Machinery of Government Consultation - Chief Executive’s message to LSC employees

17 March 2008

The LSC is a remarkable success story and I am proud of what it has achieved.

Under its leadership, Further Education has been transformed. In towns and cities throughout England there are now world class buildings providing world class learning facilities; there are record numbers of young people participating in learning and enjoying unprecedented success; there are more adults than ever before with the skills and qualifications they need to improve their life chances; there are thousands of employers being helped to improve their competitiveness; there is an apprenticeship system delivering results to match the best in the world.

The LSC has made enormous strides in reaching out to disadvantaged communities; reducing the number of young people not in education, employment or training; helping offenders into the world of work; and improving access and opportunities for those with disabilities and learning difficulties.

Through new funding approaches we are putting power and choice into hands of learners and employers. We have focused our funding on priorities and have sought to make it more responsive to local needs. And of course along the way we have hit – and often exceeded - every target that has been set for us.

Importantly we have shown that you can achieve success while driving down costs. Our annual running costs are now some £100m less than our predecessor bodies.

All of this has been delivered through an enormous effort from all of you, the staff of the LSC, and many thousands of others across the wider system. I believe in years to come that people will look back at this time as an important period for Further Education, a time of investment of improvement, progress and innovation.

But the world does not stand still. In 2010 the LSC will enter its tenth year and this represents considerable longevity in an era of constant change. At that point we will have been in existence longer than any of our predecessor bodies. Since last summer we have known that 2010 will be a time of major change for us and today, with the publication of the Machinery of Government consultation document, we have finally got the chance to see the very different configuration of the post-16 landscape that is being proposed.

In summary, there will be two new bodies that will continue to drive ahead the huge agenda that we have been charged with since 2001. For young people there will be a new national Non Departmental Public Body, with some regional capacity, which will support local authorities in their new role in commissioning and funding 14-19 provision. Local capacity on 14-19 will therefore, as expected, be with Local Authorities. For adults there will be a new Skills Funding Agency, again with some regional capacity, which will oversee the distribution of funds to the sector and manage the performance of FE colleges. The Agency will also house the National Apprenticeship Service (NAS), the National Employer Service, and the Adult Careers and Advancement Agency. As has already been announced, the Train to Gain brokerage service will transfer to Regional Development Agencies in April 2009.
Although there is still a great deal of work to be done to flesh out the detail of the proposals, what we now know is that in 2010 some of our staff will transfer to local authorities and some will move across to the two new organisations. Even before that, some staff will move over within the LSC to work for the NAS which is aiming to be up and running by April 2009 at the latest. Throughout the transition period we will work with and support all our staff as we move to the new arrangements.

Over the next two years there will undoubtedly be difficult decisions for us all – but there will also be new and exciting opportunities.

This two year period also allows us to continue to build on what we have achieved so far. There are more great buildings to be completed as we drive ahead with the renewal of the FE estate; there are new and stretching goals to be achieved in Train to Gain and Apprenticeships, and in driving yet further participation and achievement for 14-19 year olds. I want us to leave an outstanding legacy of achievement – one that we will be able to build on as we take up new roles and opportunities in the future.

In the meantime, we are working through the detail of the proposed changes and will be seeking the views of all members of LSC staff. To this end, we are sharing as much detail as we can today and we are putting in place further opportunities for feedback over the coming months. Through this consultation, we have the opportunity to influence the way in which the new organisations and arrangements will work and I want to ensure that the knowledge, expertise and experience of our staff are fully utilised in the development of these new models.

I will also be visiting as many offices as possible to hear at first hand your thoughts about the proposals. Last Autumn I managed to fit in 26 of these sessions over a period of a couple of months and I will be aiming to do much the same between now and early May.

I also want all staff to have a more formal opportunity to contribute to thinking on the implementation of the changes and I have asked Verity Bullough to work with other members of Management Group to put in place a process to enable this. What I have in mind is that staff should meet in their national, regional or local teams and in regional and national Open Forums to discuss the proposals and provide written feedback that can be collated in Coventry and fed into the consultation. We will also, of course, continue to work closely with the PCS. Verity will write with further guidance on staff consultation in the next few days.

Last month I announced that David Russell would chair the Programme Board that will oversee transition arrangements. David will provide further details of how this Board will operate in the coming weeks.

This is an important day for the LSC and I would urge you all to read the document and take the time you need to digest the information. I am asking all managers to free up their diaries so that there is sufficient opportunity to discuss the changes with teams and, where appropriate, with individuals. Our focus must be on supporting all staff as we move through this period of change.

Mark Haysom