Third Sector Learning and Skills Case Studies

Summary report
December 2008

NIACE
Dr Cheryl Turner
Dr Anthea Rose
Rachel Hughes
1.0 **Rationale and aims**

1.1 The Learning and Skills Council’s (LSC) national strategy for its engagement with the voluntary and community sector (VCS), *Working Together* (2004), identified key strategic and operational roles for VCS sub-regional consortia. These emerging arrangements had diverse structures, purposes and processes but a common focus on enhancing VCS involvement with learning and skills.

1.2 Both the LSC and the VCS recognised the potential of consortia to act as a conduit between LSC funding and the broad range of largely small-scale VCS providers whose expertise was key to the delivery of the government’s learning and skills targets, particularly amongst more excluded communities. Over time, and to differing degrees, consortia were set up in all regions to deliver a range of functions including: advocacy; information synthesis and supply; representation; funding sources; and direct delivery. Whilst consortia have always been independent VCS arrangements that are responsive to the needs of the VCS and their local communities; the scale and rapidity of their emergence was stimulated and supported by LSC policy, funding and brokerage at local, regional and national levels.

1.3 Although the *Working Together* strategy, and its subsequent implementation, shaped the growth pattern of many individual consortia, the concept of VCS providers collaborating to secure contracts and to enhance programme quality and levels of accreditation, predates the LSC.

1.4 As a relatively enduring feature of VCS infrastructure, therefore, learning and skills consortia have developed and functioned within a policy environment that has changed with bewildering speed and frequency – in relation to the Third Sector, the LSC, and the learning and skills sector as a whole. Inevitably, they have responded to these profound structural and policy shifts, variously expanding and contracting, and refocusing or disappearing. However, throughout, the strategic significance of consortia has continued to be recognised and promoted. Identifying the ways in which they have experienced and reacted to their external environment and capturing some of the detail of this individual journeys through case studies, will enable the LSC, and departments across government, to understand how best to engage with consortia in the future.

1.5 The project aim was to develop a detailed, current understanding of the diverse development patterns of VCS learning and skills consortia. Case studies were gleaned from seven well-established consortia, ranging in size, location and type.

2.0 **Findings**

2.1 Summarised here are the projected concerns and aspirations of the case study consortia as they anticipate the future. For the full findings the reader should consult the main case study report which also includes the key information about the need for consortia and what drove them both to be set up in the first place and what has contributed to their success – and these should form the building blocks for their future development.

2.2 However, the consortia depicted in the case studies all face rather different challenges reflecting their different sizes, contexts and funding. This summary draws out some of the common features and areas of concern and aims to provide stimulus for sharing possibility – again the full case studies should be consulted to find the detail of the challenges and opportunities facing each of the consortia studied.
The drivers for change behind consortia development;

a) Long term visions

2.3 One learning consortium’s long-term vision is to have a spread of organisations in touch with the learning needs of ordinary people as well as the learning needs of VCS organisations. It would like to strengthen its track record in developing and delivering learning and skills, to capitalise on new interest in volunteering as a route to employability, and to undertake advocacy for 14 - 19 year olds. It considers that in order to achieve these aims it must “…hang on in there until 2010 post-LSC.” It does not “see a better way of addressing learning and skills than being in a consortium approach.” This can be contrasted with another’s vision which is merely to achieve survival until community engagement comes back onto the agenda. A third hopes to maintain its strategic role but is uncertain about its sustainability in the current climate. There is a feeling that a reduction in its role would be unfortunate at a time of economic and financial uncertainty as it predicts an increase rather than decrease in demand for learning and skills provided by the VCS in the future. All points in between are covered too, so there appears to be little consensus; hopes for the future are predicated on local conditions.

2.4 All agree however on the need to survive the LSC changes and adjust to respond to whatever funding mechanisms are put in place thereafter. This may well present considerable challenges to those consortia operating at the sub-regional level. Those with strong partnerships, perhaps with other consortia in their region and certainly where they can collaborate with a range of members, partners and providers, appear to have more chances of diversifying.

2.5 Another of the consortium’s long-term vision is to “…be a recognised quality provider of training and skills services [and be] able to compete, develop and grow. Not to become an institution, but to continue to change” to meet the demands of its members and funders. This is a hopeful take.

2.6 The medium-term future for the consortium (the next two years) was described as “bright” but there are many concerns over its long-term future. With the removal of the LSC, current ESF projects reported to be finishing in 2012 and Big Lottery and Capacity Builders by 2011, the consortium anticipated a “crunch point” in the future. It considers it is a sustainable organisation but not necessarily using the current consortium model.

2.7 Another of the consortia’s future vision is to protect the organisation’s ethos whilst looking for new ways of working in an ever-changing funding climate. This includes considering if it is appropriate to restrict “…all constitutional activity to just education and learning or if a coming together of organisations for the hard to reach” would be more beneficial. The consortium reported a “…sense of entering a period of test and experimentation” out of which there could be a transmission from teaching and skills to a broader remit that is yet to be determined. Whilst this consortium has a proposed future strategy and has just completed restructuring, its long-term future appears uncertain at this time. With the loss of contracts and the prospect of LSC claw-back, they report a real possibility it will need to reduce staff numbers in the New Year. This would mean a loss of expertise and would be potentially “devastating for staff”.

b) Potential growth areas – subject to resources being available

2.8 Some consortia would not be able to take on most/all of these options as they do not fit within the remit of their aims, local contexts etc.

- VCS employability
- VCS opportunities for Continuing Professional Development (CPD)
- A range of partners including
  - Universities – e.g. for Community Development Foundation degrees
- Expand work with local authorities,
- Regional and sub-regional bodies
- FE Colleges and all other providers
- Work with Union Learning Representatives and Community Learning Representatives
- Broaden the type of learner and enable the learner’s ‘voice’ to be heard
- Train to Gain (including) VCS pilots
- Increase range and scope of Train to Gain offered: e.g. community work, housing and youth work
- Programmes which promote social cohesion
- VCS Apprenticeships
- Personal Best projects involving sport and volunteering linked to the 2012 Olympics
- New course writing – but needs funding and accreditation sources
- Capacity building
- Developing and putting in place (quality) systems e.g. Matrix and QTLS
- Support to VCOs to prepare for inspection and to achieve Grade 1
- Developing more learner progression routes
- Brokerage? (Start charging?)
- Developing VLEs and other web-based resources and/or e-learning strategies
- NLDC and PCDL – but the competitive tendering processes have been disadvantaging the VCS
- Continue to provide communication and network functions
- Become TS and SME training provider
- Charge for services e.g. MIS
- Expand range of learners served
- Focus on community cohesion and individual skill-base
- Focus on employability in the light of recession – and because of hard-to-reach groups

c) Diversify funding

2.9 This is an aim of all the consortia; more easily said than done – see barriers below, but will need to remain a focus if this important work is to continue. A concern was the need perhaps to take on more sub-contracting and for some this would mean fewer opportunities for managing their own partnerships. There are differing local, sub-regional and regional conditions which changes the available funding.

The barriers and enablers for future development:

2.10 Key barriers to future working were reported to be:
- changes in LSC commissioning arrangements (local to regional) and not knowing what the new post-MoG arrangements will really mean;
- stereotyping of VCS organisations in terms of their ability to grow capacity;
- insufficient time and resources - not skills;
- funding difficulties;
- insufficient staffing to meet the need;
- risk of insufficient focus on informal learning as employability and skill take centre stage
- competition (of the wrong kind) between providers – there is not a level playing field with mainstream providers as most of the available contracts do not include full cost recovery and VCS learning providers do not mainly have access to management funding;
- (output-related) funding not covering core costs, staff development or capacity building;
- loss of core LSC funding;
- the reduction of ESF;
- having to prove the case for consortia/TS learning provision again post-LSC;
- the creation of new local authority boundaries in some areas.

2.11 Key enabling factors for future working were reported to be:
- access to funding;
- the right size of organisation in the right place at the right time;
- strong government policy that will assist rather than hinder community development spread of organisations in the VCS that are in touch with the grass roots and the lived experiences or ‘ordinary’ people;
- track record of success and advocacy with 14-19 year olds in particular, as a good platform for further development;
- access to funding and particularly, a proportion available for capacity building as well as delivery;
- reputation, history, past success, experienced staff, and strong networks;
- expertise of staff and Board members;
- increase staff numbers and continue to build expertise;
- demand driven training will need some support to build the capacity of the VCO / TS employers and workforce to make accurate and credible demands;
- opportunities offered by employability and skills work.

2.12 Some consortia are in stronger financial positions than others which will better enable them to weather what is anticipated to be a stormy couple of years.

3.0 Summary case studies

3.1 Case Study 1 Summary - Northumberland VCS Learning Consortium

The Northumberland VCS Learning Consortium operates under the umbrella of the Northumberland Community Development Network (NCDN) and does not have a separate governing body.

The consortium has a secretariat which is part of a full-time post hosted by NCDN.

Membership is free and open to all local voluntary and community sector (VCS) organisations that offer workforce or community-based learning and have an interest in learning and skills in a community context.

Initially (2004/05), the consortium received £30,000 core funding from the Learning and Skills Council (LSC) under national Capacity Building funding that was linked directly to the “Working Together” strategy. The aim was to develop and implement “…a ‘Working Together’ strategy for Northumberland to enable the sector to meet its skills needs”. The LSC awarded a further £104,000 for a workforce development programme which was matched by Capacity Builders funds to enable a more flexible development phase.

The learning element of NCDN’s turnover in 2006-7 and 2007-8 was approximately £200,000 each year and is estimated at £75,000 for 2008-9.

The Learning Consortium works collaboratively with a range of partners and is reportedly seen by the LSC as a significant learning and skills player in the region. It has a rural and workforce development focus.

The main challenges it faces are the effects of a perceived shift from sub-regional to regional LSC commissioning, and the restructuring of Northumberland local authorities into one Unitary Authority.
Northumberland VCS Learning Consortium considers its greatest achievement to be the number of learners it has been able to reach through partnership working. Its main short-term aim is to sustain and build its profile throughout the Machinery of Government transition period so that it is in a position to continue working in the area of learning and skills and community development in the future.

3.2 Case Study 2 Summary - Derbyshire Learning and Development Consortium

Derbyshire Learning and Development Consortium (DLDC) began in 2000 as a project of the Derby Council for Voluntary Service (CVS). It was set up as an Accreditation Centre offering the voluntary and community sector (VCS) a direct route to Open College Network (OCN) accredited training. It became independent in 2007.

DLDC has 115 members of varying types and size drawn from the VCS in Derbyshire and Derby City. Whilst it is free to join the consortium, there is a small charge to use the accreditation centre.

The main challenges facing the consortium are financial and, in particular, surviving without Learning and Skills Council (LSC) core funding.

Organisations report many benefits from consortium membership, including being able to access training and obtaining a “united voice”. Many argue their engagement with the consortium is responsible for a growth in confidence and capability that is essential to their learning delivery.

The consortium’s greatest achievement was reported to be its status as a respected accreditation centre with a reputation for high-quality services.

3.3 Case Study 3 Summary - Sussex VCS Learning Consortium

Sussex VCS Learning Consortium was established in February 2003, following a development phase of about a year. It operates under the umbrella of Action in rural Sussex (AirS) which is the accountable partner. It has a small board consisting of four to eight volunteers drawn from its membership. It has part-time support from two members of staff who are employed by AirS. The consortium’s income for 2007-8 was £363,970.63.

Membership is free and currently stands at about 60 voluntary and community sector (VCS) organisations.

The consortium does not deliver learning and skills directly. This is undertaken by its members through partnership projects. It manages a small number of contracts, organises up to four members’ meetings a year, and informs its membership of relevant changes and new requirements affecting learning and skills largely through email communication.

The main challenges facing the consortium are reduced Learning and Skills Council (LSC) funding and a shift in LSC commissioning from a sub-regional to a primarily regional model.

The consortium’s most outstanding achievement is reportedly being included in the report of the 2008 Ofsted Thematic Review of Neighbourhood Learning in Deprived Communities (NLDC) funding and being invited to attend the launch of the report.
Sussex VCS Learning Consortium is unsure of its future in light of LSC restructuring, shifts in government funding priorities towards skills and employability, and the impact of the impending Machinery of Government arrangements.

3.4 Case study 4 Summary - Humber (formerly Humberside) Learning Consortium

Humber (formerly Humberside) Learning Consortium (HLC) is a well-established, independent Third Sector learning and skills consortium operating across the Humber sub-region.

The consortium does not deliver learning and skills itself but subcontracts with a range of partner organisations. It manages contracts and provides infrastructure and quality support to Third Sector organisations in the area. Not all partners deliver learning and skills as their core business.

The consortium has 12 staff members, ten of whom are full-time. Its annual turnover at the end of March 2007 was just under £2 million (£1,956,213) but fell to just under £1.5 million (£1,478,768) at the end of March 2008, a reduction of approximately 25 per cent.

It has eight contracts funded through various funding streams that will run for the next two years until 2010/2011. However, it no longer has any core funding from the Learning and Skills Council (LSC).

The main reported challenge it faces is the dismantling of the LSC and the outcome of the government’s sub-national review. It is unsure of which agencies will hold the appropriate learning budgets but it recognises the need to foster new strategic links with the Local Authority and the Regional Development Agency (RDA).

Its greatest reported achievements are surviving this long, and its reputation with the LSC for delivering contracts on time and to the highest standards.

3.5 Case Study 5 Summary - VC Train

VC Train is a well-established learning consortium operating across Yorkshire and the Humber. It has been a Company Limited by Guarantee and a Registered Charity since October 2001. It has its own premises which are often referred to by staff and members as “the hub”.

The consortium was funded originally through the Regional Development Agency, Yorkshire Forward, with £5.4 million European Social Funding (ESF) and Learning and Skills Council (LSC) co-financing under ESF Objective 1.

The membership structure was set up originally around three thematic clusters; lone parents, Black and Minority Ethnic (BME) and disability groups, to accommodate ESF requirements. Whilst members remain in clusters for logistical reasons, the thematic clusters are reported to be decreasingly significant. Membership is free and open to Third Sector organisations that provide learning and skills as part of their work. The consortium currently has 102 members, and 17 members of staff, 13 full-time and four part-time.

Its annual turnover for 2007/8 was £2,990,490 and this is forecast to be approximately £2,200,000 for 2008/9, a decrease of around 25 per cent.
The consortium’s greatest achievement is viewed as the large number of individuals (over 30,000) it has reached since it began.

The consortium identifies an important learning point in the differences between what it set out to do at the beginning and the direction it has subsequently taken. This is largely attributed to external influences, particularly changing funding priorities.

3.6 Case Study 6 Summary - Cumbria Learning Links

Cumbria Learning Links (CLL) is hosted by Cumbria Council for Voluntary Service (CVS) within its training department. CLL’s primary current function is to maintain a Third Sector communication network and it now describes itself as a ‘membership’ network rather than a consortium.

Servicing the Network is one element of the job of a part-time staff member working for a few hours a week. It does not carry out any teaching or learning activities itself and its contracts as a consortium ended between 18 months and two years ago.

Cumbria Learning Links is aware that it retains a profile as a well-established consortium but feels it no-longer fits this category.

3.7 Case Study 7 Summary - South London Learning Consortium

South London Learning Consortium (SLLC) was set up in 2005. It has 109 members of varying types and size, including all six local Councils for Voluntary Service (CVS). Consortium membership is free. Geographically, its members cover, to a greater or lesser degree, all five areas of the London region. The consortium has seven staff members.

SLLC was set up to help Third Sector organisations access mainstream Learning and Skills Council (LSC) funding. Its main activity is delivering LSC Train to Gain contracts. This is subcontracted to 11 providers drawn from its membership. The programme covers 16 different curriculum areas including Childcare, Business Administration and Customer Service. Courses are run on a roll-on roll-off basis. In November 2008, the consortium underwent a successful Train to Gain audit.

The consortium’s annual income in 2007/8 was £500,000. This is predicted to rise to £1.5 million in 2008/9, a three-fold increase.

A key change since the consortium began has been the increasing focus of the European Social Fund (ESF) away from social and personal adult learning to employability skills and full qualifications for those in work.

The consortium views its main challenge in the future is maintaining its business position in a highly competitive arena. It sees its greatest achievement as “…being here and being a credible organisation”.