

ANNUAL REPORT
OF THE
TRAINING
STANDARDS
COUNCIL

1998 – 1999



TRAINING STANDARDS
COUNCIL

GRADE DESCRIPTORS

- Grade 1 Outstanding provision, which has many strengths and few weaknesses
- Grade 2 Good provision, in which the strengths clearly outweigh the weaknesses
- Grade 3 Satisfactory provision, with a mixture of strengths and weaknesses
- Grade 4 Less than satisfactory provision, in which the weaknesses clearly outweigh the strengths
- Grade 5 Poor provision, which has few strengths and many weaknesses

CONTENTS

Chairman's introduction	4
Financial statements	7
Report of the directors	9
Report of the auditors	14
Principal accounting policies	15
Income and expenditure account	16
Balance sheet	17
The Council	18
Recruitment and organisation	24
Working with partner organisations	28
Inspection and reporting	30

CHAIRMAN'S INTRODUCTION



This report covers the first year of the Council's operations, from 1 April 1998 to the end of March 1999. The task of launching inspection of work-based training had begun some eighteen months beforehand, with the publication of a consultative document by the Secretary of State for Education and Employment. After the election of the present government, in May 1997, the pace quickened. The TEC National Council (TNC) won a development contract to carry out recruitment and training for the new inspectorate and was instrumental in ensuring that it had firm roots in industry and commerce and strong links with the main sources of funding – the local training and enterprise councils. I became chairman in August 1997 and, through public advertisement, recruited a council of 16 members by October.

Thanks to the earlier work of the planning group and to the enthusiasm and effort of the staff, inspection got off to a fast and effective start. There were just 23 working weeks between recruitment of the chief inspector on 17 November 1997 and the first inspection on 5 May 1998.

This report takes the story forward which began with high expectations, but also with many natural fears and suspicions from some quarters. It is pleasing to report that 10 months later, after the first 400 inspections, many of the expectations were being realised and the fears and suspicions replaced, in the main, by co-operation and enthusiasm. As continuous improvement is being regularly demonstrated, best practices are being shared and weaknesses exposed, the Training Standards Inspectorate has been recognised as an organisation which is adding real value and as a powerful force for change. This report shows that this was achieved within budget of nearly £5 million of public money, that the contract with the Department for Education and Employment (DfEE) was fulfilled and that pilot inspections of the New Deal were launched for the Employment Service. The report deals, most importantly of all perhaps, with the first outcomes of our quality assurance systems.

It was critical to achieve quality and consistency from the outset – this was one of the major reasons for the decision to operate from one national office, rather than from several regional ones. Our field inspection team was equipped to work from home and was deployed as a national force, working to common criteria. Again, in the quest for consistency, it was decided to have all inspections led by a member of our small full-time team of 20 lead inspectors. The framework for the inspectorate's work was enshrined in the document *Raising the Standard* which contained the guides for both self-assessment and inspection. Inspection reports are published on the Internet to allow for transparency and learning through a wide readership.

Our own internal quality assurance process safeguards the future integrity of our work. We asked lead inspectors to grade the work of every associate inspector after every inspection. We asked associate inspectors to grade the performance of lead inspectors, anonymously if they wished. We asked our editors to grade lead inspectors' draft reports. We asked providers, some time after their inspection, to grade the whole process. Together with colleagues from DfEE, we asked consultants to review and comment on the soundness of our procedures and our efficiency.

It is important for those who judge others to be judged themselves, in order to retain a realistic perspective and a sense of humility. This continuous introspection has been positive for the inspectorate and allows us to relate better to our customers, in a drive for continuous improvement. This report reflects the first hectic year of a public body which was, and still is, determined to bring about positive change in the field of life-long learning which is so important to the country and its citizens. We believe that we have created strong foundations on which we can build with confidence. The report contains the data to allow you, our stakeholders, to judge whether you agree and to suggest how we might raise our standards in future years.

A handwritten signature in blue ink that reads "Nick Reilly". The signature is written in a cursive, slightly slanted style.

NICK REILLY
CHAIRMAN

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1999

Report of the directors	9 to 13
Report of the auditors	14
Principal accounting policies	15
Income and expenditure account	16
Balance sheet	17

TRAINING STANDARDS COUNCIL LIMITED
(limited by guarantee)

Company registration number: 3426766

Company registration number:	3426766
Registered office:	Nash Court John Smith Drive Oxford Business Park Oxford OX4 2PH
Directors:	RK Arora DG Compston AM Davies SH Elliott DW Harbourne PT Humphrey AG Limb MS Luck DN Makin SR Morton BT O'Driscoll DN Reilly (Chair) DC Sherlock (Chief Executive and Chief Inspector) P Welsh
Secretary:	C Newton
Bankers:	HSBC plc 65 Cornmarket Street Oxford OX1 3HY
Solicitors:	Manches & Co 3 Worcester Street Oxford OX1 2PZ
Auditors:	Grant Thornton Registered Auditors Chartered Accountants 1 Westminster Way Oxford, OX2 0PZ

REPORT OF THE DIRECTORS

The directors present their annual report and the audited financial statements for the year ended 31 March 1999.

Training Standards Council Limited was dormant for the period ended 31 March 1998. On 1 April 1998, the company commenced trading activity.

The company is a wholly owned subsidiary of the TEC National Council Limited. The company has taken advantage of FRS 8, regarding disclosure of intercompany transactions.

REVIEW OF BUSINESS

The Training Standards Council is responsible for the independent inspection of government-funded work-based training in England. The Council was established formally on 1 April 1998, following a period of preparation by the TEC National Council, working in partnership with the Department for Education and Employment (DfEE). This development phase included a pilot study to test elements of the inspection framework, resulting in the publication, in April 1998, of *Raising the Standard: guidelines for self-assessment and inspection of work-based training*. These guidelines govern the work of the Council's inspectorate and of those involved in the continuous improvement of TEC-funded work-based training.

The Training Standards Council has 16 directors, including the chief executive & chief inspector. The directors are drawn from industry, training organisations, further education and training and enterprise councils (TECs). Council vacancies were publicly advertised, and directors were selected in accordance with the guidelines on good practice in making public appointments. The Council is required to report annually to the TEC National Council, as well as to the Secretary of State for Education and Employment.

The Council derives the majority of its funding from a single contract with the Department for Education and Employment, for the inspection of TEC-funded work-based training. This contract amounted to nearly £5 million in 1998-99. The Department provided an initial advance of £530,000 (subsequently increased to £700,000). Expenditure incurred in accordance with the contract is reimbursed monthly.

By the end of its first year, the Council had recruited and trained 28 full-time and 225 part-time associate inspectors, with a further 65 associate inspectors in training. All inspectors are based at home. In addition to the chief executive & chief inspector, the senior management team comprises three directors of inspection and the director of business services. Twenty-five staff in the Oxford office are involved in the development and operation of the systems which support inspection. The Council has no full-time staff with registered disabilities. Two associate inspectors are registered as having a disability. The Council has a personnel committee which oversees matters relating to employment. With the benefit of advice from consultants, the Council has reviewed its initial decisions on staff pay and grading. It has announced its intention of achieving the Investors in People Standard and has embarked on preparation for assessment.

The inspectorate has developed close working arrangements with TECs and regional government offices (GOs) which, between them, are responsible for monitoring the work of training providers. During the year, the Council also entered into formal protocols for working jointly with the Further Education Funding Council (FEFC), Estyn (formerly the Office of Her Majesty's Chief Inspector of Schools in Wales (OHMCI Wales)) and Her Majesty's Chief Inspector of Prisons (HMCIP). The Council has also developed close links with the Qualifications and Curriculum Authority (QCA), responsible for safeguarding the standards of qualifications awarded to trainees.

During the year, the Council's remit was extended to encompass the inspection of training associated with New Deal for 18- to 24-year-olds, with a £350,000 addition to its annual contract to cover this project's development phase. Working in partnership with the Employment Service, the Council's inspectorate carried out pilot inspections of 22 New Deal partnerships, to confirm and refine the proposed inspection method; reported to ministers on the quality of this provision; published a framework for inspecting New Deal local partnerships – *Partners for Quality*. New Deal partnerships will be inspected over a three-year cycle, up to March 2002, to coincide with completion of the first cycle of TEC-funded provider inspections.

Between May 1998 and March 1999, the Council's inspectorate completed 387 inspections, just over its target of 383. Inspection reports were published on the Council's Web site for 253 of those inspections, with the remaining reports published in the early part of the next financial year.

We now know immeasurably more about the quality of work-based training than we did in April 1998. On 14 July 1999, the chief inspector launched his first annual report at the Royal Society of Arts in London, where it was formally received by the Rt Hon David Blunkett MP, Secretary of State for Education and Employment. The report drew together the lessons learned from the first 300 inspections. Work-based training was found to vary widely in quality, with nearly half of the providers inspected receiving at least one unsatisfactory grade. At its best, work-based training offers an excellent route to sustainable employment, with provision in engineering and manufacturing found to be particularly good. Provision in care and agriculture was awarded the lowest grades. Inspectors identified significant issues to be addressed in the coming year, in relation to quality assurance and the management of training.

Looking forward to the current year, the Council has secured an increase of nearly £3 million in its annual funding. The latest contract provides just under £7 million for the inspection of TEC-funded training and £1 million for New Deal inspections. Those training providers awarded low grades by inspectors in any aspect of their provision are reinspected within a year of the initial report. The current budget forecasts an increase in the number of full-time inspectors from 28 to approximately 45 by the end of the year, together with a modest increase in the number of support staff. The Council will continue to make extensive use of associate inspectors.

On 30 June 1999, the government published, in a white paper, *Learning to Succeed*, proposals for the future of post-16 education and training. The funding roles of TECs and of the FEFC will be passed to a new network of Learning and Skills Councils on 1 April 2001. A new inspectorate will be formed, based on the work of the Council and FEFC inspectorate. The new inspectorate will have a wide remit, including all work-based training, training under the New Deal, the University for Industry (learndirect), adult & community education and education & training in further education colleges for those over the age of 18. The Council will be wound up on 31 March 2001, with its functions and assets passing to its successor body, the new inspectorate. Transition arrangements will be led by officials of the Department and will involve all the bodies most closely involved in the changes. Ministers have been positive about the role which the Council and its staff have to play in developing the new inspectorate. We are working closely with the Department to put the new arrangements in place.

PRINCIPAL ACTIVITY

The Training Standards Council is responsible for the independent inspection of government-funded work-based training. Its scope includes provision funded through New Deal for 18- to 24-year-olds, through both training and enterprise councils (TECs) and franchise agreements with further education colleges, with the assistance of the European Social Fund (ESF) and the Single Regeneration Budget (SRB). The Training Standards Council draws its funds directly from the Department for Education and Employment and from the Employment Service. The Council's chief inspector reports annually, on standards in government-funded work-based training, to the Secretary of State for Education and Employment, the TEC National Council (TNC) and the Employment Service.

The Training Standards Council's terms of reference are:

To advise the Secretary of State for Education and Employment and the TEC National Council on the quality of training in England offered by training providers supported by public funding.

To advise the Minister for Employment on the quality of training in England offered through New Deal for 18- to 24-year-olds.

To oversee the development and implementation of a quality assurance framework for training providers, embracing self-assessment and external inspection.

To oversee the development and implementation of a quality assurance framework for training in New Deal units of delivery, embracing self-assessment and external inspection.

To recommend to the Secretary of State for Education and Employment and the TEC National Council and keep under review methods for assessing quality and standards of training provision and related methods of assessing competence.

To receive assessment reports, from the national inspectorate, on New Deal units of delivery, government-funded training providers, sector provision and on other aspects of training provision in England and elsewhere, and to advise on necessary action.

To report annually to the Secretary of State for Education and Employment, the TEC National Council and the Employment Service, including an evaluation of the overall quality of training in England.

To advise on other matters as requested from time to time by the Secretary of State for Education and Employment, the TEC National Council and the Employment Service.

In addition to working towards fulfilment of its terms of reference, the Council co-operates with other relevant organisations to raise standards of training nationally and promotes the involvement of employers in work-based training. It publishes examples of good practice, in order to raise public confidence in work-based training. It also identifies poor practice in training and any provision which is of little added value to trainees, in the light of their previous experience and attainment.

DIRECTORS

The company is limited by guarantee. No directors own shares in the company, the liability of directors being limited to £1.

The directors who served during the year are set out below. MS Luck, DG Compston, AG Limb, SR Morton and DN Reilly retired by rotation and were re-elected during the year.

RK Arora
MG Bamford (resigned 26 January 1999)
DG Compston
AM Davies
SH Elliott
DW Harbourne
PT Humphrey
C Kavanagh (resigned 23 August 1999)
AG Limb
MS Luck
DN Makin
SR Morton
BT O'Driscoll
DN Reilly (Chair)
DC Sherlock (Chief Executive and Chief Inspector)
EH Rowlands (resigned 1 January 1999)
P Welsh

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

Company law requires the directors of the company to prepare financial statements, for each financial year, which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates which are reasonable and prudent.
- prepare the financial statements on a going-concern basis, unless it is inappropriate to presume that the company will continue in business.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part VI of the Companies Act 1985, which is applicable to small companies.

AUDITORS

Grant Thornton offers itself for reappointment as auditor, in accordance with Section 385 of the Companies Act 1985.

SMALL COMPANY EXEMPTION

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985, relating to small companies.

ON BEHALF OF THE BOARD OF DIRECTORS

C Newton

Secretary

30 September 1999

REPORT OF THE AUDITORS

TO THE MEMBERS OF TRAINING STANDARDS COUNCIL LIMITED

We have audited the financial statements on pages 7 to 13, which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities and under the accounting policies set out on page 17.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 15, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, of those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors, in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary, in order to provide ourselves with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

FUNDAMENTAL UNCERTAINTY RELATING TO FUTURE EXISTENCE OF THE TRAINING STANDARDS COUNCIL

In forming our opinion, we have considered the adequacy of disclosures made in the accounting policies to the financial statements, regarding the uncertainty about the continued existence of the Training Standards Council, as a result of the current review by the government. In view of the significance of this uncertainty, we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

OPINION

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1999 and of its surplus for the year then ended; they have been properly prepared in accordance with the Companies Act 1985.

GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
OXFORD
30 September 1999

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements were prepared under the historical cost convention and include the results of the company's operations which are described in the directors' report and all of which are continuing.

On 30 June 1999, the government published the results of its review of post-16 education, *Learning to Succeed*, and the Small Business Service consultations. As a result of these consultations, the continued operational existence of the Training Standards Council is currently uncertain, pending both parliamentary approval on this matter and future legislation.

While these uncertainties exist at present, the directors are of the opinion that, before 31 March 2001, the date at which the Training Standards Council's licence to operate is proposed to cease, the government will continue to provide appropriate funding arrangements to the Training Standards Council to enable it to continue to operate. For this reason, the directors have continued to adopt the going-concern basis of accounting, in preparing the financial statements. The financial statements do not include any adjustments which would result from the going-concern basis of preparation not being appropriate.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement, on the grounds that it is a small company.

INCOME

Income includes reimbursable expenditure, incurred by the company.

DEPRECIATION

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful life on the following bases:

Office and computer equipment	3 years' straight line
Fixtures and fittings	5 years' straight line

OPERATING LEASES

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the income and expenditure account as incurred.

CONTRIBUTIONS TO PENSION FUNDS

Defined contribution scheme

The pension costs charged represent the amount of the contributions payable to the scheme in respect of the accounting period.

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 1999

	1999 £
Income	4,964,244
Administration expenses	4,931,226
Operating surplus	33,018
Interest received	18,830
Surplus on ordinary activities before taxation	51,848
Tax on ordinary activities	-7,500
Surplus on ordinary activities after taxation	44,348

There were no recognised gains or losses for the year ended 31 March 1999, other than those included in the income and expenditure account.

The accompanying accounting policies form an integral part of these financial statements.

BALANCE SHEET

AT 31 MARCH 1999

	1999
	£
Fixed assets	
Tangible assets	99,097
Current assets	
Debtors	350,890
Cash at bank and in hand	762,834
	1,113,724
Creditors: amounts falling due within one year	1,168,473
Net current liabilities	-54,749
Total assets less current liabilities	44,348
Reserves	
Retained surplus	44,348

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985, relating to small companies.

The financial statements were approved by the Board of Directors on 30 September 1999.

DN REILLY
DIRECTOR

The accompanying accounting policies form an integral part of these financial statements.

THE COUNCIL

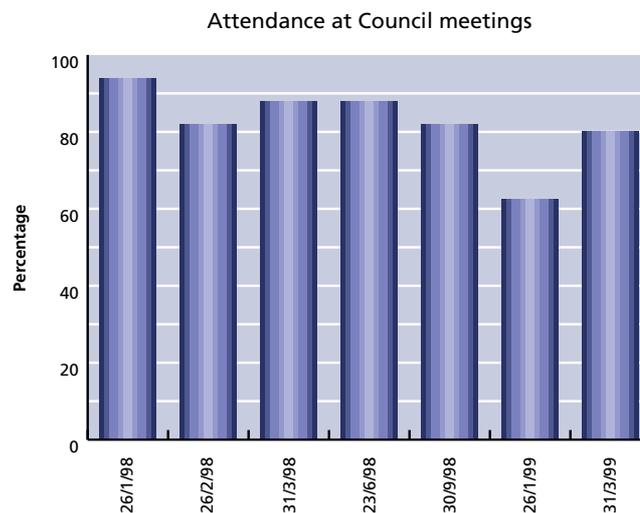
In August 1997, Nick Reilly was appointed by the Secretary of State for Education and Employment as chair of the Training Standards Council. The initial 15 members were selected after public advertisement. Members were drawn from a variety of backgrounds: employers, the further education sector, the Trades Union Congress, training and enterprise councils and training providers.

There are nine observers invited to attend Council meetings. They represent the following partner organisations:

- Department for Education and Employment (DfEE)
- Investors in People (UK)
- Local Government Association (LGA)
- Office for Standards in Education (OfSTED)
- Qualifications and Curriculum Authority (QCA)
- TEC National Council (TNC)
- The Further Education Funding Council (FEFC)
- Employment Service (ES), since June 1999

Contract objective:
to have a minimum of four meetings a year, including one strategy conference.

Council members met in January, February, March, June and September 1998 and in January and March 1999 to both formulate policy and monitor the inspectorate's work. Residential conferences took place in December 1997 and at the end of September 1998 to explore strategic issues. In all but one of these meetings, at least 80 per cent of members attended. The proportion of members attending each meeting is set out below:



The Council was responsible for approving:

- the company's memorandum and articles of association.
- the terms and conditions of employment for TSC staff.
- the location of the office.
- the operational plan.
- heads of agreement with the Further Education Funding Council (FEFC).
- a memorandum of understanding with the Qualifications and Curriculum Authority (QCA).
- a protocol regulating working arrangements with the Welsh inspectorate, Estyn.
- *Raising the Standard* – the guidelines for self-assessment and inspection – and the circulars, *Reinspection* and *Co-ordinating TECs*.
- the budget and the appointment of the auditors.

In addition, the Council responded to the government's consultative documents, *The Learning Age* and *TECs: Meeting the Challenge of the Millennium*. Council members also:

- give advice on personnel issues.
- observe inspections.
- participate on interview panels for recruitment of TSC staff.

Four committees of the Council meet, as necessary, to consider particular aspects of Council policy. The committees relate to:

- audit and quality.
- communications and inspection.
- finance.
- personnel.

Each member of the Council is also a member of a committee. Some members also belong to the chair's policy group. In addition, members contribute their expertise in particular areas to operational aspects of the company and use their links with other organisations to promote the work of the Council and the work-based training sector. Such links include those with the Confederation of British Industry, the Institute of Directors and the Trades Union Congress.

THE COUNCIL'S MILESTONES

See separate PDF file for the TSC Milestones

MEMBERS OF THE TRAINING STANDARDS COUNCIL



Nick Reilly
Chairman of the Training Standards Council since August 1997. Chairman and managing director of Vauxhall Motors Ltd and vice-president of General Motors Corporation.
Member of the finance committee and the chair's policy group.



Sam Elliott, OBE
Proprietor of the Grapevine Hotel, Stow-on-the-Wold.
Member of the personnel committee.



Ranjit Arora
Non-executive director of Bradford Community Health Trust and head of multicultural education and research, Bradford & Ilkley Community College.
Member of the audit and quality committee.



David Harbourne
Chief executive of North Yorkshire Training and Enterprise Council.
Member of the audit and quality committee.



Martin Bamford¹
National training and development officer of the Trades Union Congress.



Peter Humphrey
Former group personnel director of Securicor.
Member of the audit and quality committee.



David Compston, CBE
Chairman of Manchester Training and Enterprise Council.
Member of the audit and quality committee.



Carol Kavanagh³
Director of human resources with the Storehouse Group.



Ann Davies²
Chair and managing director of Beechcroft Training Limited.
Member of the finance committee.



Ann Limb
Principal and chief executive of Cambridge Regional College.
Member of the finance committee and the chair's policy group.

¹ up to January 1999

² up to September 1999

³ up to August 1999



Margaret Luck, MBE
Chief executive of Advanced Training Ltd.
Member of the communications and inspection committee.



David Sherlock
Chief executive and chief inspector of the Training Standards Council.
Member of the chair's policy group.



Neil Makin
Director of external affairs at Cadbury Schweppes plc.
Member of the communications and inspection committee and the chair's policy group.



Peter Welsh
Assistant director at UKAEA, Dounreay.
Member of the personnel committee and the chair's policy group.



Susan Morton
Human resources director at Carillion plc.
Member of the personnel committee.



Bernard O'Driscoll
Divisional head of human resources operations at Lloyds TSB Bank plc.
Member of the communications and inspection committee and the chair's policy group.



Enid Rowlands¹
Managing director of North Wales Development Agency.

RECRUITMENT AND ORGANISATION

SETTING UP THE BUSINESS

The Training Standards Council was set up as a subsidiary company of the TEC National Council and initially shared its premises in London. In order to ensure efficiency and consistency in working practices across the country, the Council decided to work from a national centre, instead of 10 regional offices. In April 1998, it took out a 16-year lease of accommodation with Arlington Developments. In June 1998, the Council moved into a new building in Oxford which it had equipped and furnished for inspection management purposes.

RECRUITMENT OF OFFICE STAFF AND FULL-TIME INSPECTORS

In August 1997, a team of temporary staff was employed at the office of the TEC National Council (TNC) in London, to train associate inspectors and to develop a framework for the inspection of work-based training. The recruitment of permanent staff began in November 1997 with the appointment of the chief executive & chief inspector. Shortly afterwards, three directors of inspection were appointed. By April 1998, when the Council was incorporated, there were 22 permanent staff. In June 1999, the senior management team was completed by the appointment of the director of business services. A further eight full-time inspectors were appointed later in the year. Their experience and expertise made them particularly suitable to inspect New Deal provision, which had been added to the Council's remit. The table below gives information on the recruitment of the senior management team and inspectors.

*Contract objective:
to recruit, appoint and
maintain a full team
of permanent staff.*

Post	Number of applicants	Number interviewed	Number appointed
Chief executive and chief inspector	50	6 interviewed	1
Directors of inspection – operations	159	5 interviewed	2
Director of inspection – reports and publications	87	5 interviewed	1
Director of business services	30	8 – longlisted and interviewed 3 – shortlisted and interviewed	1
Inspectors: initial advertisement for full-time and part-time inspectors August 1997	3,000	80 interviewed	20 full-time inspectors
Full-time inspectors – New Deal August 1998	159	59 – longlisted and interviewed 39 – shortlisted and interviewed	8
Full-time inspectors March 1999	424	54 – longlisted and interviewed 27 – shortlisted and interviewed	7

All staff are recruited by public advertisement and against clear job and person specifications. Applicants wishing to become members of the senior management team or full-time inspectors undergo a selection process which includes two-stage interviews, psychometric testing and formal testing of writing skills. New staff serve a probationary period. They receive initial on- and off-the-job training, in order to acquire relevant skills. They also identify their future training needs which are met on an individual or group basis. A training and development strategy is part of work towards the Investors in People Standard, due to reach fruition in December 2000. The Council's partner in its Investors in People work is Heart of England TEC, with whose consultants Council staff hold regular meetings.

Contract objective:
to develop and implement effective training and development policy and practices which ensure continuous staff development.

RECRUITMENT OF ASSOCIATE INSPECTORS

Some 3,000 applicants responded to the first advertisement in August 1997 for full- and part-time inspectors. For some, the selection was lengthy. Recruitment consultants carried out the initial selection process, using criteria specified by temporary staff employed by the TNC. Applicants were reviewed by the Council's permanent staff, based on their occupational experience, qualifications and knowledge of training. Selected applicants for associate inspector registration were invited to three-day training and assessment events, at which they learned about the process of inspection and underwent assessment of their suitability. The selection of associate inspectors took place at assessment centres in November and December 1997, January, February, April, June, October and November 1998 and January 1999. Those who were successful were then invited to inspect, under guidance, on one, two or three inspections, according to the extent of aptitude which they showed.

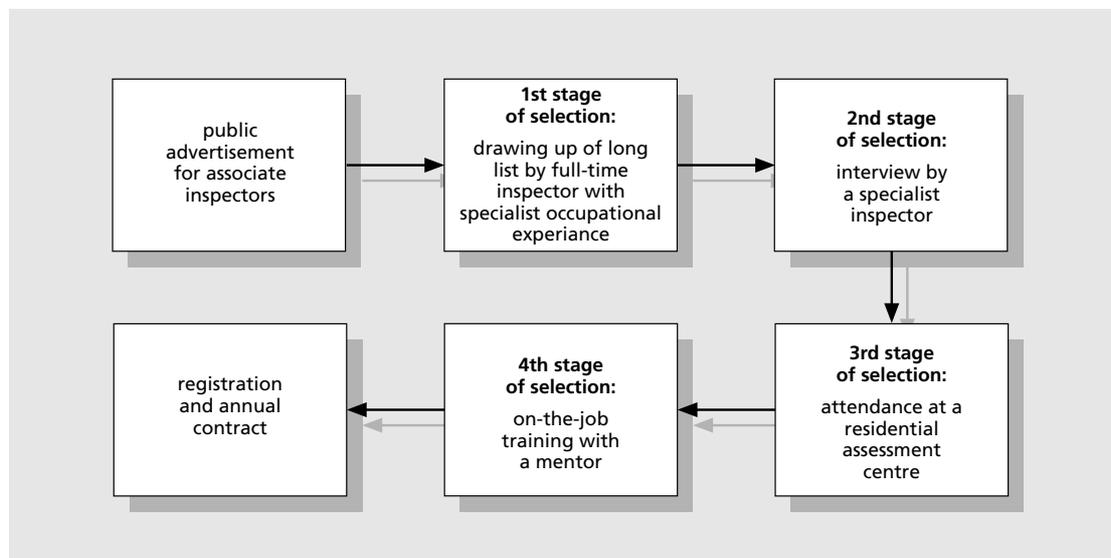
Contract objective:
to recruit, train and maintain a network of up to a total of 350 part-time inspectors, in order to deliver the inspection programme.

The criteria against which the suitability of applicants was measured were:

- demonstrable and up-to-date knowledge of an occupational area
- demonstrable knowledge of NVQs
- demonstrable knowledge of work-based training
- graduate-level qualifications or their vocational equivalent
- seniority in a profession
- ten years' experience in an occupational area
- the ability to write clearly and expressively

In order to improve the selection process for associate inspectors, preliminary interviews for applicants were introduced in spring 1999. Following success at interview and at a residential assessment centre, trainee associates usually have only one trial inspection. After registration, associates' work is carefully monitored by each lead inspector with whom they work. Following each inspection, lead inspectors give associate inspectors a grade on their performance and also provide them with verbal and written feedback which is recorded on a form. This form is then retained on file and is reviewed as part of the continuous evaluation of each inspector's performance. Those associates awarded a low grade may be deregistered. The number of trainee inspectors completing their training successfully rose steadily from 134, in July 1998, to 225, by the end of March 1999.

CURRENT SELECTION PROCESS FOR ASSOCIATE INSPECTORS



PROVIDER DATABASE FOR TRAINING AND ENTERPRISE COUNCIL (TEC)/ CHAMBER OF COMMERCE, TRAINING AND ENTERPRISE (CCTE) PROVISION

One of the first tasks of the inspectorate was to collect data from TECs to establish the number of training providers in England, so that they could be systematically selected for inspection. Before these data were collected, estimates of the number of training providers ranged as high as 10,000. The data now show that there are some 1,700, with minor fluctuations in this total, reflecting contract variations, new entrants to the market or business failures. The Council collects data about training providers from TECs in England each quarter. Each TEC provides details of all of the training providers with which it holds contracts. Information on each provider includes the number of trainees by programme and occupational area.

Data on training providers have been collected each quarter since the Council began operating. Some TEC staff found some difficulty in providing these data in the early days. In the last quarter of 1998-99, all TECs provided satisfactory data. During the year, considerable effort was put into improving the quality and consistency of data. In particular, the Council's staff have worked to identify and eliminate different names for the same company and to establish, with certainty, the number of separate companies offering training.

As well as being used for the planning of inspection, these data have been collated to form the most accurate and complete database on training providers in England and Wales. Among those making use of the database have been the DfEE, the TEC National Council and Estyn. Links between the Council's database and other sources of information about training providers have begun to develop. In particular, the Council has been working with the DfEE to make greater use of the Department's information, particularly to improve its own records on trainees. Work is continuing on developing common data with the FEFC, the Employment Service and the Qualifications and Curriculum Authority.

*Contract objective:
to develop provider
database, clean up
and maintain data
held on database,
check database for
accuracy.*

WORKING WITH PARTNER ORGANISATIONS

TRAINING AND ENTERPRISE COUNCILS AND GOVERNMENT OFFICES

TECs and GOs are involved in the inspection process through:

- consultation on providers selected by the Council for inspection.
- sending representatives to attend planning meetings before inspection and feedback meetings after inspection.
- receiving weekly notice of forthcoming inspection reports to be published.
- deciding whether or not to continue holding contracts with providers whose provision remains of poor quality after reinspection.
- helping, in the case of TECs, training providers to draw up action plans, following inspection.
- advising, in the case of TECs, the Council about the capability of providers to build on strengths and rectify weaknesses identified during inspection.
- intervention, on the part of GOs, where an action plan has been rejected more than once by the inspectorate.

A full-time inspector is linked to each TEC and GO. Each TEC is visited three times a year to collect information for planning inspections, to review progress on action plans from inspections and to discuss regional issues and trends. During visits to GOs, which take place four times a year, general issues about the region and those inspections which have occurred since the last meeting are discussed.

THE FURTHER EDUCATION FUNDING COUNCIL

An agreement with the Further Education Funding Council (FEFC) was approved at the Council's meeting in January 1998. Collaboration developed slowly. During the first year, there was little joint planning of inspection. The FEFC's inspectors and the Council's inspectors carried out their work separately.

Contract objective: to work and liaise with government office (GO) and TEC staff on self-assessment and inspection issues.

Contract objective: to work jointly with key partners to develop heads of agreement.

QUALIFICATIONS AND CURRICULUM AUTHORITY

At the end of September 1998, a memorandum of understanding with the Qualifications and Curriculum Authority (QCA) was approved by the Council. The main areas of co-operation between the two organisations relate to:

- attendance of Council representatives at QCA's authority and committee meetings.
- consultation on inspection lists, to avoid unnecessary duplication of visits.
- development events for awarding bodies.
- joint reports.
- observer status for QCA at Council meetings.
- regular meetings with QCA's audit and investigation teams to share information on providers or on problematic assessment or verification.

ESTYN

In early 1999, a protocol was drawn up between the Council and Estyn (formerly the Office of Her Majesty's Chief Inspector of Schools in Wales (OHMCI Wales)) to regulate joint inspections, where training providers operate in both England and Wales. The Council had earlier worked closely with Estyn on the development of a Welsh framework for inspection. The Council collects data on training provision from TECs in Wales on Estyn's behalf.

INSPECTION AND REPORTING

Contract objective: to conduct 383 inspections, based on a representative sample of the government-funded training delivered through training and enterprise councils (TECs) and chambers of commerce, training and enterprise (CTEs).

Inspections of work-based training started in May 1998. By the end of March 1999, 387 inspections had taken place. The average number of inspector days per inspection is shown below:

Tranche 1	Tranche 2	Tranche 3	Tranche 4
18	20	23	12

In planning the inspection programme, care was taken to ensure that inspection covered:

- all types of training programme.
- occupational areas, in proportion to the number of trainees and training providers in them.
- providers of all types and sizes.
- TEC/GO regions evenly.

The following data show the coverage of inspections completed in the Council's first year. The figures are based on data provided by TECs in July 1999. They exclude training providers with fewer than 10 trainees. They also exclude eight providers which were inspected, but now have fewer than 10 trainees and 27 former providers which no longer have any trainees.

COVERAGE BY TEC/GO REGION

The following table shows the number of inspections which each TEC co-ordinated. It also gives the total number of providers within each TEC's area. For those providers not yet inspected, it is uncertain which TEC will co-ordinate their inspection; therefore, it is not possible to express the number of providers whose inspections have been co-ordinated by a particular TEC as an accurate percentage of all the providers within that TEC's aegis. The percentages shown relate to regions and England as a whole.

TEC/CCTE	Inspected*	All providers	Percentage inspected
Greater Nottingham	3	20	
Leicestershire	5	28	
Lincolnshire	9	27	
North Derbyshire	2	7	
North Nottinghamshire	1	19	
Northamptonshire	9	19	
Southern Derbyshire	5	19	
EAST MIDLANDS TOTAL	34	139	24
Bedfordshire	1	12	
Central & Southern Cambridgeshire	3	9	
Essex	7	37	

TEC/CCTE	Inspected*	All providers	Percentage inspected
Greater Peterborough	3	13	
Hertfordshire	2	16	
Norfolk & Waveney	3	12	
Suffolk	7	25	
EASTERN TOTAL	26	124	21
AZTEC	2	16	
Focus Central London	14	49	
London East	3	27	
North London	3	18	
North West London	4	12	
SOLOTEC	6	33	
West London	4	19	
LONDON TOTAL	36	174	21
County Durham	6	21	
GONE – Residential Training Unit	0	8	
Northumberland	4	15	
Sunderland City	5	19	
Tees Valley	5	22	
Tyneside	9	34	
NORTH EAST TOTAL	29	119	24
Dorset	3	17	
PROSPER	10	53	
Somerset	4	16	
The Link Group	2	17	
WESTEC	5	19	
Wiltshire & Swindon	6	16	
SOUTH WEST TOTAL	30	138	22
Bolton & Bury	3	15	
CEWTEC	5	16	
ELTEC	4	16	
Enterprise Cumbria	3	28	
LAWTEC	5	29	
Manchester	10	41	
Merseyside	7	57	
North & Mid Cheshire	4	14	
Oldham	3	6	
Rochdale	3	8	
St Helens	2	5	

TEC/CCTE	Inspected*	All providers	Percentage inspected
South & East Cheshire	3	4	
Stockport & High Peak	4	11	
Wigan Borough Partnership	2	8	
NORTH WEST TOTAL	58	258	22
Hampshire	7	32	
Heart of England	6	17	
The Learning & Business Link Company	8	32	
Milton Keynes & North Bucks	3	10	
Surrey	1	16	
Sussex	8	45	
Thames Valley Enterprise	5	30	
Wight	2	5	
SOUTH EAST TOTAL	40	187	21
Birmingham & Solihull	13	51	
Coventry & Warwickshire	5	30	
Dudley	4	10	
Herefordshire & Worcestershire	5	22	
Sandwell	2	10	
Shropshire	2	15	
Staffordshire	12	34	
Walsall	4	8	
Wolverhampton	3	14	
WEST MIDLANDS TOTAL	50	194	26
Barnsley & Doncaster	4	9	
Bradford & District	6	23	
Calderdale & Kirklees	5	19	
Humberside	7	38	
Leeds	7	16	
North Yorkshire	8	32	
Rotherham	2	5	
Sheffield	8	18	
Wakefield	2	5	
YORKSHIRE & THE HUMBER TOTAL	49	165	30
ENGLAND TOTAL	352	1,498	23

* Excludes 35 providers which have been inspected, but now have fewer than 10 trainees. The table also excludes three training providers whose co-ordinating TEC is Welsh.

PROVIDER TYPE AND SIZE

During its first year, the Council inspected 193 private training providers, 71 charities (or not-for-profit organisations), 42 employers training their own staff, 36 local authorities, 38 further education colleges, four TEC direct-contract units and three providers of other types.

The size of a provider is determined by several factors, including the number of trainees which it has, the number of TECs with which it contracts and the number of occupational areas which it offers.

NUMBER OF TRAINEES

The Council's database records a total of 280,861 trainees. Of these, 85,584 (or just over 30 per cent) are with providers which have been inspected. The table below shows inspections by size of provider:

Number of Trainees	Total providers	Inspected	Percentage
1,000 and over	30	11	37
500-999	64	22	34
300-499	115	32	28
200-299	153	42	27
100-199	295	85	29
50-99	311	76	24
10-49	533	84	16
under 10	210	8	4
contract ended		27	

NUMBER OF TECs

The table below gives details of the number of TECs with which providers contract. The calculation excludes contracts through the National Training Partnership (NTP). Further details of NTP contracts are given below:

Number of TECs	Total providers	Inspected	Percentage inspected
10 and over	21	13	62
5-9	25	9	36
4	29	15	52
3	51	15	29
2	194	63	32
1	1,140	237	21

There are 80 providers which contract through the National Training Partnership. Forty-one of these providers contract only through the NTP, with the remainder also contracting directly with TECs. None of the providers contracting only through the NTP was inspected.

NUMBER OF OCCUPATIONAL AREAS

The Council classifies occupational areas under 14 main headings specified in appendix 1 of *Raising the Standard*. Although the number of occupational areas in which a provider offers training does not necessarily relate to the provider's size, it can indicate the complexity of the scope of an inspection. The table below shows the number of occupational areas covered by the providers inspected:

Number of occupational areas*	Total providers	Inspected	Percentage
10 and over	29	5	17
8–9	52	17	33
6–7	125	29	23
5	89	26	29
4	106	31	29
3	151	51	34
2	289	69	24
1	605	120	20
0	55	4	7

*Counting only occupational areas with 10 or more trainees.

OCCUPATIONAL AREA

The table below shows the number of providers with 10 or more trainees in any occupational area, as well as the number and proportion of these providers which have been inspected:

Occupational area	Total providers	Inspected	Percentage
Agriculture	148	40	27
Construction	289	70	24
Engineering	544	130	24
Manufacturing	269	71	26
Transportation	75	21	28
Management & professional	160	45	28
Business administration	796	213	27
Retailing & customer service	343	102	30
Leisure, sport & travel	103	20	19
Hospitality	196	48	24
Hair & beauty	300	75	25
Health, care & public services	436	113	26
Media & design	60	17	28
Foundation for work	346	88	25

FUNDING PROGRAMME

Programme	All providers	Inspected	Percentage
Modern apprenticeships	1,189	287	24
Other training for young people	1,151	300	26
Work-based learning for adults	590	161	27

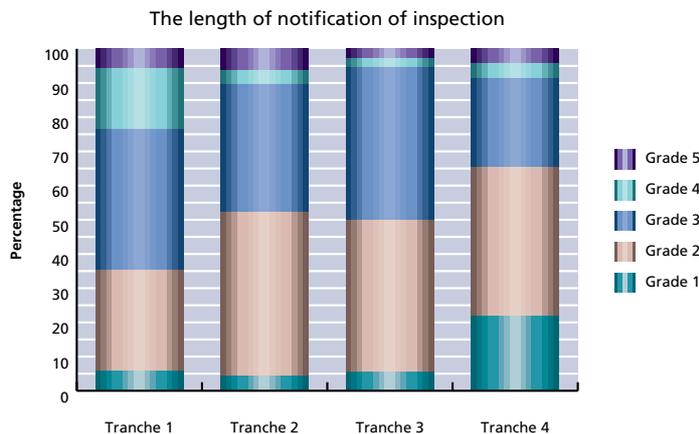
Selection of training providers for each tranche of inspections takes place quarterly. The draft list of providers to be inspected is sent for consultation to the DfEE, GOs and TECs; in the light of their comments, the list may be amended. Alterations are made to the list for various reasons, such as changes in the names of providers, administrative or business links among training organisations and changes to (or termination of) contracts. The draft lists are also shared with partner organisations, such as the FEFC and QCA, with the aim of furthering the co-ordination of monitoring activity to ensure that providers are not overinspected.

Contract objective: to provide a list of training providers for inspection cleared with the DfEE, GOs and TECs/CCTEs.

Letters of notification are sent by recorded delivery, with an acknowledgement slip for return to the Council. These letters are received by providers three months before the beginning of the tranche in which they will be inspected. Training providers usually have between three and six months' notice of inspection.

Contract objective: to ensure that training providers are given notice of inspection.

Providers which have been inspected have been asked to grade the acceptability of the length of notice of inspection which they were given. The chart below shows their responses for the first year. It indicates a growing satisfaction over the year. From tranche 2 onwards, 90 per cent or more of providers were satisfied with the length of notice; in tranche 4, nearly two-thirds of providers considered that it was good or excellent.



PERFORMANCE TARGET FOR 1999-2000

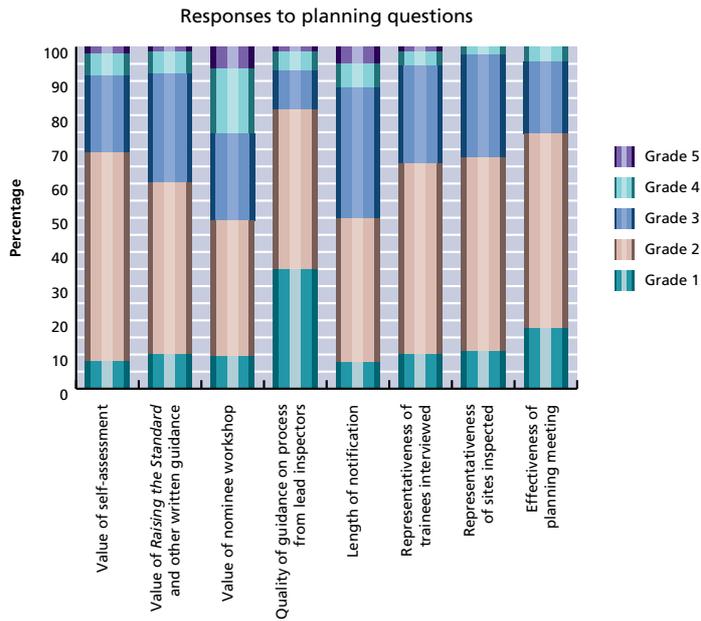
- **Seventy-five per cent of providers rate the length of notification for inspection to be good or excellent.**

*Contract objective:
to collect customers’
feedback on the
conduct of inspection.*

TRAINING PROVIDERS’ EVALUATION OF INSPECTION

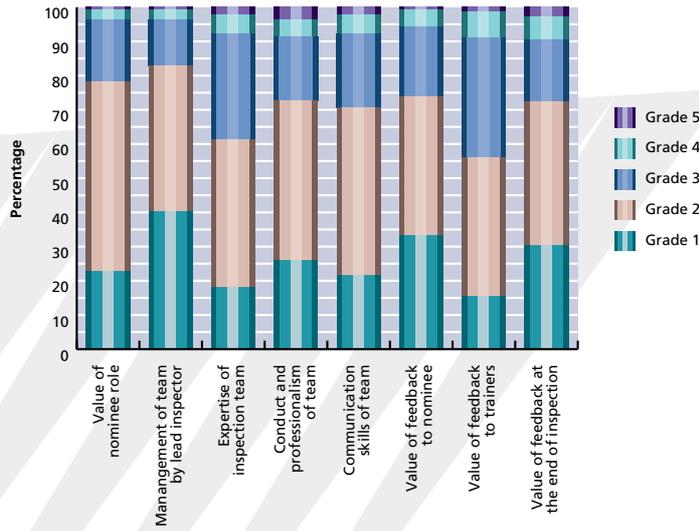
An evaluation form is sent to all training providers when their post-inspection action plan has been approved by the chief inspector. This form asks providers to evaluate aspects of the inspection process and grade them, using the Council’s standard five-point scale.

The questions cover planning, inspection, the inspection team and reporting. Providers also evaluate the extent to which the process is useful in leading to improvements. Of the 387 inspections conducted in the first year, 177 providers’ evaluation forms have been received so far. The charts below summarise the grades awarded in response to each question. These indicate high levels of satisfaction on the part of providers, especially with the work of lead inspectors, the role of nominee¹, the quality of the feedback from inspectors and the inspection process itself as a means of identifying shortcomings and promoting improvements.

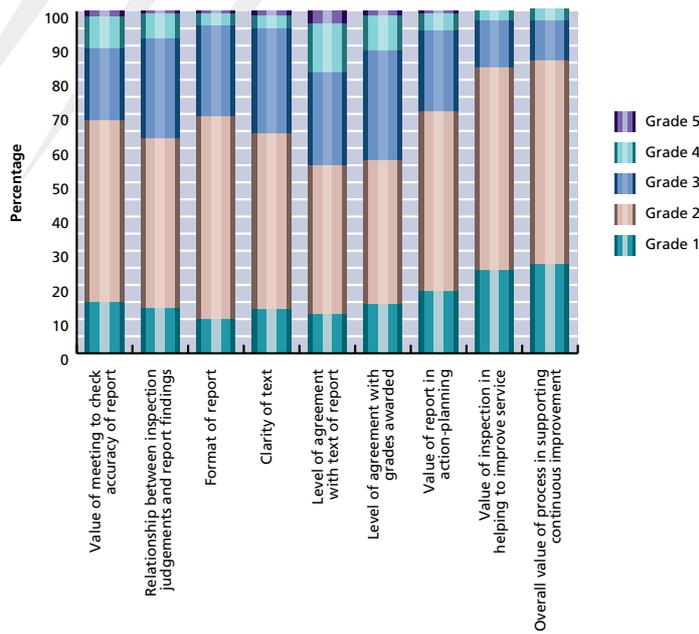


¹ Training providers are invited to nominate a senior member of staff to join the inspection team. The role of the ‘nominee’ is described in paragraph 29 of *Raising the Standard*.

Responses to inspection questions



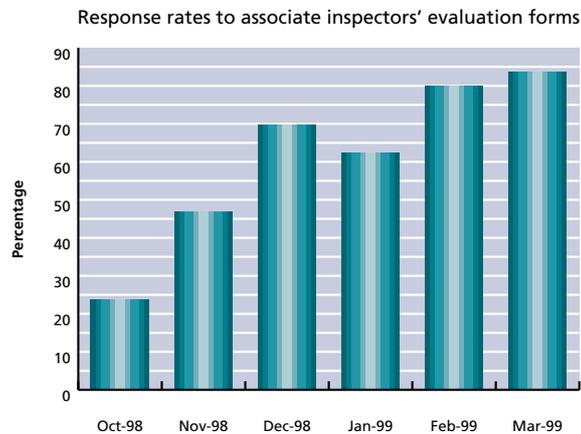
Responses to reporting questions



ASSOCIATE INSPECTORS' EVALUATION

As well as seeking training providers' evaluation of the inspection process, the Council asks associate inspectors to provide feedback on each inspection. After each inspection, all the associates involved are asked to complete an evaluation form. On this, they can comment on the appropriateness of the administrative arrangements, the effectiveness of communication among members of the inspection team, the quality of the lead inspector's management of inspection and the thoroughness of the provider's self-assessment report. Associates are asked to grade each area, using the Council's standard grading system. Associates can make anonymous returns, but are encouraged to identify themselves and the inspection, so that any remedial action required can be taken. Those associates not returning forms are reminded that their feedback is important to the Council's quality assurance processes.

The first forms for feedback from associate inspectors were sent out in October 1998. The following analysis is based on 480 returns related to the inspections in tranches 3 and 4. The chart below shows that the rate of response has steadily increased and that, in March 1999, over 80 per cent of associates returned evaluation forms.

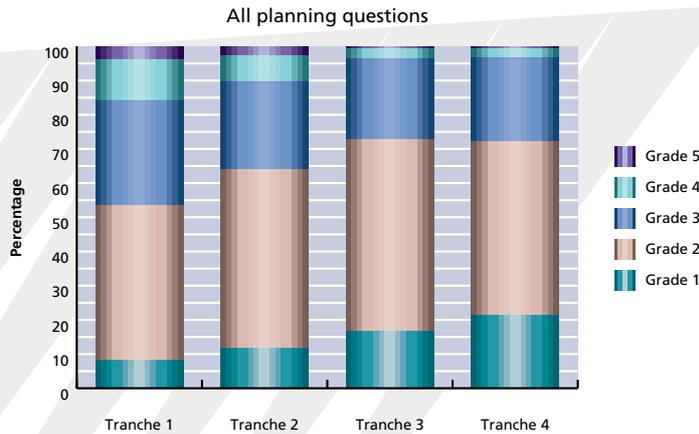


INSPECTION PLANNING

Effective planning is crucial to good inspection. Measures which enable inspectors to plan and implement inspection effectively include:

- analysis and checking of data from TECs.
- consultation with DfEE, GOs, TECs and other partners.
- involvement of the provider's nominee in the inspection process from the outset.
- leading of inspection by a full-time inspector to ensure consistency of inspection practice.
- planning meetings, open to TEC and GO staff, between the provider and the lead inspector.

The chart below shows how providers graded the effectiveness of inspection planning; it illustrates that, over the first four quarterly tranches, an increasing proportion of providers found the planning process to be effective. In tranche 4, 96 per cent of providers rated planning satisfactory or better, with 20 per cent rating it excellent.

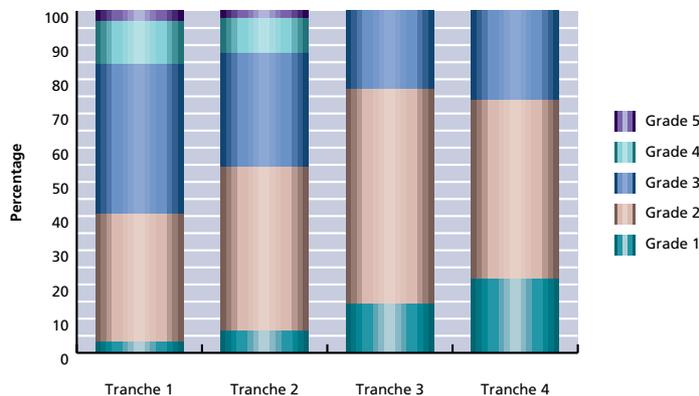


PERFORMANCE TARGET FOR 1999-2000

- **Eighty per cent of providers rate planning good or excellent.**

Raising the Standard was published in May 1998. It was sent to all those providers which were on the Council’s database. Many early inspections (especially those in tranches 1 and 2) were guided by the separate documents for self-assessment and inspection, devised for the pilot inspections, rather than by *Raising the Standard*. *Raising the Standard* also appears on the Council’s Web site, from which it can be downloaded and printed. Providers’ dissatisfaction with the guidance documents, before publication of *Raising the Standard* is illustrated in the chart below. Once these draft guidance documents had been replaced by *Raising the Standard*, all providers were satisfied with the value of written guidance, and over 70 per cent rated it good or excellent.

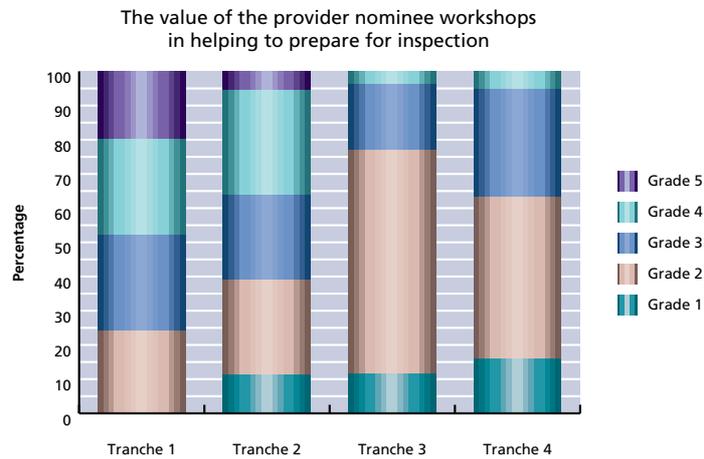
The value of publications such as *Raising the Standard* and other written guidance from the Council



PERFORMANCE TARGET FOR 1999-2000

- **Seventy-five per cent good or excellent ratings.**

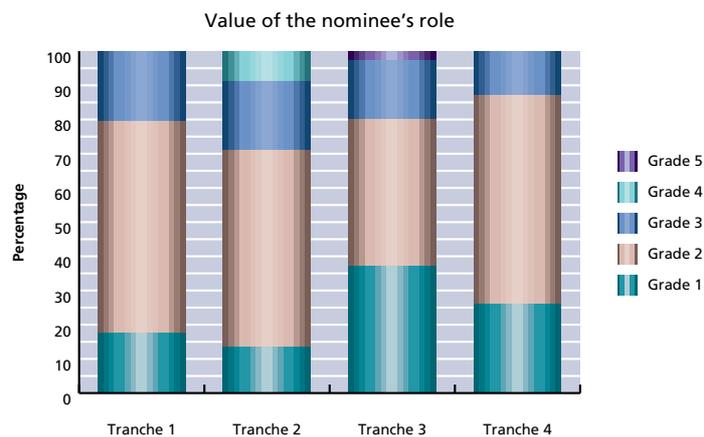
From the outset, providers were asked to nominate a senior member of staff to join the inspection team and to be involved in planning for inspection. Until September 1998, when the first workshop for nominees was arranged, it was evident that some providers were confused about the role of this nominee. Early feedback from inspectors, providers and TECs indicated that providers needed more detailed guidance on this role. Two conferences for nominees take place every quarter, in the north and in the south respectively. Providers have expressed their growing satisfaction with the guidance given to nominees at these conferences. By tranche 3, 95 per cent of providers found the guidance to be satisfactory or better, while 70 per cent rated it good or excellent. Providers’ nominees make valuable contributions at their conferences, by drawing on their experience of the inspection process.



PERFORMANCE TARGET FOR 1999-2000

- **Seventy-five cent good or excellent ratings.**

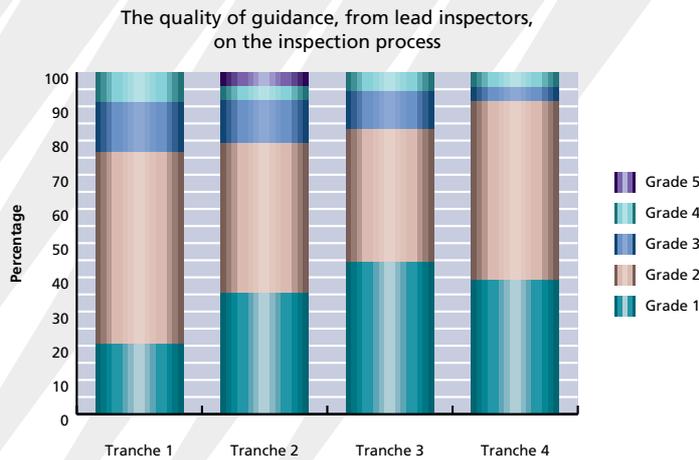
Understanding of the importance of the nominee’s role has grown as experience of inspection has become more widespread.



PERFORMANCE TARGET FOR 1999-2000

- **Eighty-five per cent good or excellent ratings.**

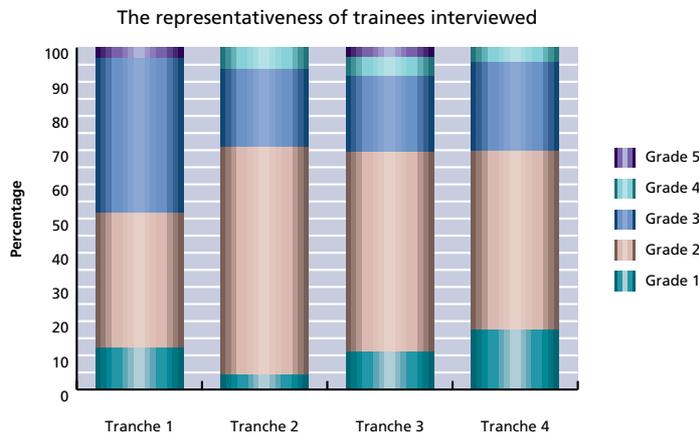
It is the Council’s aim that all providers receive the same information and guidance on inspection, from the time they are selected for inspection, until their post-inspection action plan is accepted. In order that this aim be fulfilled, each inspection is led by a full-time inspector. Providers have consistently rated the guidance offered by the Council’s full-time lead inspectors very highly. They found this guidance to be satisfactory or better in over 90 per cent of cases. By the end of the year, 90 per cent of providers considered that the guidance which they were offered was good or excellent.

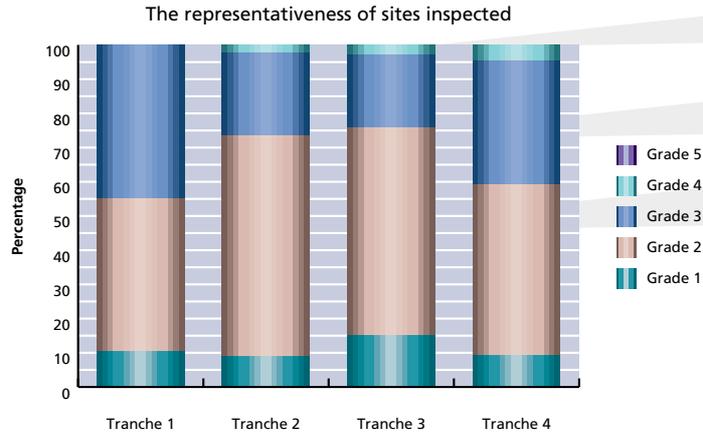


PERFORMANCE TARGET FOR 1999-2000

- **Ninety per cent good or excellent ratings.**

Inspection of work-based learning is complex. On many inspections, there are few, if any, opportunities to observe formal training or instruction sessions. In most cases, individuals or very small groups of trainees are observed and interviewed at work. In the planning of inspection, high priority is given to ensuring that inspection covers an appropriate sample of trainees and training sites. Providers reported high levels of satisfaction with the representativeness of the samples selected by inspectors, following discussion at the planning meeting. Over 90 per cent of providers evaluated these samples to be satisfactory or better.

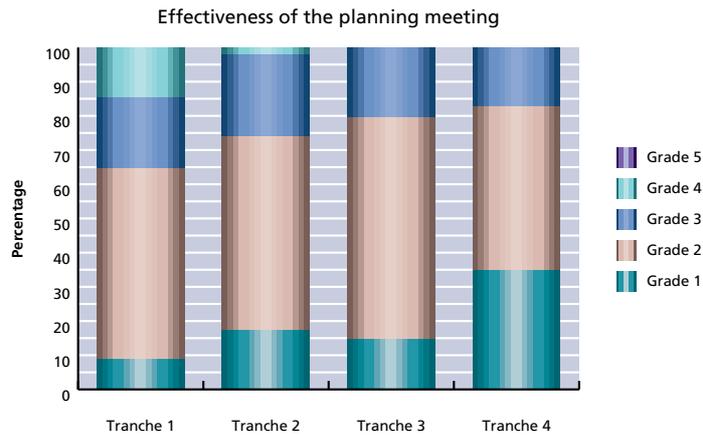




PERFORMANCE TARGET FOR 1999-2000

- **Seventy per cent good or excellent ratings.**

At least one planning meeting is held with each provider before every inspection, enabling providers to ask questions of the lead inspector about the inspection process; to raise any conflicts of interest with the proposed team members; to refine planning arrangements. Providers' evaluation over the first four tranches show that the planning meetings improved in quality. By tranche 4, all providers were at least satisfied with the planning meetings, while over 30 per cent rated them as excellent.



PERFORMANCE TARGET FOR 1999-2000

- **Eighty per cent good or excellent ratings.**

INSPECTION PROCESS

Inspectors

For inspection to be effective, inspectors must make accurate judgements, based on secure evidence, and give training providers a clear agenda for planning improvement. Inspectors of work-based training need to have high levels of occupational competence, an understanding of government programmes, expertise in the inspection process and the skill to convey their findings (to a provider's staff) with authority, clarity, sensitivity and conviction.

In order that inspections be carried out properly and be fair and helpful to providers, the Council takes steps to ensure that:

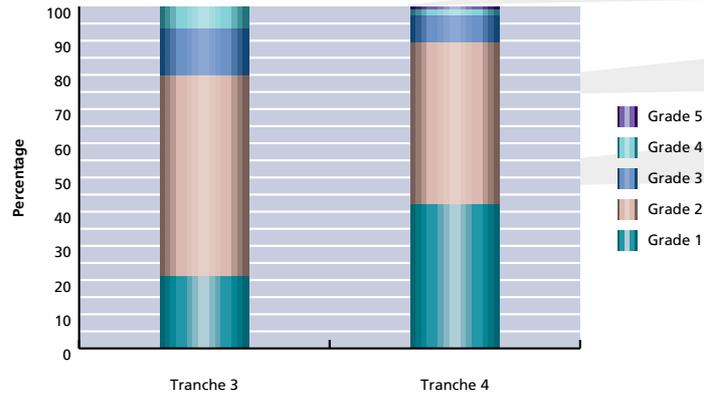
- all inspectors have relevant occupational skills and experience.
- full-time inspectors have proven managerial experience.
- inspection activity is consistent and follows the procedures set out in *Raising the Standard, Inspection Handbook* and other relevant documents issued by the Council.
- inspectors regularly receive training for all aspects of their work and guidance on their conduct.

There are rigorous processes for monitoring and evaluating the performance of associate inspectors. These include:

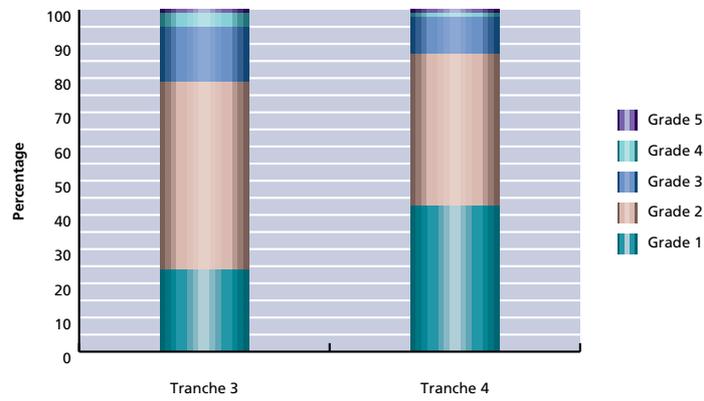
- evaluation and grading, by the lead inspector, of associate inspectors' work after each inspection.
- completion, by the lead inspector, of a form giving associate inspectors feedback on their performance.
- systematic retention and filing of feedback forms.
- formal annual review of the register of inspectors, to check the quality of all associate inspectors' work.
- removal of unsatisfactory associate inspectors from the register.

From the beginning of tranche 3, associate inspectors have evaluated the effectiveness of each inspection. They have also commented on the effectiveness of the lead inspector in relation to four aspects of inspection: the quality of the guidance provided; inspection planning; communication with members of the inspection team; overall management of the inspection process. Associate inspectors' evaluations indicate a steady improvement in the way in which inspection is carried out. In tranche 4, over 90 per cent graded each of the four aspects of the lead inspectors' activity as satisfactory or better. In particular, associate inspectors considered the lead inspectors' management to be excellent in over 40 per cent of inspections.

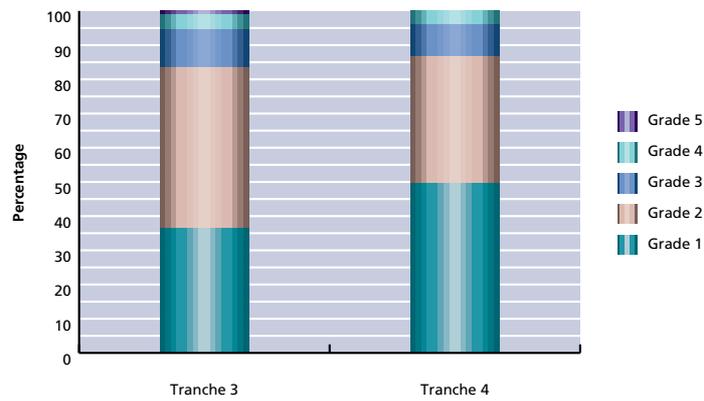
Quality of communication from lead inspectors



Effectiveness of planning by lead inspectors



Quality of management of inspections by lead inspectors

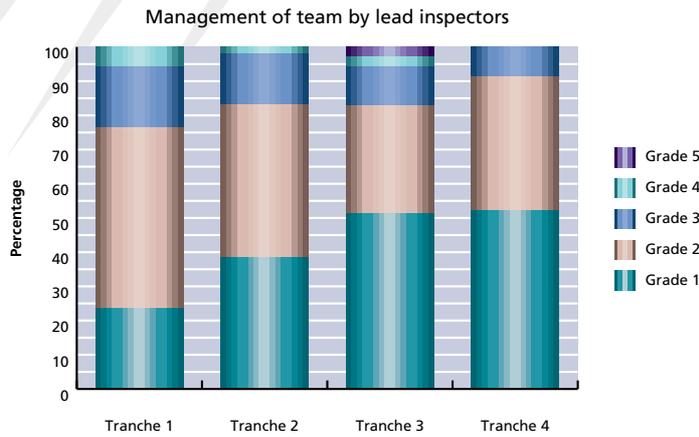




PERFORMANCE TARGET FOR 1999-2000

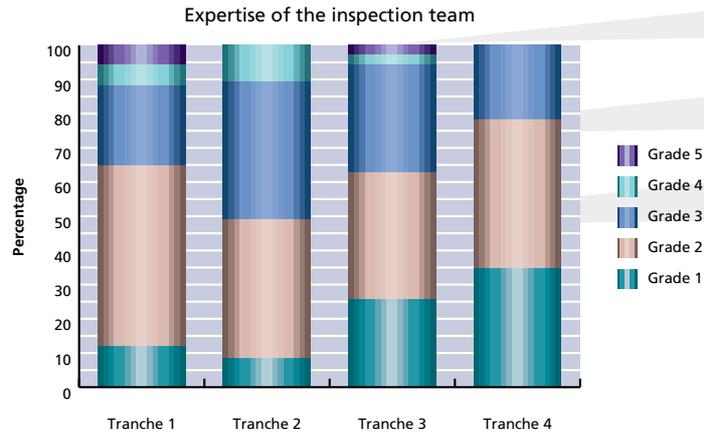
- **Ninety per cent rated as good or excellent.**

Providers evaluate inspection team members’ expertise, effectiveness in communicating, conduct & professionalism and the quality of the management of the inspection by the lead inspector. In their evaluation, providers report consistently that they are well satisfied with the way in which inspection is carried out. Over the year, over 90 per cent of providers rated the expertise and skills of the inspectors to be satisfactory or better. In tranche 4, over 50 per cent rated them excellent.



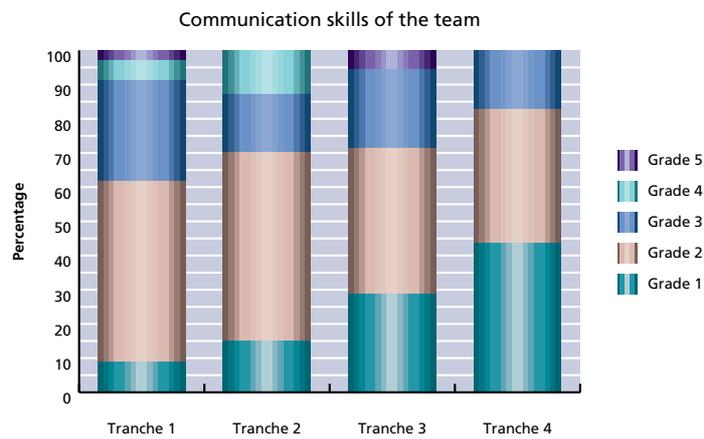
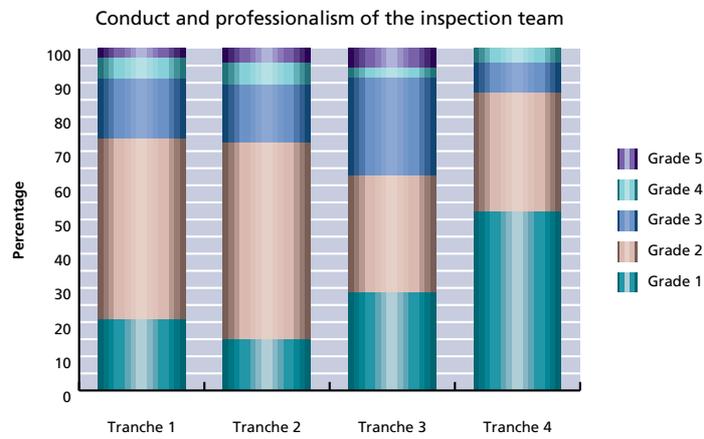
PERFORMANCE TARGET FOR 1999-2000

- **Ninety per cent good or excellent ratings.**



PERFORMANCE TARGET FOR 1999-2000

- **Seventy-five per cent good or excellent ratings.**



PERFORMANCE TARGET FOR 1999-2000

- **Eighty per cent good or excellent ratings.**

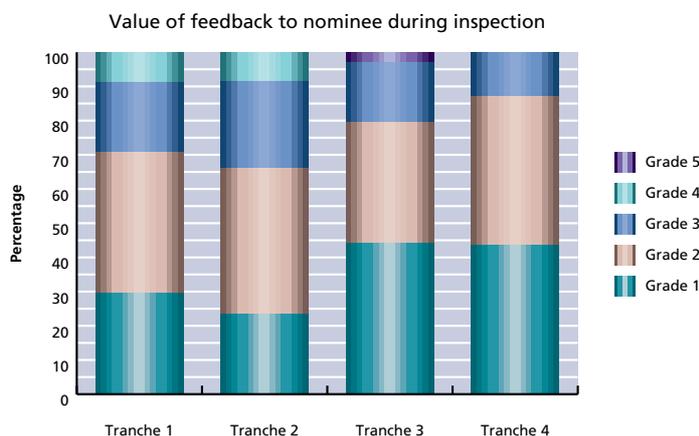
INSPECTION PROCESS

Raising the Standard sets out the inspection process. Inspectors also have the *Inspection Handbook* which gives them further guidance on how to conduct inspections. In order that inspection be fair and useful, care is taken to ensure that the practice of all inspection teams is uniform and consistent across the country.

These features are attained through:

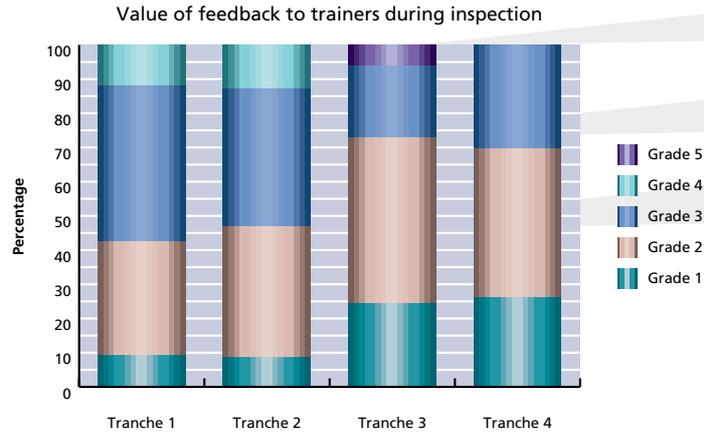
- daily feedback to the nominee, allowing emerging judgements to be confirmed or challenged.
- fairness and openness in awarding of grades, by just consideration of relevant strengths and weaknesses.
- inclusion of the provider's nominee in the inspection team and involving him or her in all aspects of inspection, except grading.
- inspectors' evaluation of the effectiveness of systems and policies in helping trainees to succeed, rather than the quality of their framing and design.
- inspectors' sharing and cross-checking of judgements with all members of the inspection team and with the nominee.
- the checking and moderating of grades by lead inspectors, senior inspectors and directors of inspection during the report-editing processes after inspection.
- the deriving of evidence from several sources.
- the effectiveness of the grading meeting, in helping the team, as a whole, to reach decisions about grades.

In their evaluation of the inspection process, providers clearly indicate that they are increasingly satisfied with it. Around 70 per cent of providers rated key inspection processes as excellent or good. Providers were less happy over the year with the feedback to trainers than with some other aspects of the inspection process. Their views about the quality of the feedback became more favourable, however, during the last two tranches. By tranche 4, providers evaluated the quality of feedback to nominees and at the end of the inspection as good or excellent in nearly 90 per cent of cases.



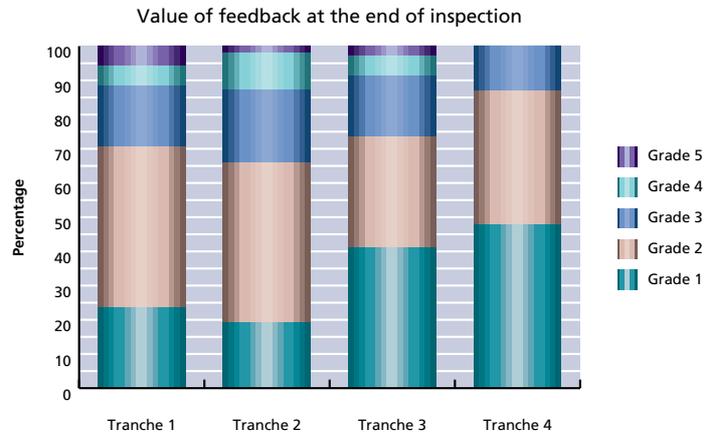
PERFORMANCE TARGET FOR 1999-2000

- **Ninety per cent good or excellent ratings.**



PERFORMANCE TARGET FOR 1999-2000

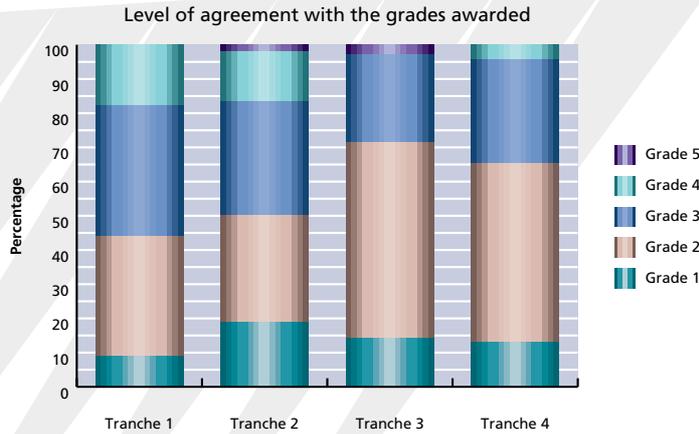
- **Seventy-five per cent good or excellent ratings.**



PERFORMANCE TARGET FOR 1999-2000

- **Ninety per cent good or excellent ratings.**

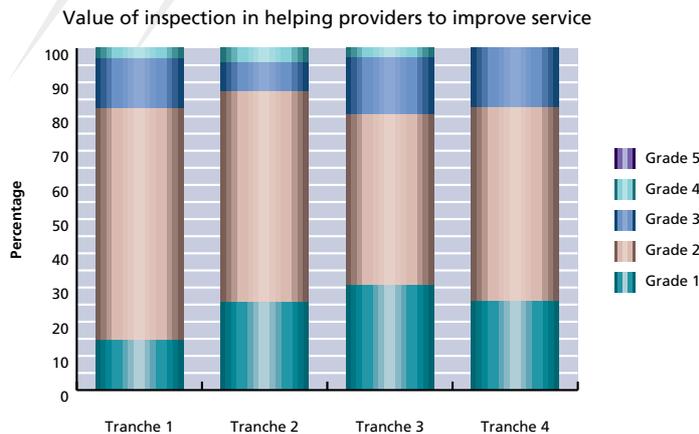
The extent to which providers agree with the grades awarded by inspectors has varied during the Council’s first year. Levels of providers’ satisfaction with grading rose in tranches 2 and 3 and fell back slightly in tranche 4. The grades awarded by inspectors in tranche 4 were some 6 per cent lower than those in tranche 3; this may partially account for this decline in providers’ satisfaction.



PERFORMANCE TARGET FOR 1999-2000

- **Seventy per cent good or excellent ratings.**

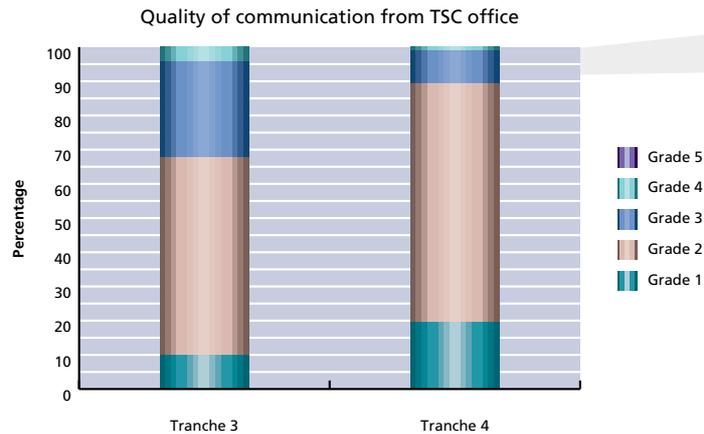
The value of inspection as a means of driving forward continuous improvement is demonstrated by the fact that over 95 per cent of providers report that inspection helped them to improve the quality of their service.



PERFORMANCE TARGET FOR 1999-2000

- **Eighty-five per cent good or excellent ratings.**

Associate inspectors evaluate several aspects of the inspection process on each inspection which they undertake. Associates found the quality of communication from the inspection support team to be good in almost every case. They rated it as good or excellent in about 95 per cent of cases.



PERFORMANCE TARGET FOR 1999-2000

- **Ninety per cent good or excellent ratings.**

The extent to which grades are changed, following the moderation which is part of inspection report editing, is a measure of the reliability of the grading process itself. In the first four tranches, moderation led to 29 grades being changed out of a total of 2,588 grades awarded. Of the grades changed, about half were raised and half were lowered. Providers may appeal formally against grades received. They may also complain about the conduct or behaviour of inspection team members. The Council's appeals procedure is outlined in *Raising the Standard*, and more detailed information is published in *What Happens Next?*. The number and seriousness of these complaints and appeals are measures of the quality of inspection. Most appeals and complaints are dealt with by lead inspectors or by senior inspectors. If providers are still unsatisfied, they may appeal to the chief inspector. Very few appeals reach this level. In the first four tranches, seven providers appealed formally to the chief inspector. After careful consideration of the issues raised in those appeals, the reports in question were published.

REPORTS

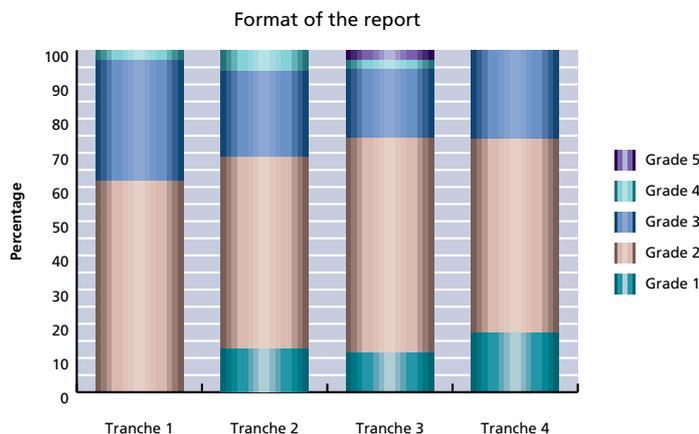
By the end of March 1999, 253 inspection reports had been published on the Council’s Web site.

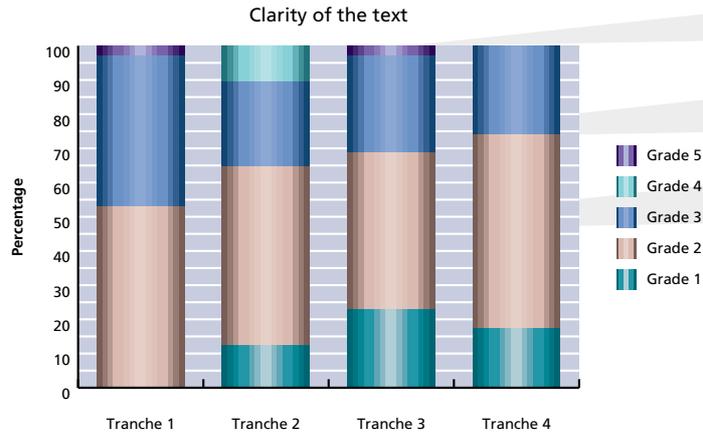
Editing and publication

At the end of each inspection, the lead inspector assembles all the draft sections written by members of the inspection team. Lead inspectors edit these sections. Completed draft reports are read by providers, and matters relating to accuracy and to the clarity of the text are discussed with the lead inspector. The corrected draft is sent to a full-time editor, a member of the senior management team or to associate editors who are themselves experienced inspectors. Any points requiring clarification are addressed to the lead inspector. The final, edited draft is returned to the lead inspector and to the provider for final checking. Reports are published in batches every Wednesday. A printed copy of the inspection report is sent to the provider. Reports can be analysed through the Web site. In *Raising the Standard*, the Council set itself the target of publishing reports within 10 weeks of a provider’s checking of the first draft for accuracy. The table below shows that the average number of weeks between the provider’s receipt of the draft and final publication has increased and that the Council failed to meet this target during tranches 3 and 4.

Tranche	Average number of weeks to publication
1	8.7
2	10.7
3	12.5
4	12.3

Providers evaluate the clarity of the text of their report and the effectiveness of the report format. During the first year, providers indicated their increasing satisfaction with the clarity of their report. By tranche 4, 70 per cent of providers found the clarity of their report to be good or excellent, while the remainder was at least satisfied with it.

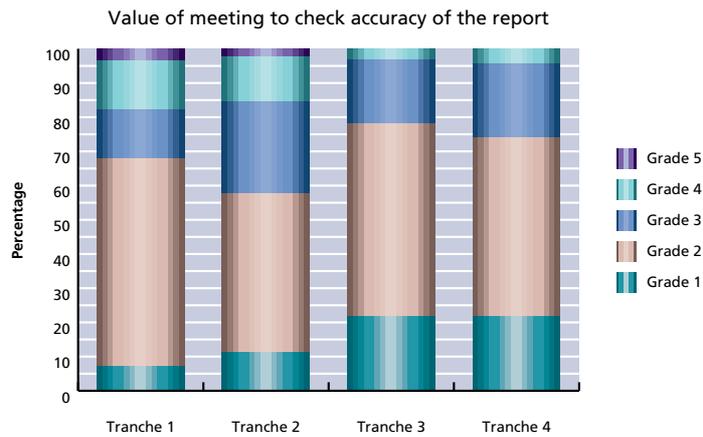




PERFORMANCE TARGET FOR 1999-2000

- **Seventy-five per cent good or excellent ratings.**

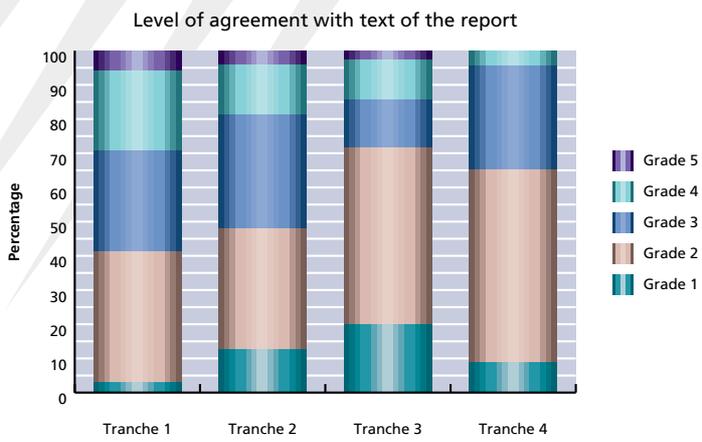
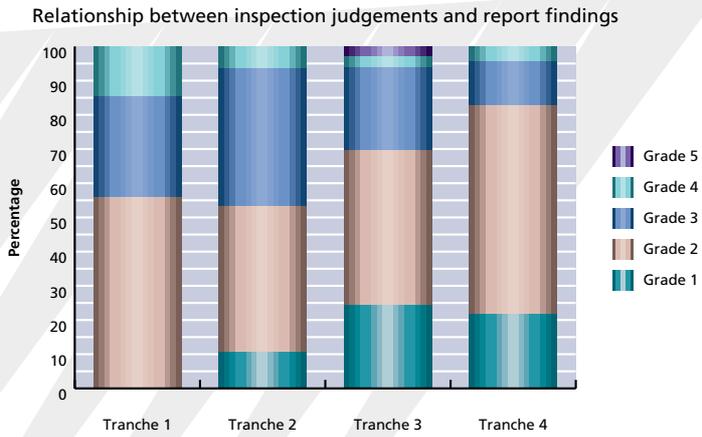
Providers are asked to evaluate their meetings with the lead inspector, to check the inspection report for accuracy. Their responses indicate a steady increase in their satisfaction with these meetings. By tranche 3, over 90 per cent of providers rated these meetings to be satisfactory or better and 70 per cent considered them to be good or excellent.



PERFORMANCE TARGET FOR 1999-2000

- **Eighty per cent good or excellent ratings.**

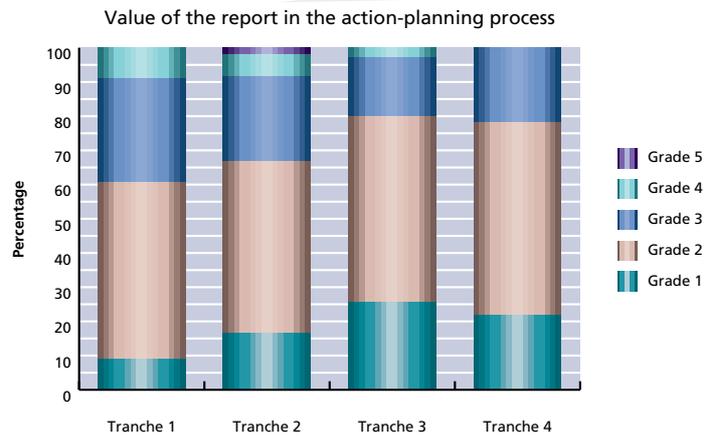
Providers also evaluate the extent to which the text of the report is consistent with inspection findings given during feedback. Over 90 per cent of providers in tranche 4 reported that the relationship between judgements and the text was satisfactory or better.



PERFORMANCE TARGET FOR 1999-2000

- Eighty per cent good or excellent ratings.

All providers are required to produce an action plan at the end of their inspection, showing how they will address weaknesses and build on strengths. The inspection report and the feedback given during inspection provide the issues for action-planning. Providers are asked to evaluate their report in the action-planning process. By tranche 3, 98 per cent of providers reported that they were at least satisfied in this respect; nearly 80 per cent gave a good or excellent rating.



PERFORMANCE TARGET FOR 1999-2000

- **Eighty per cent good or excellent ratings.**

A measure of the value accorded to inspection reports is the number of people visiting the Council's Web site to read them. From the beginning of September to the end of December 1998, there were (on average) 164 users each day. During tranche 4, the number rose to 186 each day.

EFFICIENCY

The Council has been concerned to ensure that the work of the inspectorate is not only effective, but also does not place a disproportionate burden on public funding for training. Every effort has been made to eliminate waste and to use good business practice to secure efficiency.

PricewaterhouseCoopers was commissioned by the DFEE to evaluate the efficiency and impact of the Council's inspection process and to assess working practices by comparing them with those of other public inspectorates.

PricewaterhouseCoopers' summary findings were as follows:

- The training inspectorate has developed and now operates an inspection regime which is widely held to be adding considerable value to work-based training.
- The inspection teams are providing a soundly-based and objective analysis of providers' performance.
- Providers are sharing ownership of both the inspection process and its outcomes, particularly as a result of the efforts made to ensure their involvement at all stages.
- The inspection regime has credibility with providers generally – even those coming out badly from their inspection.
- The inspection process holds up well when compared with other inspection processes we have looked at.
- Overall, while we have identified a number of areas where changes could be considered, the current inspection process appears to us to be generally robust and rigorous.

CONCLUSIONS

The Council believes that there is clear evidence that its inspectors have made a good start in evaluating government-funded work-based training. This work is unique. For the first time, an inspectorate has developed the means to make secure judgements about learning achieved by individuals, rather than by groups of pupils or students in institutions.

Nevertheless, the Council is not complacent about this performance. As a young company, the Council welcomes advice from providers and others on ways of helping it to fulfil its important commitment to improve standards of non-institutional learning. Those who have useful suggestions to make should contact the chief executive & chief inspector. The Council is helping with the development of the Adult Learning Inspectorate which will supersede it in 2001; it would also welcome thoughts and ideas on the role and functions of this new body.

VALUES AND COMMITMENTS OF THE TRAINING STANDARDS COUNCIL

1 The Council undertakes:

- to act with professionalism and objectivity.
- to place the learner at the heart of everything it does.
- to promote equality of opportunity.
- to work to achieve effective partnerships with other bodies which have complementary responsibilities.
- to behave with openness and transparency.
- to demonstrate value for money.

2 The Council asks that everybody involved in the process of inspection behave towards others with courtesy, candour and consideration. This is likely to be most important, as well as most difficult, when views diverge.

3 The Council requires that its inspectors adhere to the following general guidelines, to ensure that it is publicly evident that they are independent, objective and free from conflicts of interest:

- Inspectors should not accept gifts.
- Inspectors should not accept hospitality at other than a modest and conventional level.
- Inspectors should offer to pay for any refreshments provided by training organisations during inspection.
- Inspectors must decline to inspect training organisations with which they have had any financial relationship, including employment or consultancy, in the five years preceding an inspection.
- Associate inspectors must decline to inspect training organisations for which they act as external verifier or those for whose work they are regional or national verifiers.
- Associate inspectors who are connected with TECs or other bodies which have a regulatory function must decline to inspect training providers with which they have, or might have in future, a relationship through their employment outside of the inspectorate.
- Associate inspectors may contract with a training organisation for other services after an inspection is complete. However, care must be taken to ensure that there can be no reasonable supposition that an associate inspector uses inspection as an opportunity to offer other professional services. An inspector who gives rise to reasonable suspicion that he or she has used inspection as a means of marketing other services will be removed from the register of inspectors.

4 Inspection can sometimes be a difficult and contentious business. It cannot be conducted successfully unless there is an open and professional relationship, founded on mutual trust, between inspectors and those whom they inspect. Inspectors should follow the above guidelines at all times. In addition, they should bear in mind the following:

Recommendations of the committee on standards in public life: the seven principles of public life*Selflessness*

Staff employed by the Council should take decisions solely in terms of public interest. They should not do so in order to gain financial or other material benefits for themselves, their family or their friends.

Integrity

Staff employed by the Council should not place themselves under any financial or other obligation to outside individuals or organisations, which might influence them in the performance of their official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contracts or recommending individuals for rewards and benefit, staff employed by the Council should make choices on merit.

Accountability

Staff employed by the Council are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate.

Openness

Staff employed by the Council should be as open as possible about all the decisions and actions which they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands it.

Honesty

Staff employed by the Council have a duty to declare any private interests relating to their public duties and to take steps to resolve any arising conflicts in a way which protects the public interest.

Leadership

Staff employed by the Council should promote and support these principles by leadership and example.