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Train to Gain is a revolutionary development in terms of public service reform. It is transforming the way that Government and training providers support employers, in the interests both of our national workforce and our economy. In its first full year of operation, over 52,000 employers have been engaged by skills brokers, releasing some 240,000 staff onto training activities. And many training providers have developed and extended the scale and reach of their own employer engagement in order to maximise their opportunities under Train to Gain. This has been an impressive performance by the Learning and Skills Council, the Further Education sector and Train to Gain’s skills brokerage service.

The results of the Comprehensive Spending Review mean that around a third of the adult skills and Further Education budget will be routed through Train to Gain by July 2011 – over £1 billion. This will rise further as a proportion in the next decade. So no provider can afford to let Train to Gain pass them by – they must act to ensure it becomes a mainstream part of their budget and a core part of their service to local people and the business community.

We have seen massive change and progress in the first year of Train to Gain. However, as our spending through Train to Gain increases rapidly, we shall need to live up to our responsibility to ensure it continues to develop as a high performing Service. We know that there have been early frustrations over bureaucracy and will tackle this head on through simplified business processes. Lighter touch commissioning will free the most successful training providers to deliver more, enabling them to respond more quickly with increased flexibility to deliver a demand-led Service. New Learning and Skills Council support arrangements will help those weaker training providers who need them. And there will be a high ambition for strong performance in London, where employer engagement with Further Education providers has been relatively weak.

At the heart of Train to Gain is the Service to employers. Through the Plan for Growth we will increase the number of businesses and individuals whom we help to up-skill. In order to raise employer demand for the Service, we will project a clearer image of what Train to Gain is and what it can do to support employers. We will look to extend the activities of the best training providers and help the rest to maximise their activity under Train to Gain. They will wish to look at their own relationships with employers to see how these can be extended still further.

Skills brokerage will be reformed and extended, including through the creation of greater sector specialist expertise. The focus on the smallest ‘hard to reach’ companies will be reduced to allow more room to work with medium and larger companies, while maintaining the target of 51% ‘hard to reach’ employers. We shall ensure that skills brokerage will include more specialist support for employers of up to 5,000 staff. And the Learning and Skills Council’s National Employer Service will be expanded to deal with many more companies of over 5,000 staff. At the same time, we shall ensure a seamless transfer of skills brokerage across to Business Link from April 2009.

Small and medium companies have already been one of the main beneficiaries of Train to Gain with some 80% of the 52,000 employers engaged who have fewer than 50 employees. We shall reach out to the owner-managers by helping to train them to be better leaders and managers. Over the next three years we shall invest some £90m in the leadership skills of around 60,000 senior people in approximately 42,000 small and medium-sized companies.
We will also improve the Service to employers by introducing new flexibilities. Apprenticeships for those 19 and over will be offered as part of Train to Gain. Train to Gain will also be extended to include the self-employed and to the people whose lack of skills is preventing them from returning to work. Skills for Life will be widely available as a stand alone option, not just embedded within a Level 2 programme. And funding will be available in specified circumstances for those doing a second Level 2. We will extend the support available at Level 3. As we expand Train to Gain, we shall offer a fuller range of higher level skills and ensure that our strategy for growth meshes with the Higher Level Skills Strategy to be published shortly.

These changes will ensure Train to Gain continually builds towards becoming a World Class Service across all parts of the country. We believe it will play a key part in transforming the nation’s skills base, productivity and competitiveness in the period to 2020. It will be critical in establishing the Further Education colleges and training providers (and increasingly Higher Education institutions) in employers’ minds as providing the skills solutions that businesses need and value.

John Denham
Secretary of State for Innovation, Universities and Skills

Christopher N Banks CBE
Chairman, Learning and Skills Council
EXECUTIVE SUMMARY

Introduction
This Plan for Growth sets out the actions that will be taken to provide more employers and individuals with the skills that they need. It will also ensure Train to Gain plays its part in delivering the skills trajectories set out in World Class Skills by John Denham, Secretary of State for Innovation, Universities and Skills, in July 2007. The plan includes details of the actions and investments that are required as well as the impact on the numbers of employers and individuals we will help to up-skill.

World Class Skills responded to Lord Leitch’s report of December 2006. This made the case for increased investment in skills if the United Kingdom was to improve its economic competitiveness: increased investment by employers, individuals and the state. Train to Gain was endorsed as the primary skills Service through which Government should support the enhancement of workforce skills in the workplace.

Enhancing those skills not only boosts competitiveness, productivity and profitability, it also greatly enhances the career and salary prospects of individuals. From the low skilled to the highly skilled, we want to help everyone to improve their employability, career and skills progression.

What is Train to Gain?
Train to Gain is a national skills 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. It is a commitment to jointly invest in training, by employers and Government.

In return for that commitment, employers can expect that Train to Gain will give them access to:

- Quality assured advice in identifying skills needs at all levels, from skills brokers and training providers with expertise in their area of business;
- Help to identify and source high quality training and qualifications to meet those skills needs;
- An expert who will pull together a skills solution package which may include government training subsidies, alongside the employer’s own financial contribution;
- For those making the Skills Pledge, follow up advice and support that is fully integrated within the Train to Gain Service;
- Access to advice on wider business needs, which will be enhanced from April 2009 with the transfer of skills brokerage to Business Link.
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;
- Through public funds, 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;
- Of these learners, 100,000 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%;
- Employee satisfaction with the training they have received is 77%;
- Evaluation shows strong commitment by learners to further investment in training;
- 95% of eligible skills brokers achieved the new professional standard.

Train to Gain was a new transformational challenge for the Further Education sector and building to these levels so quickly has been an excellent achievement. The launch of the new standard for employer responsiveness and vocational excellence in employer engagement for training providers has supported this. Employer organisations, such as the CBI and the Trades Union Congress, who helped design the Service, remain highly supportive. They are looking for the Plan for Growth to continue to develop Train to Gain as a service that helps more employers and individuals, especially those that would not otherwise train or gain the benefits of training.

Lessons Learned
Inevitably in growing a service this quickly there have been some teething problems and we have ensured that the lessons have been learned. The Learning and Skills Council 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.
Some colleges and training providers were quick to see the opportunities provided by Train to Gain and work with growing numbers of employers. Others were slower off the mark and did not all see that they needed to work alongside skills brokers to generate more learner referrals. Nor did they view positively referrals that meant charging a fee to the employer for training that was not subsidised by government. Training providers were concerned that processes were too bureaucratic and that successful performance was insufficiently rewarded through contract growth. Even successful training providers have found it difficult to operate easily across regions. We accept that point and this will change.

A more general criticism of the Train to Gain Service has been that it has been presented as focusing too much on Level 2 and lower-level skills. It has also been incorrectly positioned by some as being about free training. This approach subsequently lost the trust of many employers who found that in most cases they would be expected to invest in training alongside any public subsidy. It has been difficult to engage Higher Education Institutions in the Train to Gain Service. The Higher Education Funding Council for England is already supporting three of the ‘Higher Level Skills pathfinders’, to explore how employers can draw on higher education resources. We will evaluate the Pathfinders carefully.

Some Sector Skills Councils have been keen to promote Train to Gain. Others have felt frustrated by a focus on “firstness and fullness” of Level 2 qualifications, which has made it difficult to generate demand and champion the Service.

The Level 3 pilot enabled us to test employer willingness to contribute to Level 3 qualifications; the most appropriate method of delivery; and training provider capacity and responsiveness.

There has been insufficient focus on the recruitment of Apprenticeships in the employers engaged in Train to Gain.

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, North West and West Midlands, performance in London and the South East especially has not risen sufficiently quickly in the first year.
The Strategy for Growth

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 the Train to Gain Service we need to adopt a fresh strategy with the following four key accelerators:

1. A new offer to employers;
2. Building a stronger network of Train to Gain providers;
3. An intensified approach to lifting performance and ensuring consistency across the Learning and Skills Council;
4. Clearer communication of the Train to Gain Service and why employers need to invest more in the skills of their workforce.

New Measures and Flexibilities

The Learning and Skills Council and Department for Innovation, Universities and Skills have collaborated on this Plan for Growth which builds upon the experience and considerable achievements of the first year of Train to Gain and sets out how we will achieve the very rapid expansion of the Service over the period to July 2011.

Where will Future Growth come from?

We have agreed more than a dozen new measures and 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.

The Key Measures are:

- A revised employer engagement strategy will ensure that the Train to Gain Service is about supporting employers to identify and address skills needs at all levels, including Apprenticeships and Advanced Apprenticeships and higher level skills. Everyone promoting the Service will need to present Train to Gain as being driven by the needs of employers and their employees, not by the desire to sell a particular product or qualification:
  - Skills brokers – no longer focused just on the smallest employers, they will reach out to other employers while maintaining the target that 51% are ‘hard to reach’1. (Expected additional learners 100,0002);
  - Expansion of skills brokerage to include specialist support, which we expect to operate on a regional basis, to engage larger employers to train employees with low or no qualifications and identify opportunities for progression to higher skill levels. (Expected additional learners 500,0002);

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1 ‘Hard to Reach’ employers are employers that are not Investors in People recognised and have not accessed substantial vocational training leading to a qualification within the last 12 months.
2 Figures are estimates based on employer size. They are not intended to represent a total cumulative volume, nor are they defined by any particular skills level. Many employers will feature in more than one category.
– The Learning and Skills Council’s National Employer Service – expanded to cover 200 of the largest national employers by 2009 and 300 employers by 2010/11. (Expected additional learners 150,000\(^2\));

– Training providers – support to raise the overall standard and effectiveness of their employer engagement staff and a particular emphasis on medium to large employers. (Expected additional learners 180,000\(^2\).)

* A new compact with each Sector Skills Council – which will tailor Train to Gain to ensure it meets the skills needs of employers in each sector and joint investment planning so that public funds and employer funding work together to boost skills and improve productivity. (Expected additional learners 330,000\(^2\).)

* A transformation programme for training providers – bespoke support for colleges and training providers to ensure that they are able to strategically position Train to Gain as core to their business. At the heart of this new programme will be support to enhance the skills of those training provider staff who engage with employers. Accelerated roll out of the new standard for employer responsiveness and vocational excellence will both improve and make the employer experience more consistent.

* Working with key regional partners to establish a Public Service Skills Compact in each Region – focused on joint investment and commitment by public service leaders to extend training including Apprenticeships across their workforce. (Expected additional learner volumes 216,000\(^2\).)

* Common standards, improved performance management and consistency in the delivery of the Service across the country—this is proving effective in driving up performance and success rates. We have set a Minimum Performance Level of 65%, which will rise each year.

* Our objective is to deliver the priorities identified by Leitch and by our new Public Service Agreement (PSA) targets, providing full subsidy for basic skills and first, full Level 2 qualifications and sharing the cost of Level 3 with employers and individuals.

**Other Important Flexibilities and Measures:**

* People from priority unemployed groups who are recruited by an employer will be eligible for 100% subsidy for a second full Level 2 qualification where they need retraining. This flexibility will focus initially on Local Employment Partnerships. (The Department for Workforce and Pensions estimate 125,000 additional learners.);

* Train to Gain will be extended to include the self employed and the voluntary sector;

* For employers with between 10 and 250 employees we want to support key directors and managers to ensure that they have the skills needed to grow their business through the development of their people. We will increase our investment in leadership and management development from £4 million to £30 million per annum. Evaluation of this programme shows that there is a positive multiplier effect on skills investment following the training. (Expected additional learners 60,000 managers and 150,000 other learners.);

\(^2\) Figures are estimates based on employer size. They are not intended to represent a total cumulative volume, nor are they defined by any particular skills level. Many employers will feature in more than one category.
• Dedicated sector specialists in each skills brokerage organisation will ensure that the needs of employers are better understood. Improved systems to collect employer feedback will ensure that the Service continues to develop to meet their needs. Subject to funding, each Sector Skills Council will appoint a high level dedicated Train to Gain advocate;

• Funding to give a part subsidy for those doing a second Level 2 or 3 programme, in specified circumstances;

• Skills for Life training provision will be available in a stand alone form, as well as embedded within Level 2, depending on which model works best for the employer and the employee. In line with the ambition outline in World Class Skills, Skills for Life will be available at all levels;

• Inclusion of Apprenticeships and Advanced Apprenticeships, particularly for 19-24 year olds and Apprenticeships for Adults (and for 16-18 year olds where the employer has identified a need), as part of the Train to Gain Service;

• Reduced bureaucracy – providers will be assisted through new simplified funding and commissioning arrangements which will enable easier movement around the regions and also remove the cap on how much the best training providers can earn through the publicly funded element of Train to Gain. We will work with the Bureaucracy Reduction Group to ensure that business processes are streamlined and effective.

Many of these measures will be pioneered in London which needs to make significant strides forward over the next three years.

1. 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. Working to a national framework, each of the nine regions is producing its plan for promoting and supporting the Skills Pledge. We will also work closely with employer organisations such as the CBI, British Chambers of Commerce and the Institute of Directors to promote the Skills Pledge. This will be backed up by Train to Gain funds to their members. The National Employer Service is initially targeting 200 employers from the FTSE 500 list to make the Skills Pledge and with whom it will go on to develop training plans and contracts. More specialist support will target and do more to address the skills needs of those large employers (1,000-4,999 employees) who are so often the drivers of regional and national economies.
Enhance the Effectiveness of Skills Brokers

Although skills brokerage is only a year old and has developed well, its next stage of development is vital so that it better serves employers with specialist needs, and works more easily and effectively with training providers who see all referrals as opportunities. We also want to see skills brokers helping employers to offer training for their entire workforce, including Apprenticeships and higher level skills. As 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 should increase the average number of learner referrals from each employer engagement. We will ensure effective working relationships and referral arrangements between skills brokers and training providers. We also want to increase referrals to and from skills brokers and Union Learning Representatives (who have a strong track record in motivating ‘hard to reach’ employees) and from other intermediaries such as Jobcentre Plus and Investors in People.

We will work closely with the Department for Business Enterprise & Regulatory Reform and Regional Development Agencies to build on the existing positive relationships and put the best arrangements in place 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.

Sector Initiatives

Sector Skills Councils have the primary responsibility for shaping and stimulating employer demand for training. They can also stimulate more support for the Skills Pledge. We will build on our strong track record for joint working with many Sector Skills Councils 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. We will also use Train to Gain to test out proposals emerging from the Vocational Qualification Reform programme, including the modularisation of qualifications.
Improve the Employer Experience

Our end-to-end review of process will ensure that employers receive a consistent experience of the Train to Gain 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 the new standard for employer responsiveness and vocational excellence – and aware of what help they should expect from training providers. We will work closely with Jobcentre Plus to ensure that employers receive a seamless service when recruiting people who are in priority unemployment groups. We will facilitate improved working between training providers and skills brokers to improve the employer experience of the Service. We will enhance the offer to employers through the new flexibilities described above and we will publish a version of this Plan for Growth aimed specifically at them.

2. 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 colleges and training providers understand what they need and that they can deliver. We will continue to prepare the ground for the further expansion of qualification provision that is needed. Our provider management and communications strategies will underline that we need colleges and training providers 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 transformation programme to help colleges and training providers understand how a demand-led system will impact on their business. This support will be built around examples of proven business models. It will be highly tailored to actively support colleges and training providers to re-engineer 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 training 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 colleges and training providers acquire the new standard they will be able to operate wherever employers wish to use them, thereby rewarding excellence and accelerating an informed skills market. The new standard will require training providers to promote Train to Gain as a full Service, at all skills levels, backed by joint investment.
3 An Intensified Approach to Lifting Performance and Ensuring Consistency across the Learning and Skills Council

Despite a strong performance culture in the Learning and Skills Council, regional performance in the first year of Train to Gain has been uneven, with a significant gap between the best and the worst. Learning and Skills Council reviews have consistently shown that sharper, 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 Learning and Skills Council has looked at best performance, is defining the characteristics of successful Train to Gain delivery and is 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 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.

4 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 want 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 skills levels. This will enable key intermediaries, partners and stakeholders to understand what Train to Gain offers employers. All skills brokers and training providers must understand that the Service is led by the needs of employers not by single products or qualifications. The publication of the Government’s Higher Level Skills Strategy will reinforce the importance of offering a service which meets needs at all skill levels.

Through a series of events and publications we will also help all partners including training providers, Sector Skills Councils, stakeholders and intermediaries to understand what their role is in delivering and/or promoting the Train to Gain Service and the implications of Train to Gain for their business. We are already working with employer organisations including the Institute of Directors 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, the Association of Colleges and the Association of Learning Providers.
Measures of Success
It will be important that we establish the right series of success criteria for the Train to Gain Service as a whole. We do want to ensure that it meets our expectations for learner starts and achievements, but need to recognise that it is a key driver of establishing a demand-led system. Hence we shall work with a range of partners at national and regional level to work out how we might improve our measurement of success by looking at other indicators such as productivity, tackling disadvantage in particular groups as well as other economic and social factors. We shall publicise these in the coming months.
WHAT IS TRAIN TO GAIN?

DEFINITION

Train to Gain 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 raising the performance of their businesses. It gives employers, specialist, high quality advice, and help to identify training needs; and then connects them to the publicly or privately funded training that they want. Train to Gain is a commitment to jointly invest in training, by employers and government.

In return for that commitment, employers can expect the following Service:

- Quality assured advice in identifying skills needs at all levels, from skills brokers and training providers with expertise in their area of business;
- Help to identify and source the high quality training and qualification solutions to meet those skills needs;
- An expert who will pull together a skills solution package which may include government training subsidies, alongside the employers financial contribution;
- For those making the Skills Pledge, follow up advice and support that is fully integrated within the Train to Gain Service;
- Access to advice on wider business needs, which will be enhanced from April 2009 with the transfer of skills brokerage to Business Link.

Their employees can expect:

- Access to training and qualifications to support their own skills development in line with those required by their employer;
- Individual advice and guidance;
- Individual diagnostic of their current skills levels;
- Support in the workplace through intermediaries such as Union Learning Representatives.
NEW FLEXIBILITIES

The Learning and Skills Council and the Department for Innovation, Universities and Skills have agreed new flexibilities for the publicly funded element of Train to Gain to ensure that Train to Gain provides a flexible and responsive Service that reaches all employers and all employees (including those re-entering employment).

These flexibilities are:

- People from priority unemployed groups who are recruited by an employer will be eligible for 100% subsidy for a second full Level 2 qualification where they need retraining. This flexibility will focus initially on Local Employment Partnerships. (Expected additional learners 125,0001;)

- Train to Gain will be extended to include the self employed and the voluntary sector;

- For employers with between 10 and 250 employees we want to support key directors and managers to ensure that they have the skills needed to grow their business through the development of people. We will increase the budget for Leadership and Management support from £4m to £30 million per annum. Evaluation of this programme shows that there is a positive multiplier effect on skills investment following the training. (Expected additional learners are 60,0003 managers and 150,0003 other learners.);

- Dedicated sector specialists in each skills brokerage organisation will ensure that the needs of employers are better understood. Improved systems to collect employer feedback will ensure that the Service continues to develop to meet their needs. Subject to funding, each Sector Skills Council will appoint a high level, dedicated, Train to Gain advocate;

- Funding to give a part subsidy for those doing a second Level 2 or 3 programme, in specified circumstances;

- Skills for Life training provision will be available in a stand alone form, as well as embedded within Level 2, depending on which model works best for the employer and the employee. In line with the ambition outline in World Class Skills, Skills for Life will be available at all levels;

- Inclusion of Apprenticeship and Advanced Apprenticeships, particularly for 19-24 year olds and Apprenticeships for adults (and for 16-18 year olds where the employer has identified a need), as part of the Train to Gain Service;

- Reduced bureaucracy – providers will be assisted through new simplified funding and commissioning arrangements which will enable easier movement around the regions and also remove the cap on how much the best training providers can earn through the publicly funded element of Train to Gain. We will work with the Bureaucracy Reduction Group to ensure that business processes are streamlined and effective.

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1 Figures are estimates based on employer size. They are not intended to represent a total cumulative volume, nor are they defined by any particular skills level. Some employers will feature in more than one category.
HOW DOES THE TRAIN TO GAIN SERVICE WORK?:

A NATIONAL SKILLS SERVICE AVAILABLE TO ALL EMPLOYERS IN ENGLAND

- It is a universal offer for all employers, prioritised to meet sectoral, regional and national priorities. These priorities will be published annually, regionally this will be with the Regional Development Agency as part of a joint Skills Strategy and Plan;

- Skills brokers will have a focus on employers who are ‘hard to reach’;

- Training providers will focus on medium and large employers (250-4,999), particularly those who have the largest number of employees without a qualification and are expected to provide further investment opportunities;

- Skills brokerage will be expanded to include specialist support for larger employers (1,000 to 4,999), which we expect to operate on a regional basis and in key sectors, to identify and address their skills and employment needs;

- The Learning and Skills Council’s National Employer Service will focus on large national employers with over 5,000 employers who operate across many regions. Their account managers help employers to establish relationships with the Further Education and Higher Education sectors and to extend learning into all parts of the workforce, especially those without qualifications. Initially the focus will be on those employers who have the largest number of employees without a qualification.

2 ‘Hard to reach’ is defined as those employers who have not undertaken training in the last 12 months and have not secured Investors in People recognition.
Provide Access to Free and Quality Assured Advice in Identifying Skills Needs

This Service can be delivered by a variety of professional skills brokers, and experts including:

- Independent and impartial skills brokers who are part of the Train to Gain Service within an integrated brokerage Service.

- For larger employers, we will commission specialist support to help employers to identify and address both their employment and skills needs.

(By April 2009 both of the above will be managed by the Regional Development Agency (RDA) and branded Business Link.)

- Employer engagement staff working in colleges and training providers who will increasingly be expected to meet professional standards.

- The Learning and Skills Council’s National Employer Service and its account managers.

All skills brokers and training providers are focused on supporting business success through skills and will be quality assured through the attainment of professional qualifications. This will include knowledge of individual sector priorities including those qualifications deemed by the Sector Skills Councils as having the most economic value.

A Choice of High Quality, Responsive Training Providers to meet Identified Needs

- Information, advice and support in accessing training and qualifications from all training providers, whether publicly subsidised or not.

- Easy access to relevant, flexible and high quality training demonstrated through a provider’s attainment of the new standard for employer responsiveness and vocational excellence.

- Skills brokers, the National Employer Service, and training provider employment engagement staff, who demonstrate their added value through robust reporting of the breadth of referral opportunities they create and the impact this has on the business.

Delivery of Government Subsidised Training and Qualifications for Employers

The success of Train in Gain – to enable employers to successfully meet their current and future skills requirements – will rely on a commitment from employers to jointly invest in training with Government.

This means that partners and stakeholders, e.g. Sector Skills Councils, skills brokerage, training providers, must provide clarity for the employer about the offer through Train to Gain – including what is fully-subsidised by the Government and what is part-subsidised and therefore requires joint investment with the employer.

From 2008/09 all adult employer-facing Learning and Skills Council funded support will be routed through Train to Gain.
The publicly funded offer at all levels, including potential enhancement and extension funded from European Social Fund\(^3\) where not fully-subsidised and where appropriate/required, specifying part and full-subsidies is:

| Skills for Life at all levels – now offered as a stand-alone within Train to Gain | Fully-subsidised, with some exceptions (e.g. English for Speakers of Other Languages). |
| NVQ Level 1 | May also be part-funded through the European Social Fund\(^3\). |
| First full Level 2 | Fully-subsidised. |
| Second Level 2 | Fully-subsidised for some people as they move into employment, e.g. Lone parents and others on incapacity benefit.  
40% of (formerly delivered through mainstream Further Education) employer based National Vocational Qualification provision is also part-subsidised. This may also be part-funded through the European Social Fund\(^3\). |
| Full Level 3 | Fully-subsidised if a Level 2 qualification is not held.  
Where a Level 2 qualification is held, part-subsidy of 57.5% in 2008/09; 52.5% in 2009/10; and 50% in 2010/11. |
| Apprenticeships (19+) | Includes key skills, technical skills and Level 2 and Level 3 qualifications.  
Part-subsidised. |
| Leadership and Management | Offer to leaders and managers of organisations employing between 10-250 employees.  
Part-subsidy of up to £1000, with a contribution from the employer. |
| Higher Education (level 4 and above) | Skills brokers route as appropriate to relevant Higher Education Institutes to meet identified employer needs. Subsidy dependent on Higher Education Institutes’ funding. |

\(^3\) The support available through European Social Funds will vary by region to reflect their local and regional priorities.
Contribution to wage costs

Contribution to wage costs is available to employers with less than 50 employees, who are engaged in Skills for Life or first full Level 2 training. The contribution will be to a maximum of 70 hours per employee.

Skills for Life

To support 95% of the working age population achieving functional level skills in literacy and numeracy, Entry Level Skills for Life qualifications will be supported through Train to Gain. This will be piloted in London in 2007/08, and rolled out to other regions of England from 2008/09. For English for Speakers of Other Languages (ESOL) learning, employers will be expected to contribute the fee element on behalf of the employee.

English for Speakers of Other Languages (ESOL)

The Department for Innovation, Universities and Skills and the Learning and Skills Council will work towards bringing ESOL for Work qualifications into Train to Gain. This will be piloted in London in early 2008 at Entry Level 3 and Level 1. The take-up of the ESOL for Work qualifications and the feedback from employers and training providers will be considered in rolling out ESOL for Work qualifications to the rest of England. These will be funded using a listed rate, with an employer contribution required in line with Learning and Skills Council’s fees policy. For the London pilot these will be funded with a listed rate of £565 with the employer expected to contribute £173. This will be reviewed in line with the introduction of demand-led funding for 2008/09.

EMPLOYERS’ OWN TRAINING

Many employers already train their staff to a very high level and we do not expect to displace this existing employer investment. However, all who are engaged in delivering the Train to Gain Service are responsible for ensuring that training previously funded by employers does not become publicly-funded.

The Learning and Skills Council will work with the Further Education sector to develop a more appropriate funding rate that allows for employers who undertake their own training. We believe that this is a fair approach to a commitment to jointly invest. This rate will apply regardless of whether the employer or a provider conducts the assessment, verification and certification processes.

The Employer Experience

ADVICE AND SUPPORT FOR THE SKILLS THE EMPLOYER NEEDS TO ACHIEVE THEIR BUSINESS GOALS

- The Organisational Needs Analysis/Training Plan is the added value that any skills broker or training provider brings and every employer will be encouraged to have one.

- Consequently the offer to employers is to firstly identify how skills can help the business achieve its objectives, with qualifications being one of the many potential outcomes.

- Referral to other business support services where this is identified as part of their wider business development plan e.g. export advice, Investors in People etc.
• Where employers are experiencing recruitment issues skills brokers will refer to the recruitment services of Jobcentre Plus to provide potential solutions.

• Skills brokers, provider employer engagement staff and the National Employer Service will help employers measure and understand the value and benefit of investing in skills.

A SEAMLESS EXPERIENCE FOR THE EMPLOYER FROM IDENTIFIED SKILLS NEED TO TRAINING SOLUTION

• Train to Gain is positioned as an ongoing relationship between employers, training providers and skills brokers (or National Employer Service); not a one off intervention.

• Clear alignment of interests, objectives and values between skills brokerage and training providers to create the right environment for collaboration and enabling them to work as a seamless Service for the customer.

• Train to Gain effectively embedded within a wider network of support and advice for employers providing referrals to and from Business Link, Jobcentre Plus and Sector Skills Councils.

FULLY INTEGRATING SUPPORT FOR THE SKILLS PLEDGE WITHIN THE TRAIN TO GAIN SERVICE

• Support through skills brokerage for smaller employers who want to make a commitment to the Skills Pledge.

• Support from specialists for larger regional employers who need more intensive help to support their commitment to the Skills Pledge.

• Support through the National Employer Service for large national employers who want to make a commitment to the Skills Pledge.

LINKING WITH LOCAL EMPLOYMENT PARTNERSHIPS

• Local Employment Partnerships will support 250,000 people who are disadvantaged in the jobs market into work by December 2010. It is anticipated that up to 125,000 of these will require additional support of pre-employment training with ongoing progression supported through the Train to Gain Service.

• When employers are faced with multiple vacancies which they wish to make available to those people at a disadvantage in the jobs market skills brokers will work with Jobcentre Plus and the employer to design a package of support for the individuals from pre-employment training to ongoing progression through Train to Gain.
SECTION 2

FIRST YEAR OF TRAIN TO GAIN – PROGRESS, SUCCESSES AND LESSONS LEARNED

PROGRESS AND SUCCESSES

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

- 52,730 employers were engaged against a target of 47,770;
- Through the publicly funded offer, 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;
- Of these learners, 100,000 achievements have been secured 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 %;
- Employee satisfaction with the training they have received is 77 %, with a very strong commitment by the learners to further investment in training;
- 30 % of referrals were to Business Link;
- 95 % of eligible skills brokers achieved the new professional standard;
- 30 % of skills brokerage referrals were to training providers, 30 % to other skills activity such as Leadership and Management and Investors in People.

This was a new and major transformational challenge for Further Education sector and building to these levels so quickly was an excellent achievement. The launch of the new standard for employer responsiveness and vocational excellence in employer engagement has supported this. Train to Gain has begun to open up the market to more and higher quality training providers across the country.

The Train to Gain Service has also generated considerable numbers of referrals to other services, such as Investors in People. Employer organisations such as CBI, British Chamber of Commerce, Institute of Directors, Federation of Small Businesses, as well as the Trades Union Congress, who helped design the Service, remain highly supportive but want to see it continue to develop and expand. They are understandably looking to see an expansion which adds substantially to the quantity and quality of training, that directly supports businesses and individuals and, at a time of strong competing pressure for public funds, does more than simply displace investment that employers would otherwise make.

Late in the first year of the Train to Gain the introduction of the Skills Pledge gave a timely boost to Train to Gain and the National Employer Service, who account manage large national employers.
Lessons Learned

REVIEWING THE SERVICE

In the first year of delivering the Train to Gain Service, we commissioned a major review of its performance to date and specifically focused on how the Service could be improved and scaled up to meet the ambition described by Leitch. Four thematic reviews looked closely at the key elements of the Train to Gain Service. Their key findings were:

- **Skills brokerage** – we needed to ensure a consistently effective model was being delivered in each region and improve its overall performance;
- **Supply-side** – we identified that training providers need bespoke support to understand how a demand-led system will impact on their institution;
- **Sectors** – recognition that the Train to Gain Service needs to be tailored to meet the needs of employers in each sector, with Sector Skills Councils become more integral to the delivery of the Train to Gain Service;
- **Bureaucracy** – a clear message that we needed to ensure consistent ways of working across all regions and simplification of procurement and administrative processes.

In introducing the Train to Gain Service, the full engagement of training providers was critical. In the event, many in the sector have seized the opportunity to make Train to Gain a success in their area to the benefit of employers and those in work. But not all training providers have seen the introduction of Train to Gain as an opportunity or recognised the need to reengineer their operations to respond to this challenge. Most prominent in the criticism by training providers were concerns that skills brokers needed to generate more learner referrals, that processes were too bureaucratic and that successful performance was insufficiently rewarded through contract growth. Some of these issues were a consequence of inadequate communications about what training providers could expect from skills brokers; about training providers’ own role in generating demand; and the growing significance of Train to Gain as the major funding route for adult skills.

Train to Gain has worked best where training providers have seen skills brokers as complementing and supplementing their own efforts to expand their work with employers. Training providers should also see referrals from skills brokers for full-cost training as a positive service and not one that is discounted as being of little value.

Full-cost training needs to be captured as a success measure for Train to Gain as it relates to increased demand and take-up of training and shared investment by employers.
These issues, as well as those relating to bureaucracy and contracting, are addressed in this Plan for Growth as the provider network is key to the expansion of Train to Gain and it will be important that training providers play a fuller part in its future delivery.

One other more general criticism of the Train to Gain Service has been that it focuses too much on Level 2 and lower-level skills. This was not the intention for Train to Gain and will be addressed through our new communications and provider management strategies. All skills brokers and training providers should understand that the Service is led by the needs of employers not by single products or qualifications. The national roll-out of Level 3 will also help greatly to support the wider employer skills offer as will the expanded leadership and management offer and extending the access to higher level skills.

While the employer experience of skills brokerage has been positive, in some instances they have been unsure about which parts of the training package is subsidised. This confusion has been added to on occasions as training providers use other sources of funding, such as the European Social Fund, as a supplement.

Employer led bodies such as Sector Skills Councils have been closely engaged in developing Train to Gain and some have been especially innovative in working with the Learning and Skills Council. However some others have not considered Train to Gain as a Service that adequately addressed the needs of their employers, for example for higher level skills, and have felt frustrated by a focus on “firstness and fullness” on Level 2 qualifications, 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.

Independent evaluation suggests that Train to Gain is greatly valued by employers and employees. Employers found impartial skills brokerage especially to their liking while employees report a much improved attitude to further learning.

Moving Forward

Our vision for Train to Gain is as the Government’s premier skills Service, expanded to meet the Leitch aspirations for a wider and larger Service, and ensure it has a strong reputation across all parts of the skills system.

In order to get the boost that is needed, we will build on the many strengths of the Train to Gain Service and learn the lessons from the first year of operation so that the energies of the whole system can go into growth. This requires a re-description of the Train to Gain Service to all who need to make it work and to leave behind the notion of it being solely a narrow Level 2 offer.
It must become the service of choice for employers to help them drive their business by ensuring their workforce has the skills to rise to the challenges facing our country, both economically and socially. So we need to ensure that the Train to Gain Service is delivering consistently across the country. We need all training providers to understand the importance of Train to Gain as core business and to feel supported in achieving the excellence they need to succeed. We need the best training providers to feel that they can operate without any restriction and wherever employers want to use them. We need to boost employer demand for the Service, primarily through the business world promoting this as the Service for them which they designed. We need to improve skills brokerage and ensure training providers understand that it is there to complement, not compete with their services to employers. We need to make the offer to employers more attractive, especially at higher skills levels and with easier access to Higher Education. We shall ensure that the Plan for Growth meshes effectively with the Higher Level Skills Strategy to be published shortly. Finally, we need to ensure that large regions, especially London and the South East, are in the vanguard of Train to Gain in the future.

The first year of Train to Gain has given us much to build upon. The Service was designed with employers, for employers. We need to keep the notion of Service and those people who benefit from up-skilling to the fore. Further Education colleges and training providers have responded well in parts but we want to expand the best and help prepare the rest so that we have strong provider coverage geographically and sectorally that will support employment, productivity and growth.
SECTION 3

THE STRATEGY FOR GROWTH

Train to Gain needs to evolve to become the national Service for skills development in the workplace. We need to grow the Service so that it can help many more employers and individuals to up-skill and enhance the employment and productivity growth that the country needs.

The strategy is set out below, defined by four key accelerators:

1. A new offer to employers;
2. A strong network of Train to Gain providers;
3. An intensified approach to lifting performance and ensuring consistency across the Learning and Skills Council;
4. Clearer communication of the Train to Gain Service and why employers need to invest more in the skills of their workforce.

1. A new offer to employers
   i) The Skills Pledge, Employer Organisations and Large Businesses

We need to boost demand from 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. Key actions are to:

- Develop national and regional strategies with key partners including Investors in People UK, Regional Development Agencies, the CBI, British Chamber of Commerce and the Institute of Directors, as well as the Sector Skills Councils, to promote and support the Skills Pledge;

- Agree national and regional employer engagement strategy and targets with each Sector Skills Council to increase the number of employer commitments to the Skills Pledge;

- Support for employers from partners such as training providers and Sector Skills Councils, together with stakeholders such as CBI, British Chambers of Commerce, and Business In The Community to ensure that employers are supported to fulfil their commitment to the Skills Pledge;

- Expand the Learning and Skills Council’s National Employer Service, so that it works with 200 of the FTSE 500 companies by 2009 and 300 by 2011, and gets to larger number of learners who have low or no skills.
ii) Enhance the Effectiveness of Skills Brokers

Although skills brokerage is only a year old and has developed well, its next stage of development is vital so that it better serves employers with specialist needs, and works more easily and effectively with training providers who should increasingly see all referrals as opportunities. As 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 should increase the average number of learner referrals from each employer engagement. We will ensure effective working relationships and referral arrangements between skills brokers and training providers. We also want to increase referrals to and from skills brokers and Union Learning Representatives (who have a strong track record in motivating ‘hard to reach’ employees) and from other intermediaries such as Jobcentre Plus and Investors in People. And we want skills brokers to develop a better understanding of Higher Education.

We will work closely with the Department for Business Enterprise and Regulatory Reform and Regional Development Agencies to build on the existing positive relationships and put the best arrangements in place to ensure that skills brokerage is fully integrated with the Business Link Information Diagnostic and Brokerage Service and continues to improve its offer to employers. Key actions are to:

• Agree a standard delivery model for skills brokerage that builds on best practice and implement it consistently in each region;

• Refocus the skills brokerage contracts so that they are able increase their focus on medium sized employers;

• Improve skills broker performance, particularly employer satisfaction and facilitation of solutions;

• Produce a detailed and agreed transition plan to achieve a fully integrated skills brokerage model and ensure that skills brokerage continues to deliver at the highest standards.

• Support the development of skills brokers so that they are able to effectively encourage and support employers who recruit from priority unemployed groups to ensure that their particular needs are identified, understood and addressed.
iii) Sector Initiatives

Sector Skills Councils have the primary responsibility for shaping and stimulating employer demand for training. They can also stimulate more support for the Skills Pledge. We will build on our strong track record for joint working with many Sector Skills Councils 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. We will also use Train to Gain to test out proposals emerging from the Vocational Qualification Reform programme, including the modularisation of qualifications. Key actions are to:

• Agree with each Sector Skills Council a compact that sets out the model and offer for Train to Gain in their sector which is clear on the investment required from both the employer and government. Implement in each region, consistent with the overall design and delivery principles for the Train to Gain Service;

• Agree with each Sector Skills Council targets for significantly increasing the number of employers participating in Train to Gain and committing to the Skills Pledge;

• Include the commitment to increase demand for Train to Gain as a core part of the Sector Skills Council re-licensing criteria, subject to sufficient resource;

• Each Sector Skills Council to develop support materials to assist training providers and skills brokers to develop sector knowledge and understanding;

• Build on sector pathways developed in partnership with Learning and Skills Council, the Department for Workforce and Pensions, Jobcentre Plus and Sector Skills Councils to provide entry routes into specific occupations for those not in work, linking to Local Employment Partnerships.

iv) Improve the Employer Experience

Our end-to-end review of process will ensure that employers receive a consistent experience of the Train to Gain 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 the new standard – and aware of what help they should expect from training providers; and that they are aware of the full range of education provision including Higher Education. We will collect employer feedback on training quality. We will enhance the offer to employers through the new flexibilities described earlier and by
making Train to Gain complementary to our integrated work with the Department for Workforce and Pensions/Jobcentre Plus, including in support of Local Employment Partnerships. We will facilitate improved working between training providers and skills brokers to improve the employer experience of the Service. Key actions are to:

- Define the offer of Train to Gain in a way that allows delivery partners and stakeholders to engage with employers with clear and consistent messages, especially with regards to what is, and what is not, subsidised;

- Provide a consistent Train to Gain Service everywhere – region by region;

- Commission specialist skills broker support for larger regional employers to ensure their specific needs are being met;

- Work with Regional Development Agencies and other key partners to align skills strategies, plans and funding streams to provide a single, coherent employer offer;

- Facilitate improved working between training providers and skills brokers to ensure that employers experience a seamless Service;

- Integrate the Service with the Department for Workforce and Pensions/Jobcentre Plus services – especially through Local Employer Partnerships; linking to the Employability Skills Programme to enable people to secure employment and to progress on to higher level skills with Train to Gain employers;

- Deliver Apprenticeships as part of the Train to Gain Service, including the new Apprenticeship Matching Service;

- Promote Train to Gain through employer organisations including raising the profile of those colleges and training providers who hold the new standard for employer responsiveness and vocational excellence;

- Develop an online toolkit as a resource for employers that will assist them in identifying and implementing best practice.
2. A Strong 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 Further Education colleges and training providers know what they need, and that they deliver. We will 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 colleges and training providers to be more proactive in engaging employers, collecting fees and generating income, and being aware of 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 transformation programme to help colleges and training providers understand how a demand-led system will impact on their business. This support will be built around examples of proven business models. It will be highly tailored to support colleges and training providers to re-engineer their business in order to compete successfully in a demand-led environment and to deliver Train to Gain well. This will include collaborative arrangements such as consortia, delivery partnerships and specialist networks, including National Skills Academies.

We will lift the public-funding cap for successful Train to Gain providers, make it easier for them to operate in other regions and bring in more high-performing training 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 colleges and training providers acquire the new standard, they will be able to operate wherever employers wish to use them, thereby rewarding excellence and accelerating the creation of an informed skills market. The new standard will require training providers to promote Train to Gain as a full service at all skills levels backed by joint investment. Key actions are to:

- Commission a major transformation programme to support colleges and training providers to position themselves strategically to compete successfully in a demand-led system;
- Accelerate the roll-out of the new standard and support colleges and training providers to increase the skills of their employer engagement staff thereby enhancing the employer experience, and bringing clarity in what the employer will need to invest and where government provides a subsidy;
- Re-engineer the Quality Improvement Agency Development Programme so that it complements the Learning and Skills Council’s approach to provider management and the expansion of the Train to Gain Service;
- Work with Lifelong Learning UK to understand and address the impact of the expansion and enhancement of Train to Gain on the workforce;
• Recognising the major role training providers and colleges play in engaging employers, refocus them on working with new and existing employers with larger numbers of low-skilled employees (250-4,999), using their resource to support more employers to sign and fulfil the Skills Pledge;

• Simplify procurement, contracting and administrative processes, including extending the period of provider contracts, where appropriate, and lift the contracting cap for successful training providers;

• Expand the network to ensure high performing Apprenticeship providers and all colleges successfully delivering workforce development solutions to employers entering the Train to Gain network of providers;

• Increase provider capacity to respond to the totality of an employer’s needs – through supporting the growth of existing providers and consortia, encouraging the entrance of new and niche providers, and promoting greater collaboration between providers;

• Drive up success rates using Minimum Levels of Performance as the driver for retaining and expanding contracts;

• Use the findings of the review of provider consortia arrangements to help them to become more effective and efficient;

• Ensure National Skills Academies contribute to the success of Train to Gain by offering specialist products and services as defined by the employers leading the National Skills Academies;

• Support providers to deliver a seamless service for unemployed priority groups, and in particular, linking their work on Train to Gain with other LSC and Jobcentre Plus activity that they deliver, to ensure they get the support they need as they progress from pre-to post-employment.

3. An Intensified Approach to Lifting Performance and Ensuring Consistency across the Learning and Skills Council

Despite a strong performance culture in the Learning and Skills Council, regional performance in the first year of Train to Gain has been uneven, with a significant gap between the best and the worst. Learning and Skills Council 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 Learning and Skills Council 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. Key actions are to:

- Provide a framework for ‘Improvement Plans’ for each of the nine regions and the National Employer Service, with regular reviews of progress;

- Review Learning and Skills Council business processes to develop a new business model that establishes a standard service specification for the delivery of Train to Gain;

- Implement the key recommendations from the bureaucracy review. This will include revised procurement and contracting processes; common approach to provider management, integrating Train to Gain and Skills Pledge processes; giving providers direct access to the employer reference number system, and streamlining the Regional Responsiveness Fund;

- Draw together the various strands of employer-funding to create a single offer delivered through the Train to Gain Service;

- An intensive strategy for London to become the most improved region and in the vanguard of the expansion plans.

4. 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 of opinion 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 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 training providers must understand that the Service is led by the needs of employers not by single products or qualifications. The publication of the Government’s Higher Level Skills Strategy will reinforce the importance of offering a service which meets needs at all skill levels.

Through a series of events and publications we will also help all partners including training providers, Sector Skills Councils, stakeholders and intermediaries to 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 Institute of Directors on promoting the Service and will use the high profile national Skills Campaign to raise employer awareness and work with willing partners to promote the new offers – for example the CBI, the Association of Colleges and the Association of Learning Providers.

- As part of the Skills Campaign, work with partner organisations to raise employer awareness of the benefits of the Train to Gain Service.
• Develop an improved marketing and communications strategy for Train to Gain that ensures a consistent brand experience.

• Enhance the current communication and information available for those delivering Train to Gain to ensure that they have up-to-date information on provision, sectoral best practice, management information and news.

• We will work with the Department for Innovation, Universities and Skills, the Department for Business, Enterprise and Regulatory Reform, employer organisations such as the CBI, and other key stakeholders, to develop the Skills Pledge communication strategy so that it dovetails effectively with that for Train to Gain.
MEASURES OF SUCCESS

As we transform Train to Gain into a major programme of public service reform, we need to establish the right measures of success. The Department for Innovation, Universities and Skills already has a suite of Public Service Agreement targets and has proposed a series of sub-national indicators.

Listed below are some of the indicators we shall use to measure the success of the expanded Service:

- Employer engagement by:
  - Skills brokers;
  - Specialist support for larger employers;
  - College and training providers’ employment engagement staff;
  - The Learning and Skills Council’s National Employer Service;
  - Sector Skills Councils.

- Conversion rates from engagement to learners (all categories) by:
  - Skills brokers;
  - Specialist support for larger employers;
  - College and training providers’ employer engagement staff;
  - The Learning and Skills Council’s National Employer Service;
  - Sector Skills Councils.

- Repeat and new skills brokerage interventions.

- Employer satisfaction with:
  - advice provided; and
  - skills solutions delivered.

- Increase in the number of publicly funded learners participating year on year; and those funded by employers as part of joint investment packages.
• Increase in achievement at all levels.
• Outcomes from skills brokerage to other forms of business support.
• Success rates exceed 65%.
• Proportion of Train to Gain employers making the Skills Pledge by sector, region and size.
• Increases in employer investment year-on-year.
• % and actual increases in the number of employers and employees training in a year.
• Number of colleges and training providers gaining the new standard.
• A new measure developed with partners to understand the impact of the Service on the economy and on society regionally and nationally (to include Gross Value Added).

The Learning and Skills Council will use these success measures as well as other performance measures to ensure that each region is maximising its contribution to Train to Gain, including that of their training providers and skills brokers. Regional Development Agencies will make the same commitment from April 2009.
TARGETS, FUNDING AND VOLUMES

TARGETS
The Government’s long-term vision is that this country is a world leader on skills and in the upper quartile of Organisation for Economic Cooperation and Development rankings by 2020. Earlier in October, Government published its vision and a new set of Public Service Agreement target indicators. These were set out in a new Public Service Agreement delivery agreement: *Improve the skills of the population, on the way to ensuring a World Class Skills base by 2020.*

The Government’s vision is:

- 95 per cent of working-age population to achieve functional literacy and numeracy skills;
- Exceeding 90 per cent of adults qualified to at least Level 2, with a commitment to achieve 95 per cent as soon as possible;
- 68 per cent of the adult population qualified to Level 3;
- Increasing the number of Apprenticeships in learning to 400,000 a year by 2020;
- Over 40 per cent of the adult population qualified to Level 4 and above.

Six indicators covering basic, intermediate and Higher Level Skills, each underpinned by a national target will drive improvements over the Comprehensive Spending Review period and serve as key measures of success. The targets for 2010/11 are:

- 597,000 people of working-age to achieve a first full Level 1 or above literacy qualification, and 390,000 to achieve a first entry Level 3 or above numeracy qualification;
- 79 per cent of working-age adults qualified to at least full Level 2;
- 56 per cent of working-age adults qualified to at least full Level 3;
- 130,000 Apprentices to complete the full Apprenticeship framework in 2010/11.

FUNDING
We are increasing substantially the proportion of public funding that is demand-led, i.e. where the purchasing power rests in the hands of employers and learners as customers. In 2006/07 we invested £270 million in Train to Gain supporting directly delivered learning. The expansion of Train to Gain means the budget is £524m in 2007/08, will increase in 2008/09 to some £671m and is projected to rise to over £1bn in 2010/11. Taking account of other work-based employer training programmes, we estimate that total employer focused funding will be just under £1.6bn by 2010/11.
Full details of the funding allocations for the academic year 2007/08 were published by the Department for Innovation, Universities and Skills and the Learning and Skills Council in Autumn 2007. From 2008/09 all provision that is currently delivered on employer premises and funded through the current Further Education funding mechanism will shift to the new demand-led funding model. Progress will be reviewed annually on the success of reshaping publicly-funded provision, including the impact on colleges and training providers.

**VOLUMES**

The increase in funding will support the expansion of Train to Gain Service. The Comprehensive Spending Review outcome for the Department for Innovation, Universities and Skills and related Public Service Agreement (PSA) delivery plans were published in November 2007.

The following graphs provide details on the funding and volumes for the publicly-funded element of Train to Gain.
Funding and Volumes—Academic Years

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Of which:

- Skills for Life
  - 2006/07: 44,000
  - 2007/08: 49,000
  - 2008/09: 53,000
  - 2009/10: 61,000
  - 2010/11: 71,000

- Level 2
  - 2006/07: 195,000
  - 2007/08: 344,000
  - 2008/09: 412,000
  - 2009/10: 423,000
  - 2010/11: 432,000

- Level 3
  - 2006/07: 3,000
  - 2007/08: 38,000
  - 2008/09: 83,000
  - 2009/10: 88,000
  - 2010/11: 295,000

Planned LSC investment funding between 2007/08 and 2010/11 (£000)
(Data is shown on a financial year basis.)

<table>
<thead>
<tr>
<th>Participation – Adults</th>
<th>2007/08</th>
<th>2008/09</th>
<th>2009/10</th>
<th>2010/11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Train to Gain</td>
<td>520,527</td>
<td>657,073</td>
<td>777,287</td>
<td>1,023,240</td>
</tr>
</tbody>
</table>

Source: LSC grant letter 2008/09

Train to Gain Learner Achievements

Data is shown on an academic year basis
Performance against these targets is reviewed on a monthly basis, with all targets reviewed annually to ensure that they remain aligned with employer demand.