Train to Gain – A Plan for Growth

Introduction

This delivery plan contains the actions that will be taken in order to achieve the skills trajectories set out in the Leitch report and agreed with DIUS Ministers. The plan includes details of the actions and investments that are required as well as the impact on targets.

Lord Leitch’s report in 2006 made the case for increased investment in skills if the UK was to increase its economic competitiveness. This would require investment by employers, individuals and the state. Train to Gain was endorsed as the primary skills service through which workforce skills would be enhanced.

Providing a platform of skills also greatly enhances the prospects of individuals to secure employment and to progress. Too often training is not offered to lower skilled individuals who most need this help.

What is Train to Gain?

Train to Gain is a service to support employers of all sizes and in all sectors to improve the skills of their employees as a route to raising the performance of their businesses.

Train to Gain is:

- A commitment to jointly invest in training, by employers and government
- Access to free and quality assured advice in identifying skills needs
- Assistance to identify high quality training and qualification solutions which meet employer needs, including those paid for in part/full by the employer
- Access to Government subsidised training and qualifications for employers and their employees
- Available to all employers, prioritising those who do not currently train

Employers can expect:

- The advice and support provided to be grounded in the skills the employer needs to achieve their business goals
- An assessment of the joint investment needed by Government and the employer to meet those business goals
- A seamless experience from identified skills need to training solution; and
- When making the Skills Pledge, follow up advice and support that is fully integrated within the Train to Gain Service.
New Flexibilities

Following a review of the first year of Train to Gain, DIUS and the LSC have agreed new flexibilities to ensure that Train to Gain remains on track to become a World Class Service across all parts of the country and provides a more flexible, responsive and inclusive service.

These flexibilities are as follows:

- Support for skills for life will be available to all learners who do not already hold a level 2 qualification as separate training when this works best for the employer and the learner.
- Collaborative approaches to support more self-employed workers who find it difficult to participate in training.
- Offenders nearing the end of their sentence will be eligible for Train to Gain support to help them move into a job on their release.
- Volunteer workers will be in scope for Train to Gain support – as well as making key contributions in important sectors such as health and education – volunteering can for many be an important step back towards paid employment.
- People from priority unemployed groups who are recruited by an employer will be eligible for support even if they have a Level 2 qualification where they need retraining. This flexibility will help more people to move out of poverty and will initially focus on Local Employment Partnerships.
- The budget for Leadership and Management support will increase from £4m to £30m. Evaluation of this programme shows that there is a positive multiplier effect on skills investment following the training.
- Following advice from SSCs, we will integrate arrangements for offering apprenticeships and Train to Gain for 19+ clients.
- [We will extend the entitlement for those who are aged 18 to 25 and without a Level 3 qualification into the workplace through Train to Gain. This means that the entitlement will now be available for full subsidy both in college and in the workplace. DN – further analysis is needed before decision to include]
- Where employers commit to contributing 50%\(^1\) of the costs of Level 3 training we will not insist that this is ‘first’ in order to be eligible for public funding support. DIUS and the LSC will also review with Treasury the possibility of Train to Gain funding for ‘part’ qualifications at Level 3 in line with the Vocational Qualification Reform Programme.

Progress Report

Train to Gain was introduced nationally in August 2006. In its first year:

- 52,730 employers were engaged against a target of 47,770

\(^1\) Rising to 50% in line with FE mainstream funding
Almost a quarter of a million employees have been trained against a target of 313,590. These numbers were rising sharply as the year ended.
100,000 learner achievements so far – ahead of profile
72% of companies were ‘hard to reach’ significantly exceeding the target of 51%
Employer satisfaction rates with skills brokerage have been consistently over 80%
Evaluation shows strong commitment by the learners to further investment in training
95% of eligible skills brokers achieved the new professional standard
The new Standard for excellence in employer engagement for training providers was launched

This was a new and major transformational challenge for much of the FE sector and building to these levels so quickly was an excellent achievement. Employer organisations, who helped design the service, as well as the TUC remain highly supportive of it.

Lessons learned
In order to generate the ambitious growth of Train to Gain set out in “World Class Skills”, the LSC undertook a series of thematic reviews during Spring and Summer 2007 covering:

- the role of Skills Brokers
- the supply side and their role in generating future demand
- bureaucracy and how to streamline and speed up contracting, procurement and administrative processes
- the relevance of the employer offer through Train to Gain for different sectors

Providers were concerned that skills brokers needed to generate more learner referrals, that processes were too bureaucratic and that successful performance was insufficiently rewarded through contract growth.

A more general criticism of the Train to Gain Service has been that it focuses too much on Level 2 and lower-level skills. This had not been the policy intention for Train to Gain.

In some instances employers have been unsure about which parts of the training package are subsidised. This confusion has been added to on occasions as providers use other sources of funding, such as ESF, as a supplement.

Sector Skills Councils have felt frustrated by a focus on “firstness and fullness”, which has made it difficult to generate demand in some sectors.

There has also been too much regional variation, both in terms of performance and the delivery models. While Train to Gain performance has been really strong in the North East, West Midlands and North West,
performance in London and the South East especially has not risen sufficiently quickly in the first year.

**The Strategy for Increasing Take-Up of Train to Gain**

Having undertaken the four thematic reviews and consulted extensively with all those engaged in the Train to Gain delivery system and with stakeholders we have concluded that in order to expand Train to Gain we need to adopt a fresh strategy with the following 4 key strands:

- A new offer to employers
- Building a stronger network of Train to Gain providers
- An intensified approach to lifting performance and ensuring consistency across the LSC
- Clearer communication of the Train to Gain service and why employers need to invest more in the skills of their workforce

**A New Offer to Employers**

**The Skills Pledge, Employer Organisations and Large Businesses**

We need many more employers to use the Train to Gain Service and greater championing of Train to Gain at a ‘business to business’ level, which we know commands the most effective response.

To do this, we will capitalise on the Skills Pledge to engage more employers, especially larger ones nationally and regionally in Train to Gain. Each of the nine regions is producing its strategy for promoting and supporting the Skills Pledge. We will also work closely with employer organisations such as the CBI, BCC and IOD to promote the Skills Pledge backed up by Train to Gain funds to their members. The National Employer Service is targeting 200 companies from the FTSE 500 list to sign the Skills Pledge and with whom it will develop training plans and contracts. We will target and do more to address the skills needs of those large employers (1,000-5,000 employees) who are so often the drivers of regional and national economies.

**Sector Initiatives**

Sector Skills Councils have the primary responsibility for shaping and stimulating employer demand for training. We will build on our strong track record for joint working with many SSCs to ensure that in every sector there is a clear commitment to champion Train to Gain and a strategy for joint investment. We will also develop and extend other successful national and regional sectoral approaches including the Joint Investment Framework for the Health Sector and the Public Service Compact approach developed in the West Midlands.

**Improve the employer experience**

Our end-to-end review of process will ensure that employers receive a consistent experience of the Service from skills brokerage to skills solution, no
matter where their business is in the country. We will ensure employers are clearer about the quality of training providers and their specialisms – through our New Standard – and aware of what help they should expect from training providers. We will enhance the offer to employers through the new flexibilities described above. We will publish a version of this Plan for Growth aimed specifically at employers.

**Enhance the effectiveness of skills brokers**

Although skills brokerage is only a year old and has developed well, its next stage of development will be vital so that it better serves employers with specialist needs, and works more easily and effectively with providers who see all referrals as opportunities. Because we are exceeding our ‘hard to reach’ target, there is scope to focus skills brokers more on medium-sized employers (who are usually easier to reach) while continuing to meet our target. This will enable us to increase the average number of learner referrals from each employer engagement. We will ensure effective working relationships and referral arrangements between skills brokers and providers. We also want to increase referrals to and from skills brokers from Union Learning Representatives who have a strong track record in motivating ‘hard to reach’ employees - and from other intermediaries such as Investors in People.

There is also the challenge arising from the Government’s Business Support Simplification Programme to integrate skills and business support services. We will work closely with DBERR and RDAs to put the best arrangements in place and to ensure that that skills brokerage is fully and effectively integrated with the Business Link Information Diagnostic and Brokerage service and continues to improve its offer to employers.

**Building a stronger network of Train to Gain providers**

There is still a long way to go before we can guarantee access by employers everywhere to high quality responsive provision, geographically and sectorally. We need the prevailing view of the business world to be that the FE sector knows what it needs and delivers. We will therefore continue to prepare the ground for the further expansion of provision that is needed. Our provider management and communications strategies will underline that we need the FE sector to be more proactive in engaging employers collecting fees and generating income, the consequences for their financial viability if they do not respond and the support for capacity-building that is available.

Working with leaders in the sector we will develop a major strategic change management programme to help colleges and providers understand how a demand-led system will impact on their business. This support will be built around examples of proven business models and be highly tailored to actively support colleges and providers to reengineer their business in order to successfully compete in a demand-led environment and deliver Train to Gain well.

We will lift the funding cap for successful Train to Gain providers, make it easier for them to operate in other regions and bring in more high performing providers who have previously focused on delivering apprenticeships.
Drawing on existing best practice, we will accelerate the roll out of the New Standard for employer responsiveness and vocational excellence, as well as improving the effectiveness of those staff involved in employer engagement. As providers acquire the New Standard they will find they have a “licence to practice”, wherever employers wish to use them, thereby rewarding excellence and accelerating an informed skills market.

**An intensified approach to lifting performance and ensuring consistency across the LSC**

Despite a strong performance culture in the LSC, regional performance in the first year of Train to Gain has been uneven, with a significant gap between the best and the worst. LSC reviews have consistently shown that tighter more focused performance management is a key way to drive take-up and improve success rates. This approach will be applied rigorously everywhere, through area, regional and sectoral reviews. The LSC has looked at best performance, is defining the characteristics of successful Train to Gain delivery and building up a consistent approach to the core elements of Train to Gain which will be introduced everywhere. We need to tackle the underperformance in some of the bigger regions and all regions will produce their own Train to Gain Improvement Plan. We will use our Minimum Levels of Performance approach to drive up success rates.

We recognise the special importance of London as a driver of economic growth for the country and its potential to give a strong lead to the rest of the business community. We will therefore intensify our approach in London with the aim of making it the most improved deliverer of Train to Gain of all regions within three years.

**Communicating the Train to Gain service and why employers need to invest more in the skills of their workforce**

In order to build the volume of activity that we need through Train to Gain, we need to create a groundswell across the business community that Train to Gain is the skills service for them. We will therefore ensure that all employers understand and are offered a consistent business-centred Train to Gain service. To that end, we will effectively “re-present” Train to Gain with absolute clarity about what is offered at all skill levels. This will enable key intermediaries, partners and stakeholders to understand what Train to Gain offers employers. All skills brokers and providers must understand that the service is led by the needs of employers not by single products or qualifications.

Through a series of roadshows and publications we will also help all partners including providers and SSCs and stakeholders and intermediaries understand what their role is in delivering and/or promoting Train to Gain and the implications of Train to Gain for their business. We are already working with employer organisations including the IOD on promoting the Service and will use the high profile national Skills Campaign to raise employer awareness.
and use willing partners to promote the new offers – for example the CBI and AoC.