Train to Gain Update

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Purpose

The purpose of the paper is to provide an update on Train to Gain to the National Council, including latest developments of the new range of flexibilities announced by the Secretary of State on the 21st October 2008.

Key points/issues

Policy Updates

John Denham announced on the 21st October that small businesses will be the focus of £350 million of Government funds to help them train their staff. This is designed to help small businesses get through the tougher economic climate by building the skills and expertise of their worker. The new package of support will be delivered through the Train to Gain service. We are working with DIUS on the detail based on:

- Extending eligibility for Leadership and Management to those firms employing 5-250 employees;
- Focusing ONA/diagnostic process through skills brokers to better target business support to manage in an economic downturn.
- Level 2s to be fully funded, regardless of whether employees have a L2 i.e. first and repeat and funding for any qualification on the QCF;
- Level 3s for 19-25 year olds all funded (first and repeats);
- Funding for identified units in business critical areas: Business Improvement Techniques; Business Systems/Processes; Teamworking/Communication; Customer Service; New Product Design; Finance and Credit; Cashflow and Profit Management and Risk.
Management. These may be increased to include Sales and Marketing and IT.
- Pre-redundancy and redundancy support and the links between TTG SME flexibilities and the IES Agenda
- Revised Marketing and Communications campaign

2008/09 Delivery

- Relaxations around streamlining procurement and contracting and multi regional provision are already starting to see Providers looking to extend their service delivery into other areas of the country. We are currently piloting the arrangements with the top 9 Providers.
- The work undertaken on the TTG end to end review and tackling bureaucracy review is now reaching conclusion.

Other Activity

- The first IES pilot using TTG from pre-employment through to qualification achievement was announced earlier this month in the West Midlands by David Lammy.
- Brokerage – Plans for the transition of the brokerage service to the RDAs in 2009 are on course with Ministerial approval for LSC regional plans given on the 5th September 2008. The next stage is for LSC Regions to work with the RDAs to ensure skills outcomes as set out in regional plans form part of the contract with the brokerage delivery organisation in each region.
- Findings from the first OfSTED report on Train to Gain are to be published on the 7th November. The fieldwork for the report was started over a year ago when the programme was very young. The report was generally positive and we should welcome and endorse the positive findings that illustrate the strength of the programme. However there were a number of criticisms raised. We have discussed the findings with OfSTED and responded to the report identifying that many of the recommendations made are already in place or planned as a result of Plan for Growth and the flexibilities announced in June and October of this year. We are currently working with DIUS on a communications strategy post publication.

Risks and Issues

- An unknown quantity for 08/09 is the impact of economic downturn and its effect on employer participation. The recent announcements re SME flexibilities and redundancy support indicate action taken as in response to this downturn. There may be further flexibilities/relaxations as we move through 2009.
- Discussions regarding PfS4 continue with DIUS including the implications of the announced flexibilities.
As a result of the announcements, there are implications for PSA targets which we are currently working through with DIUS. Ministers appear to be aware of this risk.

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