Machinery of Government changes
14-19 and post 19 review of the delivery chain

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**Background and introduction**

1 Council members will know that further to the Machinery of Government Changes, the LSC is working closely with DIUS and DCSF to understand and help progress the implications of the decision to route funding for young people through Local Authorities – with implementation expected no sooner than 2010/11.

2 In addition, through the review of the post 19 delivery chain, DIUS are also taking the opportunity to review the current architecture, systems and processes and will determine what changes are necessary to ensure our goals of building a demand led system for adults and employers and introducing the reforms of the FE White Paper are met.

**Purpose**

3 The purpose of this paper is to update Council members on progress on both the transfer of 14-19 responsibilities and the post 19 review and to gain members’ input into the various options for change.

**Recommendation**

4 The Council is recommended to note and discuss the contents of this paper and in particular provide further steers on how we might engage in and influence the design and development of future arrangements.
Key points/issues

14-19 Transition

5 At its last meeting, Council discussed the LSC’s idea to develop a new set of arrangements for 14-19, working with DCSF/DIUS and local authorities and through 14-19 partnerships. The potential idea is to create a top-to-bottom 14-19 structure within the LSC which would deliver 14-19 policy on behalf of Government on the one hand and local government on the other. Under current legislation the ultimate responsibility for securing proper provision for education and training for 16-19 year olds would have to remain with the LSC.

6 The LSC is in discussions with DIUS, DCSF, the LGA and Association of Directors of Children’s’ Services about this proposal. We have also seconded four members of staff into DCSF, who are 14-19 “experts”, to support the development of the new arrangements. All agree that it would be important to maintain and build upon the strengths of LSC staff expertise, of the 14-19 partnerships and excellent local collaboration that exist currently. Partners are clear that, in many ways, the changes to funding are really a technical issue; the more important focus should be on developing a system capable of delivering joined up strategies for learners and communities, to raise aspiration and achievement and support the 14-19 reforms and proposals to increase the learning participation age, expand the Apprenticeship programme and deliver the September Guarantee.

7 Since then we have submitted a joint statement to the DCSF14-19 steering group for its consideration in taking forward the MOG changes. In addition, Chris Banks and Mark Haysom had a useful meeting with the Secretary of State for DCSF: Rt Hon Ed Balls MP, who has responded positively to the proposal.

Post 19 review of delivery chain

8 As reported in the last Council update, the LSC has been working closely with senior DIUS officials on defining the core responsibilities of the post 19 system. Since the last meeting, a paper has been submitted to DIUS which sets out the full range and scale of changes that the LSC is implementing in post 19 delivery over the next three years. It summarises our immediate post-19 ambitions and sets out what this will mean for the LSC. We hope this will then provide a baseline from which other more radical future options can be developed and appraised. We are now considering the design of an integrated employment and skills delivery system which we will provide to DIUS for their consideration alongside other models that Ministers have commissioned.
A paper on interdependencies between the 14-19 transition and post-19 has been drafted and has been discussed by a joint working group from both areas. We have also begun work to consider the post-19 policy and operational interdependencies that exist at national, regional and local level.

We have drafted some success criteria for a post-19 system, considering what this should look like for employers, individuals and for the post-19 system as a whole. This has been shared with DIUS and is attached as an annex for comment by Council members.

Next Steps

Ed Balls and John Denham are expected to send a joint letter to the sector in mid November clarifying the principles to apply in 14-19 and 19 plus Machinery of Government reform. We would plan to have a discussion at December Council in light of that letter. The next stage after that would be a formal consultation in the New Year.

Clearance

The National Director of Strategy and Communications and the National Director of Skills.

Legal implications

The legal aspects of the transition will be fully considered as options are developed.

Financial implications

None at this stage – though clearly highly significant as the policy develops.

Risk management

The risks inherent in the various options are being captured and addressed throughout the programme of work.

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ANNEX - Success Criteria for Post-19 System

For Employers

- A simpler and consistent service which meets their recruitment and skills needs.
- Streamlined arrangements with minimal bureaucracy and good value for money.
- Access to flexible training when and where it is needed.
- Employers feel and behave as purchasers of the services.
- Clarity about which training providers are best able to meet their specific needs so that they can exercise informed choice.
- Ready access to training at all levels of skills including higher skills.
- Employers are more positively disposed towards training for the whole workforce.
- Skills investment decisions are made easier by belief that there will be bottom-line returns through increased productivity.
- Employers are confident in the support they will get from training providers, brokers and government.
- Access to a recruitment service - linked to up-skilling if needed.
- Access to wider business services which will enable enhanced skills to be deployed as part of increased business productivity and growth
- Employer organisations see close alignment between their own priorities and those of the Post-19 system.

For Individuals

- Better appreciation of value of learning for their own advancement.
- Easier access to high quality information, advice and guidance financial support for those who need it.
- Clarity on the skills they need to improve prospects of work and progress thereafter.
- Positive experience of learning now and positive attitude to learning in the future.
- Awareness of choice of learning routes, support available, institutions and entitlements.
• Individuals feel and behave as purchasers of learning, able to access personalised learning when and where they want it
• Investing personally in learning is culturally seen as common place and viewed positively by society.
• All individuals, of every background, are able to realise the benefits of learning and transform their life chances.
• Post-19 policies and practice work together in the interests of the individual.

For the Post-19 System
• Enhanced reputation with employers, individuals and government.
• A system which works cohesively with pre-19 arrangements and manages these interdependencies well
• Delivery arrangements that work effectively nationally, regionally, sub-regionally and locally; as well as for all sectors
• Institutions which play important role in the life of local communities.
• A workforce that engages confidentially with the world of work.
• Advice and guidance driven by the best interests of individuals and employers rather than institutional self interest.
• Clarity about the added value of all intermediaries and how they work together.
• Strong customer focused culture which looks to employers and individuals rather than to “the centre”.
• Seamless support across organisational and geographical boundaries.
• A culture and system which supports those learners in most need of help, especially in communities with multiple challenges.
• A service that is able to customise its offer to fit individual circumstances and company size, sector and growth potential.
• A system that gets the point and hits it individually and collectively.
• A lasting delivery system which can continue to evolve to reflect changing priorities.