LSC Delivery Report

MARCH 2008

LSC Management Group Report to Council

Agenda Item 12
Paper LSC 19/2008

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**

**Marketing update**

**Skills Campaign – Our future. It’s in our hands**
The second wave of the Skills Campaign commenced on New Years Eve and repeated the existing TV and Radio Adverts and was supported by PR activity. TV aired from the 31 December 2007 through to 17 February 2008.

**Value of Learning Campaign**
An extension of the Skills Campaign, the Value of Learning campaign was launched on Monday 26 November 2007, with 3 weeks of press and radio advertisements. The principal aim of this campaign is to demonstrate the long term financial benefits of investing time or money (or both) in improving skills. The campaign will continue into 2008 with an additional four weeks of radio and press adverts commencing on 18 February.

**Skills for Life Campaign**
The Skills for Life 'Get On' campaign transferred from DIUS to the LSC in October 2007. The first phase of the new campaign will run from the 17th of March 2008, for 3 weeks and aims to build people's confidence in learning mathematics while allaying their negative preconceptions around returning to learning and taking a course. It will introduce a new creative to replace the “Gremlins”. It is anticipated that the Get on Campaign will contribute to the achievement of the PSA target of 390,000 people to attain a minimum of Entry Level 3 in numeracy by 2010/11.

**Education Maintenance Allowance Campaign**
A new advertising campaign begins on 24 March 2008 to build on what LSC has learnt about the wider youth audience, with the aim of reaching those Not in Education Employment or Training (NEET). The campaign reinforces the message that staying in Further Education does not necessarily mean staying in the classroom and presents the wide range of options available. LSC will also be bringing the EMA creative in line with the Skills campaign.

**Train to Gain Campaign**
The current phase of the Train to Gain campaign advertising ran from the 7 to 27 January 2008, on both terrestrial and satellite TV stations, and on national and regional radio stations. In addition, there has been an on-line presence using MSN, Google and Yahoo search engines as well as editorial content on The Times On-Line and Reed Business titles sites. Sector Trade Press advertising will continue throughout the rest of the financial year.

**Apprenticeships**
The outcomes of the PMSU-led Apprenticeship Review: “World-class Apprenticeships: Unlocking Talent, Building Skills for All” have been published. The report has been widely welcomed and a core team has been established within the LSC to set up the National Apprenticeship Service, led by David Way.

Apprenticeship week commenced on the 25 February 2008. This is designed to celebrate the continued success of Apprenticeships whilst rallying more employers to take on apprentices. Activities during the week include the Apprenticeship Summit on the 26 February, an event
attended by David Lammy the 27 February, plus events across the country organised by LSC regions, the AAN, Sector Skills Councils, partners and employers.

**FE Capital Programme**
The LSC’s Capital Strategy and communications proposals were submitted for ministerial approval in early February. A range of announcements from the LSC have been scoped for delivery between Feb/March and Sept/Oct 2008 which will

- Continue to raise the profile of the FE capital investment programme and show physical and tangible representation of the success of the sector and the policies governing it.
- Show how capital projects represent progress within the agendas of social cohesion, innovation, modernisation, specialisation and sustainability.

**Institute of Directors Skills Guide**
Work has been progressing in partnership with the Institute of Directors (IOD) on an updated skills guide to be provided to all members of the Institute and promoted and distributed at a number of launch events. The 64 page publication includes a foreword by Chris Banks, sets out the challenges for businesses of all sizes and in all sectors, the various solutions to identified skills gaps using a range of case studies, the return on training investment and sets out the vision for 2020. The skills guide will be published in April.

**New Standard**
The UK Accreditation Service (UKAS) will act as quality control for the New Standard from April 2008.

**Local Employment Partnerships**
Over 500 large employers have committed to Local Employment Partnerships with over 2,000 individuals being placed into work through this route.

**The New European Social Fund**
The new European Social Fund (ESF) programme was officially launched on 29 October 2007, celebrating the 50th anniversary of the ESF itself. The LSC has secured £842m nationally for provision in the first three years of the new 2007-13 ESF programme. This is substantially more than envisaged and as a result, the LSC should maintain the £200m-£300m per annum additional funding that ESF provides to flexibly enhance and support mainstream provision.

The LSC has been out to tender for approximately £600m of the £842m total. LSC has more than doubled its potential provider base through the ESF pre-qualification questionnaire (PQQ) process, including a substantial proportion of the Third Sector. Regions are currently scoring the invitation to tender (ITT) submissions, with a view to issuing contracts to providers for delivery from March 2008. Some further ESF funds were also put out to tender in the current mainstream procurement round for 2008/09.

**Change Board**

**LSC Business Cycle**
The Business Cycle continues to be managed including the challenges arising from the implementation of the allocations process and associated risks to the credibility of the LSC.

**School Sixth Form Allocations**
Following regional negotiations and moderation of learner numbers the LSC intends to fund 383,613 learners in 08/09 (a baseline of 380,692 learners plus an additional growth of 2,921 learners). This is 7,613 learners above LSC’s published figure in the Statement of Priorities
and will cost an additional £40.2 million above LSC’s national budget in the academic year, £26.8 million in the financial year. Members of Management Group have met with representatives from both DIUS and DCSF and additional funds have been agreed to cover this provision.

Schools and Local Authorities will receive notification of their allocations by 29 February as expected. While above plans, these figures do not meet all schools aspirations, and so will need careful handling.

**Framework for negotiating all other 16-18 funding**

Following consultation with Regions, Management Group signed off the timeline and revised framework for negotiating all other 16-18 budgets. The process will conclude with the regions’ notification of provider allocations by 31 May.

The **Adult Responsive Model** and **Employer Responsive Model** processes are being created in consultation with regions and will be discussed at the Implementation Group shortly.

**Data security**

Following the loss of personal data by HMRC in November 2007 and, again, following the theft, in January 2008, of an MoD laptop containing personal data the Cabinet Office initiated a review of data handling and security across government departments and their agencies. Accordingly, the LSC is reviewing its Data Security issues and will be presenting a statement of its position and a plan for addressing them to the Permanent Secretary by 22nd February. It should however be mentioned that, overall, LSC believes that it is well positioned in respect of data security. This is evidenced by the small number of action items specifically addressed to the LSC and against the number of the more general action items that LSC had already addressed or which LSC is already addressing. And, in response to the MoD Laptop Theft issue the LSC’s Information Management Team is working with LSC’s IT supplier, Fujitsu, to implement encryption of all LSC laptops. It is expected that that work will be complete by mid-March. To minimise disruptions to staff using Laptops an interim encryption solution is being applied to the laptops of priority users (around 230), and this should be complete in February.

**SECTION 2: UPDATE ON DELIVERY OF PSA TARGETS**

This section provides an update on LSC’S progress toward the delivery of LSC PSA targets. **In this report, new information is provided only on the attainment of Young People at Levels 2 and 3. The equivalent update on the Adult Attainment will be provided in the next Report to Council when the relevant Statistical First Release (SFR) is published.**

**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, the SFR 04/2008 published on Tuesday 26 February 2008 updates and replaces figures published in February 2007 in SFR 06/2007. It is very good news as effectively the targets have been met a year early. The main growth has been in vocational routes. The key points are:

**Level 2 Attainment**

- In 2007 73.9 percent of people aged 19 were qualified to at least level 2
In 2006 those qualified to at least level 2 by age 19 was 71.4 percent, becoming the baseline for the second part of the PSA target.

Therefore the 2008 target is 73.4 percent of people aged 19 in 2008 to be qualified to at least level 2. The SFR 04/2008 confirms that 73.9 percent of people aged 19 in 2007 were qualified to at least level 2.

This means that the level 2 at 19 target level for 2008 has been met by an earlier cohort (the 19 in 2007 cohort). For the 19 in 2008 cohort 73.2 percent of people aged 18 have qualified to at least level 2.

To meet the 2008 target a further 0.2 percentage point increase is needed in 2007/08.

**Level 3 Attainment**

- In 2007 48.0 percent of people aged 19 were qualified to level 3, an increase of 1.4 percentage points on those people aged 19 in 2006.

- Of the people who will be 19 in 2008, 41.8 percent have already reached level 3 by age 18 – higher than figures for 18 year olds in the previous four years.

- Approximately 474,000 19 year olds need to have reached level 2+ by 2008 to meet the second part of the PSA target. Based on achievements by this age group to age 18, around 473,000 have reached level 2+ by 2007.

- Therefore approximately a further 1,000 people are needed to reach this level to be sure of meeting the target; by comparison around 27,000 people reached level 2+ between the ages of 18 and 19 in the 19 in 2007 cohort.

**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. It has been agreed with the Departments that (as recommended by the Apprenticeship Review) we will be judged on starts and completions rather than average in learning.

**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: KEY RISKS AND ISSUES**

**Machinery of Government changes**
The LSDC continues to engage actively with both Departments and with the Local Authorities over the implementation of the Machinery of Government changes. A Consultation Document is due out in mid March. Council will be fully briefed and consulted when this is available. Plans are in place to brief and consult staff and to deal with issues they may raise. The Departments will manage the consultation process themselves.

**Adult Learning Grant (ALG)**
The backlog caused by higher than expected volumes of applications reported last time has now been cleared.

**Framework for Excellence (FfE)**
LSC has a robust FfE risk management strategy in place. The main risk areas relate to:

a) the possible implications for FfE of future Ministerial decisions on 14-19 funding and performance management arrangements;
b) the embedding of FfE in overall LSC and provider business processes, taking account of the rapid implementation timetable during the next 6 months;

c) the challenges of gathering some particularly complex categories of data (e.g. learner destinations) within a tight resource envelope.

SECTION 5: DELIVERING OUR PRIORITIES

Priority 1: Creating demand for learning and skills
  • Raising demand from young people

Apprenticeships performance
By end of December 2008 the total number of starts is 100,600, which is 4.3% higher than the same period last year. This increase comes mainly from the 19-24 and 25+ age groups with young people's starts showing only a slight increase.

LSC has delivered almost 31,100 framework completions so far in 2007/08, with adults aged 19-24 well ahead of the profile to meet our target and 16-18 year olds on profile.

Apprenticeship Review
Following the publication of “World-class Apprenticeships: Unlocking Talent, Building Skills for All”, a small core team has been established within the LSC to set up the National Apprenticeship Service (NAS), working closely with DIUS and DCSF. The core team, led by David Way is being supported by colleagues across the LSC working on aspects such as Delivery Arrangements, the Matching Service, Performance, HR and Communications. An Implementation Plan setting out how LSC will achieve the ambitions in ‘World-class Apprenticeships’ is currently being prepared.

An Apprenticeship Steering Group and Vacancy Matching Group have been established to advise on policy development and implementation, as well as performance. They will advise Management Group, on the setting up the National Apprenticeship Service alongside other Machinery of Government considerations.

A number of meetings have taken place with key stakeholders to discuss the Review Report. These will continue as LSC builds relationships with key partners and develop a clearer sense of priorities for implementation of the report. Apprenticeships Week also provides a great opportunity to promote Apprenticeships and the work the LSC is doing.

Looking ahead, key tasks include:

• agreeing delivery arrangements for the NAS within the LSC
• producing an implementation plan for actions arising from World class Apprenticeships
• identifying areas where LSC can demonstrate early progress including work on public services and opportunities for big companies to train more apprentices than they need for themselves
• developing pilot proposals for a number of the initiatives outlined in the report, including incentive payments for employers, the Apprenticeship “credit” for 18 to 19 year olds, and super mentor trials
• introducing the Apprenticeship Vacancy Matching Service
• developing proposals to boost performance
• preparing a Summer 2008 Campaign to increase the take-up of Apprenticeships

LSC’s intention is to demonstrate that the LSC is responding positively to the challenges and the ambition in World-class Apprenticeships; and that the NAS can draw real strength by
being integrated within the LSC and delivering a coherent service to employers, individuals and in supporting providers.

- **Raising demand among adults**

**Adult Careers and Advancement Service and Adult IAG**
The development of a universal Adult Careers and Advancement Service (ACAS) working with Jobcentre Plus, will be an integral part of Skills Accounts and will motivate individuals to gain skills and qualifications, enter work and progress in employment. LSC is working with DIUS, DWP and Jobcentre Plus to develop arrangements for commissioning the service, and the associated skills health check.

In January, a notice was issued in the Official Journal of the European Union (OJEU) regarding procurement of the nextstep service for 2008/09 and 2009/10, which makes clear the changes required to ensure readiness for the ACAS in 2010.

**Skills Accounts**
Following a submission to ministers in late January the proposed Skills Accounts trials in the South East and East Midlands have been agreed. In addition, LSC will work jointly with JCP and DWP to ensure that Skills Accounts are included within the trial of integrated employment and skills services (IES) in localities within four other LSC regions. The final details of the scope and timing of IES trials are currently being considered by DIUS and DWP.

Both trials will begin in 2008/09, with the emphasis in 2008/09 on developing and testing the core products and supporting systems required for rolling out Accounts across the country from 2009/10.

It will be possible for an individual to register for an Account through a variety of different channels, including via the web, directly with provider and through an intermediary such a provider delivering independent Information Advice and Guidance (IAG). Whilst LSC envisages all three channels will be being available, for the trial, LSC expects the majority of Accounts to be registered through the IAG services.

The trial of Skills Accounts will build on the trial of Adult Learner Accounts in the South East and East Midlands regions. The Adult Learner Account trial recently passed its target of 4,000 learners opening an account in 2007/08, at 4,110 adult learner accounts. The majority of accounts have been opened by learners who have enrolled directly with providers as opposed to flowing through the new IAG routes. However, the trial has proved invaluable in informing the development of proposals for Skills Accounts.

LSC will work towards converting Adult Learner Accounts (ALAs) into Skills Accounts (SAs) from the Autumn this year.

- **Raising demand among employers**

**Train to Gain Performance** - Overall, volumes are increasing and are significantly higher than at a comparable point 12 months ago, although there are still variations in performance and 40,000 starts a month are required to meet the year end profile. Currently this has averaged out at 19,000 a month for the first 5 periods.

In detail, for the period to end December 2007, there were over 98,000 confirmed starts, which remains at around 82% of expected profile at this stage of the year. Level 2 achievements (including level 3 jumpers) are at 39,040 83% of profile. This brings the cumulative totals of all learner starts through the service from April 2006 to 334,190 starts and 144,800 level 2 achievements (including level 3 jumpers).
Skills for Life starts and achievements remain below profiles at this stage of the year, at 9,710 (68% of profile) and 3,630 (54%) respectively.

**Train to Gain Plan for Growth**
Good progress is being made on implementation. Draft Regional Plans are due to submitted by the end of February, for sign off at the end of March. Guidance to the sector has been issued to cover volunteers and self-employed, but the main areas in terms of increased volumes will be dependent on:

- increasing the ratio of learners per employer. This will need to come through revised emphasis in brokerage contracts and additional brokerage support for larger organisations
- providers own employer engagement;
- Sector contracts – the first 4-5 should be agreed later this month; and
- National Employer Service expansion.

**Skills Pledge**
The number of employers signing the Skills Pledge is now 960, covering more than 2.7 million employees.

**Brokerage**
The number of employer engagements reported is 17,400, representing 72% of where we expected to be at this stage of the year. However, the data is incomplete for two regions, and the missing data will be included in the report for period 6. Accordingly, the true employer engagement total for period 5 would be about 18,800, which is 78% of the profile for the year to date.

Regions are now commissioning the new specialist support service for skills brokerage to work with employers with 1,000 – 4,999 employees. There are 1,685 such employers in England, and the Plan for Growth assumes these employers will produce significant numbers of additional Train to Gain learners in 2008/9 and beyond. The service will be in place from April 2008.

LSC has developed a proposal for future LSC and Regional Development Agency (RDA) roles, responsibilities and accountabilities, which will apply from April 2009 when the skills brokerage service transfers to RDAs. The proposal will be discussed at the BERR/DIUS/LSC/RDA transition steering group and, once agreement is reached, LSC will be able to consider potential TUPE issues for employees working in brokerage-related roles.

**Level 2 Sector Activity**
As part of the Level 2 Action Plan, a total of 60,000 additional Level 2 achievements will be delivered by 2010 through sector-based focused activity. So far, 9,600 are expected to be delivered in 2007/08 through sector plans, with more to follow as negotiations with SSCs and regions continue, against an aspiration of 10,000 in this first year.

Work continues to agree further plans and targets across the three years, and to ensure that delivery complements policy developments outlines in the Train to Gain Plan for Growth, specifically around Sector Compacts.

**Helpline, Assessment and Payment Body (HAPB)**
The way we administer the nationally delivered elements of the Learner Support Programme (Education Maintenance Allowance (EMA), Adult Learning Grant (ALG), Care to Learn, Dance and Drama, 6th Form Childcare Scheme and Residential Support Scheme) is changing. A new Helpline, Assessment and Payment Body (HAPB) will operate the service from spring 2008.

Bringing all these programmes together including increasing the opportunity for online applications will enable learners to access the support they need from a single source. The anticipated business benefits are:
• Improving the end-customer experience, mainly through a single point of reference, single portal, single phone number, etc.
• Achieving potential processing efficiencies and economies of scale over both transaction processing and contract administration costs
• Improving data management – thereby helping to facilitate a seamless experience for the learner, helping LSC to safeguard against the possibility of fraud, and enhancing policy analysis in respect of the learning lifecycle.

A business benefit realisation plan to underpin the introduction of the HAPB has been developed and will underpin the Gateway 4 process prior to service go-live in spring 2008

**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 1 February 2008 521,377 learners have benefited from EMA payments in the academic year 2007/08. At the same date 563,998 Notices of Entitlement have already been issued to learners who have applied, and are eligible, for EMA support this academic year.

A recent report by the Institute for Fiscal Studies analysed the impact of the introduction of EMA on participation and attainment. The report showed that learners in receipt of EMA were more likely to achieve full Level 2 (five GCSEs grade A*-C or equivalent) by age 19, with specific improvement highlighted among ethnic minority groups. Receipt of EMA also impacted significantly on learners’ achievement of full Level 3 (two A levels grade A-E or equivalent). The full report is available on the LSC website.

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

**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.

1,465 Awards have been taken up for 2007/08. As at 1 February 2008, 897 learners (61%) are also receiving further support from the Income Assessed Student Support Fund.

**Care to Learn (C2L)**
Care to Learn supports young parents in learning by contributing to the costs of their childcare while they learn.

At 1 February 2008 6,007 young parents had benefited from support from the scheme so far in the 2007/08 academic year. This is on target for 7,500 young parents benefiting from Care to Learn in 2007/08.

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

As at 1 February 2008 the backlog caused by higher than expected volumes of applications has been cleared and 16,097 learners have benefited from ALG payments in the academic year 2007/08. This is on track to exceed our expectations of 17,500 adults receiving ALG by the end of 2007/08.

**Career Development Loans (CDLs)**
CDLs are commercial bank loans which help individuals to pay for learning that will enhance their career prospects. At 8 February 2008 there 13,452 live CDL loans.
Priority 2: Transforming the FE system to meet demand

National Skills Academies
LSC remains on track to have 12 National Skills Academies (NSAs) in 2008. The Round 2 NSA for Nuclear was launched at the Science Museum by the Minister for Energy, Malcolm Wicks on 31 January.

The first Round 3 business plan has been submitted, by SkillsActive for NSA Sport and Active Leisure, and is currently being assessed.

A specification for evaluating the impact of NSAs is being finalised and invitation to tender will be issued shortly.

Following the announcement and funding for a fourth round of NSAs work has begun on agreeing the policy for the next round, with a view to publishing the prospectus in the Spring.

New Standard
Pilots to test New Standard accreditation with nine large employers, and with higher education institutions, have begun, and Sector Skills Councils have now completed the majority of indicators for the ‘vocational excellence’ elements of the standard. The UK Accreditation Service (UKAS) will act as quality control for the New Standard from April 2008.

Intervention
Following approval by National Council, on Wednesday 30 January, the LSC published its proposed statutory intervention policy for consultation (this will complete on 2 May 2008). The policy sets out the proposed actions and processes it will take, if it seeks use the powers of intervention conferred to it under the Further Education and Training Act 2007. Following the consultation, a revised policy will be developed, which will incorporate consultation responses. This will be presented to Council and the Secretary of State for consideration and approval as soon as possible after the consultation close.

Framework for Excellence (FfE)
The Framework for Excellence continues to progress towards agreed milestones. Following the calculation of Overall Performance Ratings (OPRs) for each provider in the 2007/08 FfE pilot during March, the pilot is on track for completion in April 2008. The evaluation of the pilot will inform the development of a policy document and associated guidance which will be published in June 2008 to support the roll out of FfE to all colleges (apart from Specialist Designated Colleges and Independent Specialist Colleges) and work-based learning providers in 2008/09. A number of FfE capacity building events have been delivered to Local Partnership Teams who will have an increasing role over the next few months as the Framework becomes established as part of the LSC’s business cycle and process. They will be key to:

a) Managing communications with pilot providers to ensure we bring the pilot to a successful conclusion;
b) Encouraging providers to undertake learner surveys before the end of the 2007/08 academic year; and
c) Ensuring that all providers affected by the roll out from June 2008 are fully prepared and supported.

To support the Framework in becoming established as part of the LSC’s business cycle we have started discussions to take forward the integration of the FfE with other policy areas.
**Vocational Qualification Reform Programme**
QCA have submitted a cost benefit analysis of the Qualifications and Credit Framework (QCF) to David Lammy along with a business case covering implementation. The analysis and business case cover incremental costs (costs over and above business as usual) of implementing the QCF in relation to two specific areas: the qualifications regulators and the awarding sector. As part of this submission, the LSC has provided the Qualifications and Curriculum Authority (QCA) with a progress report on the work on cost benefit to publicly funded providers in England. Work has also now been commissioned concerning a financial impact assessment on the LSC of implementing reform.

In December the Progression Pathways Prospectus was published. The Prospectus will be reviewed in March following feedback from a wide range of partners and stakeholders.

**Higher Level Vocational Learning and Skills**
An outline plan of activities and timescales has been submitted to DIUS with regard to the HEFCE/LSC collaborative programme of work on Higher Level Vocational Learning and Skills. In addition the regional pilot focussing on complementary investment decisions and joint ways of working has now been confirmed and is underway in the East Midlands.

**Sustainable Development**
The resources developed for the FE sector in partnership with the Environmental Association for Universities and Colleges (EAUC) have been launched under the name of SORTED - the sustainability online resource and toolkit for education. This new website (www.eauc.org.uk/sorted) provides information that assists those working in FE and WBL to understand why sustainability is relevant to them and important to their organisations. The site also gives inspiration and practical ideas to help learning providers take their first sustainable steps and directs users to key resources, tools and case studies. The LSC is encouraging the FE system to develop a sense of ownership of these resources to ensure their long-term relevance and further development.

**Priority 3: Delivering better skills, better jobs and better lives**

**Local Employment Partnerships**
Jobcentre Plus aims to support 100,000 of their priority customers into employment through Local Employment Partnerships (LEPs) with employers during 2008/09, and the National Employer Service have been working closely with Jobcentre Plus’ National Sales Team to promote and convert employers’ commitments to LEPs.

To date over 500 large employers have committed to LEPs, with over 2,000 individuals being placed into work through this route. Referrals for LSC funded pre-employment training are expected to start to filter through in March from the National Employer Service (NES) to the regions.

LSC expects to fund short job related pre-employment training for 37,000 individuals to equip them with the specific skills needed by employers with vacancies. Ongoing skills progression will be provided for these individuals through TtG. It is expected that approximately 20,000 will work towards their first Level 2 through TtG. Employer demand for pre employment training is expected to increase considerably in the second quarter of 2008.

LEP employer awards are being planned by DWP and Jobcentre Plus for June, with the LSC being involved in the event. The Minister for Skills, David Lammy will be present at the awards. A joint external marketing and communications strategy is being developed with DWP.
Skills for jobs
Following the successful tender exercise which concluded in December 2007, providers have already recorded starts on skills for jobs provision, and discretely funded activity is now taking place in most regions. Approaches have started to filter through from individual employers for pre-employment training at a local level that can be supported through skills for jobs.

Employability Skills Programme
Data to the end of November 2007 shows that more than 11,000 Jobcentre Plus customers were referred to the programme for assessment, more than 2,400 were enrolled onto 4,000 plus learning aims. Within these figures, the number of individuals undertaking numeracy learning has risen significantly.

Equality Impact Assessment (EIA)
In January, Management Group confirmed the LSC’s approach to Equality Impact Assessment. As well as being required by law, EIA helps us to identify barriers to access and achievement thereby helping LSC to achieve its PSA targets. Key points include:

- All new and existing policy areas are required to undertake initial screenings for their impact on equality by spring 2008, and full assessments (where necessary) by the end of 2008.
- All papers submitted to a Board or Group for decision must make reference to an initial screening and, where necessary, a timetable for full EIA. Where this information is not supplied, the paper will not be considered.
- Change Board will have primary accountability for monitoring and assuring that this happens.

Equality and Diversity Impact Measures (EDIMs)
The LSC’s Single Equality Scheme set out a number of Equality and Diversity Impact Measures, to enable us to judge how well our provision meets the needs of different groups of learners. We also committed to developing a new EDIM regarding Skills for Life provision. This has now been agreed as follows: Increase the proportion of Leitch Skills for Life target achievements from under-represented groups by 2010.

Analysis identified that some groups appear to be less well represented in Skills for Life provision compared to other groups, including women with a learning difficulty or disability, and disabled learners from the Bangladeshi community. Monitoring of progress will therefore focus particularly on these groups. Regions will be expected to undertake similar analysis and set EDIMs to address gaps. Additionally, we will report on our progress against the established national EDIMs in the April Performance Report.

Equal Engage Development Partnership (EEDP)
The EEDP’s activity aims to enhance the LSCs Offender Learning and Skills Service (OLASS) delivery by testing innovative approaches to improving offender’s employability and to contribute to the Reducing Re-offending through Skills and Employment agenda. The development Partnership has over 180 partner organisations and supported over 3,000 beneficiaries to date. The total project value is £31m of which £15.5m is ESF.

Key Achievements are:
- employer engagement and involvement in delivering vocational skills e.g. Trackworks and Inter-Continental Hotels Group
- offenders securing employment on release having undertaken vocational skills training in custody
• a Tri-Regional joined up pre and post release multi agency project to help offenders access services and reintegrate back into the community with the support of Relay Workers in London, South East and East of England Regions.