

 For information

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Leading learning and skills

Executive Summary Our Single Statement of Requirements

December 2006

Of interest to everyone involved in improving
skills and learning opportunities across England

i For information

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Introduction

- 1 This document provides the executive summary to the Single Statement of Learning and Skills Policy Requirements. It has been organised to reflect *Raising our Game: Our annual statement of priorities* (our *Annual Statement of Priorities*), published in October 2006.
- 2 The purpose of the statement of requirements is to bring clarity, simplification and coherence to the communication of learning and skills policy requirements by systematically maintaining a single, authoritative source on an annual basis. This document reflects the latest policy position and/or thinking at the time of writing.
- 3 This summary has been prepared to provide an overview of all the full policy requirements. The single statement is maintained primarily for use by partnership teams to inform their lead relationship management responsibility of working with our local delivery and strategic partners. It will also be of interest to all Learning and Skills Council (LSC) employees and delivery and strategic partners.
- 4 The policy requirements within the single statement are based on contributions from all policy teams. The requirements are located under the priority with which they best align. Where requirements relate to more than one priority, they have been cross-referenced.
- 5 This executive summary provides only the minimum amount of information necessary to outline the requirement. The title of each requirement in this document acts as a hyperlink to the full requirements document for that subject.
- 6 The current status of the policy requirements has been highlighted, especially where a requirement is new or has been revised.
- 7 For ease of reference, the requirements for each policy are presented as a short summary that addresses a series of answers to basic questions.
 - What is the policy about?
 - What does the policy aim to achieve?
 - How will the policy do that?
 - What are the achievements or successes?
- 8 The links in the table of contents direct you to the relevant section in the document. Once you have reached the relevant page, click on the requirement title to access the full requirements for the policy, or within the Links section to access source documents and information.
- 9 Several changes have been made this year to the process and to publication and issues of this document. Responses and suggestions are welcome and will aid our continuous improvement. Please contact John Lodge at the LSC National Office at john.lodge@lsc.gov.uk or on 024 7682 3228.

Priority

Raise the quality and improve the choice of learning opportunities for all young people to equip them with the skills for employment, further or higher learning, and for wider social and community engagement.



01

Foundation Learning Tier

Also links to Priority 2

This policy is significantly changed for the 2006/07 business cycle as the LSC will be introducing phased implementation of the Foundation Learning Tier (FLT) from September 2007. A timetable for the assimilation of existing provision at Entry Level and Level 1 (including Entry to Employment) into the FLT will be announced during 2007. During 2006/07, the first tranche of progression pathways will be developed. Initial work will focus on progression pathways to Level 2 for adults and progression pathways to Apprenticeships for young people. It is expected that FLT trial sites will become the first phase of FLT provision. Guidance for the second phase of FLT implementation (from September 2007) will be issued during spring 2007.

What is it about?

The FLT embraces all high-quality provision for new and existing learners aged 14 and over who are working below Level 2. LSC policy is to provide a coherent offer of units and qualifications at Entry Level and Level 1 (drawn from the Qualifications and Credit Framework (QCF)), with clear progression pathways and a transparent and responsive funding methodology.

What does it aim to achieve?

The FLT will address concerns about the appropriateness and accessibility of provision below Level 2 for young people and adults. Evidence collated over the last few years has revealed a lack of motivating provision and a paucity of choice below Level 2. The Department

for Education and Skills (DfES) has stressed the need for a framework that offers robust progression opportunities and ensures access to accreditation for achievement using units and qualifications from the QCF.

Weaknesses have also been identified in the individual offer for adults not yet ready or able to work at Level 2. Concerns were also raised about the lack of progression among adults returning to learn and the lack of clearly identified progression routes at the lower end of the National Qualifications Framework. It was apparent that a coherent offer of provision was needed for both young people and adults, and that although delivery, settings and contexts might differ for these two groups, common

principles should be applied to meet both sets of needs.

How will it do that?

The LSC is working with the Qualifications and Curriculum Authority (QCA) to develop units and qualifications at Entry Level and Level 1 in the QCF and to put in place the identification and validation of progression pathways. Planning and funding mechanisms will ensure the accessibility of appropriate provision for learners, including an entitlement to progression pathways for adult learners as resources allow. Once fully implemented, the FLT will provide:

- unit and qualification provision available at Entry Level and Level 1 (drawn from the QCF) that enables learners to have a wider range of their achievements recognised formally and supports meaningful progression, particularly to Level 2
- clearly defined pathways that support progression to Level 2 (including Apprenticeships) and other significant destinations (for example, supported employment) for those not capable of reaching Level 2
- coherent, personalised programmes for learners working at Entry Level and Level 1
- clear planning and funding mechanisms that support participation, achievement and progression and are in the context of funding reform across England
- integration with related development both in the 14–19 phase, the UK Vocational Qualifications Reform Programme and the Skills Strategy.

Achievements and success

Full implementation of the FLT, with a comprehensive range of progression pathways, should be completed by 2010. Phased implementation of the FLT will begin from September 2007. FLT trial sites began in October 2006.

Links

QCA documents are available on the QCA website:
www.qca.org.uk/14466.html
www.qca.org.uk/14466.html

The LSC has an FLT intranet site:
http://intranet/Portal/Portal/Local%20Council/National%20Office/learning-group/adult-learning/qualifications_curriculum-

The LSC's *Draft Requirements for FLT Providers* (September 2006: a revised version will be available from March 2007)

The QCA's *Draft Qualification Strategy for the Foundation Learning Tier* (June 2006)

The QCA's *Principles for Learner Programmes in the FLT* (June 2006)

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Entry to Employment

What is it about?

Entry to Employment (E2E) is Entry to Level 1 provision on the work-based learning route for those young people who are not yet ready or able to immediately access an Apprenticeship, further learning towards Level 2 or employment. E2E offers a flexible and individualised programme, designed to support young people's progression and achievement.

What does it aim to achieve?

E2E was developed in order to provide a programme of learning suitable to the needs of young people who were not yet ready to enter a structured learning option, and were unemployed. As a consequence, these young people would be not in education, employment or training – the NEET group. A DfES study in 2005 estimated that a young person who spent an extended time out of education, employment or training would, on average, cost the taxpayer £97,000 during his or her lifetime, and was 22 times more likely to be a teenage mother, 50 per cent more likely to suffer from poor health, 60 per cent more likely to be involved with drugs and more than 20 times more likely to become a criminal.

How will it do that?

The White Paper *Further Education: Raising skills, improving life chances* included a commitment that the DfES, working with the QCA, the LSC and sectors skills councils (SSCs), would:

develop a framework of well understood, high quality foundation programmes encompassing Entry and Level 1

(paragraph 3.41)

Known as the Foundation Learning Tier (FLT), this will encompass E2E.

E2E is designed to equip young people to become independent, self-motivated, informed and empowered to take control of their lives. Its primary aim is to enable learners to progress into employment with training or onto further learning programmes.

Achievements and success

Because the young people involved in the programme are those who have become disaffected or disengaged from learning, the measure of a young person's success is as individual as their learning programme. For some young people, completing their agreed learning programme, including regular attendance for 30 hours a week, is in itself a success, even if they do not immediately progress into learning or employment. We have been careful, therefore, not to set targets for progression in case this discourages providers from recruiting young people who are particularly challenging.

Nevertheless, we collect and publish data on outcomes. These show that, in 2005/06, some 50,000 young people started on E2E programmes; 12,000 young people progressed to further learning, and a further 12,000 progressed into employment.

E2E has been developed specifically to reach out to young people who have become disaffected or disengaged from learning. Around 30 per cent of learners consider themselves to have a learning difficulty and/or disability, and the proportion of these learners who progressed to learning or employment in 2005/06 was almost the same as for learners without a learning difficulty and/or disability.

Links

DfES Statistical First Release 21/2006:
www.dfes.gov.uk/rsgateway/DB/SFR/s000658/SFR21-2006.pdf

Young People Not in Education, Employment or Training, DfES Research Report 628
www.dfes.gov.uk/research/data/uploadfiles/RR628.pdf

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School Sixth Forms

This is a new policy requirement for the 2006/07 business cycle.

What is it about?

School sixth forms provide a valuable range of options for young people aged 16 to 18. The LSC funds school sixth forms through local authorities but has a responsibility to ensure that the provision is high quality and offers value for money.

What does it aim to achieve?

The funding provided for school sixth forms is primarily to provide qualifications at Levels 2 and 3 that enable young people to progress to higher education, further learning or meaningful employment with further training.

The LSC is working with the school sector towards increased participation and improved success rates. A significant factor in this is improving data collection and quality.

How will it do that?

The LSC is looking to enhance its relationship with schools so as to engage them in the local debates on implementing the 14–19 reforms taking place now and in the future. In 2007/08 we will:

- engage schools in consultation on the *agenda for change* funding methodology changes for 2008/09
- discuss with schools how they contribute to the local and regional plans and agree clearly what we will fund

- consider how the LSC's proposals for strategic commissioning, minimum performance levels and Framework for Excellence will involve schools
- require the submission of pupils' aim level data from December 2006.

Achievements and success

The number of sixth formers increased from 328,000 in 2001 to 369,000 in 2005. This is a major contribution to learning opportunities for 16–18 year olds, and is a 12.5 per cent rise against a demographic increase of 7.2 per cent.

Timescale

Allocations for the 2007/08 year to local authority by 22 December 2006

Introduction of *agenda for change* funding methodology August 2008

Success measures

This policy will have been successful if:

- the number of young people who have not yet reached Level 2 by age 19 reduces
- the number achieving a full Level 3 increases
- the contribution school sixth forms make to local participation at age 17 and achievement at age 19 targets increases.

Links

Priorities for Success 2006–2008 at: <http://readingroom.lsc.gov.uk/lsc/2005/funding/streams/priorities-for-success-2006-08.pdf>

Funding Guidance for School Sixth Forms 2006/07

www.lsc.gov.uk/Providers/funding-policy/Schoolsixthform/School_Sixth_Forms-Funding_Guidance_for_200607_and_200708.htm (technical reference document that sets out the LSC's approach and authoritative guidance for the funding of school sixth forms in 2006/07)

Instruction on school sixth forms to be issued January 2007.

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16–19 Further Education Provision

A requirements document will follow this statement.

In agreeing allocations and plans with post-16 providers for further education (FE), regions and partnership teams are expected to take forward the commitments made in our *Annual Statement of Priorities*, and in particular to:

- work towards our aim of 90 per cent participation by 2015 and minimise the numbers of young people not in education, employment or training
- increase the range of high-quality courses below Level 1, for example by introducing the FLT
- focus on improving success rates for all young people regardless of their characteristics or the level or type of their programme
- increase the proportion of 19 year olds with a full Level 2 qualification, with a focus on improving performance in Maths and English
- increase the proportion of 19 year olds with a full Level 3 qualification and maximise progression to further learning, including to higher education.



Education Business Links

For 2006/07, this policy remains unchanged. Discussion is under way with the DfES for 2007/08, and this may result in policy changes.

What is it about?

Education Business Link (EBL) applies to the delivery of activity to support work related learning (WrL), defined as: planned activity that uses the context of work to develop knowledge, skills and understanding useful in work, including learning through the experience of work, learning about work and working practices, and learning skills for work. EBL funds cover four priority areas of activity:

- work-related learning in the curriculum
- work experience
- employer involvement in EBL activity
- professional development of staff.

What does it aim to achieve?

Knowledge, skills and understanding of the world of work are important in the choice of curriculum pathways by young people at both Key Stage 4 and Key Stage 5. Making employer engagement part of the new diploma delivery at Key Stage 4, as well as an integral part of other programmes currently under way (the Increased Flexibility Programme and Young Apprenticeships), is central to 14–19 curriculum reform.

How will it do that?

EBL activity supports the delivery of WrL, which is a statutory National Curriculum requirement for all Key Stage 4 (KS4) students. This requirement is for schools to make provision for all students at KS4 to:

- learn through work, by providing opportunities for students to gain direct experience of work
- learn about work, by providing opportunities for students to develop knowledge and understanding of work and enterprise
- learn for work, by developing skills for enterprise and employability.

Achievements and success

In 2005–06 this funding supported:

- approximately 400,000 work experience placements for young people
- 16,121 professional teacher placements ranging from 1 to 5 days
- approximately 20,000 links to small- and medium-sized employers.

Records showed that 17,183 educational establishments worked with the education business consortia to deliver these results.

Links

DfES link to KS4 statutory requirement for WrL at:
www.dfes.gov.uk/14-19/index.cfm?sid=3&pid=271&ctype=TEXT&ptype=Single

DfES link to 14–19 reform and employers at:
www.dfes.gov.uk/14-19/dsp_stakeholders.cfm?page_id=2

QCA link to framework for WrL at:
www.qca.org.uk/14-19/11-16-schools/110_136.htm

LSC guidance for EBL funding at:
http://intranet/Portal/Portal/Functional%20Groups/Finance/P2/learner-provisions_programmes/funding-agreements-0607/guidance/

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Learner Health, Safety and Welfare

Also links to Priority 2 and impacts on all LSC-funded provision for young and old

What is it about?

The LSC has a statutory duty to secure proper facilities and equipment for the training and learning of the people it funds. Being 'proper' means meeting at least satisfactory standards of health and safety. The LSC states that the health and safety of learners is a fundamental value, and central to this is the safe learner concept.

What does it aim to achieve?

The LSC *Policy Statement on Learner Health and Safety* (signed by Mark Haysom) of January 2006 reads as follows.

- The health, safety and welfare of learners is a fundamental value of the Learning and Skills Council. **All learners are entitled to learning that takes place in a safe, healthy and supportive environment.** In addition, we consider that safe learning is essential to maximise learners' experience and achievement.
- We expect all those we fund to fully meet their legal obligations and will seek assurance that they have suitable and sufficient arrangements for learner health and safety. We will take appropriate actions when standards are not met.
- We consider health and safety to be an integral part of quality. Those we fund are expected to have in place an effective health and safety management system and demonstrate continuous improvement.

- The 'safe learner' concept is central to our policy. We will promote risk education and awareness and the learning of health and safety as an integral part of any Council-funded learning. In particular, we will positively engage all those that can contribute to preparing young persons to be safe and healthy workers.
- We will promote, and expect those we fund, to promote the safe learner concept. We will develop, in partnership with others, a learner health and safety framework that can be used by everyone to help benchmark and measure performance.
- We will encourage and support the raising of standards and 'best practice' approaches, working in partnership with key stakeholders.
- We will contribute to the Government's Revitalising Health and Safety Strategy through the implementation of this policy and our appointed Champion of Learner Health and Safety.

The policy extends to all learners on LSC-funded provision. A learner is an individual who is learning by receiving training and support on LSC-funded provision. The term includes 'employees', 'trainees', 'clients', and 'pupils' or 'students'.

How will it do that?

The LSC is committed to ensuring and promoting learner health and safety because it recognises that health and

safety is a fundamental value and is an integral part of the quality of learning.

The LSC funding agreements and contracts for learning require key areas of health and safety to be fulfilled (see below).

A safe, healthy and supportive environment for learning

All funded learning must take place in a safe, healthy and supportive environment that meets the needs of learners. The standards required are those of legislation, relevant Health and Safety Executive (HSE) codes of practice, guidance and some specific LSC requirements.

The safe learner concept

The LSC requires the safe learner concept to be promoted in all its learning programmes. The safe learner concept is about the learner, through the quality of their learning experience:

- gaining an understanding of health and safety
- understanding how to identify and control risk; and
- developing a set of safe behaviours.

In other words, learners play an active part in the process and obtain a practical, transferable skill from their experience.

Effective health and safety management

To secure the above, all providers that the LSC funds are required to have an effective health and safety management

system in place. The LSC uses the HSE's guidance *Successful Health and Safety Management* (HSG65) as the benchmark.

Safeguarding of vulnerable groups

The LSC's conditions of funding require all its funded organisations to adopt recruitment processes that comply with the law. Funded organisations whose employees may have regular contact with learners under 18 or with other vulnerable learners are also required to register with the Criminal Records Bureau (CRB). They are required to ensure that the appropriate checks are made to ensure that employment involving regular contact with young people under the age of 18 or with other vulnerable learners is not offered to or held by anyone who has been convicted of certain offences, or whose name is included on lists, held by the DfES and the Department of Health, of people considered unsuitable for such work.

Achievements and success

There are a number of factors that focus on the key areas of health and safety. To be acceptable in terms of performance, a college or provider will be able to demonstrate that:

- an effective health and safety management system is in place, including a SMART (specific, measurable, achievable, realistic and timebound) action/development plan
- they are providing (and ensure that others provide) a safe, healthy and supportive environment for learners; and
- they are promoting the safe learner concept.

Those we fund who 'add value' and demonstrate practice over and above the acceptable standard will be categorised as 'strong' and 'excellent'. Normally this will be around the setting and achievement of demanding health and safety performance targets and in particular focusing on the safe learner.

Those who fall short of the standard will be categorised under 'some concern' or 'serious concerns' depending on how far they fall short and the risk.

Links

www.lsc.gov.uk

www.safelearner.info

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Learner Support Fund

Also links to Priority 2

The Learner Support Fund is being evaluated and reviewed in 2006/07. This may lead to policy changes for 2007/08. A single national residential support scheme will also be developed in 2007/08.

What is it about?

The Learner Support Fund (LSF) is available to support FE learners studying in FE colleges, external institutions, higher education (HE) institutions, school sixth forms and sixth form colleges. It will thus improve the participation and retention of those students who are financially most vulnerable.

What does it aim to achieve?

The LSF assists learners on LSC-funded provision, in particular where there are hardship and childcare needs. The LSF also provides residential support for those learners who have to stay away from home when suitable local provision is not available.

How will it do that?

LSC National Office allocates funding to regional offices, which then allocate it to providers according to regional and local discretion. Allocations to regions will be determined nationally and given to regional directors by March 2007. The LSC will:

- work with local authorities and providers locally to agree allocations and LSF funding agreement schedules
- ensure that accurate and up-to-date information is held and that accurate payments are made to providers and local authorities at the appropriate times
- reconcile funds in September 2007, recovering underexpenditure, as appropriate to regional criteria

- ensure that expenditure and management information is available by the end of September of each year
- make in-year adjustments of allocations to providers if underspends emerge
- participate in the local transport partnership groups and mediate where disputes occur.

In line with the single funding agreement, the LSF will have its own schedule attached to existing funding agreements signed between the LSC and providers and local authorities. Agreement to the LSF schedule, which will include the agreed funding, will be the trigger for the LSC to initiate the payments on the following basis: 50 per cent in August, 25 per cent in December and 25 per cent in March.

Providers will be required to complete the Individualised Learner Record (ILR) where applicable, or, in the case of schools and local authorities, the Pupil Level Annual School Census (PLASC) return. Data requests must be completed fully and accurately, otherwise providers will be asked to supply a detailed manual return. In addition to this, there will be a financial reconciliation. The financial information will be collected by September 2007.

Achievements and success

There are no specific targets associated with the LSF. However, the review mentioned above will be completed during 2006/07.



Success measures

- LSF funding reaches the learners most in need of help.
- Participation levels by learners from the most disadvantaged groups are increased.
- The allocation and disbursement of LSF funding are transparent and robust.

Links

Information on post-16 transport partnerships can be accessed at:
www.dfes.gov.uk/financialhelp/16-19transport

Information on the LSF can be accessed at:
www.dfes.gov.uk/financialhelp

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Education Maintenance Allowance

The Education Maintenance Allowance (EMA) programme is in the final stages of national roll-out. During 2006/07, all eligible 16, 17 and 18 year olds will be able to benefit from EMA payments. EMA was extended to LSC-funded E2E and Programme-led Apprenticeships in April 2006 and will continue to embed with this cohort during 2006/07.

What is it about?

EMA is a weekly payment of up to £30, paid directly to young people who continue in learning after they reach the statutory school-leaving age. Young people may also receive bonuses if they remain on their programme of learning and continue to make good progress. EMA does not affect other household benefits. Further details are available on the EMA website.

What does it aim to achieve?

EMA addresses the issue of low participation in learning among 16-19 year olds. It underpins the commitment of realising the potential of all of our young people, regardless of their financial circumstances. Its aim is to improve participation, retention and achievement in post-16 learning.

EMA was extensively piloted prior to national roll-out and was subject to the biggest independent evaluation the DfES has commissioned. The findings of this evaluation were that EMA was projected to have the biggest impact on participation levels since the introduction of GCSEs in 1987.

How will it do that?

The LSC is responsible for leading local partners in their delivery of EMA and helping embed it in their activities. This is to ensure that EMA supports the maximum number of eligible young people. The LSC is also responsible for ensuring that there are effective partnership arrangements in all areas,

to facilitate appropriate information sharing. The LSC will identify the appropriate local partnership forum or create a new local partnership structure through which EMA roles and responsibilities at the area level will be agreed. The LSC should engage with Connexions, Jobcentre Plus (JCP) and local voluntary and charitable organisations to engage 16–18 year-old people who are, or are at risk of becoming, not in education, employment or training. Local authorities will be key members of the partnership.

The LSC is also responsible for supporting learning providers to ensure that EMA is administered effectively. Measures will include the following.

- **Management support:** Supporting and overseeing providers, including schools with sixth forms, colleges and work-based learning providers, in their preparation for and operation of EMA administrative processes.
- **Monitoring:** Using information on EMA take-up rates, stoppages and bonuses to inform performance of learning providers on participation, retention and achievement. This information should be used to challenge providers to exploit EMA and boost attendance and attainment.

Achievements and success

Since the national roll-out of EMA, participation levels for 16 year olds have increased by 4.5 percentage points to their highest ever rate. There has also been a 2.8 percentage point increase in

participation by 17 year olds, leading to record numbers of 16–18 year olds taking part in learning during 2005/06.

Over 425,000 young people benefited from EMA payments during 2005/06. We continue to encourage all eligible learners to take up EMA.

Links

www.direct.gov.uk/ema
This provides an overview of EMA for learners and partners involved in implementing EMA.

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Career Development Loans

What are they about?

Career Development Loans (CDLs) are deferred repayment bank loans. The LSC operates them in partnership with three high street banks: Barclays, the Co-operative Bank and the Royal Bank of Scotland. CDLs were introduced across Great Britain in 1988 to help remove a financial barrier to vocational learning.

The White Paper *Skills: Getting on in business, getting on at work*, published in March 2005, set out the Government's continuing commitment to help individuals help themselves to develop their skills through training.

What do they aim to achieve?

The LSC and the Government continue to back the policy as it is a highly cost-effective way of helping adults to develop their skills and of encouraging individuals' investment in their own learning.

How will they do that?

Individuals can borrow between £300 and £8,000 to pay for vocational courses lasting up to two years, plus, if relevant, up to one year's practical work experience where it forms part of the course.

Applicants must be ordinarily resident in Great Britain and have an unlimited right to remain in the United Kingdom. They must intend to work within the European Union or in Iceland, Norway or Liechtenstein once they have finished their course.

The key principles of the CDL scheme are to:

- increase the amount of vocational learning
- encourage more individuals to take responsibility for their own learning
- encourage financial institutions to view learning as an investment worthy of a loan.

Achievements and success

Since the programme began in 1988:

- there have been 236,822 loans
- the banks have lent £894.76 million.

CDLs give exceptional value for money. An annual investment of about £20 million of public money supports around 16,000 new loans to a value of around £74 million a year and represents around £170 million of added value to the economy each year.

Links

www.direct.gov.uk has a link to guidance for learners.

The document *Career Development Loans: A guide for learning providers* is available on the LSC website (www.lsc.gov.uk). This guidance is for providers that wish to register for CDL in order to enable CDL-supported learners to learn with them.

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Residential Support Programme

Also links to Priorities 2 and 4

This programme has changed significantly for the 2006/07 business cycle. From September 2006, the criteria have been changed to align the programme with LSC priorities.

What is it about?

The Residential Support Programme (RSP) is intended to assist learners with the cost of residential support where provision is not available within reasonable daily travelling distance of their home.

What does it aim to achieve?

The programme supports the Public Service Agreement (PSA) and LSC targets to increase the number of people with qualifications at Levels 2 and 3. It provides financial support with accommodation costs for those students who need to study away from home because their course is not available locally. It is particularly advantageous, therefore, for students studying specialist subjects and/or living in more remote areas.

How will it do that?

From September 2006, changes to the criteria were made to align the programme with LSC priorities to:

- support courses at Levels 2 and 3
- implement a prior study rule to only support first Level 2 and first Level 3
- implement a cut-off date to back payments
- make funding available on a pro-rata rather than an annual basis
- remove the 'home exemption' rule to enable area partnership teams to assess all claims for residential funding thus ensuring suitable local provision is not displaced.

Links

www.dfes.gov.uk/financialhelp

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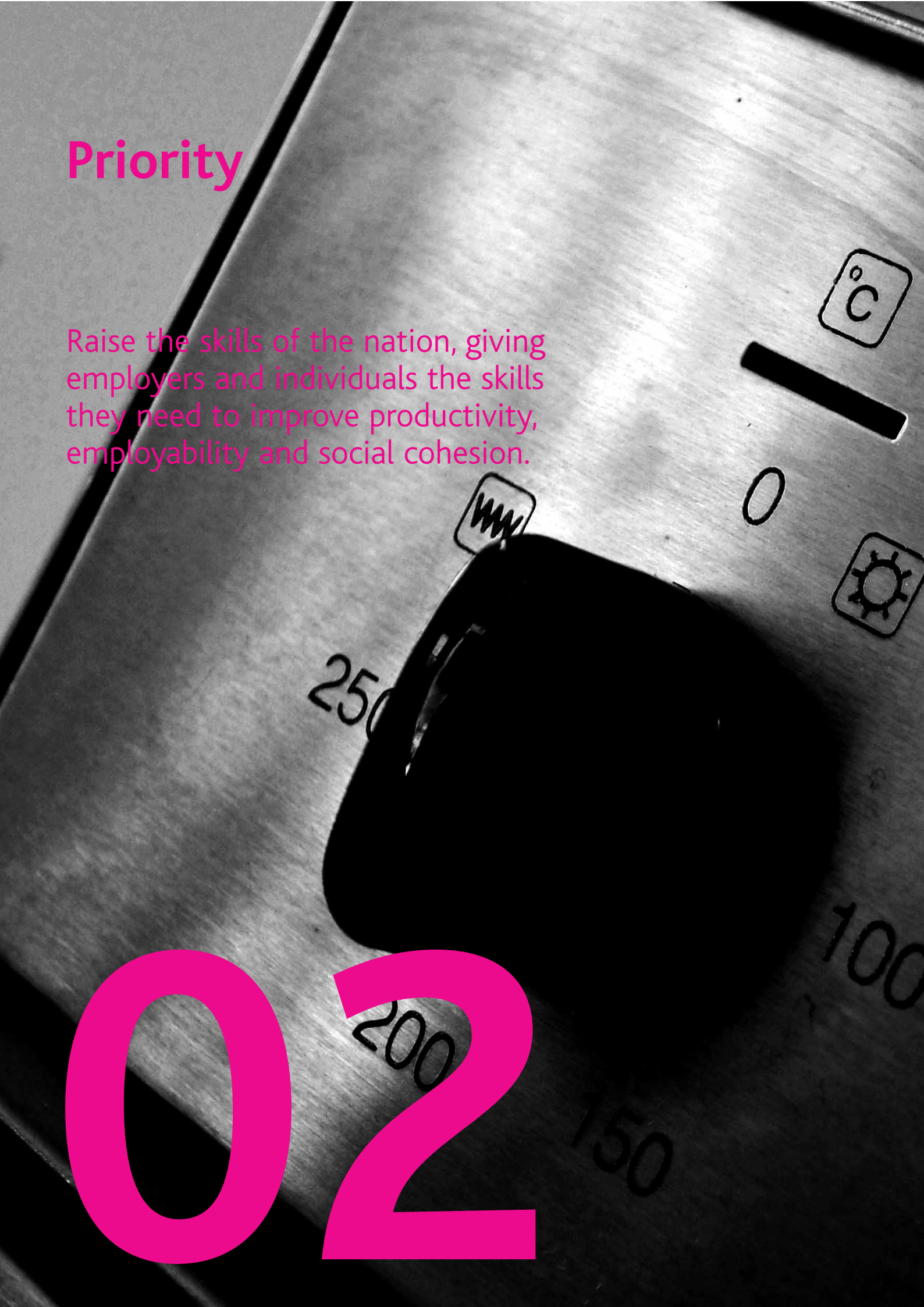
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Priority

Raise the skills of the nation, giving employers and individuals the skills they need to improve productivity, employability and social cohesion.

02



Adult Level 2 Entitlement

Also links to Priority 4

What is it about?

Adult Level 2 Entitlement (L2E) is an entitlement to free tuition to study for a first full Level 2 qualification.

This does not guarantee the availability of a learning place in a chosen subject at any one FE college. It is a general criterion for eligibility for fee remission where the learner does not already possess a full Level 2 or above qualification.

What does it aim to achieve?

Adult Level 2 (equivalent to five GCSEs at A–C grade or a professional qualification such as a National Vocational Qualification (NVQ) at Level 2) is the minimum standard that most employers expect from school leavers and therefore the minimum level required for sustainable employment in the workplace.

With an estimated 6 million adults in the workforce lacking Adult Level 2 qualifications in 2001, the Government set a PSA target to reduce this by 40 per cent by 2010. The planning, funding, marketing and delivery of publicly funded learning and skills for adults must make the distinctive needs of this group of people a priority.

How will it do that?

A central aim of the Skills Strategy, as set out in the 2003 White Paper *21st Century Skills: Realising our potential*, is for unskilled or low-skilled adults to gain the platform of employability skills, represented by the full Level 2

qualification that they need for sustained and productive employment.

Achievements and success

The L2E was successfully trialled in the South East and North East regions in 2004/05 and was available nationally from September 2006.

It is helping to increase the amount of adult Level 2 qualifications, thus helping progress towards the PSA target.

Links

Public explanation of the policy is available on the DfES Skills Strategy site at: www.dfes.gov.uk/publications/skillsgettingon/fore.shtml

Detailed LSC internal guidance on eligibility is contained at: http://intranet/Portal/Portal%20Content/News/Business%20Cycle/Core%20Business%20Process/Single%20of%20Requirements/Draft%20Single%20Statement%20of%20Requirements%202006-07%2014.11.06.doc#OLE_LINKA14

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19–25 Level 3 Entitlement

This is a new policy requirement for the 2006/07 business cycle.

What is it about?

The White Paper *Further Education: Raising skills, improving life chances* identified an inconsistency in entitlements for young adults in FE compared with those in HE. It committed the Government to providing fee remission for any young adult, aged at least 19 but under 25, who had not already achieved a full Level 3 qualification, so that they would not be disadvantaged and would be encouraged to continue studying for a full Level 3.

This does not guarantee the availability of a learning place in a chosen subject at any one FE college. It is a general criterion for eligibility for fee remission where the learner does not already possess a full Level 3 or above qualification.

What does it aim to achieve?

The entitlement is being introduced to encourage young adults to continue studying until they achieve a full Level 3 qualification. This will increase the number of adults with a full Level 3 qualification, thus improving their life chances, social mobility and contribution to the economy.

It also clarifies the Government's intention to make Level 3 the springboard qualification that young people aspire to.

How will it do that?

The entitlement will not initially be promoted; the main emphasis will be on communicating the entitlement to FE providers and providers of information, advice and guidance.

- All FE providers will be required to offer the entitlement to learners from 1 August 2007.
- The entitlement will apply to all full Level 3 qualifications. It will also apply to qualifications that take the learner above the Level 3 threshold – for example, a second A-level.

Achievements and success

In 2004/05, there were 44,000 19–25 year olds enrolled on full Level 3 courses in FE. The aim is to increase this number, which will also increase the proportion of the adult FE budget spent on full Level 3 qualifications.

Timescale

Introduced from 1 August 2007

Success measures

This policy will have been successful if the introduction of the entitlement increases the number of young adults achieving a full Level 3 qualification.

Links

Priorities for Success 2006–2008

Policy Requirements for Planning: Managing the Balance and Mix of Provision 2006/07

Funding Guidance for Further Education 2006/07 (technical reference document that sets out the LSC's approach and authoritative guidance for the funding of FE in 2006/07)

Instruction on 19–25 Level 3 entitlement to be issued January 2007

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Apprenticeship for Adults

This is a new policy area for 2007/08 following trials delivered in 2006/07.

What is it about?

Apprenticeship for Adults introduces additional money and places to support adults needing help with training or qualifications.

The LSC, in response to requests from SSCs and in accordance with the wishes of Ministers, has been conducting trials of Apprenticeships for Adults in four sectors: construction, health and social care, engineering and IT. The trials have shown that there is need for Apprenticeship for Adults for three key groups:

- those without work, including those on Incapacity Benefit, who are seeking to develop the skills needed to enter a new career
- those in employment who have existing skills but whose lack of formal qualifications is restricting their career progression
- women who are seeking to enter the workforce after the age of 25.

There have also been requests to offer the opportunity to complete a full Apprenticeship to those who have achieved a Level 2 or Level 3 NVQ through Train to Gain.

The trials and other work have identified the additional benefits that result from the completion of a full Apprenticeship.

The LSC's National Council chose to use savings made by the LSC's own transformation – *agenda for change* Theme 7 – to support the extension of funding for Apprenticeship for Adults.

This has resulted in £16.7 million being made available for 2007/08.

What does it aim to achieve?

Apprenticeship for Adults has two main aims that contribute to Priority 2 in our *Annual Statement of Priorities*:

- moving those without work into sustainable employment
- increasing the productive skills of those already in the workforce.

Apprenticeship for Adults supports the Skills Strategy by increasing the number of adults achieving a Level 2 or Level 3 qualification.

The national roll-out of the programme follows a series of trials, conducted in four sectors, which have been externally evaluated and reported on.

How will it do that?

We are extending funding to include adults over the age of 25 who wish to follow a full Apprenticeship programme and will prioritise the following groups of learners:

- those without employment, including those on Incapacity Benefit, who are seeking to train or retrain in order to enter long-term employment
- women or individuals from ethnic minority groups who are seeking to enter an atypical career
- adults working within sectors that have been identified as local, regional or national priorities, who have existing skills but have skills or knowledge gaps

and who lack formal qualifications for these skills, including those who wish to complete an Apprenticeship having achieved their Level 2 or Level 3 NVQ through Train to Gain.

Achievements and success

Allocations will be made to the National Employers Service (NES) and regions during December 2006 along with the outline policy principles of the programme, including prioritisation of groups of learners. Further details on the issues below will follow in the New Year:

- number of learners expected to achieve a full framework
- programme's funding policy, including funding rates
- how learners' progress will be recorded on the ILR for evaluation purposes
- proportions of learners expected within each priority group.

Links

Internal paper sent to National Council in June 2006 for consideration of monies from Theme 7 savings outlined the proposals for Apprenticeship for Adults.

Evaluation Report: Apprenticeship for Adults trials

Apprenticeship Frameworks

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Train to Gain

This is a new policy requirement for the 2006/07 business cycle.

What is it about?

Train to Gain is a new service to help businesses get the training they need to succeed.

What does it aim to achieve?

The service offers employers free and impartial analysis of their skills needs by the LSC-funded skills brokerage service, and finds high-quality training to meet those needs. The LSC fully funds first full Level 2 and basic skills qualifications for eligible employees. A contribution to wage costs for such employees is payable to employers with fewer than 50 employees.

How will it do that?

Train to Gain was introduced in two LSC regions in April 2006 and rolled out nationally in August 2006. It replaced the Employer Training Pilots. The employer engagement and learner Level 2 and Basic Skills achievement targets will rise significantly in 2007/08, so Train to Gain will continue to develop and grow throughout 2006/07 and 2007/08. The budget for 2007/08 has been confirmed.

Achievements and success

Train to Gain was implemented nationally from August 2006. The aim is to engage 33,000 employers by March 2007. At least 51 per cent of these employers must be 'hard to reach'. This engagement will produce around 50,500 Level 2 and 7,000 basic skills achievements in 2006/07.

Links

www.traintogain.org.uk

A range of policy documents is available on the Train to Gain internal teamsite.

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Personal and Community Development Learning

This is a new policy requirement for the 2006/07 and 2007/08 business cycles. Personal and community development learning policy is part of the Safeguard for Adult Learning.

What is it about?

Personal and community development learning (PCDL) is learning for personal development, cultural enrichment, intellectual or creative stimulation and enjoyment. It is also learning developed with local residents and other learners to build the skills, knowledge and understanding for social and community action. There is no requirement that learners must necessarily progress to other learning or achieve accreditation.

What does it aim to achieve?

The 2006 White Paper *Further Education: Raising skills, improving life chances* states:

A clear focus on employability does not mean we will stop all other activity. Alongside the core economic mission, we remain strongly committed to learning for personal fulfilment, civic participation and community development, and are taking steps to strengthen the range and quality of such provision. We have allocated £210 million in 2006-07 for personal and community development learning (PCDL), and we will maintain this level of funding in 2007-08. But there will increasingly be an expectation that individuals should pay for this kind of provision where they can afford to do so.

(paragraph 2.45)

The White Paper also states:

We will reinvigorate this type of learning through local LSC Partnerships, which look beyond just LSC funded learning and include a wide range of recreational, health-related and cultural learning funded through other sources. We want representatives of learners, including voluntary and community groups, as well as providers, to plan provision in a co-ordinated and cost effective way in line with local community priorities.

(paragraph 2.46)

Our *Annual Statement of Priorities* states:

As set out in Priorities for Success, we are managing a major change to the way we plan and fund PCDL. We have set out our principles for this reform, confirming that those who have benefited least from the education system, or who are in most financial need, should have the greatest access to public funding for PCDL. We are now working with the DfES and others to develop partnerships to plan and review delivery of this area of learning, including family and neighbourhood learning.

(page 26)

How will it do that?

The PCDL Safeguard was established on the principle that it is reasonable and desirable to continue to make a proportionately small amount of public funding available for all adults to participate in learning, regardless of their prior educational attainment. It is a feature of a civilised society and



indicates the value placed on lifelong learning that is not directly related to employability or economic success. This approach also recognises the wider benefits of learning in the community, including its contribution to broader government policies such as health (mental and physical well-being) and community cohesion.

There is considerable evidence that although such non-accredited learning may not have the more obviously quantifiable impact of vocational programmes, its value can be no less significant to the wider economy.

Ministers agreed last year that there should be a reform package for the planning and funding of what is now called PCDL to meet the changing needs of local communities and to ensure a good range and quality of opportunities in each area.

The reforms seek to widen participation in PCDL and ensure that adult learners in areas of deprivation do not lose out. PCDL is part of a safeguarded budget of £210 million for 2006/07 and 2007/08. Of this, the following amounts are allocated to specific areas in each year:

- £153 million to leisure and community-related PCDL funding
- £20 million to neighbourhood learning in deprived communities
- £25 million to family literacy, language and numeracy
- £12 million to wider family learning.

Key principles

The principles set out in this document have been developed with, and agreed by, key stakeholders. These include the LSC, the DfES, local authorities, government offices, other government departments, the National Institute of Adult Continuing Education (NIACE) and providers' representatives. The principles are as follows.

- Access should be universal, with most learners contributing some or all of the cost of their learning. There is no intention to reduce the amount of provision to more affluent or well-qualified learners, so long as they are willing to meet the costs of their learning. There is a crucial distinction between what should be available and what the public purse should pay for.
- Those who have benefited least from the education system and are in most financial need should have greatest access to public funding for PCDL provision. Access to PCDL programmes will not be based on prior educational attainment.
- There should be a wide range of PCDL programmes that are high quality, challenging and, above all, inspiring. Qualifications, employability and progression are not the main aims of PCDL, although they will be within the range of positive outcomes.

LSC-involved partnerships at local level

Partnerships at local level are the foundation of the reform of PCDL. Such partnerships – built from public, private, voluntary, community or faith organisations, or Take Part networks as they come on stream – should lever in other sources of funding or services and identify providers that can reach under-represented groups of learners.

A centrepiece of the partnerships is that they will not just be discussing and co-ordinating LSC-funded provision. They need to include round the table those with related budgets in, for example, health, sports and recreation and the cultural sector. The aim is to ensure a co-ordinated approach to maximise the effective use of all public funding.

The term 'LSC-involved partnerships' does not mean that the LSC is responsible for the administration or membership of the partnerships. As a planning and funding body, however, it should mean that the LSC agrees the plan for the provision it is funding and

ensures that PCDL is not planned in isolation from the rest of adult learning.

From October 2006, work will be carried out on regional commissioning plans and reviewing the planning partnerships and provision that currently exist. By March 2007, all regional LSCs should have identified enough partnerships within their region to form the foundation for PCDL planning. Clearly, such partnerships must be dynamic, so these may need to be extended or changed over time following locally led consultation. Areas should use existing and emerging partnerships to help shape the 2007/08 plans.

Partnerships may be formed as a new group to plan PCDL where there is not an existing partnership, such as the learning or local strategic partnership, that can take on the role. There should be a clear relationship between partnerships and local area agreements.

The precise nature and membership of the partnership in each area need to be locally determined within broad parameters. The partnership should include all providers involved in the delivery of PCDL, as well as any specialist designated institution in a region. In addition, providers involved in delivery should be assessed to satisfy the partnership that they are the most appropriate providers to contribute to its aims.

Open and transparent procedures must also be put in place to ensure that all parties avoid any conflict of interest or unfair advantage.

Partnerships should not consist only of providers and stakeholders. It is essential that they involve local communities in decisions. This means taking account of learners, potential learners and learning communities. To understand and include the voice of the adult learner, partnerships should consider a number of appropriate measures, including dialogue with local learning champions. Events, meetings, advisory and focus groups, satisfaction surveys, community-

based research and forums are all ways in which adults can be brought together in community settings to air their views and to ensure that the learner voice is heard. Work on strengthening the learner voice in the planning of provision will take place through 2006/07, and outcomes of good practice will be shared across the LSC.

The LSC remains committed to ensuring that there is good availability of this kind of learning in every local area. The LSC and the partnerships should work together to identify where there are gaps in availability and promote the use of both LSC funding and other sources of support to address these. Areas will continue to make changes to local provision based on an assessment of local needs and the quality of existing provision.

A ministerial submission has considered the redistribution of funding levels and accepted that:

- a purely mechanistic approach to redistribution should not be adopted but should be used as benchmark information to assist funding and planning
- the LSC should undertake an analysis of the current distribution of funding to establish the underlying factors for the most extreme variations
- the new partnerships should map all the PCDL provision in the area to decide the best focus for LSC-funded provision
- following the mapping of the total provision for 2007/08, the LSC should assess the results and, informed by what the distribution by areas would look like based on population, determine appropriate allocations.

The partnership is a planning partnership. Where necessary, it should recommend widening the provider base without destabilising good providers. It is not intended that participation funding will flow via the partnership.

The funding flows are expected to remain largely unchanged for 2007/08. As with FE and WBL provision, a combination of negotiated and tendered commissioning will be the process for securing the appropriate mix and balance of provision.

LSC funding should also include criteria requiring PCDL providers to demonstrate that they are taking action to deliver race equality good practice through partnership arrangements.

Achievements and success

During the current year, 2006/07, providers are delivering provision described for the first time as PCDL. Local LSCs will be monitoring the provision and taking a view on good and best practice in each area. A timetable of work for full implementation of PCDL policy for the 2007/08 year has been agreed with the DfES, and will be shared separately with regional LSCs and partnership teams.

Success criteria

This policy will have been successful if all adults believe they have had the opportunity to learn in order to stimulate and support their own well-being or to improve their community. Partnerships will have agreed local indicators of success that will be reflected in the funding agreements between providers and the LSC. These indicators might include:

- a rise in learner satisfaction levels, possibly assessed by learner surveys
- increases in the amount and/or quality of available provision
- a rise in the levels of participation in particular areas or by particular groups
- evidence that funding has been levered in from other sources.

Better management information based on the collection of more relevant data from 2007/08 will support improvement in developing and measuring success criteria.

For PCDL there will be no specific links to PSA targets. However, it is recognised that PCDL does contribute to a range of PSA targets, including health, culture and sport.

Links

A timetable showing PCDL implementation progress and future plans from October 2005 is accessible as an annex to this document.

Balance and Mix of Provision

Family programmes and neighbourhood learning in deprived communities guidance

Regional Allocations Framework for the Safeguard

The Take Part frameworks for active learning for active citizenship networks at: www.takepart.org

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Skills for Life

This policy builds on that set out in *Priorities for Success 2006/07* and introduces new areas for review for 2007/08, as outlined in our *Annual Statement of Priorities* (October 2006). It provides more detail of the Skills for Life policy changes that are covered in the section on Managing the Balance and Mix of Provision policy on page 69 of this document.

What is it about?

The Skills for Life Strategy introduced in 2001 aims to improve the basic literacy, language and numeracy skills of adults in England. The Government set a PSA target to improve the literacy, language and numeracy skills of 2.25 million learners by 2010, with a milestone of 1.5 million learners by 2007. Even though good progress is being made towards the 2010 target, we have to consider whether we are addressing the skills needs of those most at risk and the priority groups highlighted in the original strategy document.

The latest Skills for Life data show that the proportion of non-approved learning aims remains high, with only 55 per cent of Skills for Life enrolments leading to an approved qualification. Non-approved courses do not offer learners the national, transferable qualifications that are needed for life, work and progression to a first full Level 2 and above.

Since 2001, English for speakers of other languages (ESOL) provision and funding have expanded far beyond the expectations set out in the original strategy. While ESOL continues to be a priority, we must ensure that public funds are focused on those who are most in need of help. In the LSC's 2006/07 Grant Letter, we were charged with 'reviewing the basis for future funding of ESOL programmes to ensure that available funds are well targeted'.

The outcome of this review is reflected in the change to ESOL arrangements for 2007/08 set out in our *Annual Statement of Priorities* (October 2006).

A Skills for Life strategic forum, comprising external partners, was convened in 2006 to review the LSC's progress on meeting the Skills for Life Strategy priorities and progress towards the target. Part of this review was an examination of current LSC numeracy provision and the part numeracy plays in employability.

The DfES report *A National Needs and Impact Survey of Literacy, Numeracy and ICT Skills*, commissioned in 2003, noted that 47 per cent (15 million) of adults aged 16–65 were identified with numeracy skills at Entry Level 3 or below, while only 16 per cent (5.2 million) were shown to have literacy skills at the same level. There is a large positive effect on earnings and employment rates from having better numeracy skills, specifically from achieving at least Level 1 skills. Individuals with Level 1 and above numeracy skills earn around 15–19 per cent more than those with skills below this level, and are around 5 per cent more likely to be employed.

What does it aim to achieve?

The Skills for Life planning, policy and funding changes are intended to refocus the LSC's Skills for Life agenda and:

- encourage the further take-up of approved qualifications that are nationally transferable and give learners the essential skills and qualifications to progress to a first full Level 2
- direct public funding for ESOL towards those groups who are settling in the UK who have the greatest need for support and who may be at risk of disadvantage
- prioritise learners with numeracy skills needs.

How will it do that?

Skills for Life qualifications

From 2007/08, at Level 1 and Level 2, only courses leading to approved Skills for Life literacy, language (ESOL) and numeracy qualifications will be eligible for funding as basic skills provision and funded at the enhanced programme weighting of 1.4. We expect that providers will change their existing non-approved provision at Levels 1 and 2 to that leading to approved qualifications.

At the Entry and Pre-entry Levels, there will continue to be the flexibility to offer courses that are based on the national standards but do not lead directly to the approved Skills for Life qualifications. However, at Entry Level, we will expect there to be a continuing emphasis on more approved qualifications.

We do not expect providers to recategorise their existing Skills for Life non-approved provision so that it falls under other programme areas of adult provision. Discussions with providers at local area level will determine exactly what, and how much, non-approved provision the LSC wants to buy. We do not expect that the LSC will wish to fund significant volumes of this lower priority provision that is no longer eligible for basic skills funding.

English for speakers of other languages

From 2007/08 ESOL provision (approved qualifications and non-approved qualifications) will no longer attract automatic fee remission. Free tuition will be available only to individuals eligible for fee remission through existing fee remission policy, for example those who are unemployed or otherwise in receipt of an income-based benefit such as Working Tax Credit.

We will expect employers who actively recruit employees from outside the UK to bear the full cost of any necessary English-language training.

International ESOL

In order to extend learner choice and provide suitable qualifications for people, the QCA is currently engaged with awarding bodies in accrediting a range of new international ESOL qualifications. These qualifications will focus on providing relevant skills for those who want to improve their English language but who do not need the more extensive Skills for Life ESOL courses.

These new qualifications will be eligible for funding at programme weighting 1.0. They will not be based on the national Skills for Life standards and will therefore be ineligible for funding as basic skills provision at programme weighting 1.4. Similarly, learners following these programmes will not qualify for the basic skills disadvantage uplift and their achievements will not contribute to the national Skills for Life target.

Asylum seekers

Ministers propose that asylum seekers aged 19 and over will no longer be eligible for publicly funded FE provision. Only those granted refugee status, humanitarian protection and discretionary leave to remain by the Government will be eligible. However, 16–18 year-old asylum seekers will remain eligible for funding.

We understand that 76 per cent of decisions on asylum applications are now being made within two months. Withdrawing eligibility from asylum seekers forms part of a more coherent approach across government to ensure that public funding is focused on those who will settle in the UK.

Numeracy

As a result of the strategic forum review, we have identified numeracy as a particular area of focus, and regions are developing numeracy action plans. This will encourage providers to give much greater emphasis to numeracy when planning their Skills for Life provision. Providers should also be encouraged to assess the numeracy needs of learners who are enrolled on literacy and language courses to ensure that the needs of these learners are fully met.

Achievements and success

Good progress is being made on the Skills for Life target. The May 2006 update to Ministers reported that we are likely to exceed the 2007 milestone of 1.5 million learners with improved literacy, language and numeracy skills.

Links

Priorities for Success 2006–2008 (detailed the shift of Skills for Life provision so that 80 per cent of enrolments were onto approved qualifications and the removal of funding for short courses and diagnostic assessments)

Policy Requirements for Planning: Managing the balance and mix of provision 2006/07 (sets out the context

and key Skills for Life changes for 2006/07 and 2007/08)

Funding Guidance for Further Education 2006/07 (a technical reference document that sets out the LSC's approach and authoritative guidance for the funding of FE, including Skills for Life, in 2006/07)

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Offender Learning and Skills Service

What is it about?

The vision for the Offender Learning and Skills Service (OLASS) is that:

- offenders, in prisons and supervised in the community, according to need, should have access to learning, both in prisons and in the community, that enables them to gain the skills and qualifications they need to hold down a job and play a positive role in society
- the content and quality of learning programmes and qualifications for offenders in custody and in the community are the same as those of comparable provision elsewhere.

What does it aim to achieve?

The 2006 White Paper *Further Education: Raising skills, improving life chances* has a clear reference to the Green Paper *Reducing Re-offending Through Skills and Employment*, which sets out how the skill levels of offenders will be raised. This is expected to contribute to the economy and help to break the cycle of criminality, which is harmful to offenders, their families and society as a whole.

How will it do that?

The LSC assumed full responsibility for offender learning and skills in custody and in the community from 31 July 2006. The responsibility includes management of the planning, funding and delivery of the new integrated service in all nine English regions.

The new service is underpinned by:

- better assessment and planning
- a broader and richer curriculum offer
- availability of accurate and up-to-date data
- mainstreamed delivery of offender learning and correctional services workforces
- strengthened and refocused external inspection arrangements.

The National Offender Management Service (NOMS) *Reducing Re-offending Delivery Plan* was launched in November 2005 as part of a package of measures to increase the public's engagement in work towards reducing re-offending. To further strengthen this work, in February 2006 the Government published *A Five Year Strategy for Protecting the Public and Reducing Re-offending*.

Achievements and success

The Government's overall aim to which OLASS contributes is to reduce re-offending by 10 per cent by 2010. OLASS will help to achieve this by driving up the quality and quantity of learning and skills interventions available to offenders. The expectation is that inspections will reveal an improving service within 12 months and we would expect this to be sustained into the future.

Offenders often have limited skills or qualifications and are therefore also often among the most socially deprived. Skills and qualifications that are relevant to employment are their key to social mobility, and this will be the focus of our delivery. Within this we will:

- improve the quality and content of learning and ensure that it is geared to maximising individuals' chances of gaining sustainable employment when they re-enter the community
- increase the numbers embarking on a first full Level 2 qualification and continue to address the huge literacy, language and numeracy (basic skills) needs through the delivery of Skills for Life courses and qualifications
- further develop our cross-departmental and cross-agency working to support transition from custody to community
- enhance the service by increasing the appropriate use of the LSC's mainstream budgets and by leveraging in other sources of available funding.

Links

The Offender's Learning Journey: Learning and skills provision for adult offenders in England at: www.dfes.gov.uk/offenderlearning/uploads/documents/adult_OLJ_V0.5a.doc

The Offender's Learning Journey: Learning and skills provision for juvenile offenders in England at: www.dfes.gov.uk/offenderlearning/uploads/documents/05%200111_Juvenile_OLJ%20v04.doc

National Offender Management Service (NOMS) Strategy: *A Five Year Strategy for Protecting the Public and Reducing Re-offending* at: www.dfes.gov.uk/offenderlearning/uploads/documents/NOMS_5_year_strategy.pdf

Green Paper *Reducing Re-offending Through Skills and Employment* at: www.dfes.gov.uk/offenderlearning/uploads/documents/green_paper_reducing_re-offending_through_skills_%20and_employment_final_version.pdf

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Higher Level Skills

Also links to Priority 1 (HE Strategy) and Priority 3

This is a new policy requirement for the 2006/07 business cycle, and is part of the implementation of the HE Strategy.

What is it about?

In addition to the LSC's priority to support a platform for employability at Level 2, there is a continued commitment to support progression to higher levels of skills and qualifications. The LSC has produced a strategy for higher education, and one of its key components is higher level skills.

It is important that delivery of progression routes at Level 3, or higher level provision that is purchased by the LSC, is continually reviewed to ensure that it meets the needs of employers to improve competitiveness and productivity.

What does it aim to achieve?

Our *Annual Statement of Priorities* outlines the LSC's commitment to higher level skills to improve employer competitiveness and productivity. The Leitch Review's interim report also highlights the need for greater focus on higher level skills.

The detail of the higher level skills policy is still in development. However, it is intended that the policy will increase the higher level skills opportunities offered and that more employers will invest in higher level skills.

How will it do that?

The LSC is already making progress in the delivery of higher level skills through regional purchasing of Levels 3, 4 and 5 qualifications. If the ambitions of the LSC, the Government and the Leitch Review are to be realised, the investment in these types of skills and the necessary Level 3 progression routes must continue to grow in a way that meets the needs of employers and the wider economy.

In the planning context, LSC colleagues should be aware of the following activity and ensure that consideration is given to the delivery of higher level skills that meet the needs of employers. This should align to sector priorities (see sector skills agreement balance sheet summaries) and regional needs.

There is an existing landscape within the sector that both supports and generates employer demand for the emerging ambition. This includes the following.

- The skills brokers operating within Train to Gain examine the skills needs of employers regardless of level. As a result of these interventions, referrals are being made to higher level provision.
- In three regions, the Level 3 trials are being rolled out. This is stimulating the development of provider capacity at Level 3 and exploring the levels of investment employers are willing to make.

- Level 3 learning is being funded for those without an existing Level 2 qualification through the Level 2 entitlement route (see Adult Level 2 Entitlement on page 17).
- Advanced Apprenticeships support the attainment of Level 3 qualifications and provide a platform for further progression via Foundation Degrees or other mechanisms. This is further supported by the emerging Apprenticeship for Adults programme (see Apprenticeship for Adults on page 19).
- The LSC continues to support the expansion of Foundation Degrees and is in the process of developing a Memorandum of Collaboration with Foundation Degree Forward. This will require the LSC to plan for provision that will provide appropriate progression routes into Foundation Degrees.
- The 2006 FE White Paper announced higher level pathfinders, to be delivered in alignment with Train to Gain. These are being delivered in three regions (North West, North East and South West) at Level 4 and above, although alignment with Train to Gain is still being considered.

Achievements and success

As outlined within our *Annual Statement of Priorities*, colleges and providers will increase the number of opportunities offered for higher level qualifications. This learning will be subsidised rather than free, rebalancing contributions by the public and private sectors.

More employers will invest in higher level skills. This will be supported through the Train to Gain skills brokerage service.

Links

The LSC HE Strategy: *Partnership, Provision, Participation and Progression: the Learning and Skills Council's strategy for higher education*

The 2003 Skills Strategy White Paper: *21st Century Skills: Realising our potential*

The 2005 Skills Strategy White Paper: *Skills: Getting on in business, getting on at work*

The 2006 FE White Paper: *Further Education: Raising skills, improving life chances*

Leitch Review: www.hm-treasury.gov.uk/independent_reviews/leitch_review/review_leitch_index.cfm

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Leadership and Management Programme

What is it about?

The UK's leaders and managers do not perform as well as those of our international competitors. Research suggests that the productivity gap between the UK and the US is partly attributable to the way in which resources are deployed within businesses; this includes the utilisation of human resources and their skills.

The flexible programme of development and support offered through the LSC's Leadership and Management Programme demonstrated increased investment in training and skills for the workforce. Funding for this programme has been reduced nationally in 2006/07 and 2007/08 to £4 million per annum. Planning colleagues should consider the positive impact that investment in leadership and management programmes can have on the achievement of other skills targets.

What does it aim to achieve?

Our *Annual Statement of Priorities* outlines the LSC's commitment to delivering leadership and management provision to improve employer competitiveness and productivity and to help individuals to maximise their potential. The Leitch Review's interim report has highlighted the need for an increased focus on higher level skills, including those for leadership and management.

The development of the holistic Train to Gain service will use a programme of leadership and management and wider provision offer to deliver the formal qualifications that employers regard as essential (see our *Annual Statement of Priorities*).

Research and evaluation have demonstrated that investment in leadership and management programmes at employer level leads to greater investment by the employer in the broader skills of the workforce.

How will it do that?

Regional LSC colleagues should plan for the delivery of leadership and management activity beyond the conclusion of the national Leadership and Management Programme.

Train to Gain has been identified as supporting the delivery of leadership and management provision and is already generating referrals.

Support for leadership and management provision should result in greater investment by employers in the skills of their workforce. It is therefore recommended that the focus remains on regional and sector priorities where greater increases in Level 2 qualifications are required.

The priority group for the programme is employers with fewer than 250 employees.

Achievements and success

As outlined within our *Annual Statement of Priorities*, the LSC will continue to develop Train to Gain as a holistic service to employers and will use a programme of leadership and management and the wider provision offer to deliver the formal qualifications that employers regard as essential.

Regional LSCs will continue to invest in leadership and management programmes to facilitate greater investment in skills by employers with fewer than 250 employees. Activity planned in this area should result in greater investment by employers in their workforce, assisting with the Level 2 and Skills for Life PSA targets as well as commitments outlined within our *Annual Statement of Priorities*.

Links

The 2003 Skills Strategy White Paper: *21st Century Skills: Realising our potential*

The 2005 Skills Strategy White Paper: *Skills: Getting on in business, getting on at work*

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Basic and Employability Skills for Jobcentre Plus Customers

Also links to Priority 4

This policy is significantly changed for the 2007/08 business cycle.

What is it about?

The policy aims to help Jobcentre Plus (JCP) customers who have been out of work for six months and are in receipt of an income-based benefit to achieve sustainable employment by improving their basic and employability skills.

What does it aim to achieve?

The National Employer Panel (NEP) report of 2004 recommended that the responsibility for basic skills provision for JCP customers should transfer from JCP to the LSC. In March 2006, Ministers agreed to the transfer from April 2006, and to funding of £23 million for 2006/07 and 2007/08.

Employability has risen up the skills agenda, and the LSC's Grant Letter for 2007/08 included the following:

Strengthening your partnership with Jobcentre Plus will be crucial for ensuring clearer links between skills and employment.

How will it do that?

The DfES Skills for Life Strategy, published in 2001, identified the unemployed as a priority group for support to improve literacy, language and numeracy skills through the achievement of national, recognised qualifications up to and including Level 2.

Basic skills provision funded by JCP (Basic Employability Training (BET) and Short Intensive Basic Skills (SIBS) training) prior to April 2006 did not necessarily lead to the achievement of nationally recognised qualifications or sustainable employment. The emphasis for JCP customers was on getting a job, rather than on qualifications. JCP customers consequently often returned to benefit and/or, after another period on benefit, re-entered basic skills provision.

Achievements and success

In 2007/08, we expect at least 6,000 JCP customers to achieve a combination or all of the following outcomes through a new, full-time, 9–12 week employability programme:

- a nationally recognised basic literacy or language qualification at Entry Level 3 to Level 2 inclusive
- a nationally recognised basic numeracy qualification at Entry Level 3 to Level 2 inclusive
- an employability qualification at Entry Level 3 or Level 1
- entry to sustained employment.

Providers will be required to make arrangements for learners to be able to complete a programme and gain achievements if they leave the programme early to start a job.

Qualifications and job outcomes will count as achievements for funding purposes.

Links

National Employer Panel Report 2004 at: www.nationalemploymentpanel.org.uk

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Adult Learning Grant

Geographical coverage was expanded in September 2006 to the whole of the West Midlands and Yorkshire and The Humber regions. Small policy variants are being tested in five LSC regions.

What is it about?

The Adult Learning Grant (ALG) provides low-skilled, low-income adults with support for the costs of learning. Up to £30 per week is paid during term time to adults who are studying full time for their first full Level 2 or Level 3 qualification.

What does it aim to achieve?

Around 7 million adults do not currently have a full Level 2 or Level 3 qualification. The lack of these key qualifications in today's labour market (reflected in the Level 2 PSA target and the LSC's target for Level 3 learning) limits the achievement of their potential and impacts negatively on their life chances. It also has an impact on employers and the economy as a whole.

ALG was introduced to help adults without full Level 2 or 3 qualifications to gain those qualifications, open up their options and improve their employment prospects.

How will it do that?

ALG is currently being piloted in four full LSC regions and with partial coverage in the other five.

The key objectives of the pilot are to test whether additional financial support for learning:

- increases participation
- improves retention
- improves attainment at Levels 2 and 3
- encourages progression to HE or skilled employment.

Evaluation has shown that this is the case, and accordingly ALG will be rolled out nationally from September 2007.

Achievements and success

ALG has been piloted since 2003/04. It is due to achieve national roll-out in 2007/08.

Its success is measured by impact on:

- retention – 93 per cent of ALG-supported learners complete their course, compared with an FE average of 70 per cent
- participation – around 9 per cent of ALG learners say they would not have gone ahead with their course without ALG
- progression – around 20 per cent of ALG learners go on to further learning.

Links

A summary of the qualitative evaluation of the 2003/04 ALG pilot was published in March 2005 alongside the White Paper *Skills: Getting on in business, getting on at work* and is available at: www.dfes.gov.uk/rsgateway/DB/RRP/u014546/index.shtml

The findings of the latest evaluation (covering a second wave of learners receiving ALG in 2003/04 and learners in the first wave of 2004/05) are due to be published during December 2006.

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Care to Learn

Also links to Priority 1

In 2006/07, Care to Learn was extended to include 19 year olds for the first time. The maximum weekly amount payable was increased to £155 per child. London Weighting was also introduced, with a maximum weekly amount of £170 being paid in recognition of the high cost of childcare in the capital.

What is it about?

Care to Learn contributes to the costs of childcare for young parents (those under 20 when their learning starts) who wish to stay in, or return to, learning.

What does it aim to achieve?

Care to Learn is an important element of the Government's National Teenage Pregnancy Strategy. The strategy, published in 1999, is a joint initiative between the Department of Health and the DfES.

The strategy has two strands:

- a PSA target to halve the under-18 conception rate by 2010
- a target to get 60 per cent of teenage parents in education, employment or training by 2010.

Care to Learn supports the second strand.

How will it do that?

The key principles of LSC policy are to:

- encourage young parents to return to – and stay in – learning
- provide young parents with access to appropriate and affordable childcare and to ensure that they receive the help and support they need before, during and after their course

- contribute to the Government's National Teenage Pregnancy Strategy by enabling young parents to maximise their options and fulfil their potential.

Care to Learn pays the actual cost of childcare up to a weekly maximum of £155 (£170 in London) per child per week. Cost of travel to and from the childcare provider is also paid if required.

Care to Learn supports parents under the age of 16 who are legally obliged to be in education, as well as those over the age of 16 who choose to be in education.

Achievements and success

Care to Learn's targets for the numbers receiving support from the programme are as follows.

2005/06	4,700 (actual achievement: 4,901)
2006/07	7,000
2007/08	7,700
2008/09	9,700
2009/10	10,800

Care to Learn is having a significant impact. Some 90 per cent of eligible learners who are in learning say they would not be there without it. The vast majority of Care to Learn learners are on target-bearing provision. Progression rates are good, so those learners who return to learning below Level 2 are likely to progress to a Level 2 course.

Links

The Care to Learn website (www.dfes.gov.uk/caretolearn) gives information on all aspects of the programme, including eligibility details and evaluation reports, as well as access to an online application form. The website is aimed both at young parents themselves and at support workers and organisations.

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Learner Support for Adults

A range of learner support programmes is available to help adult learners participate and stay in learning.

The Adult Learning Grant (ALG) provides support to adults on low incomes who are studying for their first full Level 2 or Level 3 qualification. ALG will be available nationally for the first time in 2007/08 (see page 32).

The discretionary Learner Support Fund (see pages 11 to 12 of this document) helps to improve participation and retention of the most financially vulnerable adult learners.

For those adults who are studying in school sixth forms and at sixth form colleges, help with childcare costs is available from the 20+ Childcare in School Sixth Forms and Sixth Form Colleges Scheme (see page 37).

Colleagues need to be aware of these support programmes and the funding associated with them, taking them fully into account in their planning processes.

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Dance and Drama Awards

Also links to Priority 1

We are planning a wide-ranging review of this programme to establish its place more clearly within the context of wider LSC provision and other vocational training now available in the performing arts – for example, in the HE sector and through the DfES Music and Dance Scheme. To begin the review, we have commissioned research to explore the relationship between Dance and Drama Awards provision and other performing arts training, including that funded by the LSC. We expect the review to be complete by February 2007.

What is it about?

The Dearing Report stated that:

there must be a permanent solution to the plight of students and their parents preparing for careers in the Performing Arts

(Recommendation 77, *Higher Education in the Learning Society*, 1997)

In response, in 1998 Ministers announced the Dance and Drama Awards scheme to offer scholarships to allow the most talented young actors, dancers and stage managers to enter training at specified private dance and drama schools.

The Dance and Drama Awards offer reduced tuition fees and income-assessed support with the living and learning costs at some of England's leading independent dance and drama schools. All students in receipt of an award study for a Trinity College Level 5 or Level 6 national diploma or certificate.

What does it aim to achieve?

The awards were introduced following extensive and high-profile lobbying from the sector. They are part of the wider government offering to gifted and talented young people. High-quality training in the arts had previously only been available in the private sector, and there was no national scheme that enabled young people to apply for funding to help them access this training. The awards were developed following the Dearing recommendation cited above and a 1997 manifesto commitment to make such training accessible to all young people showing talent and the potential to succeed in the profession.

How will it do that?

The key principles are as follows.

- Access to training is based on potential to succeed in the profession, not on ability to pay.
- Those with lower household incomes receive more financial help.

- Awards qualifications are designed in partnership with the sector to offer training that leads to direct entry to the profession.
- Awards are only available at schools that demonstrate that they offer very high-quality training to meet the needs of the sector (Ofsted grade 1 or 2 both for provision and for leadership and management).

Achievements and success

The scheme has achieved the following results.

- Occupancy is almost 100 per cent.
- Over 90 per cent of award holders receive a Level 5 or Level 6 qualification on the National Qualifications Framework.
- 55 per cent of award holders had a household income of below £33,000.
- 34 per cent of award holders had a household income of below £21,000.

- 100 per cent of providers in the scheme were awarded at least a grade 2 in the latest Ofsted and Adult Learning Inspectorate (ALI) inspection both for training provision and for leadership and management.
- 70 per cent received a grade 1 (outstanding) for provision.
- 40 per cent received a grade 1 for leadership and management.
- 25 per cent received a grade 1 both for provision and for leadership and management.
- 20 of the top 25 institutions in terms of numbers of employed Equity members are or were Dance and Drama Awards providers.

Following the review mentioned above, the Dance and Drama Awards will provide clear and differentiated provision in vocational performing arts training in the context of other pathways funded by the DfES and the Higher Education Funding Council for England (HEFCE).

Training offered through the awards will be based on an analysis of current provision and future industry needs, and will be geared to ensuring equity and excellence of provision for all those who are appropriately talented.

Links

Dance and Drama Awards student information can be accessed at: www.direct.gov.uk/danceanddrama or at: www.dfes.gov.uk/financialhelp/dancedrama/

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20+ Childcare in School Sixth Forms and Sixth Form Colleges Scheme

The only change is to increase the weekly maximum amount payable for childcare and associated travel to a maximum £155 per child per week (£170 in London). The London Weighting has been introduced for the first time this academic year in recognition of the high costs of childcare in the capital.

What is it about?

The 20+ Childcare in School Sixth Forms and Sixth Form Colleges Scheme contributes to the specific commitment to ensure that learners are able to realise their potential, improve their life chances and contribute to economic growth.

What does it aim to achieve?

The scheme helps parents return to, and stay in, learning by providing financial help with the cost of childcare.

The Learner Support Fund provides hardship funding and help with travel and childcare costs for adults studying in FE colleges. However, those adults who are studying in school sixth forms or at sixth form colleges generally have less access to these funds and were therefore at risk of being excluded from learning because of a lack of financial support. The 20+ Childcare in School Sixth Forms and Sixth Form Colleges Scheme was therefore introduced to bridge this gap.

How will it do that?

The key principle of the scheme is to ensure that parents are not excluded from learning because they cannot afford the cost of childcare.

Support from the scheme is subject to an income assessment to ensure it reaches those learners who are most in need of help. It supports parents who have a dependent child under the age of 15, or 16 for children with disabilities, and contributes towards the cost of childcare up to a weekly maximum of £155 per child (£170 in London). The cost of travel to and from the childcare provider can also be paid within the weekly maximum if required.

Achievements and success

The cost of childcare can be a barrier to participation in learning, particularly for those in lower income groups. This scheme provides financial support that enables those who would otherwise be excluded by the costs of childcare to participate.

Links

The Care to Learn website (www.dfes.gov.uk/caretolearn) also provides information on the 20+ Childcare in School Sixth Forms and Sixth Form Colleges Scheme. It provides information both for young parents and for support workers and organisations.

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Providing Adult Information, Advice and Guidance

Also links to Priority 4

For the business cycle year 2006/07, policy mainly continues as before with no major changes. The year 2006/07 will be a time of transition for the service, and we will want to build the sector's capacity and competence in preparation for the implementation of the recommendations of the Leitch Review and the information, advice and guidance review. Further information on this will be published at the appropriate time.

What is it about?

The LSC's information, advice and guidance (IAG) services aim to improve access to learning and improve learner retention, achievement and progression into sustainable employment.

What does it aim to achieve?

The availability of high-quality, local IAG services for learning and work is key to the success of national policies for learning and skills development. The number of adults involved in learning is set to increase dramatically over the next few years, widening participation in learning and raising levels of achievement. To make informed choices, people need access to good-quality, comprehensive and impartial information and advice about local learning and work opportunities and their relevance to the labour market.

How will it do that?

Two types of IAG for adults are funded by the LSC: discrete and embedded.

Discrete

Nextstep: Each local LSC area has a nextstep service delivered by a lead contractor that subcontracts at least 60 per cent of the service out to a wide variety of providers, including FE colleges and voluntary and community sector organisations.

National Resource Service (NRS):

The NRS is contracted to University for Industry (Ufi)/learndirect. The NRS was established by the LSC to manage the National Learning Directory and to provide a range of online and paper-based resources, guides and tools for the integrated national and local IAG service.

Embedded

By far the biggest proportion of funding invested in IAG is for so-called embedded IAG – that is, embedded within LSC-funded learning provision.

Review: The 2005 Skills Strategy White Paper, *Skills: Getting on in business, getting on at work*, announced a cross-departmental review of IAG services in England. The review has been tasked to explore the wider potential for a comprehensive, in-depth advice and guidance service for adults. It will determine how to achieve the goal of a universally available, highly respected and well-used service, offering linked information on jobs, qualifications, training, and funding for learning and related services such as childcare. The aim is to complete the review by the end of 2006.

Skills coaching: This is an intensive guidance service aimed at low-skilled Jobcentre Plus customers. It forms part of the New Deal for Skills initiative.

Train to Gain: High-quality IAG is an integral part of the Train to Gain offer. It is a contractual requirement that all providers delivering IAG as part of Train to Gain are Matrix Standard accredited.

Work with SSCs: Through a DfES-funded project led by Skillset, we are working with the SSCs to explore how they can provide sector-based intelligence to shape IAG priorities and practices, and work with IAG services to embed IAG in workplaces.

Offender Learning and Skills Service: High-quality IAG is a core part of the offender learning journey.

Basic skills and employability: Through the development of the new basic skills and employability programme, we are currently scoping the role of IAG in providing pre-entry, on-programme and progression IAG.

Managing information across partners: Trials of the unique learner number (ULN) started in September 2006. Two nextstep contractors are ready to participate in ULN trials and a third may join in later.

Links

www.nextstepstakeholder.co.uk gives stakeholders and nextstep contractors access to information relating to the strategy planning and delivery of IAG services across England.

www.learnirectadvice.co.uk offers impartial advice on courses, careers, funding and childcare.

www.advice-resources.co.uk is the website for anyone who works for an IAG service in England.

www.traintogain.gov.uk tells you all you need to know about Train to Gain.

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Priority

Raise the performance of a world-class system that is responsive, provides choice and is valued and recognised for excellence.

03



Creating Demand for Learning and Skills and Building the Reputation of Further Education

Links to all four priorities

Our marketing and communications strategy reflects the growing number of policy initiatives that the LSC and the Government are currently developing. The overall look and feel of our communications will change significantly for the 2006/07 business cycle. The strategy will reflect the number of new initiatives designed to stimulate further demand for learning and skills in priority audiences.

What is it about?

The LSC's marketing and communications strategy aims to directly support the achievement of LSC and government goals by creating and stimulating demand for learning and skills in target markets. These markets include consumers (adults and young people), employers and the FE network (including internal and external stakeholders). The LSC also has a statutory duty to promote learning.

What does it aim to achieve?

The outcome will be to make learning and skills more desirable, improve access to opportunities, deliver strong, relevant, tested and consistent messages, and further build the reputation of FE internally and externally.

How will it do that?

The strategy will create a learning and skills family of complementary brands, products, services and messages aimed at the various audiences the LSC wishes to target to raise demand for learning and skills. An overall communications and campaign calendar for 2007 is in development. This will clarify and timetable messages among all customer groups and stakeholders, both internal and external.

Achievements and success

The strategy builds on the success of previous high-profile campaigns such as Apprenticeships, Gremlins and Get On and EMA. It also includes new programmes and services such as Train to Gain and the National Skills Academy.

Links

Changing Attitudes and Behaviours is the LSC's marketing and communications strategy, published in February 2006.

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Framework for Excellence

Also links to Priorities 1 and 2

This is a new policy requirement for the 2006/07 business cycle.

What is it about?

The Framework for Excellence is a new, comprehensive and radical approach to performance management in the FE sector. The aim is to raise the performance of a world-class system that is responsive, provides choice and is valued and recognised for excellence.

Fundamentally, the Framework for Excellence is the mechanism by which colleges and other providers can maintain good or excellent standards in their performance across a balanced scorecard of measures – or find out what they have to do to reach those standards.

What does it aim to achieve?

All colleges and providers should be able to perform to good or excellent standards, and we expect all provision that is not good to aspire to become so in a short period of time.

How will it do that?

The Framework for Excellence will:

- provide the means by which the sector can be seen to be delivering well managed, high-quality and responsive programmes that meet the needs of our citizens and employers, both now and in the future
- lay a foundation for self-regulation
- inform the choices of learners and employers
- create a method of measuring and monitoring the outcomes of the personalisation agenda.

Achievements and success

- By September 2007, the LSC will have in place the pilot version of a framework of indicators and measures to assess the quality of provision.
- By September 2010, the LSC and other key stakeholders will have in place a single quality rating system to inform learner and employer choice.

Links

A Framework for Excellence: Responses to Consultation is now available at: <http://readingroom.lsc.gov.uk/lsc/National/10949Framework1.pdf>

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Minimum Levels of Performance

The policy of assessing provider performance through success rates is not new to the LSC or the sector. However, the context in which it will be delivered is new.

What is it about?

The analysis of provider success rates against minimum levels of performance and Notices to Improve are part of the LSC's arrangements to manage provider underperformance.

What does it aim to achieve?

The White Paper *Further Education: Raising skills, improving life chances* was published in March 2006. Chapter 5 sets out the commitment to eliminate failure and poor-performing provision by 2008.

The policy seeks to raise standards in education and training still further to ensure that learners have the best chance of succeeding. It is part of a new relationship with colleges to simplify the planning system, develop a more strategic relationship with strong institutions, eliminate poor performance in a more robust way, and open up the market to the entry of new, high-quality providers.

Complementing the goal outlined in the planning chapter of our *Annual Statement of Priorities*, the policy has been developed to:

- build on existing analysis of success rates
- be proportionate to the level of underperformance
- be compatible with inspection
- build a relationship of trust with providers
- locate responsibility for improvement with the provider.

How will it do that?

In order to meet the timescales for eliminating inadequate or unsatisfactory provision by 2008, we need to set out our expectations to providers in the 2006/07 planning and commissioning cycle. Success will be measured by the increase in the amount of provision funded that is above the minimum performance levels.

Minimum Levels of Performance - criteria for success

For 2007/08 the analysis will be based on success rates for long qualifications and full framework Apprenticeship completion. This will be extended to all qualifications over time.

The minimum level will be set at 40 per cent for Apprenticeship frameworks. Apprenticeship analysis will be by sector subject area and Apprenticeship levels. Provision failing to meet the minimum level will be subject to competition.

The minimum level for further education courses is set at 50 per cent. Minimum levels will be applied to subject sector areas. In the majority of cases there will be only small amounts of provision or sector areas underperforming where providers will determine improvement indicators.

In cases where there is a more significant concern and the total volume of underperformance in long courses is in the range of 15-24% of the total long course offer, a formal 'Notice to Improve' will be issued to the Principal. This Notice will set out the conditions for



continued funding and the timescale in which improvements should take place, usually 12 months. Failure to improve or meet conditions could result in the withdrawal of funding for areas of provision.

Where underperformance is 25% or greater of the total long course offer the Notice to Improve will be issued to the Principal and Governing Body. In these cases failure to improve or meet the conditions could lead to restructuring, through merger, closure or reallocating provision. This will normally follow a discussion of the improvement options available and QIA sourced support. These arrangements are compatible with a judgement of inadequate by inspection.

Where a college is unable to demonstrate that it has the capability and capacity to improve within a 12 month timescale the LSC will agree with the Governing Body appropriate actions to safeguard learners, provision for employers and public funds. This action will be confirmed in a formal notification to the college of the immediate action to be taken.

Success rates and thresholds for shorter qualifications will also be published, with the expectation that self-assessment reports will address these shortcomings with clear action. For provision where success rates do not apply, current methodologies will be applied until the Framework for Excellence is introduced.

Links

A document explaining the identification and management of underperformance and how the minimum levels of performance and Notices to Improve will apply in the 2007/08 academic year will be available in January 2007.

The provider reports relating to Minimum Levels of Performance based on 2005/06 data will be available through the Sharepoint and PaM systems in due course.

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Vocational Qualifications Reform Programme

This includes tests and trials of the Qualifications and Credit Framework.

This policy is a significant development of the 2006/07 business cycle. For the 2007/08 business cycle, it is expected that there will be major changes as a result of the transition from the National Qualifications Framework to the Qualifications and Credit Framework starting from August 2008.

What is it about?

The LSC is the senior responsible owner for a sub-programme of the Vocational Qualifications Reform Programme (VQRP) and an active partner in other sub-programmes.

Achieving the objectives of the VQRP as a whole – and particularly for the LSC-led sub-programme – necessitates a whole-LSC approach, particularly to the tests and trials of the Qualifications and Credit Framework (QCF).

The VQRP is the UK-wide programme to revolutionise the qualifications structure in the UK. It comprises five interdependent sub-programmes:

- sector qualification reform (led by the Sector Skills Development Agency)
- framework development (led by the Qualifications and Curriculum Authority (QCA))
- planning, funding and delivery of provision (led by the LSC)
- rationalisation of qualifications (led by the Federation of Awarding Bodies and Joint Council for Qualifications)
- communications (led by the DfES).

What does it aim to achieve?

The key driver for the VQRP is consensus that while the National Qualifications Framework (NQF) contains high-quality qualifications and has done much to improve their regulation, it is no longer fit for purpose in terms of truly meeting learner and employer needs. It is not flexible, responsive or inclusive enough and it is too complicated and bureaucratic.

Before November 2005, several reform initiatives were already under way in response to this consensus. The VQRP builds on these, including sector qualifications strategies (SQS), the Framework for Achievement (FFA) in England and Northern Ireland, and the Credit and Qualifications Framework for Wales (CQFW), bringing them together in a UK-wide programme.

Reform through the VQRP will make the system more straightforward, consistent and navigable for its end-users: learners, employers and parents. Reformed sector qualifications strategies will identify those qualifications that will be priorities for public funding (linked to eligibility and regional planning). A unit-based

qualification offer that allows credit accumulation and transfer will better enable the sector to meet a wider range of learner and employer needs, and should better enable the LSC to achieve its targets and priorities. There is also support for a credit and qualifications approach among providers, which the LSC wishes to respond to.

How will it do that?

A key cross-sub-programme objective is testing and trialling a QCF in 2006 to 2008. This is a significant development: a move from a qualifications-only framework to one in which qualifications are built up from credit that can be accumulated and transferred.

The LSC's key policy commitments are:

- to lead sub-programme 3 so that by July 2008, planning, funding and delivery systems across the UK will have driven forward and be actively supporting the outcomes of vocational qualification reform (integrated into the 2007/08 business cycle)

- to work with sub-programme 2 and the QCA to support the tests and trials of the QCF, including the public funding of learners on appropriate trial provision (our aim is to fund 25,000 learners on trials by July 2008)
- to work with sub-programme 1 to ensure that SQS drive the reform process and that revised SQS can begin to be delivered from 2008.

Liaison with the LSC regions is particularly important in the context of the second policy commitment. If the publicly funded trials in England are to be delivered successfully, every region needs to be involved in funding at least one trial.

This policy requirement therefore asks that each region commit to supporting the QCF trials through its regional commissioning plan. The regions could do this by stating that a percentage of full Level 2 provision will be of target-bearing QCF trial provision at Level 2, or that a particular group of learners – offender learners, for example – will be supported.

The LSC National Office will map a summary of the regional commissioning commitments to the units and qualifications approved for trialling in the QCF. This will happen in December 2006 after responses to the second invitation to tender for QCF test and trial projects have been received by the QCA. The final arrangements for provider involvement can then be made in the period leading to the agreement of provider allocations in May 2007. More guidance on this process is available from Mary Kelly (see key contacts below).

Achievements and success

The VQRP has a current end date of the end of July 2008. Reports will be made to Ministers in July 2007 and July 2008, on the basis of which a decision about the long-term implementation of VQRP and the QCF will be taken.

Links

Qualifications and Credit Framework developments on the QCA website at: www.qca.org.uk/15027.html

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New Standard for Employer Responsiveness and Vocational Excellence

This is a new policy requirement for the 2006/07 business cycle.

What is it about?

The aim is to develop and implement a single standard for recognising excellence in meeting the workforce development needs of employers by February 2007.

What does it aim to achieve?

The concept for the new standard comes from the 2006 White Paper *Further Education: Raising skills, improving life chances*. Paragraphs 2.17–19 stated that the LSC would develop a new standard for employer responsiveness and vocational excellence, and trial it in 2006.

How will it do that?

The White Paper sets out the goal of a standard for the next generation of centres of vocational excellence (CoVEs) that will accredit providers for their sector expertise and their ability to respond to employers' needs.

The new standard programme, and before it the work of the Quality Mark (announced in *agenda for change*) and CoVE reassessment, have been devised to address a series of issues frustrating increased employer investment in skills. Research in recent years has found the following.

- Employers see buying training provision as a risky business. Survey data and statements by employer representatives send a clear message: a few poor experiences discourage employers from training at all. Key issues are irrelevant courses and poor customer service.

- Public provision is unable to meet employers' demand. Data from the National Employers Service (NES) show that in 2005 employers spent some £5.5 billion on fees for training or on their internal training centre budget. However, college financial data suggest that only around £250 million of this money ended up being spent with them.
- Serving employers is historically a 'poor relation' in the sector. Ofsted research in 2003 pointed to providers lacking a clear strategy, and a pattern of poor-quality assurance and little performance management in their work with employers. The sector needs a strong external challenge to stimulate innovation and change in the service offered to employers.

Achievements and success

Work began on the new standard in May 2006. The first phase, running until October, focused on consultation, research and development. Around 600 employers and 200 providers contributed to the evidence base, and there was extensive stakeholder engagement.

The outcome of the consultation, research and development phase was a fully developed new standard and accompanying assessment process. The latter is now being applied through a testing phase, during which around 75 providers of different types will assess themselves against the standard and submit to mock assessment and validation processes.

Testing will complete in February 2007, and will be subject to rigorous evaluation to identify lessons learned and incorporate them into a finalised version of the standard and the assessment process. This will then be implemented. Assessment will be open to providers from April 2007 and the first accreditations are expected within three months. Transition planning with regional LSC teams is to begin soon.

Links

For general information please go to: www.newstandard.co.uk/

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LSC Higher Education Strategy

Also links to Priority 2

This is a new policy requirement for the 2006/07 business cycle, and is part of the implementation of the LSC HE Strategy.

What is it about?

The LSC has produced a strategy for higher education. This strategy has been disseminated internally and a copy of the strategy placed on the LSC's Internet for external dissemination.

What does it aim to achieve?

It is intended that the strategy will establish the LSC as an active and influential strategic partner across the HE landscape.

Our annual Grant Letter directs the LSC to work with the HE sector to help the Higher Education Funding Council for England (HEFCE) to achieve the HE PSA target of increasing the participation rate of 18–30 year olds in HE towards 50 per cent by 2010.

The Leitch Review has highlighted the need for an increased focus on higher level skills.

The need to begin to focus on HE and higher level skills is also outlined in our *Annual Statement of Priorities*. As well as addressing the need to build a platform of employability at Level 2, the LSC must also ensure that progression to Level 3 and into higher level skills and learning is also secured.

How will it do that?

The LSC HE Strategy is built around four key themes:

- partnership
- provision
- participation
- progression.

An action plan has been developed to deliver the strategy nationally. It is envisaged that, as part of planning guidance and requirements, action plans will be developed to deliver the strategy regionally. In developing regional action plans, local LSCs should take account of the requirements identified in this document.

In addition, the LSC is developing a higher level skills strategy.

The LSC is a partner, with the DfES and HEFCE, in the Joint Progression Strategy (JPS). The JPS was first set up in 2004. Following a revision, it has been agreed that, from 2006, the JPS will focus on three key areas:

- higher level skills
- alignment of credit across the learning and skills and higher education sectors
- progression for under-represented learners and from vocational pathways.

Achievements and success

The vision statement for the LSC HE Strategy is that:

The LSC will embed the principles of the HE Strategy by 2010 and we will transform participation in and progression to HE through ensuring that all learners with the aspiration to progress have appropriate and robust opportunities available, and through our support for and facilitation of the active involvement of the sector in lifelong learning networks (LLNs). We will achieve this through strategic working with key partners and through a practice-led policy context. In addition, we will be recognised for our championing of vocational and work-based pathways into Level 4 and beyond and for ensuring that higher level vocational skills and learning are responsive to employer needs.

(paragraph 13)

Links

The LSC HE Strategy: *Partnership, Provision, Participation and Progression: the Learning and Skills Council's strategy for higher education*

The 2003 Skills Strategy White Paper: *21st Century Skills: Realising our potential*

The 2005 Skills Strategy White Paper: *Getting on in business, getting on at work*

The 2003 White Paper: *The Future of Higher Education*

The 2006 White Paper: *Further Education: Raising skills, improving life chances*

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Priority

Raise our contribution to economic development locally and regionally through partnership working.

04

Economic Development

This policy area is significantly changed for the 2006/07 business cycle. It places greater emphasis on regional and local decision-making and delivery. If cities and local areas can develop the right structures and make decisions at the correct level, this will influence further devolvement of powers to regions and local areas. This will be considered in the Treasury's sub-national review of skills, which is due to be reported in the March 2007 Budget. The LSC is well-placed, through its partnership and regional teams, to make significant contributions and position skills at the core of economic development.

What is it about?

The LSC must commission education and training in line with the regional economic strategy priorities. It must interface with partners on economic diversification and restructuring, including inward investment, large-scale redundancies and workforce development. The partners should align planning and investment with regional and local regeneration and neighbourhood renewal strategies. They should develop joint plans to raise employment rates in the most disadvantaged communities.

What does it aim to achieve?

The LSC has the responsibility to help those who are least skilled or qualified to improve their skills, to join the labour market and to provide the skills needed by employers. Local authorities and partners working in collaboration in city regions are able to shape a package of skills training that is strongly focused on what employers and individuals really need, ensuring that the supply of skills matches the demands of the local economy.

Research shows that cities in the north and west face bigger challenges than those in the south and east. The city regions identified by Communities and Local Government (CLG) are Newcastle, Leeds, Sheffield, Nottingham, Manchester, Liverpool, Birmingham and Bristol. These face higher rates of worklessness and higher numbers of people with no qualifications. Cities contain 58 per cent of the population and 63 per cent of jobs. They thus represent a large part of the nation in terms of both population and economic activity. This means that improvements in city performance will have a huge impact on England overall and on national success.

How will it do that?

The key policies are as follows.

City regions: This policy is led by the CLG to increase the prosperity of regions and to bridge regional disparities. City regions are encouraged to establish employment and skills boards.

Local area agreements: This policy is led by the CLG to offer councils and their partners greater freedom to explore local solutions to local problems. The aim is to have agreed plans covering a wide range of local issues, such as services for children and safer communities. One theme is economic development, and one aspect of this is to increase skill levels at a local authority level, thereby increasing employment rates and helping to build sustainable communities.

Local area agreements (LAAs) promote partnership working and greater local flexibility. Benefits include alignment of budgets, data-sharing between partner organisations, and the ability to tailor future training provision to better meet the needs of local employers and the labour market.

Cities strategy: This policy is led by the Department for Work and Pensions (DWP) to tackle worklessness in the most disadvantaged communities, many of which are in major cities and other urban areas.

This DWP agenda is intended to improve the skills of individuals of working age in defined pathfinder areas to contribute to a significant improvement in employment rates and reduce child poverty. The strategy will test how best to combine the work of different government agencies, local government and voluntary sectors in a local partnership (consortium) to provide the support jobless people need to find and progress in work. The pathfinder areas are Tyne and Wear, South Yorkshire, Nottingham, Leicester, Greater Manchester, Liverpool, Blackburn, Birmingham, East London and West London.

Achievements and success

During 2006/07, city regions will decide whether they should establish employment and skills boards, of which the LSC must be a critical partner. The role of the LSC should include leading on key issues, sharing data, aligning planning and ensuring that provision meets the needs of employers and the labour market. We must ensure that our local planning meets the demands of local employers and communities and that we complement the roles of local authorities and partners.

City strategy pathfinder areas will prepare business plans by December 2006, and the LSC will play a key role in these. Some areas will begin implementation in June 2007.

All LAAs will be rolled out by April 2007. The LSC, through partnership teams, must ensure that its work is joined up locally and that it is recognised as an active and responsive partner.

We should not assume that partners fully understand our priorities, how we plan and how we are funded. We must be prepared to work with partners to increase their understanding of our responsibilities, capabilities and achievements. In working on this agenda, we must welcome flexibilities in delivery and identify the potential for new ones.

Links

www.corecities.com/coreDEV/coreindex.htm provides the background to the core cities.

www.dwp.gov.uk/welfarereform/cities_strategy.asp provides detailed information on the DWP city strategy agenda.

www.communities.gov.uk/index.asp?id=1503999 is the link to the CLG White Paper published in October 2006.

Our *Annual Statement of Priorities* for 2006/07

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Ufi National Contract

There are no significant changes, other than the move to regional LSCs co-ordinating local and regional engagement with regional Ufi as part of the planning dialogue. Previously, this was led by LSC National Office. Each regional LSC has now nominated a regional lead to whom local LSC and regional Ufi colleagues will initially be directed.

What is it about?

The University for Industry (Ufi) was established in 1998 by the current Government to meet an identified market need. The DfES reviewed the service in 2003, and as a result Ufi's funding was transferred to the LSC as a single national contract in August 2004.

What does it aim to achieve?

Ufi's remit is to:

- provide high-quality post-16 learning that reaches those who have few or no skills and qualifications and who are unlikely to participate in traditional forms of learning, which is delivered innovatively through the use of new technologies
- supply information, advice and guidance to adults on a range of learning and work opportunities via a helpline and website service
- through UK online, give everyone in the UK free access to a computer and the Internet near to where they live, as well as help and advice on using them.

How will it do that?

The Financial Memorandum (the nationally held contract between Ufi and the LSC, established in August 2004) covers three areas of work: learndirect courses, the IAG service, and UK online. Funding and targets are agreed and set by LSC National Office. The main areas of provision are Skills for Life and full Level 2 qualifications. While Ufi provision falls under normal LSC policy, it is the only provider still able to attract funding

for short-course provision. This exception was made because of Ufi's remit in engaging with first step learners.

Under the nationally agreed funding and targets, learndirect provision is reviewed as part of the regional and local planning dialogues to ensure that provision meets local priorities – including, in future, offender learning both in custody and in the community.

Achievements and success

Through learndirect courses, Ufi is the LSC's largest single provider of first Skills for Life national test passes, achieving 57,000 in 2005/06 and contributing 1,900 full Level 2 qualifications. Through the IAG call centres and website, Ufi provides just under 10 million advice sessions annually, 200,000 of which were to pre-Level 2 callers in 2005/06.

Links

The LSC's intranet site holds key documents such as the Financial Memorandum, the Business Plan, and regular performance data:

<http://intranet/Portal/Portal/Functional%20Groups/Core%20Functions/Ufi/Resources/>

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Welfare to Workforce Development

What is it about?

Welfare to Workforce Development describes the work that the LSC and Jobcentre Plus (JCP) have been engaged in to bring together the skills and employment agendas by closer working at national, regional and local level.

The National Employment Panel (NEP) report *Welfare to Workforce Development*, published in March 2004, set out 35 recommendations to improve the productivity of businesses and the prospects of JCP customers as they move from welfare to work. The LSC and JCP were asked to work together in each local area to improve integration of services for the benefit of recipients and employers.

What does it aim to achieve?

The LSC plays a vital role in ensuring that all individuals get the skills and qualifications they need to make meaningful employment a reality. Skills and education are essential ingredients for addressing inequalities and increasing productivity, in order to maintain high and stable levels of economic growth and employment.

Our *Annual Statement of Priorities* sets out the importance of ensuring that the learning and training we fund give people the skills they need to take up sustainable employment. A priority for us, therefore, is to ensure that we provide the skills needed to help all individuals into jobs, particularly those who are economically inactive in the labour market.

How will it do that?

Working closely with JCP, our policy is to ensure that joint planning for employment and skills happens in every area. We need to ensure that we make the link between skills training and employment opportunities to enable low-skilled people – employed as well as unemployed – to achieve the qualifications necessary to enter and progress in the labour market. In addition, we must support adults who are out of work to take up training as a route to sustainable employment, through closer working with JCP, the Level 2 entitlement and Train to Gain.

Achievements and success

Joint local delivery planning was implemented in 2004/05, and a review of plans took place in December 2005. This highlighted positive developments in joint working between the LSC and JCP at local and regional level.

The report was fed into a joint LSC and JCP workshop held in March 2006, at which it was agreed that a new joint planning template that incorporated four key headings (Skills for Life, Apprenticeships, Creating Demand-led Routeways and Information, Advice and Guidance) would be implemented. This would include measurable objectives and outcomes ascribed to all districts and LSC areas in the region. Quarterly reporting will take place against the plans from October 2006.

As significant progress had been made in implementing the NEP recommendations, a summary of positive progress made, together with recommendations for refocusing activities on 11 new priorities, was submitted to the New Deal for Skills Steering Group in April 2006. The report was well received by the steering group. The New Deal for Skills Steering Group will be undertaking a review to reframe the priorities that make up the future skills and employment strategy for 2006/07 and beyond, taking account of the Leitch Report published on 5 December 2006.

Links

The NEP report can be found at: www.nationalemploymentpanel.gov.uk

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New Deal for Skills

Changes for the 2006/07 business cycle include extending the number of skills coaching trials, and a new focus on upskilling low-skilled women and women returners as a result of the Women and Work Commission report. An additional element will be three small pilots of skills coaching with non-benefit recipients. The adult learning option is now live in 2006/07 and was previously at the planning stages.

What is it about?

The New Deal for Skills is an umbrella term that covers a number of different initiatives aimed at the low skilled (broadly described as those without a first Level 2), including skills coaching, skills passports and the adult learning option. It focuses on moving people from welfare benefit to employment through upskilling and takes forward the recommendations of the NEP report *Welfare to Workforce Development* (March 2004).

What does it aim to achieve?

New Deal for Skills was announced by the Chancellor in his March 2004 Budget and is a joint initiative between the DfES and the DWP, with collaboration from the Department of Trade and Industry and HM Treasury. It focuses on moving people from welfare benefit to employment through upskilling, and takes forward the recommendations from the NEP *Welfare to Workforce Development* report.

How will it do that?

There are three specific commitments within New Deal for Skills:

- improving information advice and guidance, including the development of a new skills coaching service co-located with JCP

- developing a skills passport
- creating a skills offer designed around and driven by the consumers rather than the producers of training.

New Deal for Skills forms a part of the Skills Strategy to improve support for the low-skilled, job seekers and the economically inactive, and includes skills coaching, skills passports and the adult learning option.

Skills coaching

In the December 2004 Pre-Budget Report, the Chancellor invited the NEP to recommend measures to increase the employment, self-employment and business growth of people from ethnic minority groups and minority faith groups. In May 2005, in conjunction with the Ethnic Minority Business Forum, the NEP made its recommendations in the report *Enterprising People, Enterprising Places*.

The report highlighted the fact that minority ethnic groups are concentrated in six main cities: London, Birmingham, Manchester, Bradford, Leeds and Leicester (64 per cent). To maximise limited resources, the report recommended that these cities should form the main focus for any concerted effort to reach more of the 21 per cent of people from ethnic minority backgrounds who are not working and

who are not on benefit, and to increase ethnic minority employment. Skills coaching has been extended to include trials in all six cities.

Low-skilled women

The Women and Work Commission report *Shaping a Fairer Future* (February 2006) highlighted the gender gap between male and female earnings and indicated that many women are in lower skilled jobs while others are outside the labour market altogether. The report made recommendations to improve women's access to learning opportunities and to equip them with the skills and confidence to raise their aspirations.

As part of a response to the Women and Work Commission report, the Chancellor announced additional funding for skills coaching in the 2006 Budget. This provided an extra £5 million a year in 2006/07 and 2007/08 to double the number of JCP districts participating in the skills coaching trials, with a specific focus on helping low-skilled women to achieve Level 3 skills.

50+ age group

The Social Inclusion Unit report aimed at ending inequalities for older people, *A Sure Start to Later Life: Ending inequalities for older people* (January 2006), indicated that the effects of

unemployment on personal happiness are as significant as the impact of a marriage break-up. The research also indicated that older people often want to continue in employment, as this can be a key element in helping them to view themselves positively, but they are often prevented from doing so. The 50+ age group is therefore a key priority group for the skills coaching trials.

Achievements and success

Activity under the New Deal for Skills is aimed at helping benefit recipients to identify and address their skills gaps so as to gain sustainable employment. This includes ensuring effective access arrangements to LSC provision for individuals to take up their entitlement to first full Level 2 training (see New Deal for Skills template document).

Links

The Skills Strategy website and progress update: DfES, Skills Strategy at: www.dfes.gov.uk/skillsstrategy/

The NEP report, *Welfare to Workforce Development* at: www.nationalemploymentpanel.gov.uk/publications/nep/2004/skillswelfaretoworkforcedevelopment.pdf

The Women and Work Commission report, *Shaping a Fairer Future* at: www.womenandequalityunit.gov.uk/publications/wwc_shaping_fairer_future_06.pdf

The NEP report, *Enterprising People, Enterprising Places* at: www.nationalemploymentpanel.gov.uk/publications/nep/2005/epeppdf/fullreport.pdf

The Social Inclusion Unit Paper on age at: www.socialexclusion.gov.uk/downloaddoc.asp?id=797

Publication by nextstep, *Skills Coaching service requirements*, a booklet summarising the policy and operational requirements placed on the skills coaching trial areas

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Union Learning

This is a continuing policy with a significant change: the Union Learning Fund transfers from the LSC to unionlearn from 1 April 2007.

What is it about?

The aim of this policy is to engage more low-skilled individuals in the workplace through working with trade unions. The LSC has always wanted to work effectively with trade unions. With the challenging skills agenda, a collaborative approach will enable us to engage low-skilled people in the workplace more effectively.

What does it aim to achieve?

The policy aims to engage more low-skilled individuals in the workplace through working with trade unions. The importance of working with unions was highlighted in the 2005 Skills Strategy White Paper *Getting on in business, getting on at work*. It called for the creation of new workplace partnerships between employers, trade unions and employees, and an improvement in employment relations through better skilled and motivated staff contributing to higher performing companies and organisations.

The 2005 Skills Strategy White Paper announced the Government's commitment to supporting and investing in the development of a Union Academy, now called 'unionlearn'. Unionlearn will have a powerful role in promoting training in the workplace, through the network of trained union learning representatives, and has been tasked with supporting the growth of the network of trained representatives from 8,000 to 22,000 in 2010.

The importance of strengthening working relationships with trade unions was echoed in the 2006 White Paper *Further Education: Raising skills, improving life chances* (paragraph 3.28). It highlighted the role unions play in promoting training in the workplace and in helping to shape new recruitment incentives (paragraph 4.30).

How will it do that?

It was recognised and stated in the 2005 Skills Strategy White Paper that raising the skills of the nation cannot be delivered by the Government alone. It will require a strong partnership in every area, and this includes working partnerships between key public agencies and trade unions.

Trade unions are increasingly recognising the importance of learning opportunities for members and the mutual benefits for individuals and employers.

Achievements and success

The national LSC and TUC Train to Gain protocol, implemented by each LSC region, put in place strategies that recognise where unions can be of particular benefit in positively influencing employees and employers in their approach to training and employee development.

By the end of January 2007, the joint LSC and TUC protocol will have been revised to reflect the challenges of the Skills Strategy and reflect the formation of unionlearn and the strengthening of the LSC's regional structure.

Links

The 2005 Skills Strategy White Paper: *Getting on in business, getting on at work*

Joint LSC and TUC protocol

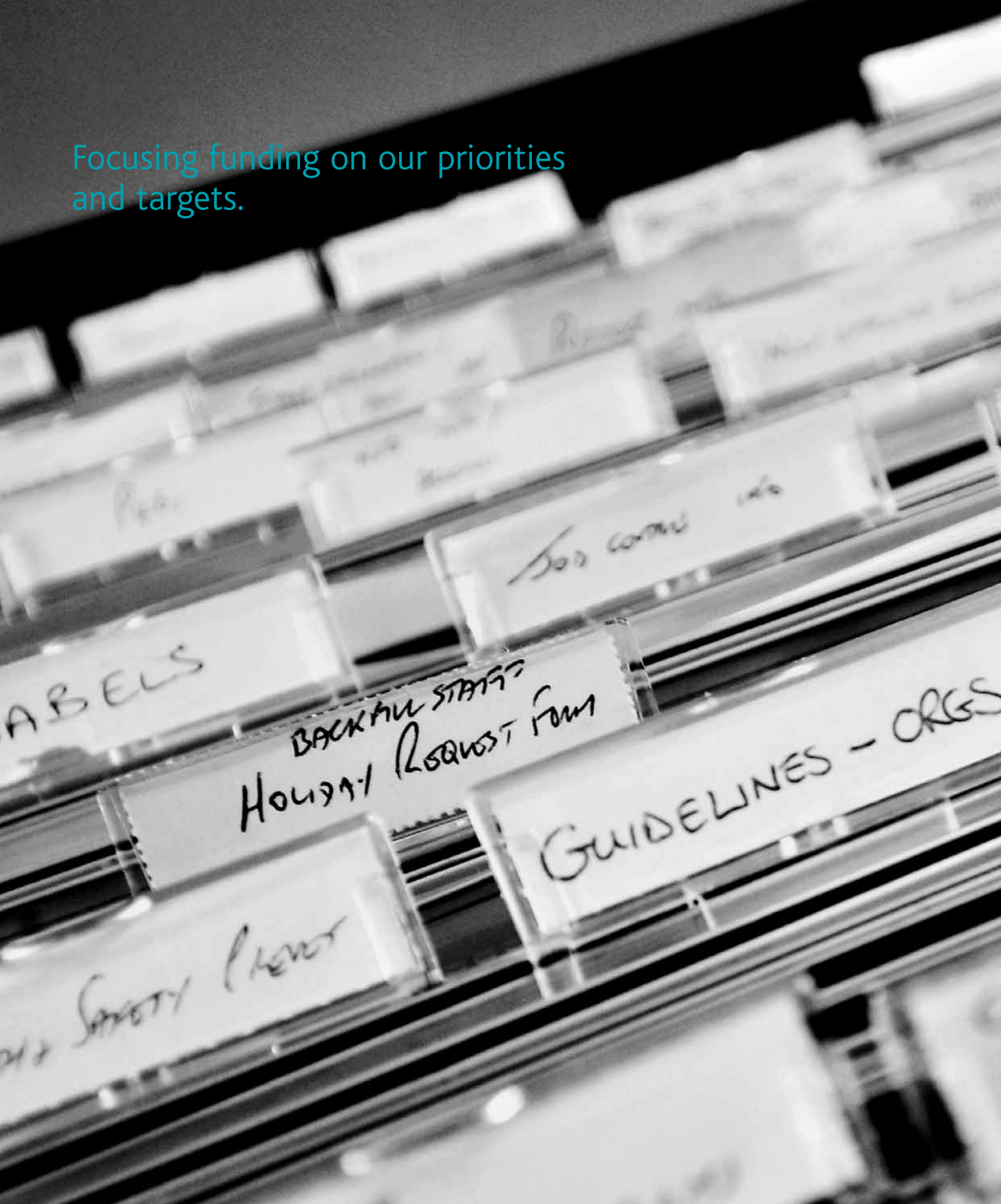
Unionlearn strategic plan

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Investing in our Priorities

Focusing funding on our priorities and targets.



Regional Allocation Framework

This summary introduces and links to a fuller document.

What is it about?

The Regional Allocation Framework provides LSC regions with a framework to determine provider allocations for the 2007/08 academic year. It has been prepared by a number of national and regional colleagues, and is intended to support partnership teams and their colleagues in discussions with providers. Each region will implement this framework within the context of their ways of working and regional commissioning plans.

This framework is an integral element of the LSC's planning processes, providing the technical detail for achieving the policy changes included in our *Annual Statement of Priorities*. The framework covers the calculation of allocations for all major funding streams as annexes 1 to 6. Matters that are relevant to more than one funding stream are covered in this section.

What does it aim to achieve?

The purpose of the Regional Allocation Framework is to provide regions with a framework within which to implement policy that has been stated elsewhere. Each annex will indicate major policy documents of relevance to that funding stream. In preparing for funding allocation discussions with providers, partnership teams will need to be familiar with:

- the LSC Grant Letter 2007/08, issued in October 2006
- our *Annual Statement of Priorities*, issued in October 2006

- *Planning for Success: A framework for planning and quality*, issued in December 2005
- *Planning Framework*, internal LSC document, issued in October 2006
- Tools supporting the 2006/07 LSC planning and provider reviews (included within the *Planning Framework*)
- *Introducing a Core Business Framework*, internal LSC document, issued in October 2006
- *Single Statement of Requirements*.

A number of internal and external LSC documents, still under development and scheduled for publication in the coming months, could impact on the 2007/08 allocations. These include:

- regional commissioning plans
- minimum performance levels
- guidance on the use of Notices to Improve and minimum levels of performance
- *Policy Requirements for Planning: Managing the balance and mix of provision*, planning priorities for 2007/08
- indicative funding rates for 2007/08
- operational guidance on changes to funding policies (for example, ESOL)
- the report on the 2006/07 funding allocation process
- Framework for Excellence documentation
- guidance on procurement.

The final Leitch Report published on 5 December 2006 could significantly impact on priorities and allocations for 2007/08.

Link

2007/08 Regional Allocation Framework (draft)

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Agreeing Fee Income Targets

Also links to Priority 2

This policy has been extended to include full-cost provision.

What is it about?

The Skills Strategy White Paper published in July 2003 committed the LSC to developing 'a new national framework for the setting of fees in further education' that will involve setting 'an aggregate income target for each college' (*21st Century Skills: Realising our potential*, paragraph 6.30). Since 2005/06, the LSC has agreed a fee income target for each FE funded institution, and as stated in our *Annual Statement of Priorities*:

agreeing fee income targets will continue to be a key element of our planning framework for 2007/08 ... To reflect the increasing importance of full cost courses, we propose to extend the targets to include income from full-cost provision.

(page 26)

What does it aim to achieve?

The target was introduced to assist the sector in bringing about the cultural change required in respect of the relative contributions made towards the costs of learning by the individual, the employer and the State, and to act as a mechanism to assist the sector in maximising the fees that can be collected. It is seen as a mechanism for raising the profile and importance of income from fees in the planning dialogue and in individual institutional strategic planning.

The measure also acts as a vehicle for highlighting changes to the fee assumption in the FE funding formula. In 2005/06, the fee assumption increased from the long-established 25 per cent of national base rate to 27.5 per cent, and increased to 32.5 per cent in 2006/07. It will rise again to 37.5 per cent for 2007/08, with a clear intention that it should be around 50 per cent by the end of the decade.

The LSC has reconsidered the scope of the fee income measure. The pressure on adult participation funding has led to some institutions choosing to move some of their adult provision to 'full cost'. As a consequence, some adult learners could be 'lost', and the levels of fees understated.

Including the fees from full-cost learners in the fee income target will demonstrate a positive response on the part of the sector to government policy to increase the individual and employer contribution to the cost of learning. It will also enable institutions to demonstrate a decreasing reliance on public subsidy, and a more business-like approach.

Employer contributions in kind should also be counted as fee income where they represent a tangible contribution that truly expands the resources available to the sector. Examples of tangible contributions could be:

- staff secondments (at the employer's cost) to assist with development and delivery of a programme

- use of specialised equipment that the college would otherwise need to purchase, for example a state-of-the-art printing press
- provision of capital equipment for the use of students that the college would otherwise need to purchase, for example new cars or car lifts for a motor vehicle workshop.

How will it do that?

The process of agreeing a fee target will act as a prompt for institutions to tighten their local concessionary policies and their processes for collecting and chasing fees from learners and employers.

The process for measuring progress against the fee income targets will be available at individual institution, local, regional and national level.

- At provider level, information on fee income is available through corporate reports to allow local partnership teams to review providers' fee income with them as appropriate during the year.
- This information is available to local partnership teams for specific review as part of the annual review and planning cycle, through the reports linked to the planning and modelling system. For example, the 2005/06 fee income information will be available when agreeing the plan and allocation for 2007/08.

- Regionally and locally, the aggregate information on fee income should be part of the pack of information that Mark Haysom uses in his reviews with regional directors.
- Nationally, fee income will be a measure included in the delivery plan and reported on when appropriate in the quarterly performance reports to the Performance Forum.

Achievements and success

Timescale

This is set out above.

Success measures

This policy will have been successful if the introduction of the target can be shown to have increased the overall level of fee income, increased the volume of provision being delivered at full cost, helped to minimise the loss of adult learners, and enabled the sector to continue to offer a broad range of adult learning.

Links

Priorities for Success 2006–2008 (particularly paragraph 7, signalling rebalancing public and private contributions)

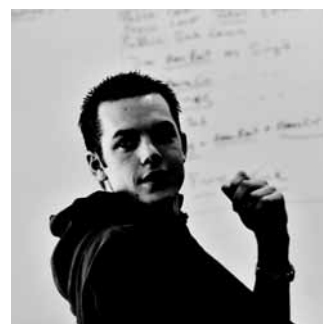
Policy Requirements for Planning: Managing the Balance and Mix of Provision (2006/07)

Funding Guidance for Further Education 2006/07 (technical reference document that sets out the LSC's approach and authoritative guidance for FE funding in 2006/07)

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Funding Learners at Specialist Providers

What is it about?

The Learning and Skills Act 2000 requires the LSC to consider the needs of learners with learning difficulties and/or disabilities in the discharge of its main duties. In addition, it imposes duties and powers in respect of securing boarding accommodation (residential specialist provision). This policy outlines the specific duties and powers in respect of specialist provision, and the process by which funding for individual learners can be sought.

What does it aim to achieve?

This policy is required to outline the **duties and powers** placed on the LSC by the Learning and Skills Act 2000.

Achievements and success

Learners supported through this route contribute to a variety of other LSC targets (learner engagement and participation, 'not in education, employment or training' groups, Level 2, basic skills, success rates, progression to employment, and progression to HE).

Links

Internal action document describing the LSC's processes in funding placements at specialist providers.

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European Social Fund Co-financing

Links to Priorities 1, 2, 3 and 4

This policy continues broadly unchanged from previous years. The European Social Fund does not align with the business cycle as funding rounds are influenced by the EU, the DWP and government offices. This is a continuing policy for the length of the programme, although it may change with the new ESF programme 2007–2013, which is expected to begin in 2007/08.

What is it about?

The European Social Fund (ESF) is administered via co-financing for Objectives 1, 2 and 3 in England. The ESF is one of four European Structural Funds and is aimed at developing human resources in deprived areas and areas facing structural difficulties, and supports adapting and modernising policies and systems of education, training and employment.

What does it aim to achieve?

The ESF plays a significant role in assisting the LSC's policy remit. The ESF helps beneficiaries to improve their skills and employment prospects by tackling long-term unemployment, to improve training, education and advice, promote lifelong learning and encourage an entrepreneurial spirit in the workplace. They are also designed to improve the role of women in the labour market and, where they exist, to break down barriers to education, training and employment for those at a disadvantage. The ESF offers approximately £200 million of additional budget a year to assist our hardest to reach learners. This also supports progress towards our PSA targets. It is therefore important that

this expenditure is in line with both EU and LSC policy.

How will it do that?

The LSC and Jobcentre Plus (JCP) are the two main co-financing organisations. Co-financing enables the LSC to secure ESF funding to support LSC priorities. These activities are open and competitively tendered based on contract costs or profile payments based on unit prices. ESF co-financing policy guides the regions through ESF legislation and LSC policy approaches to the areas being supported or enhanced, or adding value via the use of ESF.

The current programme will continue to deliver activity until July 2008.

Achievements and success

The ESF has added substantial impact to our PSA targets, both direct and indirect, addressing barriers to harder to reach learners and increasing retention and achievement rates. ESF activity delivered through LSC co-financing has contributed to successful delivery of the ESF programme in England.

Links

Co-financing
www.esf.gov.uk

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Please click here to view ESF regional representatives.

Making Best Use of the Local Intervention and Development Fund

What is it about?

The Local Intervention and Development Fund (LIDF) is a flexible fund available to assist the LSC in transforming delivery and raising standards. The fund is to be used by local chairs and regional directors in meeting all the LSC's priorities as set out in our *Annual Statement of Priorities*.

What does it aim to achieve?

The LIDF should be used to support progress towards the achievement of LSC targets and priorities, and respond to equality legislation.

How will it do that?

Funds may be used at the discretion of the LSC for activities that fall within or are connected to the LSC's role as set out in the Learning and Skills Act 2000.

Achievements and success

All LIDF spend must be completed by the end of the financial year.

The LSC will not report on any outcomes of LIDF other than spend for the start of the 2007/08 financial year. There will be no requirement to submit a chairman's impact assessment report.

The use of LIDF to assist the LSC in meeting its targets and priorities will be monitored through the performance management aspect of the business cycle.

Links

http://intranet/Portal/Portal/Functional%20Groups/Finance/P2/learner-provisions_programmes/funding-agreements-0607/

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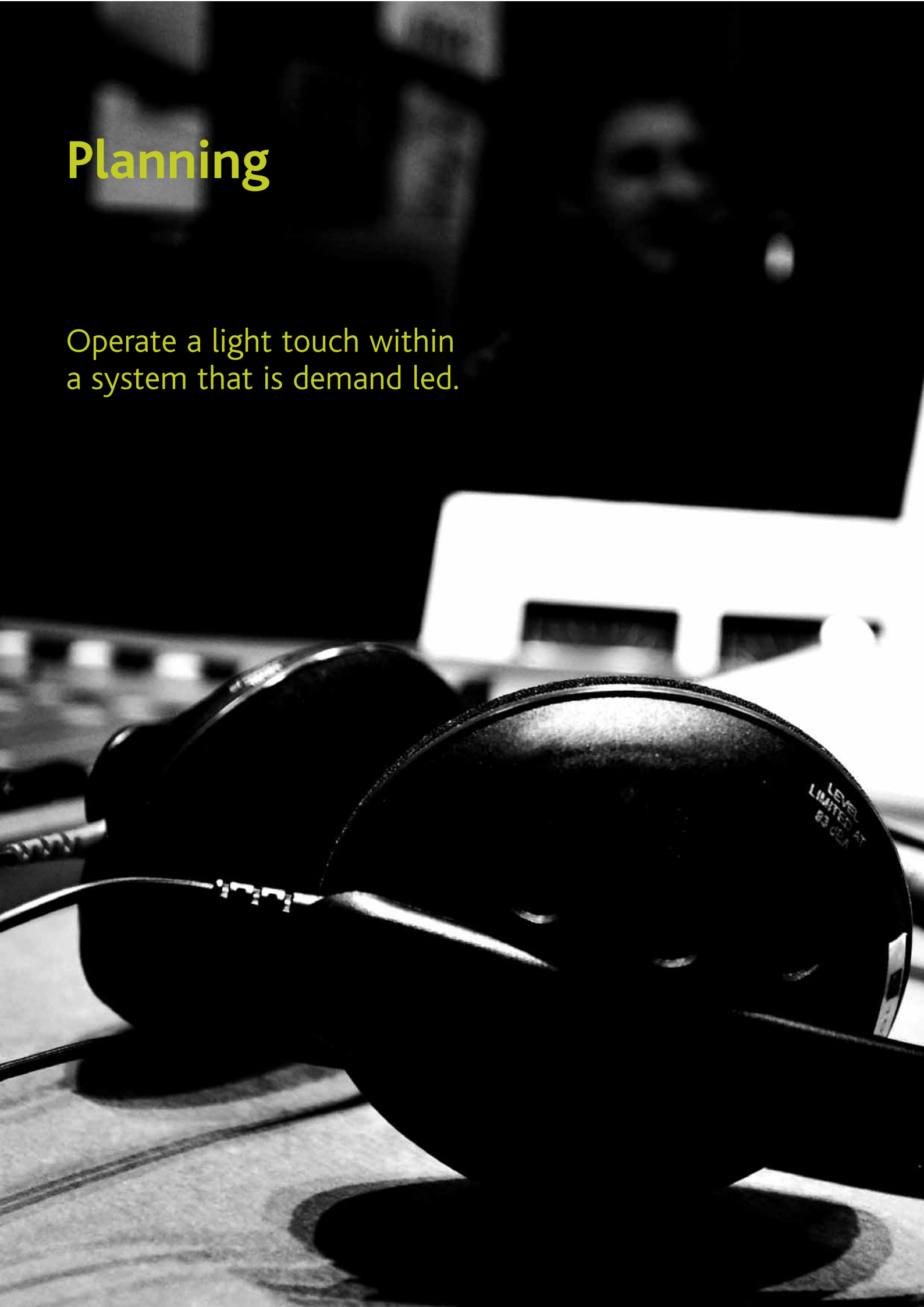
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Planning

Operate a light touch within
a system that is demand led.



LSC Planning Framework

Links to Priorities 1, 2, 3 and 4

Significant changes to the planning processes within the LSC's business cycle were initially introduced for the 2005/06 cycle.

Further significant changes have been introduced for the 2006/07 cycle – specifically, the introduction of strategic commissioning and the approach to managing underperformance, and the introduction of the Notice to Improve.

What is it about?

The planning framework provides the mechanism for the LSC and providers to develop plans for provision that will deliver our targets and meet our four priorities highlighted in our *Annual Statement of Priorities*.

What does it aim to achieve?

The Learning and Skills Act 2000, paragraphs 22 (1) to 23 (1), set out the LSC's statutory obligations to produce local annual plans. The new framework builds on *Planning for Success*, issued in December 2005, to embed a differentiated approach to planning with providers and enable the LSC to better align planning and resources. The framework will also assist in delivery of all six of the *agenda for change* themes.

The key principles of the planning framework are:

- the provision of a clear line of sight from national priorities and targets through to the individual plans at provider level

- a 'differentiated' approach – so that plans can be focused more on the specific needs of each provider (and be less formulaic)
- the introduction of increased competition in deciding where to acquire provision from and to replace provision that does not meet minimum performance standards
- bringing together the volumetric planning process and the funding and allocation processes in a more joined-up and consistent process.

Specific commitments in the 2006 White Paper *Further Education: Raising skills, improving life chances* are to achieve:

- lighter touch planning for excellent colleges and providers
- removal of inadequate and unsatisfactory provision by 2008
- in cases of inadequate provision, issue by the LSC of a Notice to Improve
- 40 per cent of provision to be demand led by 2010.

How will it do that?

Our aspiration is for a planning approach that is light touch within a system that is demand led. We want a simplified system for planning and funding provision that makes clearer the links between national priorities and local action, and within which colleges and providers can play more fully to their strengths.

Our intention is to invest in the best provision, rewarding good practice with greater freedoms and lighter touch strategic relationships. At the same time, we remain committed to addressing underperformance and will plan to remove funding that persistently lets learners and employers down.

Achievements and success

Our *Annual Statement of Priorities* for 2006/07 describes the targets and priorities for the 2007/08 academic year.

Each region will publish a regional commissioning plan by December 2006. Each local LSC will produce a local annual plan by March 2007. These plans will be approved by regional boards with delegated authority from National Council.

By May 2007 the LSC – at national, regional and local level – and providers will develop and agree funded volumetric plans for the 2007/08 academic year, using the criteria contained in the summary statement of activity. The summary statement identifies the broad blocks of provision in government priority areas: Skills for Life, Level 2 for adults and so on.

Links

LSC intranet:

Business cycle page – which contains the planning framework document and the business cycle and planning timetable

Business model and cycle

Annual Statement of Priorities (including description of funding priorities (Section 2) and planning (Section 3))

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LSC and provider planning policy

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Managing the Balance and Mix of Provision

This policy both builds on that set out in business cycle year 2005/06 and introduces new areas for review for 2006/07, including significant policy changes in relation to the funding of Skills for Life provision.

What is it about?

The LSC has a specific duty under Section 3 of the Learning and Skills Act 2000 to secure the provision of proper and reasonable facilities for education and training for all learners. In practice, this means achieving an appropriate balance between provision that directly contributes to the LSC's PSA targets and identified priorities and provision that indirectly supports the LSC's targets and priorities through learner achievement and progression within the planning dialogue with providers.

With its providers, the LSC will continue to take a strategic view of the full spectrum of provision in a locality. This means ensuring a mix of programmes and balance of provision to ensure a rich, diverse and aspirational learning offer that meets LSC priorities and targets but does not simply deliver a deficit model of learning and skills.

What does it aim to achieve?

The policy direction is intended to increase the focus of substantial levels of public funding for FE and training on key government priorities as set out in our *Annual Statement of Priorities* and Grant Letter and reflected in the PSA targets (particularly Skills for Life and first full Level 2 achievements for adults) and ensuring that the Level 3 entitlement is delivered. In order to achieve these targets, rebalancing public and private contributions towards the costs of learning will be increasingly important, as will redirecting the focus of provision

through strategic planning discussions so that more provision aligns with targets and priorities.

How will it do that?

The adult FE budget makes a significant contribution to the achievements, targets and participation of adults in England. The challenge is to increase this contribution year on year. The FE system has contributed to the social mobility of individuals, the economy and individual earning capacity. During 2007/08, regions and partnership teams are expected to deploy the adult FE budget to meet the commitments made in our *Annual Statement of Priorities*.

We will also:

- support those re-skilling and up-skilling for new careers and higher level qualifications
- support the development of the QCF by supporting phase 2 of the test and trials through regional commissioning
- support the development of the FLT by supporting the test and trials
- support appropriate and relevant first steps and progression provision and independent living skills
- continue to safeguard a wide range of PCDL opportunities.

To achieve this we will continue to do the following.

- We will redirect more of the funding towards highest priority provision (that is, Skills for Life, first full Level 2 and Level 3 for 19–25 year olds).

- We will move funding away from provision that is more properly the responsibility of employers or individuals in helping them meet their statutory responsibilities. For 2007/08, we will also look at removing funding for specific, standalone health and safety learning aims such as manual handling, health and safety at work, risk assessment and so on, as well as removing funding for updating of qualifications for compliance with other health and safety regulations, for example CORGI registration renewal within the NVQ.
- We will review the funding for additional units and establish the expectation that providers will no longer claim funding for units beyond the minimum required to achieve the qualification (as set by the awarding body). As a consequence, individuals or employers will be expected to fund all such additional or optional units beyond the agreed number required to achieve the baseline qualification. In addition, we will review the appropriateness of units of qualifications funded using generic class codes outside the QCF and FLT test and trials.

- We will identify those qualifications and learning aims that no longer conform to current agreed standards and remove their eligibility for new learners. For 2007/08 in particular, the LSC will be reviewing the eligibility of any residual provision from within the categories of Schedule 2 (d) to (j) of the Further and Higher Education Act 1992. The LSC will also undertake a strategic review and rationalisation of learning aims on the Learning Aims Database (LAD) within the context of strand 3 of the UK VQRP by summer 2007 in order to inform 2007/08 LAD changes.

Achievements and success

There have been 'light touch' strategic planning discussions with providers that respond to 'demand' and 'need' and that align provision more closely with national targets and national, regional and local area priorities, but that also reflect a rich and diverse portfolio of provision across appropriate levels that:

- takes into account individual learning needs
- supports participation, progression and achievement.

Links

Priorities for Success 2006/08, particularly:

- paragraph 7, signalling rebalancing public and private contributions
- paragraph 54, removal of funding of very short courses below 9 guided learning hours
- paragraph 57, signalling the intention to review funding that could be regarded as an employer's responsibility, with a particular focus on first aid at work, health and safety, and food safety.

Policy Requirements for Planning: Managing the Balance and Mix of Provision (2006/07) focuses on the challenges associated with managing the balance and mix of provision, and in particular:

- sets out the context and key changes for 2006/07 and 2007/08
- provides a steer for regional approaches to planning the balance of provision
- identifies key areas of qualification and curriculum reform that need to be taken into consideration during the planning round.

Funding Guidance for Further Education 2006/07 (a technical reference document that sets out the LSC's approach and authoritative guidance for FE funding in 2006/07)

Individualised Learner Record (ILR) Specification for 2006/07 (guidance to assist providers in preparing ILR data for the 2006/07 year)

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Securing Equality and Diversity

Links to Priorities 1, 2, 3 and 4, with particular reference to Priority 2

What is it about?

The Learning and Skills Act 2000, Section 14, states that the LSC must promote equality of opportunity for people in terms of race, gender and disability. The LSC also acknowledges other legislation: the Race Relations (Amendment) Act 2000, the Disability Discrimination Act 1995, the Sex Discrimination Act 1975, the Human Rights Act 1998 (Article 13 on Sexual Orientation, Religion or Belief and Age) and the LSC Remit Letter.

What does it aim to achieve?

The LSC has a statutory duty to promote equality and diversity across the learning and skills sector. Our pivotal role has been given further impetus through the 14–19 Green Paper, *Success for All*, and the National Skills Strategy.

The LSC is committed to achieving its targets. It recognises that by 'including the excluded', it has a greater chance of succeeding. With the right approach to recruitment (widening participation) and delivery (inclusive or personalised learning), there is a stronger likelihood that people will participate, succeed, achieve and progress to become economically viable.

For some, this will include progressing through Level 2, Level 3 and Level 4. Others, for example those with learning difficulties, may not achieve in terms of qualifications, but can and do contribute socially and economically.

How will it do that?

The LSC has a National Equality and Diversity Committee, chaired by a National Council member. The National Equality and Diversity Committee has established a learners with learning difficulties and/or disabilities sub-group to replace the forum on learners with learning difficulties and/or disabilities.

Our National Equality and Diversity Strategy was launched in autumn 2004 as a result of wide consultation. Our challenge with the strategy was to determine common ground from the many views held on equality and diversity while also taking into account existing and incoming legislation.

The LSC established a group, chaired by Peter Little OBE, to undertake a strategic review of LSC provision for learners with learning difficulties and/or disabilities across the post-16 sector. The review, *Through Inclusion to Excellence*, was published in November 2005. Following this review, the LSC launched its first national strategy for learners with learning difficulties and/or disabilities, *Learning for Living and Work*, in October 2006.

Achievements and success

Equality and diversity impact measures (EDIMs) will be developed regionally during the 2007/08 planning round to align to PSAs targets. These will be set in the context of regional priorities and the national statement of priorities.

Success measures will be agreed regionally and reported to the National Equality and Diversity Committee.

Links

Equality and Diversity Strategy
<http://readingroom.lsc.gov.uk/pre2005/learningopportunities/promotion/equality-and-diversity-strategy-04-07.pdf>

We are sure that this vision can only be achieved through a strong commitment to equality and diversity.

Race Equality in Employment Standard
http://readingroom.lsc.gov.uk/lsc/National/Race_Equality_in_Employment.pdf

The proposed new *Race Equality in Employment Standard* (REES) offers organisations a simple and coherent framework for embedding good race equality practice into employment and human resources (HR) functions.

Race Equality Scheme
<http://readingroom.lsc.gov.uk/lsc/2005/interadmin/equalitydiversity/lsc-race-equality-scheme-june-2005-may-08.pdf>

These documents are of interest to those in the post-16 sector who are interested in the LSC's response to the Race Relations (Amendment) Act 2000.

Equality and diversity intranet

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Sector Skills Agreements and Balance Sheet Summaries – 2007/08 Business Planning

Also links to Priority 4

The following summaries are an indication of the SSC priorities for the LSC 2007/08 planning round and beyond.

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Each SSC was asked to complete a skills balance sheet identifying action for the LSC to undertake as part of the solutions coming through their sector skills agreement (SSA) and sector qualification strategies (SQS).

The complete documents returned by the SSCs can be found at:
<http://intranet/Portal/Portal/News/Great%20Skills%20Debate/>

In most cases, the SSC has identified priority qualifications – new and existing – that have currency within the sector, a baseline of current take-up and, in some cases, regional variances.

Within this document we have attempted to extract and summarise for the purposes of planning those key priorities for the LSC, namely the preferred Level 2 qualifications and progression routes currently important to the sector, along with supporting messages and rationale.

This document should be used in conjunction with the SSC full skills balance sheet referenced above and, where available, the SSA reports, in order to discuss and agree volumes for delivery in 2007/08 and to determine activity to support implementation in future years.

Capital Programme

This programme has developed and adapted, and has some significant new elements.

What is it about?

The LSC capital programme incorporates capital funding for new buildings and the refurbishment of existing buildings for FE colleges and skills academies, new FE and school 16–19 places through the 16–19 Capital Fund, PCDL, Neighbourhood Learning in Deprived Communities (NLDC), CoVEs and funding for information and learning technology (ILT) provision.

The 2006 White Paper *Further Education: Raising skills, improving life chances* envisages that the LSC's capital resources will be directed towards implementing the FE component of the 14–19 vision in each locality, as well as delivering its statutory remit for both adult and 14–19 further education. This is in the context of the leadership role of local authorities in delivering 14–19 reform. It also envisages extending the Building Schools for the Future (BSF) programme and vision to cover all settings in which young people learn and for the LSC's capital programme to complement BSF investment. This is complemented by the aims of the LSC's *agenda for change* to renew and modernise the FE estate as soon as possible and for the LSC to invest in new 16–19 places not currently identified in the BSF or academies programmes.

In responding to the White Paper, the LSC will use its capital funds to:

- ensure that regional capital strategies reflect regional and local plans to improve choice, quality and diversity and that those strategies in turn drive the approval criteria for individual capital proposals
- support the expansion and reorganisation of provision to secure the capacity for high-quality, specialised diploma programmes and the entitlement
- secure the right organisational solution in each local area by ensuring that qualifying 14–19 capital projects in the FE sector are appropriately funded
- prioritise the capital support necessary to enable high performing FE and sixth form colleges to expand their provision as part of the FE presumption
- extend eligibility, as appropriate, for capital funds to new providers and training providers where necessary to secure substantial, new, high-quality provision as part of a long-term commitment to supply
- use capital funds to help provide specialist equipment to help refocus mission and accelerate the rate of specialisation to support the delivery of specialist diplomas and the policy of specialisation and to develop high-quality, specialist national skills academies, CoVEs and national and regional sectoral skills networks.

What does it aim to achieve?

The LSC aims to use its capital funds to help ensure that learner opportunities are maximised through the investment of capital funds to best support learner achievement through the creation of modern, fit-for-purpose learning environments.

The main purposes of the LSC's capital programme are: first, to support the aims of the 2006 White Paper; second, to continue the renewal and modernisation of the FE estate and, third, to invest in the creation of new FE and school 16–19 places where these are not likely to be provided by other programmes in the near future.

How will it do that?

In particular, the LSC's capital programme will:

- support increased choice for learners, particularly in 14–19 provision but not exclusively, as adult learners remain an important priority
- promote increased specialisation in colleges and schools
- support local authorities in their strategic leadership role for 14–19 provision
- enable the most effective colleges and schools to expand

- support providers in getting greater value for money from revenue expenditure, as retention and success rates improve following capital investment and running and maintenance costs reduce, enabling more income to be directed to the frontline
- encourage the development of industry-standard facilities to help command the confidence of employers, encouraging them to enter partnerships with providers to train their staff and strengthen co-funding across the sector
- extend the eligibility for LSC capital investment to a wider set of providers, particularly supporting the entry of new providers and/or the expansion of existing providers in new areas, encouraging innovation
- support colleges in improving their expert client capabilities in the processes for developing and procuring new premises and facilities.

Achievements and success

The LSC expects to invest about £500 million in capital projects in 2007/08. Over the three-year period to 2009/10, the LSC expects to invest nearly £2 billion in capital projects and promote over £4 billion of development by colleges and schools. The long-term aim is to have fully renewed the FE estate by 2013.

Links

Guidance on FE capital funding arrangements can be found in the *LSC Capital Handbook*.

Guidance on the 16–19 capital funding can be found in *The 16–19 Capital Fund Guidance: 2006-07 onwards*, which is available at:
<http://readingroom.lsc.gov.uk/LSC/2005/funding/streams/16-19-capital-fund-guidance-2006-07-onwards.pdf>

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Commissioning Research and Evaluation

Links to Priorities 1, 2, 3 and 4

This policy is being finalised for the new approach.

What is it about?

It is crucial for the LSC to commission research and evaluation in a strategic way. This means that policy can be developed with all of the necessary knowledge of the current environment, to make sure decisions made are the correct ones.

What does it aim to achieve?

All research and evaluation commissioned by the LSC must fit with its strategic goals.

It is important that all of our evaluations of policies are carried out in a way that is seen as accurate and transparent to ensure the external credibility of the LSC.

How will it do that?

We will use our research and evaluation to underpin decisions at all levels across the organisation in:

- policy direction and implementation
- commissioning, planning and investment decisions locally and regionally.

We will further develop our evaluation to measure the impact of our policies on wider social and economic goals.

Achievements and success

The LSC has nearly completed a review of how the LSC's research function is perceived and used. This will then drive the decisions that need to be taken in terms of improving the quality and impact of research carried out by the LSC.

Links

There is a new website that holds LSC research, making it easily accessible to all: <http://research.lsc.gov.uk>

There is also a research page on the intranet that holds key projects, papers and information on how to use our call-off contracts:
<http://intranet/Portal/Portal/Functional%20Groups/Core%20Functions/Research/>

All National Employer Skills Survey and National Learner Satisfaction Survey data are also available online at <http://researchtools.lsc.gov.uk>

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Individualised Learner Record

Links to Priorities 1, 2, 3 and 4

What does it aim to achieve?

The LSC requests Individualised Learner Record (ILR) returns from providers in receipt of LSC funding. The authority to collect these data is derived from Section 12 of the Learning and Skills Act 2000.

How will it do that?

The LSC collects ILR data to:

- monitor individual providers' delivery against costed provision plans or contract
- inform local decisions about plans and provision, including strategic area reviews
- monitor progress to targets
- inform national planning, including policy development and modelling
- monitor quality improvement and evaluate the effectiveness of providers across the learning and skills sector
- enable it to make its case to the Government for levels of funding appropriate to the sector
- demonstrate the outcomes of its distribution of funds.

Achievements and success

Success is defined as all providers returning accurate data in line with the timescales.

Links

ILR pages (including the specification and associated guidance documents).

www.lsc.gov.uk/National/Partners/Data/DataCollection/ILR/ILR0607.htm

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Provider Reorganisations

What is it about?

The LSC Provider Reorganisations Programme incorporates the planning and implementation of structural changes to all providers across the sector to ensure that the infrastructure that supports the key priorities is fit for purpose.

These requirements apply to the establishment, dissolution and transfer (commonly referred to as merger) of further education corporations under the Further and Higher Education Act 1992. These requirements also apply to the establishment, closure, enlargement and reduction of school sixth forms and 16–19 schools under the Learning and Skills Act 2000.

In accordance with the aforementioned legislation and the accompanying statutory instruments, the LSC is required to undertake certain tasks when considering such reorganisation proposals. The procedures set out in the guidance are designed to ensure that the LSC fulfils the statutory duties imposed upon it, thus providing protection for the LSC and its staff against possible legal challenge.

What does it aim to achieve?

In the autumn of 2003, the DfES published a leaflet setting out five key principles that should underpin the organisation of 16–19 provision. These include quality, distinct 16–19 provision, diversity to ensure curriculum breadth, learner choice and cost-effectiveness. Proposals must demonstrate that these considerations have been met, as well as meeting the LSC's criteria for considering proposals as set out in Circular 02/09 for FE proposals and circular 03/07 for school sixth form proposals.

How will it do that?

In addition to the five key principles, the DfES launched its *Five Year Strategy* in July 2004. This set out measures that would give institutions greater autonomy in serving their local markets so that successful provision could expand and local strengths be fully exploited in order to drive up quality. These measures include:

- making it easier for leading 11–16 specialist schools to open sixth forms (the FE presumption), with guidance to be published directly by the DfES
- competitions, decided at local level, where substantial new 16–19 provision is needed
- a new 16–19 Capital Fund combining school and FE resources to support coherent investment in new 16–19 provision.

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16–19 Competitions

What is it about?

From December 2005, the LSC was required to hold a competition for new 16–19 provision under any of the following circumstances:

- where a need is identified for 200 or more new 16–19 places to meet basic need (at LSC discretion if fewer than 200 places)
- to improve quality and/or to improve the balance of provision in an area
- where there is no proposal to meet that need under the sixth form 'presumption' arrangements or from an academy.

What does it aim to achieve?

This policy aims to open up the market to new or changed provision in areas identified as having a need.

How will it do that?

As part of the DfES *Five Year Strategy*, plans were put into place to allow competitions to be held, decided at a local level where substantial new 16–19 provision is required. Competitions will be held where there is a need (outlined in a statement of need) for more than 200 new places in an area. At the LSC's discretion, a competition may also be held where there is a need to improve quality or provide a better balance or mix of provision. A competition may be held where there are no local proposals to establish a sixth form, under the sixth form presumption arrangements, or an academy that will meet the identified need.

The competitions process takes seven months to complete, after which time it may also be necessary to follow statutory processes to bring the proposal into effect.

Achievements and success

Since the guidance was published in December 2005, the LSC has published notices to hold six competitions, two of which have so far completed the initial competitions process. Competitions appear to strongly encourage collaborative working in an area, as consortia of stakeholders can come together to develop a proposal.

Links

16–19 Competitions Guidance at: www.lsc.gov.uk/NR/rdonlyres/egnb7akw6cnwnvi56zc3uqbqjib25wjpth5bvhzayvupdupzoa3vmtkvi3ql3h5g3ieulwn2ue6vg/guidancefor1619competitions.pdf

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