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

This report provides National Council with an update on performance against Public Service Agreement (PSA) targets, strategic priorities and the development and implementation of policy and strategy from across the LSC.

Section 1: Key highlights since last report

14-19 Machinery of Government Changes
Mark Haysom and Rob Wye met in mid December with senior colleagues at the Department for Children, Schools and Families (DCSF) to discuss the 14-19 Machinery of Government (MOG) changes. As a result of this, the LSC has recently submitted to DCSF its views on how best to take forward the 14-19 MOG changes. This formal engagement by the LSC with DCSF is in addition to the work being undertaken by the four LSC colleagues seconded to the DCSF to be part of its MOG team.

The LSC continues to meet with the chair of the Association of Directors of Children’s Services (ADCS) to consider how the two organisations can work together to take forward the MOG changes for 14-19. The two organisations are currently developing the terms of reference for LSC/DCS working together at regional level. It is expected that this document will be made publicly available in late January.

The LSC’s 14-19 Transition Group continues to meet on a monthly basis to consider the potential implications for the LSC of the MOG changes. The group will obviously have a key role in developing the LSC response to the consultation on the changes once it is published (expected to be end February).

Train to Gain
The Train to Gain (TtG) Plan for Growth was published on 26 November 2007, and a series of submissions have been put to Ministers on implementing the plan. The TtG Stakeholder Group (including the CBI, BCC, FSB, TUC, RDAs, SSDA, Jobcentre Plus, Investors in People, the Association of Providers and the Association of Colleges) was pleased with the content of the plan, in particular, the analysis of the issues, the proposed new flexibilities, the funding across a broader range of skills levels and the new measures proposed to support the improved performance of the Service.

Apprenticeships
In December, LSC launched the Fifth Annual Apprenticeship Awards for 2008, hosted by the Skills Minister, David Lammy, and attended by several celebrity role models, including Stella McCartney, Alan Shearer and Eric Clapton who started out as apprentices. Chris Banks represented the LSC at the launch of the awards which recognise the top apprentices trained by 130,000 organisations in England; with the winners set to be announced in July 2008.

Research into expanding Apprenticeships
LSC commissioned research in August 2007 to examine the issues facing the expansion of Apprenticeships. Initial findings of the research are that:

- While 74 per cent of employers who do not have apprentices do not recruit anyone aged 16-18 years old, half of the employers surveyed said they do not recruit anyone under the age of 25. Employers claim much of this is down to the attitude rather than the skills’ type and levels of young workers.
- The unemployment level for learners who have completed an Apprenticeship is 9 per cent, which compares favourably with those who have dropped out of the Apprenticeship for any reason for whom the figure is 25 per cent. Equivalent unemployment figures for Advanced Apprenticeships are 3 per cent for those completing compared to 17 per cent for those not completing.
- There is no evidence to support the view that migrant workers displace Apprentices.

New Standard for Employer Responsiveness and Vocational Excellence
The first 22 providers to have achieved the New Standard were formally recognised at an event in December hosted by Chris Humphries, Chief Executive Officer designate of the UK Commission for Employment and Skills.

Adult Information Advice and Guidance
The LSC is proceeding to re-procure the face to face IAG service delivered under the Nextstep brand for the period 1 August 2008 – 31 July 2010. This will provide an opportunity to begin to re-shape the service in advance of the new Adult Advancement and Careers Service due to start in 2010.

Quality Assurance
The LSC published an updated draft version of Identifying and Managing Underperformance on 12 January. The document sets out the criteria for taking action where underperformance is evident, the action that should follow and the support given to colleges and providers. The activities within the document underpin the LSC’s contribution to the target of eliminating inadequate or unsatisfactory provision by 2008. A revised version of the LSC’s intervention policy is presented to the Council in a separate agenda item.

The Full Year Statistical First Release
The Full Year Statistical First Release (FY-SFR) was published on 18 December 2007. The SFR received some media coverage in the Times Educational Supplement which was extremely positive and highlighted the record numbers of 16-18 year olds that were staying on in education. The BBC Website also featured the SFR noting the drop in adults undertaking evening courses. Both articles quoted that the figures were in line with LSC’s funding strategy.

Project Connect - Transition of IT services to Capgemini is now in hand
Following a Europe-wide procurement exercise, the LSC has appointed Capgemini as its lead IT service provider. The new contract starts in April 2008 and replaces two existing contracts with Fujitsu and Xansa. Capgemini will provide a number of IT Services for the LSC including - Server Hosting, Desktop Support, Application Support, and Application Development Services.

Section 2: Update on delivery of PSA Targets
This section provides an update on our latest progress toward the delivery of our PSA targets. All information included in this section has been updated to reflect the latest delivery information.

Young People
The PSA target for attainment at age 19 is to:

- Increase the proportion of 19 year olds who achieve at least level 2 by 3 percentage points between 2004 and 2006, and a further 2 percentage points between 2006 and 2008 and improve attainment at level 3.

Increases in participation are important for meeting the PSA target for young people’s level 2 and 3 attainment. Accordingly, Learner numbers on full level 2 programmes for Young Learners increased by 1.0% to 319,600 between 2005/06 and 2006/07. Similarly to that Young Learners on full Level 3 increased by 2.8% to 369,400 in the same time period.

Adult Skills
The PSA targets for adults are to:

- Increase the number of adults with the skills required for employability and progression to higher levels of training by:

  - Improve the basic skill levels of 2.25 million adults between the launch of Skills for Life in 2001 and 2010, with a milestone of 1.5 million in 2007; and

  - Reduce by at least 40 per cent the number of adults in the workforce who lack NVQ 2 or equivalent qualifications by 2010. Working towards this, one million adults in the workforce to achieve Level 2 between 2003 and 2006.

Level 2 Target
The FY-SFR confirms that the number of funded adult learners on lower priority programmes reduced more rapidly than was envisaged. In particular, between 2005/06 and 2006/07 the number of LSC-funded adult learners fell significantly by 18.5% to 3,166,300, a decrease of around 720,000 LSC-funded adult learners.
However, the number of adults (aged 19 or over) on full level 2 programmes increased by 41.6% to 470,400 between 2005/06 and 2006/07. This increase in participation on full level 2 programmes is a fundamental part of the strategy for delivering the level 2 element of the adult skills PSA target.

**Skills for Life**
The PSA target to increase the number of adults with basic skills also requires an increase in participation. The number of adults participating on Skills for Life programmes has increased by 15.9% to 350,900 from 2005/06 to 2006/07.

**Apprenticeships**
At 70,400, the total number of starts to date for 2007/08 is 3% higher than the same period last year. This increase largely derives from increases in the numbers of apprenticeships in the 19-24 and 25+ age groups. There have been almost 19,000 framework completions so far in 2007/08.

Framework achievement rates in 2006/07 reached their highest levels to date, with more than 60% of Apprentices successfully completing their framework. The Average in Learning, at 230,600 for all programmes, is, however, 9,000 lower than the same period in 2006/07, and lower than planned.

**Section 3: New PSA Targets**

**Young People:** Two new PSA targets have now been agreed to cover the next CSR period, these are to increase the proportion of young people achieving (i) Level 2 at 19 from 71.4 percent in 2006 to 82 per cent by 2011 and, (ii) Level 3 at 19 from 46.8 per cent 54 per cent by 2011.

**Adult Skills:** The new adult targets provide LSC with the new challenge to increase further the proportion of adults with both the basic skills and Level 2/3. However, going forward the target is now based upon the proportion of working age adults and not just those economically active. The new targets are (i) an additional 597,000 people of working age to achieve a first Level 1 (or above) literacy qualification; (ii) 390,000 to achieve a first Entry Level 3 (or above) numeracy; (iii) by 2011 79 per cent of working age adults should be qualified to level 2 and 56 per cent qualified to level 3.

**Apprenticeships:** Increase the proportion of Apprentices who complete the full Apprenticeship Framework. The Target is for 130,000 learners to complete the full Apprenticeship Framework in 2010/11.

Future reports from the start of the CSR period will provide progress against these targets and the specific delivery issues associated with them.

**Section 4: Delivering our Priorities**

**Priority 1: Raise the quality and improve the choice of learning opportunities for all young people to equip them with the skills for employment, further or higher learning, and for wider social and community engagement.**

**Education Maintenance Allowance (EMA)**
EMA is a weekly payment which encourages young people from low-income families to participate in post compulsory learning. As at 28 December 2007 507,786 learners have benefited from EMA payments and that by the same reference date 554,977 Notices of Entitlement had been issued to learners who had applied, and were eligible for EMA support in the academic year 2007/08.

Work is ongoing to implement the Ministerial decisions highlighted in the last Report to Council.

**Dance and Drama Awards (DaDA)**
DaDAs enable the most talented individuals to train to become actors, dancers, and stage managers, regardless of their family income. To that end, 1,465 Awards have been taken up for 2007/08. As at 28 December 2007 883 learners (60%) were receiving further support from the income assessed student support fund.

**Care to Learn (C2L)**
C2L supports young parents in learning by contributing to the costs of their childcare while they learn. As at 28 December 2007, 5,161 young parents had/were benefiting from the C2L scheme in the 2007/08 academic year. The C2L is on target for 7,500 young parents benefiting from C2L in 2007/08.

WorldSkills Competition
As highlighted in the last Management Group report to Council, the UK WorldSkills team, made up of 22 highly talented young people, won four medals and nine medallions of excellence at WorldSkills 2007 held in Shizuoka, Japan in November last year. From a field of 49 nations within 21 skills categories, this year’s results placed the UK 11th in the world overall, and fourth in Europe, improving the UK’s position by one place from 2005.

The next WorldSkills competition is in Calgary, Canada in 2009, with London hosting the event in 2011.

Apprenticeships
- **Legislation:** The recent Queen’s speech brought the announcement of the draft Apprenticeship Reform Bill. The draft Bill will be jointly led by DIUS and DBERR and intends to regulate and promote Apprenticeships, as part of a drive to promote more workplace skills. It runs alongside the review of Apprenticeships, due for completion shortly. The draft Bill is expected to cover a statutory definition of Apprenticeships including arrangements for determining the content of Apprenticeship frameworks, and a right to public funding for Apprenticeship programmes. Public bodies will be compelled to offer Apprenticeships; the Bill also will amend minimum wage regulations on the current Apprenticeship exemptions.
- **Review:** Publication of the Prime Minister’s Unit-led review of Apprenticeships has been delayed to January. The LSC has worked closely with the review team to inform discussions, and all papers have now been submitted. We will inform Council of the outcomes of the Review, expected at the end of January.
- **National Apprenticeship Vacancy Matching Service:** The implementation of an apprenticeship matching service was identified as a key driver to increase participation rates in Apprenticeships and meet the aspirations set out in World Class Skills, for 400,000 Apprenticeship places each year by 2020, and in September the Prime Minister announced a country-wide vacancy matching service to be rolled out in 2008. Since September, work has taken place to identify the preferred model for the service, with the following core requirements:
  - information and guidance on apprenticeships for young people and employers and their agencies and representative organisations
  - it will enable employers, and training providers on employers’ behalf, to advertise apprenticeship vacancies, and enable potential apprentices to search, view and apply for vacancies
  - it will provide data and analysis to monitor application volume, employer demand, progression and subsequent employment outcomes, to enable the LSC, Local Authorities and Sector Skills Councils to manage supply and demand and monitor performance of the service
  - it will work within existing and developing structures which provide support for young people, adults and employers, and complement related policy initiatives designed to respond to individual demand.

Priority 2: Raise the skills of the nation, giving employers and individuals the skills they need to improve productivity, employability and social cohesion.

Informal Adult Learning Consultation
Following the publication by DIUS of Adult Learning and Skills – Investing in the first steps, the Secretary of State hosted a breakfast meeting on 9 January 2008 for key stakeholder organisations. These organisations were asked to coordinate the responses for specific interest groups such as culture, sport, older people, health etc. On 15 January the consultation will formally be launched at a Social Market Foundation event. The consultation will last for four months and the LSC will work closely with DIUS. LSC will also be responding to the consultation, and Council will be consulted as part of this.
Review of Former External Institutions
The LSC’s Statement of Priorities (p41) signalled LSC intention to undertake a full review of the strategic role of local adult providers, to help to identify how their important contribution to wider adult learning will be supported and delivered in the longer term. The review will cover all former External Institutions (fEIs) and Specialist Designated Institutions (SDIs) and may be broadened to bring in other adult education providers not receiving FE funding but who deliver aspects of adult safeguarded learning including PCDL and family learning.

The review will encompass a complete assessment of the totality of the LSC investment (FE, WBL, safeguarded adult learning, TtG and ESF co-financed activity). It will also consider other sources of funding and the range of activity that this funding supports, and will analyse the extent to which the institutions are dependent upon LSC funding.

Vocational Qualification Reform Programme
2008/09 will represent the first full year of operation of the Qualifications and Credit Framework (QCF) outside of any test and trials phase. Ministers are expected to confirm the final details of the implementation of the QCF in June 2008, following the outcomes of a January report into the costs and benefits of qualification reform. From 2008/09 public funding for vocational qualifications for adult learners will be prioritised to support only those qualifications which have been ‘approved’ by Sector Skills Councils (SSCs) and accredited by QCA into the QCF and signalled by SSCs as being priorities for public funding. In December 2007 the Addendum to the Statement of Priorities was published which contained the first indicative lists of priority qualifications arising from the LSC’s modelling of the process with ten SSCs.

From 2008/09 the LSC will be funding a mixed economy of NQF and QCF vocational provision for adult learners, but LSC will expect providers to start moving towards delivery of QCF provision. From 2009/10 the LSC intends to start to actively ‘turn funding off’ for existing National Qualification Framework (NQF) qualifications (where the appropriate QCF priority qualifications exist); this will be applicable to new learner enrolments. It is also anticipated that the LSC will cease funding of new registrations on qualifications in the NQF after 31 July 2010.

A provider support programme, focussing on VQ reform has now begun and will comprise a range of national and regional road shows and other support packages for those providers likely to be involved in the first tranche of wider delivery of the QCF from August 2008. During the first quarter of 2008 the LSC is continuing to take forward a range of work examining the financial and business implications of VQ reform on LSC processes. It has been agreed that the Change Board will now take ownership of the implementation of the reform programme including responsibility for key decisions likely to impact on the business cycle for the three-year period of transition starting from 2008/09.

Adult Learning Grant
ALG provides adult learners from low income households with financial support to help achieve their first full Level 2 or full Level 3 qualification.

At 28 December 2007 28,348 applications for support from the scheme were received. Although it is too early to provide final award volumes it is expected that the take-up will well exceed LSC expectations of 17,500 adults receiving ALG by the end of 2007/08.

The initial high volume of applications generated a backlog at the Helpline, Assessment and Payment Body (HAPB), leading to some complaints from learners and learning providers. Extra resources have been committed, and improvements to the business process made, to speed up the processing and query timescales. Many applicants have had their applications processed in good time and are receiving their ALG payments. The HAPB anticipate that by 14th January all applications received more than 10 days previously will have been assessed and either cleared, refused, or queried. The LSC has provided additional guidance to ensure that minimum numbers go into query.

Career Development Loans (CDLs)
CDLs are commercial bank loans which help individuals to pay for learning that will enhance their career prospects. As at 28 December 2007 13,091 loans were live.
Skills Accounts

LSC are working with partners on the Integrated Employment and Skills Board (DWP, DIUS, JCP) to develop the trial and, subsequently, begin rolling-out the Skills Accounts Programme over the three years beginning 2008/09. LSC have suggested that this is best achieved through two distinct but related strands:

- Strand A will initially be limited to the SE and EM regions, building on the experience of trialling Adult Learner Accounts (ALAs) in 07/08. As the infrastructure comes online LSC would look to significantly expand the availability across the country.
- Strand B will initially focus on trialling a Skills Account model for Jobcentre Plus customers undertaking employability skills training. LSC proposes that this trial will take place in Greater Manchester, Birmingham, London and the East of England.

A learner with a ‘live’ account will receive access to IAG services, including details of career paths, courses, qualifications, providers and generic information about entitlements, online or face-to-face. At this stage a learner would also have the option of receiving an induction pack. A learner who opens an account would receive a Unique Learner Number (ULNs), an account card, access to the learner record and learning plan. A learner with an active account would in addition receive financial style statements, and targeted IAG during their learning programme.

The LSC ambition is that by 2010/11 learners with a Skills Account will have access to £500m of public funding rising to £1.5bn by 2015. An ambition for the number of ‘active’ Skills Accounts for 2008/09 is still under discussion, as well as the initial eligibility criteria.

Train to Gain

- **Delivery:** The full MI Performance Report for period 4 indicates an additional 30,000 starts in November, taking the total number of learner starts in 2007/08 to 81,100, which is 82% of profile. Of these starts, almost 71,230 learners have started full level 2 programmes, including level 3 jumpers, which is 83% of profile and equates to 22% of the total level 2 delivery we have planned this year.

In addition 2,070 learners started on level 3 pilots and almost 8,000 on Skills for Life programmes – in excess of 3,000 since the last update. Skills for Life performance remains an issue, although there has been real progress made in recent months, and performance is now approaching 60% of profile.

LSC are also meeting LSC planning assumptions for full level 2 achievements, about 30,000.

By the end of November, skills brokers had engaged 14,710 employers, which is 74% of LSC planning assumption of 19,920. There is still an issue with understated data returns across 3 LSC regions. Actual engagements in these regions are likely to be higher than reported and Period 5 reporting should therefore bring the overall figures closer to profile. The Plan for Growth sets out actions to reform and extend skills brokerage to allow greater focus on larger employers, which should return a greater employer to learner ratio.

- **Skills Pledge:** At 16 December 2007, 852 employers had signed up to the Skills Pledge, an increase of 214 on the last period. In December, we undertook a review of the Skills Pledge data and found an error had taken place during the transfer of data from that collected prior to the Skills Pledge launch on 14 June, to the main management information programme. The error relates to employee numbers covered by the Pledge. Work is continuing to cleanse the data we have, and the latest confirmed figure for employee numbers is 2,362,013. We will continue to update Council on progress with the Skills Pledge and the outcome of the full system review.

- **Implementing the Plan for Growth:** Following publication of the TtG Plan for Growth in November 2007, a number of key actions have been implemented by LSC or submitted to ministers for final approval.

- **LSC have already taken steps to extend skills brokerage to work with larger employers, improve training provider management, and ensure greater consistency across the regions, which should all provide a stable platform on which to build other flexibilities outlined in the Plan for Growth, and realise greater learner volumes over time.**
Prior to Christmas a submission was put to ministers setting out a number of flexibilities LSC identified would make an impact in a short timescale:

- Inclusion of volunteers on the same basis as an organisation’s paid staff, where that organisation is using the TtG Service;
- Extending TtG to self employed workers; and
- Removing the ‘firstness’ criteria for Skills for Life and Level 2 qualifications for learners on TtG provision, when it is accessed following job entry via a Local Employment Partnership.

Ministers also agreed to the principles behind expanding the Leadership and Management programme from £4m to £30m per year, and are now formally considering proposals submitted in the week before Christmas. Over three years, the programme would be able to support more than 40,000 businesses, who would each receive a diagnostic and up to £1,000 in delivery support, in return for ‘match-funding’ up to £500. The programme will also be extended to companies with 10-250 employees (from 20-250) in order to engage the very hard to reach, and each business engaged will be followed up after a period to secure buy-in to other TtG support, including the Skills Pledge. The expanded programme will be accompanied by greater emphasis on Leadership and Management within the TtG marketing and communications strategy.

LSC have proposed two parallel regional pilots to test how good providers could engage with employers directly, and relieve pressure on the brokerage service. It has been suggested that £2m of the budget is used and should focus on:

- New Standard providers to engage employers directly to the Leadership and Management programme; and
- LSC procures leadership and management provision in response to Sector Skills Agreements, through the regional commissioning process.

LSC will inform Council of Ministers’ response to the submissions, and continue to report on the impact of actions implemented.

**Level 3 Provision:** Level 3 provision is now available and being delivered in all regions and work is underway to integrate the original Level 3 Trials into the mainstream TtG offer for August 2008. A Level 3 TtG Action Plan is being developed and will be available by February 2008.

**Higher Level Skills:** An initial evaluation of the Higher Education Funding Council for England Higher Level Skills Pathfinders has been completed and this will inform the imminent Higher Level Skills Strategy to be published by DIUS. LSC have committed to ensure that this emerging strategy meshes effectively within the Plan for Growth.

**Train to Gain Research**

An LSC research is on-going including on gauging the views of the learners on the TtG Programme and the wider own opinions of employers offering the TtG Programme. The full findings from the first wave of the research will be available at the end of January 2008. However, the initial findings are

- **For Employees:** that 60 per cent of learners were aware of the TtG brand. Amongst those aware, TtG was viewed mainly as a programme for employees to get skills and qualifications at work.

- **For Employers:** That 80 per cent were satisfied with the TtG service at an overall level;

**University for Industry**

The University for Industry (UfI) Delivery Plan under the current contracting arrangement is stable with:

- UfI Skills for Life achievements 07/08 year to date totalling 4,611 (which represents 102% of the year to date target of 4,515) against a whole year target of 55,000 achievements;
- UfI First Full Level 2 achievements to Period 3 total 374 (113% of the monthly profile) against an annual target of 5,000 achievements;
- Learner numbers totalling 77,472 against an expected year total of 217,000.

**Employability Skills Programme**

Cumulative data to 31 October 2007 (Period 3) shows 7,446 Jobcentre Plus customers have been referred to the Employability Skills Programme for assessment. 1,231 learners have been enrolled onto 2,060 learning aims. The proportion of individuals undertaking numeracy learning has risen significantly.
Regional teams are currently considering whether additional providers will need to be contracted in 2008/09 in order to meet raised learner numbers as a result of the increased funding (£32 million in 08/09).

**Adult Information, Advice and Guidance**

To prepare for the Adult Advancement and Careers Service which starts in 2010 it is decided to re-procure the Nextstep Service for the period 1 August 2008-31 July 2010. The approach has also been discussed at the IAG Task and Finish group and agreed by the Planning Commissioning and Procurement Board. The rationale for procuring the LSC funded face-to-face IAG service, delivered under the Nextstep brand is as follows:

- Legally, LSC is unable to roll contracts over with existing providers (technically, LSC should not have done it for 2007/08);
- regional colleagues have made it clear during discussions within the IAG Task and Finish Group that this is the course of action that they want to take;
- LSC are currently tied to a tender document that was issued four years ago. This means that LSC are unable to make significant changes to delivery to improve the service unless LSC procure the service. Not procuring would also constrain the LSC in terms of trialling aspects of the adult advancement and careers service that are due to commence 2008;
- re-procurement will send a clear message to current providers that they need to make significant changes to delivery, culture etc in order to be part of the new world; and
- it will put the LSC in a stronger position to shape and inform the new service that will be available from 2010.

**English for Speakers of Other Languages (ESOL)**

As mentioned in the last Council report, the Secretary of State for DIUS, John Denham, is keen to place skills at the heart of a renewed drive to promote social cohesion and social mobility, and as part of this is keen to understand the particular role of ESOL provision. To that end, DIUS launched a delayed ESOL consultation: Focusing ESOL on Community Cohesion, on 4 January 2008. The consultation, personally led by Bill Rammell, looks at what more could be done to promote social cohesion and a greater share of the budget directed towards those learners who are committed to remaining in the UK, but for whom English language is a significant barrier.

An internal ESOL Task and Finish group, commissioned by Mark Haysom, will now take a broader look at how LSC could better direct funds to priority ESOL learners. This work will feed into the LSC’s response to the consultation and will be reported to Council.

**Priority 3: Raise the performance of a world-class system that is responsive, provides choice and is valued and recognised for excellence.**

**Regional programme with young Muslim learners**

The LSC has commissioned SHM to develop a programme of practical courses of action to help those working in the FE system to engage young Muslim learners. The programme builds on the research study Engaging Young Muslims in Learning, and addresses priorities identified regionally, including:

- Addressing worklessness among young Muslim women
- Tackling stereotypes of Muslim young people and
- Engaging Muslim migrants in FE.

The programme will deliver outputs from each region outlining practical steps providers can take to engage Muslim learners, and develop teams of motivated young Muslim people who could be a valuable resource for future work.

**Changes in the Equality and Diversity team**

The Director of Equality and Diversity, Lee Probert, has taken up a part-time secondment as Executive Director of the 157 Group. The Equality and Diversity function is being integrated into the Quality Assurance team

**Framework for Excellence (FfE)**
The Framework for Excellence continues to progress towards agreed milestones. During the spring the pilot of 100 colleges and work-based learning providers will be evaluated in order to inform key policy documents which will be published in June 2008. In addition, a major business change programme is now underway to inform and support the LSC Regions as the Framework rolls out to all colleges and work-based learning providers in 2008/09. Finally, the Framework will be piloted for other categories of providers from summer 2008 onwards.

New Standard for Employer Responsiveness and Vocational Excellence

On 12 December Chris Humphries hosted an event to celebrate the achievements of the first 22 providers accredited under the New Standard for delivering high quality training to employers. Amongst those being awarded were, City of Sunderland College, Basingstoke College of Technology and the London College of Beauty Therapy. A key development of the Standard from previous accreditation schemes is that it is not attached to public funding or investment and will be open to both publicly and privately funded organisations providing higher and further education. In addition, accreditation is verified by employers, meaning that the criteria for achieving the Standard reflect their needs and views.

The Standard has been extremely well-received to date by the sector and a further four training providers have recently received accreditation; taking the total to 26. 50 providers are already undergoing assessment.

In the last Management Group report to Council, Council was informed that the proposed name for the New Standard was the “Training Quality Standard”, but this is yet to be submitted to Ministers so could potentially change.

Mergers

- Activity Update: Key developments since the last report are:
  - proposed merger between Wiltshire College and Salisbury College was approved in December 2007 and took effect from 1 January 2008.
  - proposed merger of Manchester College of Arts and Technology and City College, Manchester was approved on 9 January 2008. This proposal will create a new large FE college for the city of Manchester and will take effect from August 2008.
  - proposed merger of Penwith College with Truro College is currently with Secretary of State for determination.
  - proposed merger of Greenwich Community College, Lewisham College and Bexley College: this will now not proceed and Bexley College is now working with North West Kent College, where many residents of Bexley currently study, to consider the most appropriate options for learners in this locality.
  - proposed merger of Stourbridge College and Dudley College is no longer being progressed.
  - proposed merger of Fareham College and St Vincents Sixth Form College: the LSC published the consultation in December 2007, to considerable press interest. The LSC will be working closely with DIUS and key stakeholders to carefully consider the outcomes of the consultation and discuss potential direction of further work.

- Policy Update
  LSC is continuing to work closely with DIUS to develop and agree protocols surrounding the consideration of merger proposals. In particular, discussions on the criteria for considering merger proposals is progressing well and should shortly be agreed. The LSC is due to meet with both DIUS and DCSF on 16 January 2008 to take this forward.

Priority 4: Raise our contribution to economic development locally and regionally through partnership working.

Adult Learning Option

The Adult Learning Option (ALO) pilots are due to be completed in August 2008, as planned. However, the interim ALO report did not make any direct recommendation about whether or not the pilot should continue or roll-out nationally. The Government is still committed to ensuring that more learners/customers obtain their Level 2 and higher qualifications. To help customers understand more easily the range of help on offer, provision is being made to ensure that Level 2 training is part of a menu of provision that can be used
flexibly, to meet the needs of the individual customer, rather than as a separate initiative. Lessons learned from the pilot will be valuable in taking forward an integrated employment and skills model.

Skills for Jobs
Invitations to Tender for European Social Fund (ESF) funded skills for jobs provision have been issued with a closing date of 7 December 2007. Regional contract clarification meetings are taking place with successful providers.

An initial meeting has been held between DIUS, LSC, and DWP to discuss the scope of future reporting arrangements for skills for jobs, and a further meeting is to be arranged to agree parameters for regular reporting arrangements for skills for jobs and the wider integrated employment and skills activity.

Skills Coaching
The Integrated Employment and Skills working group reviewed options for the future of skills coaching trials and agreed a proposed exit strategy for the project, which would mean that new entrants to the service would cease by 31 March 2008, with customers on the trials expected to complete their customer journey by 31 July 2008. One of the trial areas has indicated it will continue to take new entrants in April, linked to their commissioning for skills for jobs provision.

The intention of this proposition is to both ensure that skills coaching customers receive an effective service, and to maintain the expertise and infrastructure that has been developed within nextstep and skills coaching sub-contractors during the trials. The external evaluation of the second year of skills coaching trials has been published, and this highlights in particular, lessons from skills coaching to inform the future adult careers and advancement service.

Local Employment Partnerships (LEPs)
At the heart of LEPs are the relationships between Jobcentre Plus and individual employers. These relationships are flexible but always involve Jobcentre Plus and employers working together to increase the employer’s ability to recruit effectively and efficiently from the diverse group of customers who Jobcentre Plus is helping back to work. Encouraging progress has been made to date:

- Jobcentre Plus has secured the commitment of over 300 employers to working through Local Employment Partnerships, this meets their expected target at March 2008
- Jobcentre Plus has concentrated its focus on larger employers to date such as local authorities, NHS Trusts, large retailers and hoteliers
- Jobcentre Plus is now targeting small and medium sized employers in rural and other areas
- 140 employers have begun active involvement in Local Employment Partnerships with Jobcentre Plus.

Further Education
Between 2005/06 and 2006/07:

- the numbers of learners on Skills for Life programmes increased by 10.8% to 669,100
- Youth participation on full level 2 programmes increased by 9.0% to 155,200 and adult participation by 7.1% to 225,800.
- Youth participation in full level 3 programmes increased by 5.1% to 297,200 but adult participation fell by 3.2% to 155,600.

26.7% of FE learners are now under 19, an increase of 6.2 percentage points from 2005/06.

White British learners remain the most prevalent ethnic group, constituting 70.2% of all learners (1.98 million) in 2006/07. 77.7% of learners in FE were recorded as being of white ethnicity. The proportion of ethnic minority students in FE increased from 1.8% in 2005/06 to 19.3 in 2006/07.

The gender mix of FE learners remained relatively stable between 2005/06 and 2006/07 with the proportion of female learners dropping by one percentage point to 57.9%.

The most popular sector subject areas followed by learners in 2006/07 were Preparation for Life and Work, which is closely allied to Skills for Life (24.8% of FE provision), Health, Public Services and Care (14.3%)
and Information and Communication Technology (12.1%). The decrease in learner numbers has had a proportionately greater impact on those studying Health, Public Services and Care (a fall of 37.6% between 2005/06 and 2006/07), and Information and Communication Technology (down by 35.8%), compared with other subject areas.

**Work Based Learning**
The number of learners undertaking WBL in 2006/07 was 463,900, a decrease of 5.2% from 2005/06. The overall WBL average number in learning was 263,200, a 7.1% decrease from 2005/06.

The cessation of funding for NVQ-only learning and channelling of funds towards full Apprenticeship (advanced and at level 2) frameworks has continued, with average in learning fewer than 2,500 learners followed an 'NVQ only' learning path in 2006/07.

LSC saw an increase in the number of starts in WBL, particularly for Apprenticeships. In 2006/07, the LSC delivered almost 10,000 additional starts on level 2 and Advanced Apprenticeships, an increase of 5.5%. The number of E2E starts showed a very slight decrease from 50,800 in 2005/06 to 50,400 in 2006/07.

The ethnicity mix of WBL learners in 2006/07 was virtually identical to 2005/06, with 92.5% of learners in WBL being of white ethnicity and 6.7% from ethnic minorities. The gender mix in 2006/07 remained unchanged from 2005/06 with 42% of WBL learners being female, and 58% male.

The most popular sector subject areas were Engineering and Manufacturing Technologies (19.9%) and Retail and Commercial Enterprise (17.9%).

**Provision in Former Adult and Community Learning Providers**
A total of 745,500 learners were enrolled on programmes in former ACL providers in 2006/07, a decrease of 6.0% on the previous year. Despite this loss, the number of learners aged 25-30 increased slightly (by 0.5%) and that much of the decrease was for learners aged 55 and above (a fall of 9.6%).

The proportion of learners from ethnic minority in former ACL providers increased from 2005/06 to 2006/07 by one percentage point to 12.6%. Participation by nearly all individual ethnic minority groups increased between 2005/6 and 2006/7: the strongest increases occurred in Black or Black British - African (up by 15.1% between 2005/6 and 2006/7) and Asian or Asian British - Bangladeshi (up by 13.7%). The most popular sector subject areas for former ACL providers were Arts, Media and Publishing (27.2%), Preparation for Life and Work (20.0%), and Leisure, Travel and Tourism (13.6%). The popularity of Preparation for Life and Work increased by three percentage points from 2005/06, whilst the popularity of Leisure, Travel and Tourism fell by a similar amount.

There has been a small decrease in the proportion of female learners from 77% to 76% between 2005/06 and 2006/07.

**School Sixth Forms**
The LSC funded around 379,000 learners in School Sixth Forms in 2006/07. This represents an increase of around 3% from 2005/06.

**Train to Gain**
TiG is a national service to support employers of all sizes and in all sectors to improve the skills of their employees as a route to improving their business performance. In 2006/07 169,400 learners participated in TiG with 159,900, 13,200 and 11,000 engaged on full Level 2, full Level 3 and Skills for Life respectively.

Between 1 April and 31 July 2006, a total of 27,300 learners were funded through TiG. Prior to the launch of TiG in April 2006, the Employer Trainee Pilots (ETP) programme operated but data from ETP is not incorporated in the FY-SFR.

In 2006/07 48.3% of learners in TiG were female with a relatively even split in terms of age for adults undertaking TiG between the ages of 19 and 49. Females are however more likely to undertake TiG if they are aged between 35 and 49 (47% of all female learners in 2006/07).