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

- There has been significant progress over the past month. The LSC’s Transition Plan was formally endorsed by the Joint DCSF/DIUS Programme Board, at its meeting on 30th January. The Plan sets out the processes, management arrangements and timetable required to meet the Departments’ aspirations for shadow YPLA/LA and SFA arrangements to be in place by September 2009. Whilst this timetable remains challenging, considerable progress has been made in simplifying and streamlining the staff transfer/job matching process through the agreement to “block match” LSC staff in functions which overwhelmingly match the broad equivalent functions in the respective new organisations.

- As part of the overall process, the two Departments hope to be able to accelerate the appointment of the YPLA and SFA Chief Executives as well as the transfer of senior LSC management to designated management teams. This will be dependent on the timing of the Second Reading of the “Apprenticeships, Skills, Children and Learning Bill”, which is expected towards the end of February. An interim Chair of the YPLA is expected to be appointed in Spring 2009, and the LSC Council is expected to be asked to establish a Committee to act as the interim Board of the YPLA.

- Both Departments are expecting to finalise the overall organisational structures for YPLA and SFA by the end of February, which will then be shared with LSC staff. Detailed work on the structures with staffing numbers by function and location will be completed by the end of March, with a view to beginning the matching process towards the end of April.

- Consultation with PCS is progressing well, both with LSC management and with the respective Departments/Ministers. However, the next intensive phase of work on functions and locations, especially in relation to the reduction of the number of locations envisaged for SFA/NAS and YPLA, is likely to generate a significant number of issues where PCS will be seeking additional reassurances and/or safeguards for their members. Given the particular complexities regarding the transfer to local authorities, we are working hard to establish numbers of staff relating to individual functions transferring to each LA. We have made clear to DCSF and LA representatives the importance of the offer LAs can make to LSC staff to help them to see the transfer in a positive light.

- Underpinning all the above, we have now established much tighter management arrangements for the transition. In particular, the creation of a single Joint Transition Management Group, bringing together all the key policy leads within DCSF and DIUS with their LSC and local authority counterparts, is substantially improving the effectiveness and efficiency of our joint work.

- The Apprenticeships, Skills Children and Learning Bill was introduced into Parliament on 4 February and the accompanying Explanatory Notes were published on 10 February. The clauses in the Bill reflect advice and information provided to the Department during the drafting and allow for flexibility in responding to different circumstances. It is anticipated that the aspects that will draw most attention during subsequent stages, will be those relating to the new designation of Sixth Form Colleges.

- The YPLA Blueprint was published by DCSF on 12th December 2008. In their covering letter Ministers asked the LSC to put in place arrangements for LSC staff to work alongside Local Authorities to plan provision for young people, by September 2009, and to enable the YPLA to go live in April 2010. An additional responsibility that DCSF has decided to attach to the YPLA is that of funding and providing support and challenge to Schools Academies that have been opened.
The LSC continues to work with the DCSF 16 to 19 Transfer Team to develop the Framework for commissioning provision for young people, Blueprints for LAs and Government Offices and the structure of the new agency.

SECTION 2: HIGHLIGHTS

Capital

- Capital issues will be discussed as a substantive agenda item and so is not covered in this report.

Redundancy support

- On 21st October 2008, Skills Secretary John Denham announced a package of measures in response to the economic downturn. As part of this package, the LSC has £100m to support workers affected by redundancy. The LSC is making available £50m through the European Social Fund (ESF) and £50m through Train to Gain to boost skills interventions for individuals under notice of redundancy, those made recently redundant, and those that are unemployed and further from the labour market, but could be made ready for work with this skills development support package. The funding for this activity will be offered holistically, with the Train to Gain and ESF elements of the package forming a seamless single offer, supporting the Train to Gain core offer.

- The £100m is available from April 2009 until December 2010, with the procurement processes open to all providers who have successfully pre-qualified on the Qualified Provider Framework for Employer Responsive provision. The Invitation to Tender was successfully launched on 26th January as planned.

- The aim of this offer is to ensure that capacity is in place to enable providers to respond to redundancies and the employment implications of the present economic climate, and to fill gaps in mainstream LSC funding for individuals at risk of being made redundant or who have been made redundant. The approach will ensure adults aged 18 and over under notice of redundancy, those made recently redundant or those that are unemployed who could be made ready for work are provided with the high-quality training and education support that they need to enable them to either continue in, enter or re-enter sustainable employment and contribute positively to the local labour market. Providers will not only be rewarded for delivery, but also for helping individuals enter employment with training delivered through Train to Gain or apprenticeships. It is anticipated that provision will be available from late April 2009.

Responding to the economic downturn

- In order that the LSC continues to respond to the economic downturn, LSC regions are submitting weekly and monthly highlight reports, setting out the issues being faced at a regional and sub-regional level. Composite reports are then compiled from these returns and shared with Management Group, LSC policy teams, DIUS and DCSF as appropriate. The reports allow us to understand key themes and issues emerging and to take action to address issues as needed.

- The Communications Team is developing a communications plan in response to the economic downturn. This plan will focus on the messages that we need to give to the sector as well as to employers and individuals about the support they can access. A dedicated post has been secured in the Communications Team to focus solely on the LSC’s communication to providers and the sector to ensure they are aware of all activities and policy changes in this area.

- Train to Gain funding is available for training whilst people have a contract of employment and training takes place in work time. Where an employer has introduced short time working or employees are ‘temporarily stopped’ from work then the employer can access Train to Gain for their employees and delivery can take place during non-productive time. In line with all Train to Gain delivery, the provider must be fully satisfied that the qualification can be completed, that
qualification evidence requirements can be met and that it is of benefit to the learner. The provider must make full notes of the situation within the Individualised Learning Plan for audit purposes.

- People who are in the middle of a Train to Gain course when made redundant will be allowed to complete it, subject to the provider being able to support the learner to meet the evidence requirements necessary to gain the qualification. Ideally this will be done within the notice of redundancy period however individuals will be allowed to continue their qualification after this period. Providers are encouraged to investigate all options to ensure that where possible the learner is supported to finish their qualification. This is also the case for those who start Train to Gain whilst under notice of redundancy.

Framework for Excellence

- The prime purpose of the Framework for Excellence (FfE) is to provide information for learners and employers to make informed choices about learning and training and ensure a consistent approach to future commissioning arrangements for all post-16 providers. Multiple factors, including: piloting experience; Machinery of Government changes and the development of the School Report Card suggest that some revision of the Framework is necessary. Additionally, research and feedback from stakeholders, including learner and employer groups and the National Audit Office, challenges the value of the overall performance rating, on the basis that it is the information at individual indicator level that will inform user choice, underpin fair commissioning and support self improvement and intervention processes.

- In light of this, Ministers have agreed that FfE is revised to:
  - remove the overall performance rating as it is currently constructed;
  - reconstruct the Framework around a common core of indicators applicable to all post-16 provider types, augmented by sector specific indicators;
  - separate out indicators into those that inform learner, parental and employer choice and publish those with a sufficiently high profile to inform that choice, and include additional indicators which would be of primary interest to commissioners, funders and regulators.
  - continue to assess the need for an overall performance rating or similar summary rating as the work progresses.

- Full details of the Framework revision will be set out in a Framework for Excellence 2009/10 policy document to be published in June 2009. Alongside this we will publish an updated Provider Guide for all providers in scope for version 2 of the Framework in 2009/10. These publications will be supplemented by a series of events to ensure that all colleges, providers and stakeholders are fully briefed. We have written to all colleges and providers already in scope for the Framework in 2008/09 to confirm any changes to the arrangements for Version 1.

SECTION 3: UPDATE ON STRATEGY AND DELIVERY

Young People’s Learning and Skills

  - the level of young people learning was 32 percentage points higher in pilot areas than in the control areas;
  - Connexions Advisors played a key role in engaging with young people and also brokering their provision and providing them with learner support;
  - during the 2 years 9,500 young people signed a learning agreement, 3143 completed their learning, while a further 2988 were still in learning at the cut off point for analysis;
fewer than a quarter of eligible young people signed up to a Learning Agreement;
the overall quantitative effect of the LAP programme on learning activity among JWT
young people is quite modest, driven down by the low take-up to between 2 and 7
percentage points.

- The pilots are due to finish in July this year and, in the absence of further funding being identified, there is a need to consider the nature of the legacy that can be embedded in mainstream activity and the wider 14-19 agenda. This consideration is magnified by the introduction of Raising the Participation Age and the long lead-in times needed to establish an effective infrastructure to engage the JWT cohort.

- **Learning programmes for young parents/parents to be:** teenage mothers are the group of young people most likely to disengage from learning (with around 70 per cent of teenage mothers not in education, employment or training). For the last two years (and again for 2009-10) the LSC has allocated £4 million to regional offices to support a range of programmes for this particular group of young people, with a view to both helping the young people (including young fathers) to prepare for parenthood, but also to develop a relationship of trust with a provider, leading to re-engagement following a period of maternity leave, with support from Care to Learn. The DCSF has included this work as part of its Teenage Pregnancy Strategy.

- An additional strand of this project has been to work with the main providers in order that their current informal programmes can be approved by the QCA and included as units on the Qualifications and Credit Framework, which would mean that the programmes would be considered to be learning, would be fundable through the Learner Responsive funding model, and that the young people would obtain nationally recognised qualifications. One of the largest providers, Young Mums To Be (YMTB), has now reached agreement with an Awarding Body to undertake this work, and has been working closely with QCA.

- The LSC published its **Funding Guidance: Placement for Learners with Learning Difficulties and/or Disabilities at Independent Specialist Providers 2009/10** in December 2008. A Technical Guidance document was also published, to assist Independent Specialist Providers in their use of the contact hours approach to learner matrix assessments. A key change in the guidance relates to the duty on the Secretary of State to arrange a s140 assessment. Under the Education and Skills Act 2008, this section now applies to Wales only, whilst new sections 139A-C places the obligation to arrange the assessment of education and training needs of learners in England with local authorities.

- The consultation on the LSC’s refresh of its **Mental Health Strategy**, in September 2008, has been warmly received with overwhelming support for the LSC’s vision and proposals. The consultation responses will be published in March 2009. Through our Statement of Priorities (November 2008), we are committed to implementing the refreshed Mental Health Strategy in 2009-10, continuing to identify groups of people facing complex and deep-rooted barriers to learning, and working with partners to overcome those barriers. The LSC will continue to fund a contract with NIACE to deliver this important agenda in 2009-10. The finalised refreshed Mental Health Strategy will be launched by Siôn Simon at the annual Mental Health and Adult Learning and Skills Conference on 5 March 2009.

- Since the LSC appointed Capita to administer all the **Learner Support Schemes** at the end of 2008, the rate of application and payment processing has greatly increased. All the back-log of outstanding applications has been cleared and new applications are being processed within the agreed time-scale of 2 weeks.

- The DCSF are very soon to put a submission to Ministers regarding **Care to Learn** to propose making the following changes to the scheme for the 2009/10 academic year:
  - introducing new residency criteria specifically regarding asylum seekers;
• proposal for the LSC to undertake a review of which types of childcare provision should be valid for the purposes of Care to Learn (the findings from this review will also impact on the Sixth Form College Childcare scheme);
• removing distance learning as an eligible programme;
• introducing the 28-day backdating rule (as per EMA) – learners have to apply for Care to Learn within 28 days of starting their course in order for their childcare fees to be backdated to the start of their course.

• Following the LSC’s review of the Dance and Drama Awards (DaDA) scheme, the DCSF are to put a submission to Ministers, setting out recommendations for changes to the scheme to ensure a better fit with DCSF/LSC priorities. The options presented by the LSC were to withdraw the scheme in its entirety, or to retain the scheme for Musical Theatre only; as education and training in that particular specialism is not well represented outside of those courses funded by the Dance and Drama Awards.

Adult Learning, Skills and Employment

• Integrated Employment and Skills (IES): the joint LSC/DWP/DIUS/JCP project on Operational Data Sharing has formally commenced. This project is looking at ensuring that partners including Jobcentre Plus, providers and the nextstep service can share relevant customer information to help enable the Government to deliver the best possible integrated employment and skills services to individuals.

• The IES trials commenced on 16th February in the following Jobcentre Plus Districts:
  o Greater Manchester Central;
  o Greater Manchester East and West;
  o Hampshire and the Isle of Wight;
  o Norfolk.

• These are in addition to the trials that are already running across the West Midlands and the Cambridgeshire and Suffolk Districts. This has been made possible by good close working between LSC and Jobcentre Plus.

• At the Employment Summit held on 12th January 2009, the Prime Minister announced a package of four measures aimed at ensuring that individuals reaching sixth months of unemployment are offered continuing and relevant support to get back into work quickly. The options making up the package are:
  o a recruitment and training subsidy of up to £2500 for companies that take on new recruits, made up of £1000 recruitment subsidy and typically £1500 of training through Train to Gain once in work;
  o a self-employment package, developed by DWP and BERR based on an enhanced offer via Jobcentre Plus and Business Link;
  o a new approach to volunteering, which is likely to be supported by specialist brokers;
  o a new training package building on the existing IES approach that will offer a more intensive type of tailored support for those whose skills levels have proved to be a barrier to a quick re entry into employment. The provision will have a strong labour market focus and will be promoted as the gateway for people to take a significant step up in their skills levels, thereby opening up previously inaccessible career opportunities. 75,000 places will be funded by an additional £83m worth of funding with a view to provision being in place from April 2009.

• The Department for Work and Pensions is leading the work on the package outlined above, with the LSC, DIUS and DWP colleagues working together to develop the training package. Further details on the content and commissioning process are being worked through at the present time.

• Over 2,500 expressions of interest for a Skills Account were registered from learning providers and the Careers Advice Service and approximately 200 - 300 accounts opened directly via the Skills Account Website. Planning for the 2009/10 extension of the trials is continuing. The LSC
has submitted advice to DIUS and shortly expects to be formally commissioned to produce a feasibility assessment and implementation plan. Skills Accounts were introduced in Staffordshire IES trials from week commencing 16th February.

- A further six Sector Compacts are now under development across a wide range of sectors, this is in addition to the ten already agreed. These are increasingly focussing on pre employment and on economic downturn solutions, and are expected to come forward for announcement during March 2009.

- **Train to Gain SME Flexibilities:** the full offer to employers went live on 2nd January. It is too early to determine the immediate impact. The first opportunity for providers to submit Individualised Learner Records begins in February, but indication from regions are that:
  - Skills for Life delivery has increased significantly, as a result of increased flexibilities and provider development;
  - the flexibility regarding additional Level 2s for SMEs is welcomed and is improving performance and fuelling growth;
  - anecdotal feedback from a number of regions is that unit delivery is less well received by the provider base. With feedback that the unit rates may be too low given the costs of registration and the resource required to complete initial paperwork. We are undertaking some work around this area to test the validity of the issue;
  - employers are requesting units from qualifications not contained within the approved lists, and there have been requests from providers to broaden the range of available awarding bodies;
  - The units generally seen as ‘employer friendly’ and are useful to deliver alongside full qualifications to the learner/ employer, giving additional breadth of skills.

- A more detailed assessment is currently being undertaken of the provider base to understand the range of units that will be delivered and the reasons for delivery/non delivery.

- DIUS have confirmed that **Volunteers** (Third Sector) can access some of the flexibilities from the January 2009 announcement, namely the leadership and management programme and repeat full qualifications. Volunteers will not be able to access the unit flexibilities on the programme

- The LSC has been working closely with key Train to Gain stakeholder BCC to hold **regional events** promoting the benefits of the SME flexibilities to Chamber members and the wider business community. The events have taken the form of briefings from LSC and Chamber staff, with skills brokers on hand to take forward discussion with employers. Each event has been attended by local MPs and, where possible, Lord Young. The events have been well received with skills brokers following up the interest generated by the events. We are currently collating the evaluations from the event and the information will be made available to relevant colleagues within both DIUS and the LSC.

- Work on the **Train to Gain marketing and communications strategy** continues, including finalising discussions regarding branding of the Train to Gain service as we move towards brokerage transition in April 2009. After consultation with DIUS and the LSC, it has been decided that there will be no April campaign for Train to Gain as previously planned. A new Train to Gain promotional leaflet for employers has been produced; this has been distributed to regional LSC’s for marketing purposes as well as to the provider base. The leaflet is also available on the Train to Gain website. The Third Sector specific promotional leaflets; “Train to Gain and the Third Sector” and “The Third Sector and Leadership and Management” have been updated to reflect the recent SME Flexibilities and were re-launched to the sector in mid-February.

- The **skills brokerage** budget transfers to Regional Development Agencies (RDAs) from April 2009 and transition arrangements are in place. A proposal for realigning the volumes of learners generated by brokerage activity in light of the recent SME flexibilities has been submitted to the Brokerage Transition Group for approval. Discussions around this area still continue with a number of RDAs.
• The National Employer Service has successfully hit its target of engaging with 100 large employers by July 2009. In the last six months there has been a steady increase in the number of employers asking for support and applying for direct contracts, although we have also lost contracts in industries such as Automotive and Construction.

• John Cridland of the CBI, Justin King of Sainsbury’s and the DCSF Secretary of State, Ed Balls, were keynote speakers at the NES/DCSF conference on 29th January, chaired by Chris Banks and designed to engage NES employers in support of DCSF strategy for young people, with Simon Waugh, Dame Julia Cleverdon and Lesley Longstone as key contributors. Ministers Lord Young and Sarah McCarthy Fry also helped celebrate another eleven new Skills Pledge commitments by NES companies including Capita, Network Rail and Bupa Care Homes, who together employ a total UK workforce of 200,000.

• John Denham has launched E.ON’s new Engineering Academy with E.ON UK’s CEO Paul Golby. NES is supporting E.ON to commit and deliver its Skills Pledge with a company-wide plan for developing their workforce, many of whom will need ‘green-collar’ skills for the future.

• The first meeting on 11th February of the National Employment Partnership was convened by the Prime Minister and the DIUS and DWP Secretaries of State, John Denham and James Purnell, with 15 or so national employers, many of whom are working with NES. The Secretary of State has subsequently commissioned NES to develop a template pre-employment package for large national employers to use to access college support (adult responsive funding) for their recruitment needs across the country.

• At the beginning of February a panel of LSC staff approved the business plan for a National Skills Academy for Materials, Production and Supply. This skills academy is the eleventh to be approved by the LSC, and will deliver training solutions to the following industries: building products and refractories, whitewares, paint and coatings, extractive and mineral processing, glass, printing, furniture and paper. The prospectus calling for a fifth round of National Skills Academies will be launched in March. There are currently 16 National Skills Academies in operation or in development. This will bring the total number of skills academies to 20, delivering the commitment in the Chancellor’s pre-budget report to extend the network.

• Milton Keynes College has become the one hundredth organisation to achieve the Training Quality Standard (TQS) in recognition of its outstanding work with employers.

• A UK-wide delivery plan for the implementation of vocational qualification reform and the implementation of the Qualifications and Credit Framework (QCF) has now been signed off and LSC is putting in place a single programme of work to ensure the integration of policy with the technical requirements, operational challenges and stakeholder management aspects of implementing the QCF. Work continues with the Sector Skills Councils (SSCs) and with Awarding Organisations to confirm the identification and subsequent population of the framework with full level 2 qualifications in each sector.

• The limited consultation of full level 3 in the QCF has now been completed and a report submitted to DIUS. The recommendation is to ensure that full level 3 qualifications within the QCF will confirm competence in the workplace and support progression to higher education/level skills. As a result it is proposed to identify a credit range for full level 3 from 25 to 70 credits in order to support this dual aim.

• A proposed model for Apprenticeships in the QCF has been submitted to DIUS for consideration within the Apprenticeship blueprint. We are producing a plan of work to align the QCF with key business processes and to embed provision within key delivery areas – including NES, Train to Gain, IES, OLASS. A policy update has now been produced identifying the scope and timescales for QCF implementation. We have also published a list of those qualifications which, from August 2009 will become ineligible for public funding (as advised by SSCs). The trialling of unit funding
approaches continues to be taken forward both in the context of Adult responsive funding and in the context of SME flexibilities.

- Work has now begun to review the specification for Progression Pathways and to consider the development of a single specification capable of facilitating a range of positive progression outcomes. The role of Progression Pathways post-19 is being reviewed in order to ensure better synergy with IES and also to take account of the relationship with areas such as First Steps learning. Work has been focussed on building a more coherent and interdependent working relationship with colleagues in DCSF to ensure that the requirements of Progression Pathways both pre- and post-19 can be aligned. A review of programme management arrangements for the FLT is now underway in order to ensure FLT developments with QCF implementation. Phased implementation of post-16 Progression Pathways is continuing with approximately 3000 learners now engaged.

- In addition to the tenders previously received by providers responding to the specification for the new Offenders’ Learning and Skills Service (which commences in August 2009; 22 tenders have now been received by organisations responding to the OLASS Information, Advice and Guidance contract specification. Evaluation and Moderation on all the tenders received is now underway. We are also working with the Youth Justice Board and the Department for Children, Schools and Families to try to resolve perceived issues around the quality of delivery to young offenders.

- In October 2008 the government shared its vision of the adult advancement and careers service in the document Shaping the Future – a new adult advancement and careers service for England. Ten prototypes (or potential future models for the new service) were launched in November 2008. The prototypes, which are contract managed by regional LSC staff, will test various ways of joining up the wider sources of advice available in each area with the core advancement service to inform the final operating model for the new service.

- The Institute for Employment Studies (IES) was commissioned in February 2009 to conduct a comprehensive eighteen month research and evaluation project to assess the feasibility and effectiveness of these ten regionally distributed prototypes. The evaluation project will map and assess the trajectory and impact of the prototypes. The results of the study will help to inform the development of the new adult advancement and careers service in 2010.

- We have improved the capacity of the Careers Advice Service (CAS) telephone helpline by the addition of 20 additional advisors to support the changing pattern of calls generated by the economic downturn. The transfer of the CAS website to the LSC platform from UfI is on schedule to take place by the end of March 2009. A Reference Group has now been established and met to drive forward the design and alignment of the core elements of the new advancement service, which will commence with engaging the process for the procurement of the telephone service from January 2010 and a complete review of the business needs to inform the development of a fit-for-purpose National Directory of Learning across a shared platform.

- Simon Waugh has now joined as the Chief Executive of the National Apprenticeship Service (NAS). The nine Regional Apprenticeship Directors have also been appointed. A training programme has been designed for all NAS staff with a strong focus on employer engagement and sales. Plans are being made for an all staff event at the end of April.

- There has been a good response following the opening of the candidate access part of the Vacancy Matching System. As at 13th February there are 3731 live vacancies on the system; and 14,319 candidates. Over 3000 applications had been made and candidates have been successful in gaining an Apprenticeship opportunity through the system.

- The Association of Learning Providers has been commissioned to undertake a review of existing Group Training Association (GTA) activity and the potential to expand the number of employers
offering apprentice places through GTA arrangements. The research will also explore the potential for GTA-type arrangements in the public sector.

- Following the launch on 2 February of the TV advertising campaign featuring Sir Alan Sugar, web hits to the apprenticeships.org site increased by just over 50%. 1022 employers have filled in web-site applications for Apprentices as a result of the campaign to date.

- The first of four business seminars begins in London on 26th February. These will be co-hosted by Ed Balls, John Denham and Sir Alan Sugar. Attendance at each event looks impressive with over 1000 employers expected in total.

- The Adult Learning Grant (ALG) provides income-assessed help with the costs of learning for adults who do not currently have a full Level 2 or full Level 3 qualification. This scheme is on track to achieve its projected number of 29,000 awards for 2008/09. Over 21,000 people have already received ALG support this year, with another 7,000 assessed as eligible for it so far (if they ‘cash in’ their Letter of Entitlement (LoE) with a learning provider).

- A number of changes to further develop and expand on the Career Development Loans (CDL) scheme were proposed in the New Opportunities White Paper issued by the Government in January 2009. The White Paper positions CDL as a key additional source of support to help people finance training/re-training to help them to change career or further progress, trebling its numbers from 15,000 to 45,000 loans per year (over a two-year period). The scheme will be re-branded as Professional and Career Development Loans and a number of enhancements to the current scheme have been suggested; including increasing the maximum amount of loan an individual can take out and offering a reduced interest rate charge on the loan. These are currently being discussed in more detail with DIUS colleagues.

Quality Assurance and Intervention

- Minimum Levels of Performance moderation process: in January 2009 the regional and national moderation process for apprenticeship provision was undertaken in respect of business cases for retaining apprenticeship provision with success rates below the Minimum Levels of Performance (MLP) threshold. Success rates improved between 2006/07 and 2007/08 (the overall success rate for apprenticeships and advanced apprenticeships rose by 3.7% to 63.9% in 2007/08). In total 115 business cases were submitted to the national moderation panel and these were considered on a case by case basis on 19 and 20 January 2009. The national panel reversed four regional decisions and upheld the remainder. The outcomes from the process were approved by the Funding Planning and Performance Board at its meeting on 27 January.

- The regional and national moderation process for Further Education (FE) provision, which drives Notices to Improve, will take place following closure of the 2007/08 Individualised learner Record. National moderation of FE business cases are scheduled to take place on 13th March 2009.

- Jim Knight, Minister for Schools and Learners asked LSC in November 2008 to develop, as part of our own intervention policy, an intervention strategy for school sixth forms. This policy is to be in place by the spring term and include criteria for unsatisfactory performance and actions to be take as a consequence. The strategy is to be developed in consultation with Ofsted and the ADGS and other stakeholders. The strategy must take account of EIF and the School Report Card. In addition the LSC was instructed to hold a discussion with The DCSF’s Academies Unit on the outcomes of its sixth forms. Ministers wish to have a list of underperforming school sixth forms on a termly basis to assure them that underperformance is identified and being properly addressed.

- The action taken by LSC thus far is to have held consultation meetings with key stakeholders, secured agreement to full and as far as possible comparable data exchange with Ofsted and the Academies Unit. The strategy for the identification of underperforming school sixth forms will build on the approach already established and conducted jointly with LAs on the support and
challenge dialogue about sixth form performance. The schools on that list will then be jointly considered with LAs and other contextual factors/intelligence may provide appropriate reasons to remove them from the list. The final list will be subject to a national moderation before reporting to Ministers. These indicators are currently being mapped to those that will feature in the FfE indicator set that will apply to school so this process, in effect, provides a transition. DCSF is currently consulting stakeholders on appropriate support packages that might be made available to those schools and Academies with sixth forms finally identified as underperforming. The strategy is scheduled to be in place by spring with the first list provided to Ministers in the summer term.

**Equality and Diversity**

- **High-Level Sector Workshop: Embedding Equality and Diversity in Assessment, Assurance and Improvement**: we are working with the Learning and Skills Improvement Service to plan a high-level workshop with other key agencies, providers and associations, to agree a sector-owned vision for how assessment, assurance and improvement mechanisms can work together to promote equality and diversity. The workshop will build on findings from the Single Equality Scheme Review, and is expected to take place towards the end of March.

- **Addressing inequalities in Apprenticeships - learners’ views**: in response to the finding from *World-class Apprenticeships: Unlocking Talent, Building Skills for All* that not everyone benefits equally from the opportunities presented by apprenticeships, we commissioned ECOTECH to undertake a series of 10 focus groups with over 100 apprentices or potential apprentices from under-represented groups. These focus groups took place in summer 2008, and the report is now available. Key findings include:
  - People from underrepresented groups face a range of subtle forms of discrimination in accessing and participating in apprenticeships.
  - Flexibility in the learning structure is particularly important to apprentices with learning difficulties and/ or disabilities.
  - Families from some black and minority ethnic backgrounds have negative perceptions of the status of apprenticeships, but are supportive when they understand the benefits.
  - Information, advice and guidance (IAG) is essential in assisting underrepresented groups to participate in apprenticeships, but its quality varies greatly and there were very few instances of individuals being encouraged to undertake gender-atypical apprenticeships by an IAG provider.

**SECTION 4: RISKS**

- There is a separate paper for the March Council meeting on risks, however, as a synopsis: capital is the only risk rated as red; MoG, provider capacity and EMA are all rated as amber/red with a view that EMA becomes green in April.

- There are now 7 top risks; the addition is a risk for capital added at the January Management Group. Management Group now receives updates on the top risks each month. The mitigating actions for each of the current 7 top LSC risks are commissioned from the risk owners each month to allow Management Group to debate and discuss them and be assured that the mitigations in place are adequate.

- The papers for Management Group are then used to inform the LSC’s internal Risk Management Board, the National Audit Committee and our National Council.

- The Chair of the Risk Management Board presented a paper to the National Audit Committee meeting in February on the strengths and weaknesses of the current risk management process. This indicates that there is now a clearer line of sight between the top risks and those identified within the regions. Additionally, there is a greater recognition and understanding of the importance of risk management with more people contributing to the identification and mitigation of the top risks.