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

This report provides National Council with an update on key strategic priorities and the development and implementation of policies and strategies across the LSC. In particular, the report focuses on strategic delivery issues, including Machinery of Government developments.

SECTION 1: MACHINERY OF GOVERNMENT

- The Department for Innovation, Universities and Skills (DIUS) and the Department for Children, Schools and Families (DCSF) have been considering different options for the Skills Funding Agency (SFA) and Young People’s Learning Agency (YPLA) core functions. These were presented to the LSC Leadership Team by Susan Pember and Leslie Longstone on 19th September. The presentation used has since been sent to all staff.

Skills Funding Agency

- Options for the SFA in particular; the proposition that the current local/sub-regional LSC role/function be replaced by self-managing college/networks gives rise to the following major concerns:
  - generally, lack of clarity about what the role of networks will be and how they will establish their legitimacy/accountability, especially in relation to the statutory role of the SFA to work with local authorities and other public agencies within the new devolved arrangements through Local Area Agreements
  - without a robust statutory framework for this model there is a likelihood that they will be vulnerable to institutional disputes and potential breakdown. There is also the risk of a patchwork of different and highly variable local arrangements without any coherent or consistent model in individual local areas
  - timetable for these changes – 2010 would be completely impossible in our judgement and would represent an unacceptable level of risk to the whole system

- The development of a truly demand-led system based primarily on Skills Accounts and Train to Gain with the SFA acting primarily as a funding agency is dependent on a radically different set of integrated IT systems linking the individual learner record to an automated “settlement system”. This so-called “shared platform” and its individual applications have not yet been properly scoped. We are currently embarking on an initial scoping exercise which should in turn lead to a more substantial feasibility study and specification(s). However, at this stage, our judgement is that the new systems/shared platform could not be fully operational before 2013. This would not only impact on the roll-out of other aspects of the reform, in particular Skills Accounts and the Advancement Service, but has significant implications for the transition to the SFA. In effect, it would suggest that there is a need for an interim organisational structure at the point of transfer with an evolution towards the fully fledged, final SFA organisation over a 2/3 year period.

- We are now working with DIUS on a commission to explore how the SFA business model could be delivered and the transitional arrangements and timescales for this. The outcome will be the production of a project plan which will provide further analysis of the model, and define the potential future functions and structures of the SFA. It will also highlight key barriers and risks to implementation as part of a wider transition. We anticipate this work taking six weeks to complete with a view to presenting it to the Machinery of Government DCSF/DIUS Joint Programme Board in mid-November.

National Apprenticeship Service (NAS)

- The build up of NAS to its 400 staff by April 2009 is reliant on ensuring the LSC remains able to sustain its delivery capacity. For Apprenticeships in particular, the joint working across two Government Departments is complex and has led to delays in decisions because of differences of opinion - for example, the commencement of trials on overtraining, wage compensation and equality and diversity have been delayed several months for a number of reasons, but one of
those was the need for the Joint Apprenticeship Unit to get agreement to funding from both Departments. We would really welcome a general agreement on ways of working to prevent this from happening in the future.

Young People’s Learning Agency

- **Sub-regional groupings:** submissions by Local Authorities in September are for 41 sub regional groupings (SRGs), London being treated as one sub region within this calculation. The number is fewer than DCSF had expected; however they appear sensible in the majority of cases. In summary, the picture in each region is as follows:

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of sub regional groupings</th>
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<tbody>
<tr>
<td>East of England</td>
<td>3</td>
</tr>
<tr>
<td>East Midlands</td>
<td>5</td>
</tr>
<tr>
<td>London</td>
<td>1</td>
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<td>North East</td>
<td>3</td>
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<td>North West</td>
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<td>South East</td>
<td>10</td>
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<td>South West</td>
<td>6</td>
</tr>
<tr>
<td>West Midlands</td>
<td>5</td>
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<tr>
<td>Yorkshire and the Humber</td>
<td>3</td>
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- The careful wording of some of the submissions has been noted; this leaves scope for change in the next phase (e.g. ‘…the Local Authorities are prepared to explore operating as a sub regional grouping). It appears there is a real possibility that in some parts of the country, once it is learned that elsewhere significant numbers of individual Local Authorities have opted to form a grouping independently of any others, or that many sub regional groupings consist of a very small number of Local Authorities, then the Phase 2 submissions may look different. Another factor that may alter the submissions that come forward in stage two of the process is Elected Member involvement: it is understood that in many cases the submissions have been prepared by officers and the level of awareness by politicians may not have been high.

- A national panel meets at the end of October to consider and endorse the submissions. The Panel includes Rob Wye and representatives of the Association of Directors of Children’s Services and the Local Government Association. Guidance on stage 2 of the sub regional grouping submissions will be published by DCSF at the end of October. The LSC will not have any role in writing the submissions.

- Communication and feedback to Local Authorities on stage 1 of their submissions will be provided in mid November. Local Authorities may come forward with stage 2 of their submissions in December 2008 or in February 2009. DCSF expect all to have final endorsement by April 2009.

- Local Authorities are articulating different resource at local and regional levels. A recommendation has therefore gone to the 14 -19 Board for a HR colleague to join the 14 - 19 Reference Group and for a HR sub group of the Reference Group to be set up to provide consistent advice to colleagues. Clarity about all aspects of the future arrangements needed urgently, so we can plan transition, and optimise retention of staff expertise in new structures. Although there is still much to do, we believe that delivery in 2010 is still possible.

- **Legislation:** DCSF expects that the Bill to bring the transfer into effect will be introduced towards the end of 2008. Legislation to introduce the new sixth form college designation may be introduced later. It is understood that the Bill will include a duty on Local Authorities to cooperate with other relevant Local Authorities. Guidance will explain how relevant might be interpreted (e.g. those within the travel to learn area). A further helpful part of the Bill is expected to place a duty on ‘home’ Local Authorities to promote the achievement of young people in custody (which may
be outside their ‘home’ Local Authority) and on their return to the LA area in which they are normally resident. Decisions as to the duties on Local Authorities for learners with learning difficulties and disabilities between the age of 19 and 25 remain to be clarified. Discussions between the two departments continue, informed and advised by the LSC.

External communications

- The party conferences this year gave us a great opportunity to hear views on the Machinery of Government changes within the political and stakeholder world. A summary of the coverage at each of the conferences is set out below.

- The first conference of the season was the Liberal Democrat Conference. Phil Willis MP (and Chair of the Innovation, Universities and Skills Select Committee) stated that he did not think the LSC was a failure and that it had simply had to work in a straitjacket. He added that employers think the current system is just starting to work and that they were not supportive of further change. He also asked where FE colleges fit into the 14-19 agenda and suggested that rather than just setting up more organisations, Regional Development Agencies could be better used. Finally, he said that Local Authorities did not seem prepared for the changes and did not seem to have understood the clusters they will need to be working in. Richard Kemp (Leader of Liberal Democrats at the Local Government Association) said that they did not want to return to the days when councils ran colleges as under this model, colleges focused too little on their strategic direction.

- The Labour Party conference saw some very positive comments on the work of the LSC from companies like McDonalds and also from former Skills Minister David Lammy, who in response to David Frost (British Chambers of Commerce) complaining that there were too many public bodies, retorted that all of the public bodies have useful jobs, it is their ‘wiring’ that needs to be hidden better. He emphasised that the LSC has hit every target it had ever been set. Jim knight (DCSF) said that the changes through Machinery of Government have been a bit ‘crunchy’ but that people are working together. What did become clear however, was that many Ministers outside of DCSF and DIUS are not fully aware of the extent of the changes being made as part of Machinery of Government.

- The final conference of the season was Conservative Party conference. Machinery of Government issues were raised only once here when they were discussed in a fringe meeting where Scott Kelly (John Hayes’ advisor) had to stand in for David Willetts. He discussed the large number of bodies involved in further education and said that things will get even more complicated when the government replaces the LSC with three new bodies instead.

SECTION 2: HIGHLIGHTS

Statement of Priorities

- The planned publication date has been put back due to the time that has been taken to reach agreement on how funding gaps will be closed and because of the emerging issues around the economy. We are aiming for publication of the Statement on November 5th. However, we understand that the date for the Pre-Budget Report (PBR) may, understandably, given the current global financial position, be put back, and we were informed that Treasury would not sanction any financial announcements until release of the PBR. We will continue to address this via the Departments. Briefings on the Statement for regional teams and National Office staff were carried out in October.

- DCSF/16–18 programmes and budgets: given our forecasts on levels of participation in 2008/09 and 2009/10 being above the figures set out in last year’s Statement of Priorities, we have been working with DCSF to close a funding gap of £103m for 2009-10 in the funding available for 16–18 FE and School Sixth Forms. Various options to close this gap have been explored, and the latest submission to Ministers indicates that the funds will be found from a variety of sources
including the reallocation of funds from elsewhere in DCSF budgets. At this stage it is not proposed that there be any reductions in the planned rates increases, nor will there be any reductions to the budgets planned for curriculum enrichment. We are carrying out a review of 16–18 learner numbers in school Sixth Forms and Colleges to test whether we have recruited to the planned figures. It is probable that the Statement of Priorities will include an indication that DCSF and the LSC will consult on the introduction of a funding system that will allow funds to be reconciled (i.e., taken back from providers who do not recruit to profile and reallocated) in year.

- **DIUS/Post-19 Programmes and budgets**: a formal submission on post 19 budgets was made to DIUS Ministers and the Secretary of State on 18th September. However, the model presented in the submission was not accepted and the Secretary of State requested that additional work be carried out. Since then we have worked through further iterations and DIUS were able to make a further Ministerial submission on October 10th. In broad terms, the revised model is based upon trying to maintain, or at least minimising the reduction in, participation in Train to Gain. The latest model shows an increased level of investment in Developmental Learning from that set out in last year’s Statement of Priorities but a reduction from earlier models for this year’s document. We have ensured that DIUS and Ministers are aware of the impact and risks posed from reducing Developmental Learning, and we are currently working with DIUS to try and identify means whereby we may be able to offer greater flexibility in target and activity delivery according to local needs and specifically taking into account the current economic situation and the direction being offered by the national Economic Council.

- We have also worked through an exercise to find savings in non-participation budgets, and we have reduced commitments across a range of activities. The reductions are, compared to earlier years’ exercises, relatively small.

**Allocations**

- In July, we reported to Council that we would be issuing a letter to all providers confirming their allocations for 2008/09. This letter has been issued and all allocations processes for 2008/09 are now complete. All contracts for providers will have been issued by the end of October. The Statement of Priorities will include full details of the allocations processes for 2009/10 for all major funding streams. We have indicated to DIUS and DCSF that any further significant delays in publication will impact upon our capacity to meet the deadlines set for confirming funding allocations, in particular 16–18 allocations.

**Support for small businesses during the economic downturn**

- On 21st October, Skills Secretary John Denham announced that small businesses will be the focus of £350 million of Government funds to help them get through the tougher economic climate by building the skills and expertise of their workers. The funding to support this will be drawn from Train to Gain and is not ‘new’ money. In allocating the planned increase in spending on this programme over the next two years, the Government will give top priority to meeting demand from small businesses in the private sector (those with up to 250 employees). The key elements of the Train to Gain package include: the funding of small units or modules of qualifications; the extension of the Leadership and Management Programme to include companies with 5-10 workers; the relaxation of the ‘firstness’ rule on Level 2 qualifications and increased funding for Level 3 training. The LSC will also be able to utilise European Social Funding revaluation money to support people who are made redundant. Work is now being undertaken to assess the implications of the changes in the Train to Gain service on PSA targets.

- In addition to the support to be provided through Train to Gain, further support will be rolled out to help small and medium sized businesses to bear the impact of the economic downturn. Specifically, this is intended to support the key priorities identified by these businesses: cash flow, access to finance and training for staff. The main elements of this include: free ‘health checks’ for businesses provided by Business Link organisations to help with maximising cash flow, marketing and business planning; the provision of financial information from the Institute of Credit
Management to help businesses maintain cash flow and a commitment from large public sector employers to pay firms within 10 days to ease cash flow.

**Educational Maintenance Allowance**

- At the end of July 2008, 546,480 learners had benefited from Education Maintenance Allowance payments in the 2007/08 academic year. This compares with 527,120 for the previous year. We expect to exceed our year end planning assumption by a total of 17,000 learners. However, concerns still remain about the Helpline Assessment and Payment Body, which is run under contract by Liberata. We are continuing to have daily meetings with DCSF and DIUS to keep them informed of progress on resolving issues. A summary of the key issues is set out below:

  o The number of EMA applications being received for the 2008/09 academic year was tracking towards last year’s total but has recently fallen back below expectations. This needs to be reversed to drive the participation agenda. A decision has been taken to proceed with the next round of planned advertising.

  o Processing rates are slower than we would expect; currently turn-around is less than 4 weeks against the 3 weeks that applicants were told to expect. However, at this time of year there is a spike of applications which will exert additional pressure on the system.

  o A managed increase in processing rates with Liberata has been agreed, which is monitored daily and which they are currently meeting. If maintained this will clear the backlog in early November. To achieve this, Liberata has recruited substantial numbers of extra staff at their expense.

  o Some of these additional staff are being used to strengthen the call centres. The helpline for providers was a bottleneck but a reprioritisation of resources means that the abandoned call rate is now very low. However, the learner helpline is still performing below expectations, and there is a plan to reverse this.

  o A report has been drawn up that assesses all contingency options should Liberata fail to deliver improved service. Our recommendation is that the LSC set up a Task Force to work with Liberata in key areas, and we are putting this into immediate effect. Other contingencies continue to be worked upon.

  o There are a number of variables involved with the Liberata contract in relation to the financial penalties that may be imposed. The first call upon this funding would be to meet any pressure that may arise on EMA student payments.

  o Mark Haysom has written to college principals setting out the situation and the measures the LSC have taken to alleviate the pressures created by this issue.

**Review of External Institutions and Specialist Designated Institutions**

- The Statement of Priorities 2008/09 indicated the LSC’s intention to undertake a review of former External Institutions (fEIs) and Specialist Designated Institutions (SDIs). The need for a review stemmed from two main issues:

  o future funding: the introduction of demand-led funding, and the continued focus on funding priority provision led to some concerns that fEIs and SDIs might be destabilised by the new arrangements in the next few years.

  o quality: a high number of fEIs failed to meet the Minimum Levels of Performance (MLP) in the first year of its operation. The inclusion of short courses in the MLP process in year two led to concerns that this trend would continue in subsequent years.

- The review covers only the Further Education (FE) funded activity undertaken by these institutions and is divided into two main parts:
• hypothesis testing – in which a set of hypotheses were formulated based on widely held views about these providers. The intention was to use quantitative and qualitative data and information to test these.

• structured site visits - with RCU consultants being commissioned to undertake a series of structured site visits over the summer to a sample of providers and to develop an understanding of how different patterns of provision and delivery develop in different localities.

• RCU have completed their final report and the analysis is currently being drawn together. Following this a final report will be provided to Management Group and Council.

SECTION 3: UPDATE ON STRATEGY AND DELIVERY

Simplification

• The LSC’s Simplification Plan sets out actions we are taking to reduce complexity in the FE system and to ensure that individuals and employers can engage more easily in learning and skills development. We also aim to reduce unnecessary bureaucracy in processes for providers, to minimise the administrative burden and release more resources to the front line, but this must be balanced with retaining necessary safeguards for individuals and for public funds.

• Working with the sector-led Bureaucracy Reduction Group (BRG) we have identified key areas where the focus on simplification will make a significant difference to providers. These key areas are Apprenticeships, Train to Gain and Framework for Excellence. Our Simplification Plan also highlights cross-cutting issues such as rationalising procurement processes through the use of e-tendering and the planned introduction of a national contracts register and qualified provider framework. We are working with DIUS to respond to the Secretary of State’s concerns about bureaucracy in Apprenticeships, including removing excess paperwork and clarifying reporting requirements. We have already started work with large employers to use their internal systems to validate learners’ identities thus removing the need for signed hard copies of documents, and we have asked the information authority to make recommendations about the potential for providers to move to paperless systems in relation to the ILR.

Sustainable Development (SD)

• We have recently published a progress report against the LSC’s Strategy for Sustainable Development: From Here to Sustainability (2005) which highlights some significant progress and also identifies key issues for the next two years. Alongside this we have published our Sustainable Development Action Plan for 2008/09 which includes both internally and externally focused actions. Internally, we have agreed seven indicator areas that we will use to demonstrate our progress in embedding sustainable development in our policies and operations. These include our basic carbon footprint (energy consumption plus business mileage), minimising waste (with a particular focus on paper), encouraging more community involvement and being clearer about how our mainstream business already supports sustainable development. We are also providing continuing professional development opportunities for staff to drive change through individuals and teams.

• A significant part of our external activity is driven through our capital strategy; we are currently developing the implementation plan to deliver the ambition for new college buildings to be zero carbon by 2016, and we will build on last year’s successful energy efficiency grant programme to continue to support the reduction in carbon emissions of the existing FE estate. We are working with provider representative bodies to review and improve our on-line resources for the sector, making them more accessible and relevant to different types of provider. We have started a project to find and share practical ways of embedding sustainable development across the FE curriculum and we will support the work being led by sector skills councils to identify the skills required for transition to a sustainable low carbon economy. We are working closely with the
Learning and Skills Improvement Service to bring stakeholders together to work collaboratively to increase the FE system’s impact and contribution to sustainable development.

Quality

- The **minimum levels of performance for 2009/10** have been approved through the LSC’s governance structure and agreed by DSCF and DIUS and will be set out in the Statement of priorities. The accompanying policy guidance *Identifying and Managing Underperformance* will be published in early November. The LSC *Statutory Intervention Policy* has now been laid before Parliament, and was published on the LSC website on 17th October. Therefore the powers which commenced in April 2008 can now be used by LSC National Council. Alongside this, the LSC has published an equality impact assessment of the policy and an analysis of responses to the consultation.

Equality and Diversity

- **Single Equality Scheme provider support programme**: the programme to support providers to respond to the LSC’s Single Equality Scheme is now nearly complete. Early indications are that it has been highly effective in encouraging providers from across the sector to embed a single equality approach. Extensive materials from the programme are now available to all LSC-funded providers and staff on the Virtual Learning Environment (VLE). These include an equality checklist, an audit tool, case studies and reports from fifty action working projects. The VLE will remain as a lasting legacy of the programme, enabling providers and LSC staff to continue to share ideas about embedding equality.

- **A review of our Single Equality Scheme** (SES) is now underway, and is expected to be complete by February 2009. The review will include a thorough paper-based audit, interviews and focus groups with LSC staff, learners and stakeholders, to identify how successful we have been in meeting the aims of our SES, and make recommendations about how the LSC’s equality and diversity legacy can best be sustained throughout and beyond machinery of government changes.

Third Sector

- The LSC Third Sector Advisory Group has met with both DIUS and DCSF to offer to help them ensure that the progress made by the LSC in its engagement with the third sector is not lost in the Machinery of Government transition. Further meetings are being arranged with both departments to continue this work.

- Over the next 6 months, we are attending all of the third sectors’ national conferences to raise awareness of the additional flexibilities in the Train to Gain service which will allow easier access to the service for the sector. We are also engaging in further awareness raising with our own staff about the third sector’s role as both providers and employers to ensure that the unique work of this sector is understood and included fully in our planning and business cycle arrangements.

Young People’s Learning and Skills

- In July we outlined a new childcare scheme the LSC will manage for DCSF. The scheme was announced publicly by Ed Balls on 8th September and is called **Free Childcare for Learning and Training for Work**. Free Childcare for Learning and Training for Work will support adults (aged 20 years and over) by paying for childcare and travel costs while they are undertaking learning leading to work. The scheme is aimed at families where one parent is working but the second parent is not and wants to undertake learning or training as a route to finding work. This scheme has been developed following the 2007 budget announcement to provide free childcare for 50,000 workless parents accessing learning leading to work. The scheme will be trialled in 67 Local Authority areas from January 2009 and extended to all Local Authorities from September 2009.
Engaging Youth Enquiry: on 16th October, a joint report for consultation was published by Rathbone and the Nuffield Review of 14-19 Education and Training. The report resulted from an 18-month study into the reasons many young people were not in education, employment or training (NEET). The central thrust of the report is that there is no “quick fix” for the NEET issue. As a result, the Every Child Matters agenda and the Ten Year Youth Strategy are commended as evidence of a long-term vision, but there is criticism of short-lived and re-branded initiatives. The report therefore calls for policy makers to have patience to allow programmes to develop, and for the depoliticisation of the issue to encourage a sense of collective responsibility for young people. The report sets out a number of questions for further consideration within the themes of policy; context; alternative learning styles; youth work; intelligent commissioning; and capacity building. Consultation on the report runs until the end of March 2009.

September Guarantee: Connexions’ data at the end of August (the latest data available for consideration) shows that 86.2 per cent of this year’s Year 11 leaver cohort has been made an offer of learning. Only 5.8 per cent have not been made an offer. The same data for 17 year olds leaving learning shows 60.8 per cent to have been made an offer and 10.6 per cent not having received an offer. DCSF colleagues and LSC are pleased with this progress since for the Year 11 guarantee (2008 being the first year of operation of the guarantee for 17 year olds), this is significantly better than the position at the same time last year.

The overriding positive message for the LSC is that in general there have been few issues arising about a lack of provision to meet learner need and, where an apparent lack of provision has been a barrier to a young person receiving an offer, LSC colleagues have worked closely with the local authority concerned to address this. Where there have been issues about a lack of provision for young people, these have tended to be as a result of a lack of Apprenticeship places, in particular in construction and engineering. Whilst those colleagues based locally are working together to address specific cases, LSC colleagues nationally (including those working on the development of the National Apprenticeship Service) are considering how best to address this issue for future years’ September Guarantee.

Delivering 14-19 Reform – Next Steps: Next Steps – an update of the DCSF 14-19 Implementation Plan of 2005 – was published on the DCSF website on 13 October. The full version and an executive summary can be accessed at: http://www.dcsf.gov.uk/publications/14-19nextsteps/. The document is not intended to announce a new direction in policy, nor to unveil new policy initiatives but to set out the picture of 14-19 reform now, with progress since 2005 and to describe the ambitions for 2013 and 2015. DCSF describe the aims of the document as being to:

- Present a clear picture of the overall 14-19 reform programme in the context of progress to date, developments that have been announced since it was originally published (such as raising the participation age, the qualifications strategy, and changes to the Machinery of Government) and in the wider context of objectives for all those from age 0 to 19 and beyond, as set out in the Children’s Plan
- Show how the programme fits together starting from the perspective of the young person and the learning and support available to them and building out to the local consortia and partnerships and the local, regional and national system that will deliver for them
- Set out the next steps and timetable of reform to 2015 to ensure that the ambitious goals for all young people aged 14-19 are achieved.

The central concept for ensuring that the right opportunities and support are available is a broadly-based learner entitlement. The LSC has with partners developed significant practice on this for a number of years in local areas and can take credit for ensuring this is central to future delivery.

Adult Learning, Skills and Employment

Apprenticeships: the Innovation, Universities and Skills Select Committee took evidence from David Way on 6th October on the Apprenticeship Bill and this went well. Other witnesses included
the British Chamber of Commerce; Confederation of British Industry; Association of Colleges and Trade Union Congress, all of whom were positive of the need for a Bill to focus attention on the importance of Apprenticeships. The Children, Schools and Families Select Committee also met but LSC were not called. The Bill consultation period ended on 8th October and we are now awaiting final feedback. The Skills Commission have also issued a call for evidence in relation to Apprenticeships and LSC will be providing a national response to this.

- **The National Apprenticeship Service Delivery Plan** continues to await Ministerial sign off, and therefore we have been able to re-submit an updated copy which reflects a number of additional activities to support the successful launch of National Apprenticeship Vacancy Matching Service by the end of the year.

- Good progress has been made due to the interaction of the proposed marketing campaign due later in the autumn and the establishment of the on-line vacancy matching service and the support it provides. The system will be available from 8th December and employers and providers will be able to upload vacancies. We have also commissioned the development and delivery of a Customer Relationship Management System to work alongside it. We are building our employer engagement strategies with National Employer Service employers and local employers to ensure vacancies are uploaded.

- All regions have project teams in place and a one day conference to support their learning and development and support a national approach to ways of working took place on 16th/17th October.

- **Joint Advisory Committee for Qualification Approval (JACQA):** QCA and LSC have now received a remit to establish JACQA. JACQA will give advice, on a termly basis, to the Secretary of State for Children, Schools and Families on the public funding of 14-19 qualifications. It will also carry out biennial reviews to consider the impact of 14-19 funding decisions over the previous two years, and will provide advice to the Secretary of State on the strategic direction of funding of future 14-19 qualifications. The primary role of JACQA will be to consider the eligibility for public funding of qualifications that do not sit within one of the four national suites or frameworks pre 19 – A Levels/GCSEs, Apprenticeships, Diplomas and the Foundation Learning Tier. The provisional date for the first meeting of JACQA is 3rd December.

- **Technology for Learning:** in partnership with the Joint Information Systems Committee (JISC) collections and the other home nations the Council has launched a tender to procure an on-line platform and selection of e-books to be freely available to all FE Colleges in the UK. This follows a wide consultation process that has shown a real appetite for this initiative in the sector. The books selected will focus on vocational subjects and therefore further the Council’s work on its priority of skills improvement. The 100MB broadband bandwidth upgrades in FE colleges are now well underway. The Joint Academic NETwork (Janet) UK has completed 154 College upgrades and 139 are in progress with a completion date of February 2009. This major improvement will clearly assist colleges maximise their use of technology and embed their use of e-learning.

- **National Skills Academies:** the Secretary of State has now announced the selection of four new National Skills Academies, bringing the total number approved or in development to 16.
  - The **NSA for Enterprise** will be led by the Peter Jones Foundation.
  - The **NSA for Information Technology** is a joint proposal from BT and e-skills UK, and also supported by Cable and Wireless.
  - The **NSA for the Power Sector** is supported by employers, such as Eon, EDF Energy and Scottish Power, in addition to EU Skills.
  - The **NSA for Social Care** is led by the Social Care Institute with support from the Department of Health, Skills for Care and a broad range of industry organisations.

- In response to an invitation to tender, over 130 further education led consortia have made bids for **FE Innovation funding**, vastly oversubscribing this programme and revealing the scale of
innovation desired by the FE sector. A small number of applications will be selected to receive funding and help us to understand the potential for further development in this area.

- Over 52 providers of training have now achieved the Training Quality Standard with another 200 in the process, including many large employers and several universities. 5 professional assessment bodies have been licensed to conduct assessment, increasing capacity and professionalising the service. Only 200 of the original 400 Centres of Vocational Excellence remain in operation.

- Employers Guide to Training providers: this database of all providers and their provision, designed to help employers connect with good quality training, is being redesigned and will be relaunched as part of the Train to Gain service on 6th November.

- Careers Information and Advice Service: the Skills Health Check diagnostic tool was launched at the end of September for use by advisors with Jobcentre Plus customers in the West Midlands. This follows a visit to the region on 15th September by Stephen Timms MP and David Lammy MP who were able to try the new tool. The tool itself will be developed further to include trials with new customer groups. The transfer of the careers advice service to the LSC took place on 1st October 2008. The leardirect brand has been removed from the website and all marketing materials and an advertising campaign commenced in September.

- Skills Accounts: initial scoping work for the extension of the trials is underway; Skills Accounts may be extended to include offender learning and employer responsive provision such as Apprenticeships. Ministers have clarified expectations for use of an additional £5m allocated to this work. The majority of this money is to be used to provide a more flexible package of learner support for Level 3 learners in the two pilot regions. We expect Ministers to refer to Skills Accounts during the launch of Adult Advancement and Careers Service prospectus on 29th October.

- Integrated Employment and Skills (IES) Trials: the Integrated Employment and Skills Pathfinder Trials were successfully launched in the West Midlands on Monday 29th September 2008. The aim of the trials is to introduce an integrated employment and skills service that provides Jobcentre Plus customers (initially those in receipt of Jobseeker’s Allowance) with an opportunity to benefit from an enhanced service that will advise, motivate, support, train and prepare them to apply for job opportunities and to achieve sustained employment with ongoing support for progression. The service includes an enhanced offer from the nextstep service and trialling the use of an early prototype of the Skills Health Check diagnostic tool with some Jobcentre Plus customers. It is currently anticipated that the trials will be extended to a further 7 Jobcentre Plus districts by March 2009.

- The IES Service must be extended to all of England by 2010, not only to Jobseekers but also to new claimants of the Employment Support Allowance and Lone Parents on Income Support. Work is currently continuing to support the development of a full roll out plan; however the impact of the current economic downturn on this roll out timetable is being worked through with Jobcentre Plus colleagues.

- The LSC IES team will be working to support the new IES Programme Director who will be heading up a new Joint IES Unit working across DIUS and DWP. Jane Bateman from DIUS has been appointed to this new role on an interim basis.

- Following a successful first year of the Employability Skills Programme, the second year of the programme is now underway. This has seen the LSC contract with additional providers in order to deliver the volumes associated with the increase in programme budget over the coming year. A review of the Employability Skills Programme was signalled in Work Skills and will take place later this year. This will help to ensure that the programme supports as many individuals as possible over the coming years. This will be tied in to the refresh of the Skills for Life strategy due in autumn 2008.
- **Co-commissioning**: John Denham and James Purnell met with David Cragg, David Hughes and other officials on Tuesday 7th October to accelerate the development of new approaches to joint commissioning.

**SECTION 4: RISKS**

- The Risk Management Board last met in September. The LSC top risks have already been agreed and reported to Council. Indicative causal factors and mitigating controls underlying the top risks were considered and it was agreed that risk owners would be asked to confirm the data for input to the corporate risk register and for sharing across the LSC.

- An analysis of the top risks supplied by the regions and national office groups indicated that the risks as agreed by the Board were common across the LSC. Regular communication from the Board to regions/groups and vice versa will be a requirement of this refreshed process. This will help embed risk management and ensure current top risks act as an influence and inform other risks and actions. A revised governance structure has also been introduced to align risk management across the LSC and to provide it with a higher profile.

- The Chair of the Risk Management Board makes a report to Management Group as soon as practicable following Board meetings in order to report progress and to offer assurance that the top risks are being effectively managed. Once the detail of each of the four top risks have been approved by risk owners and input to the corporate risk register, regular updates on progress to mitigate the risks will be made and an executive summary provided for Council. The next meeting of the Risk Management Board is due to take place on 16th December.