Date 22 February 2007
Subject Advisory Group - Working Together
Location Radisson Marlborough Hotel
Time 10.00 - 14.30
LSC office National Office
Publication intent Public

Present Shirley Cramer, Chair
Andy Shields
Cheryl Turner (NIACE)
Debbie Bullivant
Jane Slowey
John Harris
Lynne Bryan
Tim Ward

LSC staff Cheryl Turner
Jo Barkham

Apologies Apologies have been received from:
Richard Williams
Robin Hodgkinson

Item 1. Minutes of last meeting
1.1 The Chair welcomed Jo Barkham to the meeting. Jo will be acting as the Group’s secretariat from now on.
1.2 Updates from last meeting:
Point 2 – Train to Gain and volunteers
This issue is on going and a decision is expected soon. As soon as it is announced, Cheryl will let all AG members know. As a result of the interest in this issue and how the decision was made to exclude volunteers in the first place, renewed interest has been shown in a Sector Skills Council (SSC) for the voluntary and community sector (VSC). The Cabinet Office and the Treasury are jointly hosting a roundtable event on the 6th March to discuss this. Rob Wye and Cheryl Turner have been invited to give the LSC’s views at this meeting. The LSC’s view is that a SSC for the sector is generally supported but there are concerns over its ability to deliver due to the diversity of the sector.
Group’s comments:
- Say “support SSC as current model isn’t working”
- Need to ensure that there will be enough resources in place
- Will assist in the joining up between different groups/sectors
- It will give the sector a voice on policy making
- Need to present this as an opportunity, where the greater issue is how it's implemented.

**Action:** Lynne Bryan to contact Janet Fleming to pass on the Group’s views.

1.3 Point 3 – Franchising Policy: The DfES are commissioning a document for current providers on partnerships and collaborations and a section is to be included on fair franchising arrangements, which will include some case studies using the third sector.

1.4 Point 5 – Procurement: There has been an advert in the TES encouraging organisations to submit a tender. The tendering process is now an electronic process and the majority of the PQQ is scored electronically. Organisations who met the necessary requirements will be invited to submit an ITT during April.

A paper will go to Management Group shortly suggesting the capacity funding should be pooled and used to assist organisations, who didn’t meet the PQQ requirements, to improve their practice.

**Action:** Group to encourage networks/contacts to submit a PQQ and if several organisations are putting in a consortium bid to still encourage them to apply individually.

1.5 Point 6 – VCS contribution to LSC targets and priorities: When will the analysis that Andrew Button undertook be available to the public?

**Action:** Cheryl Turner (LSC) to chase this.

Council and Regional Council Recruitment updates

1.6 The Chair updated the Group with the Council’s response to the paper submitted from the Director of Equality and Diversity. She reinforced the Groups recommendation and asked the Council members to endorse them. The Council were mainly in agreement and it was decided that a Task and Finish Group, chaired by Rob Wye, should be set up to discuss how these recommendations should be taken forward. Also on this group will be: Cheryl Turner, 4 Regional Directors and 5 National Directors. The first meeting will be held in April. This Group asked that the sector was involved to ensure their perspective was considered.

**Action:** Rob Wye to be invited to the next meeting of this Group to feedback on the first meeting of the Task and Finish Group.

**Action:** Mary Marsh to be sent the papers from this Group.
1.7 Regional Council Recruitment – The timings for this process are dependent on the Second Bill being passed. Once this has happened Chris Banks will write out to stakeholders informing them of the process.

Action: Group members to encourage contacts to apply.
Action: Jo Barkham to arrange for national/regional adverts to be circulated to the Group.
Action: Jo Barkham to find out if the personal specification can be circulated to the Group for their comment.

Item 2. Delivering World Class Skills in a Demand Led System

2.1 Gaynor Field, Head of Funding Policy Development (Skills), joined the Group to talk to them about the above consultation.

2.2 The LSC were asked by the DfES to develop funding models for consultation. The consultation will finish at the end of March and the selected funding models will be implemented in 08-09 business cycle. The LSC are holding regional consultation events (dates to be circulated) and NIACE is organising, on behalf of the LSC, two events which are both targeted at VCS bodies and local authorities. The details for these events are:

- 14th March, Jury’s Great Russell Street, London
- 19th March, Lakeside Conference Centre, Aston University, Birmingham

Action: Gaynor Field to send regional consultation dates to JB for circulation to Group.
Action: Group to disseminate consultation dates to their networks and encourage them to attend.

2.3 The following issues and concerns were raised by the Advisory Group in response to the LSC consultation document on this issue.

Section 1 – The Case for Change

1.1.4 states that by 2010 all public funding for adult vocational skills in England, apart from community learning, will be routed through Train to Gain and learner accounts. The Advisory Group questioned the definition of ‘community learning’ and offered to put forward a definition to the LSC as it seemed a very important phrase that was used throughout the document and doesn’t seem to be defined.

1.4 In the timetable for change, for 2008/09, SSC’s will prioritise a short list of qualifications. At various other points in the document, SSC’s are given priority as the organisations that will determine the learning and skills needs of employees. Given that the VCS do not have on SSC to wholly represent them, concern was raised by the Group about the sector being overlooked through this process. Representations will be made for an SSC for the sector.

Section 2 – How the FE System will work
Section 2.1 notes the Leitch conclusion that providers should only receive funding as they attract customers and the apparent assumption within this consultation document that a demand led system would implement this approach. The Advisory group would oppose this method of payment as it does not deliver to the compact agreed between the third sector and the Government to ensure that work is appropriately managed and apportioned to the agency best able to manage it.

Section 2.2 paragraph 33 states that the Secretary of State has challenged the FE system to achieve self regulation by 2012. The Advisory Group would like to see a definition of “self regulation”.

Section 2.3 – Creating Demand

Paragraph 38 states that ‘the greater the national benefit, the more that state pays; and the greater the personal benefit, the more the individual pays’ and the Advisory Group would like a definition of ‘national and personal’ benefit.

Section 49-52 focuses on adults, but without any mention of progression routes and pre qualification learning. The Advisory Group is concerned to note this and questions how those without employment or skills for employment will be funded to get into a learning/skills journey if they are not ready to move straight to a level 2 qualification.

Section 2.5 asks the question about incentives to open up and diversify the market across all types of providers to engage non-learners and employers. The Advisory Group would wish to make strong representation for a system of grant funds, not tied to targets that would allow innovative and creative solutions to engaging with hard to reach learners. Paragraph 62 suggests that this is possible through capacity building funding. The Advisory Group welcomes this but note that this has not been forthcoming in the tendering round for 07/08 to date and asks for clarification and detail about how this will be achieved.

Section 2.8 – Qualification and Curriculum Support

This section identifies SSC’s as the route to getting a qualification recognised. The concern for the VCS is raised above. A further concern for the Advisory Group is what happens when a learner doesn’t want to engage in qualifications that the SSC has identified. If this whole process determined by employers or will learners have any voice in this process?

Paragraph 81 sets out the options for funding qualifications. Weighting seems to be on the basis of achievement, and whilst this is right in principle, it will deter providers from taking on those they don’t consider are likely to achieve. Whilst this is covered in part in paragraph 82, there is no sense of the proportion and the reality of achieving the aim in the final sentence.
Question 11 asks if the proposals, as suggested would encourage progression and the Advisory Group would be strongly opposed to agreeing to this until the full information about weighting is available.

Section 3 – Funding Models

Paragraph 94 notes that PCDL will remain outside of those funding models for the time being. The Advisory Group note this and would strongly oppose PCDL being subject to these funding models at any time in the future.

Paragraph 94 states that the proposals are to discourage negotiating different funding rates for different providers. The Advisory Group would strongly recommend different funding rates for different client groups, however, as some client groups are much more expensive than others, over and above LLDD groups which the document suggests would receive additional learner support.

The whole section on funding models is predicated on age, rather than the stage of a learners journey. 14 – 19 and young peoples provision might, for a variety of reasons, might also be appropriate to those who are considered “adults” and yet the funding system will treat them differently, and potentially with less priority. This doesn’t fit our knowledge of demographics over the next 20 years, where we know that we need all of our adults up skilled to deliver the economic imperatives of England.

Item 3. Recommendations and actions from morning discussion
Action: CT (NIACE) to draw up definition of “Community Learning” and send to Gaynor Field.
Action: Fiona Blacke to be invited to a meeting to discuss Learner Voice.
Action: CT (LSC) to speak to Peter Newson/Richard Healy and Gaynor Field about the possibility of grant funding
Action: Shirley Cramer to ask for a meeting with Ann Jackson and Stephen Marston (DfES) to discuss the Employer Responsiveness Model and concerns about how this will affect the third sector. If possible, to invite one of them to speak at the next meeting.
Action: CT (NIACE) to send dates of VCS consultation events to JB.
Action: CT (LSC) to find about DfES Strategic Forum and, if appropriate, draft a letter from SC asking for a place on the Forum.
Action: Letter from SC to go to Office of the Third Sector inviting them to speak at the Groups’ July meeting.
Action: Copy OFTS into any correspondence with DfES.
Action: CT (LSC) to speak to ESF regarding ESF transitional arrangements (Group to send questions to CT directly).

Item 4. Any other business
4.1 The Group discussed what response, if any, it should make to a press release in Third Sector magazine regarding a court case that the LSC is involved in. Jane Slowey declared an interest as a trustee of NCVO.
4.2 CT (LSC) explained the background to the case. The LSC is taking a VCS organisation to court as there was no evidence that learning outcomes had been met. Following on from this the Compact Advocacy Unit wrote to Mark Haysom stating that the LSC had breached the Compact and asked to meet with him. The LSC’s solicitor responded to this saying that the Compact was not a legal document. The Compact Advocacy Unit has now written to the Secretary of State about Compact issues and Third Sector magazine have asked for a statement from the LSC.

4.3 The Group had the following comments on what it’s statement should say:

- Separate the issues of LSC’s approach and whether the LSC has breached the Compact.
- Should state clearly that the Advisory Group would expect the LSC to treat all providers equitably.
- Take the opportunity to respond positively about the progress that the LSC has made in working with this sector.
- Don’t comment on court case

Action: CT (LSC) to draft statement to go in out the Chair’s name.