Secretary Alan Johnson and Schools Minister Jim Knight announced that up to 40,000 places on the first Diplomas will be available for young people from September 2008.

A total of 145 groups of schools, colleges and training providers (‘consortia’) have been approved to offer places on Diploma courses to students in 97 local authority areas in England. A further 197 consortia have been given provisional approval to deliver the new qualifications in September 2009. Other consortia will have the chance to apply again.

£90 million of central funding will help regional consortia to work up the detail of the new qualifications in each area. Ten of these consortia have been approved to deliver Diplomas in all five subject areas from 2008.

Action when young people leave learning
The LSC consulted with representative bodies in the FE and WBL sectors on a proposal that providers receiving LSC funding must inform Connexions within five working days of a young person leaving learning, in order that they can be advised, supported and brought back into learning as soon as possible. The DfES has taken forward a similar proposal in respect of sixth forms in schools and academies.

The proposal was considered by the Information Authority at its meeting on 13 April, where the proposal was strongly supported. We are working with DfES to introduce this measure.

Education for young people supervised by the youth justice system
On 4 April, the DfES published a set of papers for consultation on the issues for education for young people supervised by the youth justice system (age 10-17, across England only). This consultation follows a commitment in the publication 'Reducing Re-Offending Through Skills and Employment: Next Steps' (December 2006). The consultation seeks views on issues for young offenders access to and participation in education, training and employment; the curriculum offer; workforce development; and the accountability framework for young offenders’ education.

A draft LSC response will be prepared and presented to the YPLC at its meeting on 24 May.

Entry to employment (E2E)
After concerns about a fall in numbers starting on E2E between April and August 2006, starts in learning on E2E since September 2006 have been broadly in line with trends in 2004/05 and 2005/06.

Education Maintenance Allowance (EMA)
As at the end of March 2007 513,176 learners have benefited from EMA payments this academic year. Take up of EMA by 16 year olds in full time education in 2006/07 has exceeded expectations, with more 16 year old learners already benefiting from EMA payments than in the whole of 2005/06.
Care to Learn (C2L)
As at 30 March 2007 6,171 young parents are benefiting from Care to Learn. This figure is a cumulative total for the whole of 2006/07 and is on target for 7,000 young parents benefiting from Care to learn in 06/07.

Priority 2: Raise the skills of the nation, giving employers and individuals the skills they need to improve productivity, employability and social cohesion.

Fees Campaign (February to April 2007)
The LSC is working with the DfES on a campaign to encourage individuals and learners to contribute more to their own learning. The focus will be on generating media coverage across print and broadcast media, and will include some paid-for promotional activity, such as competitions and advertorials.

The campaign supports the work the Department is taking forward in response to Leitch, around creating a culture of learning. It also integrates with the LSC’s marketing and communications campaign for learning and skills.

Over-arching Campaign
The overarching marketing and communications campaign is continuing to be developed. There will be a presentation at the Council meeting. The campaign is being designed to be very flexible and easily adaptable across:

- All levels of learning and skills (i.e. basic skills to Level 4 and beyond).
- A range of existing product and service campaigns and audiences so that campaigns such as Train to Gain, EMAs, The National Skills Academy etc, are visibly seen to be part of a wider learning and skills ‘movement’, and to offer reassurance through a relevant call to action.
- Across a range of stakeholders, so aligning the benefits of further education and point it in the same direction. It is envisaged that stakeholders will adapt and adopt a part of the overarching campaign within their own organisational marketing and communications so that we amplify certain messages (not to replace them) by making more noise through an integrated, sector approach to marketing and communications. Therefore, the idea needs to be easily transferable and be readily adopted.

Progression Research (on-going)
We have awarded a contract to Inclusion (in partnership with BMRB and IES) to interview a sample of around 10,000 learners from the last 2 years on LSC funded learners who were out of work or claiming income support when they started their course. The main aim of the research is to understand what has been the impact of learning on the individual’s employment. The data should demonstrate which courses (levels, subject etc) have the greatest impact on the learner. The secondary aim is to understand for the same group what the wider benefits of learning have been in terms of motivation and other social benefits.

Personal and Community Development Learning (PCDL)
The LSC Funding policy Team has commissioned a study to examine variation in Personal and Community Development Learning (PCDL) funding. Researchers will investigate how safeguarded LSC PCDL allocations are used and how spending and provision varies regionally.

LSC Research newsletter (on-going)
February saw the launch of the first LSC Research newsletter. This is a monthly newsletter which includes the latest research and relevant policy news in the Learning and Skills sector. Research produced by the LSC will be included but research from other departments and agencies will be discussed where relevant. Each month the newsletter will feature a ‘hot topic’ ranging from the Leitch Report to Migration. Subscription to the newsletter is possible through the new research pages on the internet http://research.lsc.gov.uk/
Commission for Employment and Skills
Establishing the Commission for Employment and Skills is a priority task for the newly created Integrating Employment and Skills Programme Board. The Board is jointly chaired by DfES and DWP, and the LSC is represented currently by Jaine Clarke, Acting National Director of Skills. The Programme Board first met on 16 April, and discussed programme planning, the joint target for sustained employment and skills progression and progress on setting up the Commission, including the process to recruit the CEO and Board.

Delivering Train to Gain to employers
At the end of February, 30,350 employers had been engaged by skills brokers and providers, on course to meet the target of 33,000 employer engagements in the first year of operation. The proportion of hard to reach employers was at 68%, considerably higher than the target of 51%.

107,720 learners are on full Level 2, full Level 3 or Skills for Life qualifications, 53% of the original profile for this point in the year. So far, the total number of achievements on the programme is 58,740. This consists of 6,375 Skills for Life and 37,659 Level 2 achievements by ETP learners, who began their programmes before April 2006, and completed following roll out of the full service. 17,210 achievements have been made by learners engaged since the programme began.

Following a stocktake meeting with Phil Hope, an action plan to address areas of poorer performance has been developed. The plan will be agreed with DfES and Ministers shortly. As part of the action plan, we have commissioned reviews of provider behaviour and the Brokerage service, to identify and address regional variations in the volumes of broker referrals, and responsiveness by providers where learner numbers are low. This will enable us to both address weaknesses and share best practice.

Level 3 trials
An encouraging number of learners are now engaging through the Level 3 trials - we are now at over 420 starts against a profile of 1200, and additional learner numbers are being contracted through LSC regional commissioning. Included in these figures are 211 learners engaged to start on learning between now and the beginning of May on the Women in Work pilot in London, against a profile of 353. Work is underway to develop additional opportunities with SkillsActive, Constructionskills and the transport sector.

The Skills Pledge
Many organisations have registered interest and are looking to the LSC and DfES for more information before deciding exactly what they are prepared to sign up to.

Current plans are to embed the Pledge fully into the Train to Gain service and the marketing and communications plan will be aligned with the overarching skills campaign. Brokers and providers will advise companies on what is required and where to get help.

Although discussions on the actual definition of the Pledge are still underway, it will be a commitment by the leader of an organisation to take urgent and appropriate action to improve the skills and qualifications of their current and future workforce, open to organisations of any size, with paid or voluntary staff, in the public, private or voluntary sector.

David Bell attended a Public Sector ‘Signing Ceremony’ on 18 April arranged by Government Skills – the first Skills Pledge event – at which fourteen government departments signed the Skills Pledge. Sir Digby Jones will hold a formal launch of the Skills Pledge in June, linked to the launch of the Leitch implementation Plan.
**National Skills Academies**

In January we reported that the Food and Drink Manufacturing Academy would be launched in April. This has now been deferred to May, after the local elections.

Thirteen expressions of interest were received for the third round. Of these, six have been short-listed, with a seventh having been asked to provide additional information. We have now reviewed the process for assessing the third round and agreed new guidance. Interviews for the short-listed expressions of interest will take place in the first two weeks of May, with final recommendations to Ministers by the end of the month.

**Adult Learning Grant (ALG)**

Two series of events to inform stakeholders about the national roll out of ALG have now been held. The first series focused on marketing; the second on policy and delivery. Feedback has been positive, with comments and suggestions being fed into the development of the application form, guidance materials and the marketing and communications strategy.

As at 3 April 2007 11,035 (latest data) adult learners had been awarded ALG in the academic year 2006/07. This figure is a cumulative total for the whole of 2006/07 and exceeds the target for 11,000 learners benefiting from ALG in 06/07.

**Adult Careers Service**

Following the publication of the Leitch Review of Skills, we have been working on initial proposals for the development and delivery of a single, coherent adult careers service. This work builds on the recommendations arising from the recent review of Information, Advice and Guidance services for adults, and includes expectations of close partnership working with Learn Direct and Job Centre Plus. The development of a unified careers service is central to achievement of the Leitch ambitions, as it will enable services to reach out to people who have been excluded from learning and skills, and will mirror and complement the advisory service provided to employers through Train to Gain brokerage.

**Higher Level Skills**

The first iteration of the HEFCE and LSC joint strategy for higher level skills has been presented to an officers’ group with representation from HEFCE, LSC and DfES. DfES have endorsed the work so far and further work will now be undertaken to model the respective strengths and weaknesses of the models for stimulating higher level skills and clarifying funding arrangements already scoped. A final paper with agreed recommendations for going forward will be presented to a higher level strategic forum drawn from LSC, HEFCE and DfES in late June/early July.

**Priority 3: Raise the performance of a world-class system that is responsive, provides choice and is valued and recognised for excellence.**

**Further developing the reputation of Further Education (ongoing)**

Working with the DfES, the LSC is taking forward with partners an exciting programme of work designed to support the recommendation to further build the reputation of the further education system as outlined in Sir Andrew Foster’s report and supported in agenda for change and the FE White Paper.

**Learners with learning difficulties and/or disabilities**

At national level, the LSC has continued to work with colleagues across government departments to develop the interdepartmental (DfES, Department for Work and Pensions and Department of Health) strategy for learners with learning difficulties and/or disabilities. This has recently been passed to the Ministers of the above government departments for their consideration. It is envisaged that following Ministers’ consideration of the strategy, a wider development group will be established to finalise the document (via consultative workshops) and to develop an associated action plan. The strategy and action plan are likely to be made public in summer 2007.
UK Vocational Qualification Reform Programme (UKVRP)

The pace of the reform programme has now accelerated with four country agreement that the Qualifications and Credit Framework will be ‘open for business’ from August 2008, building on the completion of the pilot SSC reformed Sector Qualification Strategies. The LSC is presently working through a model, with SSDA, SSCs and QCA to align public funding to priority qualifications (identified through reformed Sector Qualification Strategies and specified within the Qualifications and Credit Framework).

From August 2007, the LSC will manage a trial of aligning funding to priority qualifications (and turning off funding for non priority qualifications); this is intended to replace present arrangements for approval of funding (Section 97). The LSC is working closely with QCA with regard to how the LSC will manage a mixed economy of regulatory frameworks from 2008 to 2013/15 (when it is anticipated the current regulatory framework will be closed down). In addition, the LSC is now undertaking modelling concerning the impact of changing patterns of achievement within a unit and credit framework on the trajectory to deliver PSA targets.

Adult level 3 learner account trials

Discussions are underway with providers and other partners in the trial areas of the East Midlands (Nottingham City, Lincolnshire and Rutland) and the South East (Brighton and Hove, Gatwick Diamond, Ashford, Milton Keynes, Oxford, Reading area, Basingstoke, Southampton/Portsmouth and the Thames Gateway). The first stage of Open and Competitive Tendering was completed on 16 March, and responses to the invitations to tender are required by 11 May.

Framework for Excellence

In March 2007, we published our latest policy paper: Framework for Excellence: Raising Standards and Informing Choice. This document provides the first details of Framework prototype arrangements taking in to account the views expressed by respondents to the 2006 consultation.

In Summer 2007, the LSC plans to publish a full prototype of the Framework and will invite around 100 colleges and work-based learning (WBL) providers to pilot it from the September 2007 to early 2008. The LSC plans for the Framework to be operational in all colleges and WBL providers from August 2008 and in all publicly-funded FE providers from August 2009.

Minimum Levels of Performance (MLP)

A total of 47 FE providers will receive a Notice to Improve. This includes 5 Colleges, 1 Specialist Designated Institution, and 41 External Institutions.

The LSC will also be performing a ‘stock take’ of the interpretation and application of MLP policy regarding Apprenticeship provision. This will further be informed by an analysis of the impact following the completion of the tendering and procurement process. During the summer, the LSC will review the current levels, policy, application and effect of 2007/08 arrangements, to determine future levels for 2008/09.

Single Equality Scheme

The LSC is preparing to publish our first integrated Single Equality Scheme at the end of April, in order to comply with legal requirements to publish our gender equality statement by this date. The scheme outlines our commitment and actions to identify and address areas of inequality in relation to race, disability, gender, religious belief, sexual orientation and age.
The scheme has been developed with the full support and involvement of the Equality and Diversity Committee and our partners in the Commissions.

**Priority 4: Raise our contribution to economic development locally and regionally through partnership working.**

**Seminar on Leitch**
The LSC held a seminar focused on how we work with providers in local government to deliver the ambitions of Leitch. David Cragg chaired this meeting and we had contributions from Regional Directors, Phil Hope (DfES), DCCS (the new local government network) and Regional Development Advisors.

All agreed it was a timely and very thought provoking discussion, raising lots of issues, which was strengthened by the bringing together of different local, regional and national partners to one debate.

**Economic Impact Study**
The LSC National has commissioned a study to investigate the direct economic impact of the FE system. We expect to publish these findings as part of our 2007 Delivery Report and will for part of a wider strategy for measuring the wider impact of the system on (i) the individual learner; (ii) the employer; and (iii) the Community.

**Skills for jobs**
We continue to develop the integrated employment and skills system, skills for jobs. This includes current activity such as skills coaching, basic skills for Jobcentre Plus customers and the adult learning option and also encompasses new activity focused on both skills development and sustained employment to meet specific priorities in regions. A paper on skills for jobs will be discussed at the meeting.

Joint work with Jobcentre Plus has resulted in an agreed communication around skills for jobs being disseminated throughout JCP districts in England. A joint LSC and Jobcentre Plus communications group has been discussed to ensure skills for jobs is integrated with existing activity.

The skills for jobs proposal was presented to the new DfES/DWP Integrating Employment and Skills Programme Board, created in response to the Leitch Review, where it was warmly received. Discussions are now underway with DfES prior to submission to ministers.

**Skills Coaching**
We have now agreed with contractors the funding, profiles and contracts for the delivery of Skills Coaching in 2007-08. Encouragingly, subcontractors are undertaking outreach activity to supplement JCP referrals to ensure that appropriate referrals are made – removing one of the most significant barriers to employability. We are continuing to work with JCP at a local level to raise awareness of the trials.