



Managing the Balance and Mix of Provision: Final Report

Summary

This report presents the findings of a review of all provision, with a particular focus on provision outside the National Qualifications Framework (“other provision”). The quantitative and qualitative analysis presented here is intended to support local learning and skills councils (local LSCs) in planning, purchasing and contracting an appropriate mix of provision, in line with the processes and timescales of the LSC business cycle and the LSC’s agenda for change.

This report is of interest to local LSCs, regional skills partnerships, sector skills councils, further education colleges, work-based learning providers adult and community learning providers, higher education providers, and those working with employers in the provision of education and training.

March 2006

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Executive Summary

March 2006

Introduction

Government priorities have determined where the Learning and Skills Council (LSC) has allocated, and will continue to allocate, funding. The Skills Strategy has highlighted the need to address the balance of funding provided by employers, the state and the individual.

It is intended that the outcomes of this review, combined with the detailed analysis and understanding of provision contained in the reports, will support the above by allowing local LSCs and providers to work together to develop a coherent strategy for the balance of provision at both a local and a regional level.

Part of this process must be for the local LSC, as purchaser of provision, to gain a better understanding of the rationale behind the provider's actual or proposed profile of activity. This should include an assessment of valuable and valued "other provision" (OP), so that the LSC can then work with the provider to agree on the most effective balance of all activity across the whole of the provider's offer.

Although it was clear from the November 2004 Grant Letter that further education (FE) budgets would be tight and that the FE spend would need to be carefully prioritised for 2005-06, the reductions required in adult provision as part of the current planning cycle have been higher than anticipated.

In his letter of 20 January 2005, Mark Haysom said that there is a significant degree of uncertainty over funding arrangements for 2006-07 and beyond. Budgets will be even tighter in 2006-07 than in 2005-06 and will continue to be focused on delivering government priorities. This is also supported by the letter from David Russell, National Director of Resources, dated 4 August 2005, which reiterated the message of an increase of funds of only 2.2 per cent for learner participation funds for 2006-07. Clearly, this challenging climate is likely to result in the need to make some difficult decisions for both local LSCs and providers.

This suggests that the LSC and providers will need to work together to identify any future trends at a much earlier stage to limit the potential impact on learner volumes.

The detailed reports made available to the local LSCs, as part of the review, highlight in some instances the poor quality of data presented, and lack of curriculum or individual learner record validation routines utilised by some providers. Accuracy and timeliness of data are, of course, crucial in the new plan-led funding environment and are key themes that the LSC

has already agreed to address through the programme of work entitled the LSC “agenda for change”.

The following summary contains recommendations for both local LSCs and providers that the review suggested could be implemented as part of the providers’ curriculum review and self-assessment reporting process, and managed within the LSC’s current business cycle.

Professional development of key local LSC staff

A critical part of any review of provision is to ensure that both local LSCs and providers can make informed decisions about the balance of provision through familiarity with the linkages between the curriculum planning process and both local and national policy drivers.

Through discussion with local LSCs, there is anecdotal evidence that curriculum knowledge and understanding are now being perceived as a key part of the contracting and purchasing arrangements and are vital to help inform the provider allocations process. The review indicates that many local LSCs have made considerable progress in developing their skills in this area during the time of this study. However, there remains a real need to develop further the knowledge base of some local LSCs in order to improve their understanding of the purchasing of an appropriate and agreed mix of provision to be delivered by providers in their areas.

The benefits of informed planning of provision and the potential it creates to ensure providers can offer provision that has a more direct relationship with LSC priorities and targets will only be realised if revised arrangements across the provider base can be fully monitored and supported by the local LSCs.

It was understood, from the final dissemination events, that the review of three-year development plans, conducted early in 2005, has provided a more formal approach in helping to meet this need and that this is to be developed further following the review stage, held during November 2005.

A managed process

The LSC acknowledges that for the foreseeable future the funding available for FE will be very tight and that providers will have to face some very tough choices. Any change process creates anxiety and sensitivity. It is therefore important that local LSCs develop a strategy to manage this process without destabilising their provider base.

This should include:

- identification of clear objectives and specific goals
- agreed milestones to be established at individual provider level in order to achieve the appropriate balance and mix of provision based on regional reviews within the context of a common framework.

Related discussion on key agendas

There is considerable potential to link the discussion of the mix of provision to other key LSC agendas. This may include detailed consideration of:

- the consultation on *Reforming the Funding and Planning Arrangements for First Steps, Personal and Community Development Learning for Adults*
- outcomes suggested as part of the consultation on *Fees, Funding and Learner Support*
- the Foster Review of FE
- the LSC agenda for change
- the updated guidance on *Franchising, Partnership and Sub-contracted Provision*. Our analysis suggests that around 75 per cent of all franchised enrolments in any one year is classified as OP.

As well as linking the discussion to external drivers, which will form a part of the common framework in which the balance of OP will take place, such as the:

- review of vocational qualifications
- Framework for Achievement, the proposed unit-based qualification underpinned by a system of credit accumulation and transfer.

Targeted support to local LSCs and providers in identified key areas

The review recommended that there be an ongoing role for the LSC national office to continue to support local LSCs and regions across a number of key areas. The national office has identified particular aspects that need to be considered as part of the review. These include Skills for Life, English for speakers of other languages (ESOL), information and communications technology (ICT), health and safety and first aid. Also, as noted above, a significant proportion of franchise and partnership provision is recorded as OP. These are all areas that, with the support and guidance from national office, can help to ensure an appropriate balance and mix of provision. (The LSC national office will be providing updated policy guidance to inform regional approaches.)

Development of a consistent national and regional approach towards approval of new other provision

Paragraph 356 of the funding guidance for 2004-05 is clear that “Colleges and providers are reminded that they should consider the eligibility of

provision for LSC funding whilst planning provision and before enrolling learners". This requires providers to contact local LSCs, for example when they want to:

- deliver provision outside National Qualifications Framework externally accredited provision to 16–18-year-olds
- maintain a high proportion of OP
- deliver new OP provision or intend to grow OP.

In these circumstances, the guidance suggests that "the provider should contact its local LSC to seek written clarification before proceeding and retain any evidence of guidance given".

The review indicates that there is considerable variation in the approach adopted to the management and approval of OP by local LSCs. Some local LSCs have developed specific proformas for the approval of OP, and this to some extent has been seen by providers as micro-management of provision and far too prescriptive an approach. The complexity of OP is also such that not all local LSCs are able to quantify precisely a provider's current overall volume of OP.

It may therefore be appropriate to consider how best to develop a standard and consistent approach to which all providers could buy in.

The operational strategy would need to be developed regionally and locally and translated into the balance and mix of provision, particularly with regard to the volume and delivery of OP that could then be agreed at a local or provider level (as part of the business cycle) but measured against clear and consistent objectives designed to meet specific local priorities as well as evaluate the contribution to national targets and priorities.

The provider strategy would need to address key areas such as:

- rationale for use of OP
- identification of a target group of learners (16–18 or adults)
- how the provision will support the achievement of national targets
- identification of an appropriate learning aim
- confirmation that no similar qualifications exist within the national framework
- number of guided learning hours to be delivered
- achievement, progression routes, identification of appropriate learner pathways, and so on.

Within the above approach, it may also be necessary to consider some means of how best to moderate the process, either locally or regionally.

Anecdotally, some providers comment that requests for approval appear more likely to be agreed by some local LSCs than others.

Transitional arrangements

Current levels of provision may be aligned to a particular “provider mission”. A number of providers stress their current mission is to support the local community, and that this may often take priority above provision that could directly support LSC priorities. **The transition therefore needs to be managed carefully. Providers may need time to consider alternative approaches and to engage with other agencies, as well as to examine how their existing priorities can be more closely aligned and balanced alongside strategies for delivering provision more directly related to identified targets and priorities.** In order not to destabilise the sector by too rapid a change in too short a time period, safety net arrangements should be considered. These may include regional approaches to:

- appropriate arrangements for institutions currently delivering a high proportion of OP in line with regional targets and priorities
- phased transition periods, depending on the proportion of OP in the current curriculum portfolio
- phased transition arrangements for particular provision or for targeted groups of learners, where these are identified and evidenced as helping to widening participation.

Categorisation of provision

The consultation undertaken so far indicates that there is general support for the categorisation and further categorisation and grouping of all learning aims. For example, when documenting by provider, the total volume and use of Open College Network awards; the delivery of National Qualifications Framework higher level qualifications; OP delivered through a Centre of Vocational Excellence initiative, or the use of OP specifically designed and offered to improve employer engagement.

This process is seen to assist both providers and local LSCs in developing their understanding of the range and types of provision currently available and in promoting discussion in order to agree and arrive at an appropriate balance across the whole of that provision.

The “Categories of Provision” sheet, used as part of the detailed reports, was developed by LSC national office to provide a framework or menu for the categorisation of the wide range of learning aims offered by providers. The primary purpose was to structure learning aims into a different number of potential groupings, aligned to the delivery of LSC priorities, that could reflect the balance of provision being offered.

Consideration might be given as to how, or if, this process could be **further developed and improved to categorise the provision being**

delivered against the potential to contribute to the achievement of national, regional and/or local targets and priorities.

In consideration of all of the above, care should be taken to avoid increasing overall levels of complexity and bureaucracy.

Further information

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1: Introduction

- 1 This report describes the context and findings arising from the review of other provision (OP) that was undertaken by KPMG LLP for the Learning and Skills Council (LSC) national office and the Department for Education and Skills (DfES) and Skills for Life Strategy Unit (SfLSU) during the period between January 2004 and September 2005. The purpose of the report is to provide a summary of the quantitative and qualitative analysis to support local LSCs in the planning, purchasing and contracting of an appropriate mix of provision, in line with the processes and timescales outlined in the LSC business cycle.
- 2 The purpose of the review was to gain a clearer understanding of the volume and range of provision categorised as OP and to arrive at an understanding of the actual and potential relationship of OP with LSC priorities and targets.
- 3 As purchasers of provision, local LSCs work with providers to agree an appropriate balance and mix of offer and to identify valuable and valued OP. The outcomes of this review and analysis are intended to further support local LSCs in working with their provider networks to agree a coherent strategy for OP with regard both to where OP can underpin LSC priorities and targets or support learner achievement and progression and where aspects of OP may need to be managed down. The starting point for any collaborative approach to OP must be a clear understanding of the external drivers with regard to OP as well as the rationale behind the provider's actual or proposed OP activity, and to be able to agree the most effective balance of this activity across the provider's portfolio.
- 4 Government policy may have already changed during the time of this review and will continue to change in this key area of focus, and some of the recommendations contained in the report are already being actioned by the LSC. Therefore, the report should be seen more as a "snapshot in time", and particular care should be taken when using the report to identify current practice based on actual or implied trends.

Approach

- 5 Due to its large scale and complex nature, it was agreed that the project would be approached in two phases. Phase 1 would be completed between January and March 2004 and focus on the data collection, analysis and interpretation of the information leading to the creation of the required database.
- 6 Phase 2 was designed to comprise visits to local LSCs to provide support to aid the understanding and interpretation of their local LSC

data. On completion of the visit, local LSCs were also invited to nominate one of their providers. The purpose of the provider visit was to gain a clearer qualitative understanding of examples of OP the provider considered to be valued and valuable.

- 7 Phase 2 also provided the opportunity for further discussion with additional providers and, through focus group meetings, with other key stakeholders such as local authorities and awarding bodies. The findings were presented at a series of regional seminars for local LSCs held between June and July 2005.
- 8 Phase 1 has shown that the portfolio of OP varies significantly across local LSCs. There are a variety of reasons for this. Local LSCs require each provider to work within a range of local and regional profiles and priorities. All providers develop and operate within a distinctive and different portfolio of provision, and cohorts of learners accessing this provision often vary in respect of need, aspiration, learning capacity and entry points into learning. These are some of the factors that have contributed to the range of approaches with regard to management of OP across each of the local LSCs.
- 9 It is also important to document that the review of OP was not intended to:
 - produce a simplistic and mechanistic approach for the targeted reduction of OP
 - be a substitute for quantitative and qualitative dialogue with providers
 - be a means through which to “automatically exclude” categories of provision (although some categories may include activity that is considered to be of a significantly lower priority than others)
 - be interpreted as a target (implied or otherwise) for the percentage balance of OP by region, local LSC or provider.
- 10 From the outset, it was clear that data analysis alone would not provide for a detailed understanding of the use and value of OP. However, the analysis and interpretation of the data would allow local LSCs to begin to “challenge” and “question” providers to assess their rationale for, and purpose of, OP as part of the “whole offer” of available provision. Similarly, it was hoped a strategic approach to the planning of provision would assist providers in helping to identify a curriculum offer that could better support government targets and deliver local and regional priorities and at the same time continue to deliver a wide and appropriate learner entitlement.
- 11 The findings have been derived firstly from the analysis of college individual learner record (ILR) data, and secondly from a desk-based review of the provision by experienced curriculum advisers. These findings have been further validated through detailed discussions

with local LSCs and individual providers. The original data reports were made available to local LSCs in June 2004. These reports have since been amended to include changes suggested by local LSCs as part of the design process. The latest set of reports has now been updated to include analysis based on the F05 return for 2002/03, the F04 return for 2003/04 and the first F01 return (part-year) for 2004/05.

Programme Structure and Participation

- 12 The visit support programme to local LSCs was structured into two separate days. Day 1 was designed to support local LSCs in developing their understanding of the process of “curriculum analysis” designed for use as part of this study. Day 2 provided a further opportunity for local LSCs to invite their providers to an open workshop, at which issues surrounding OP could be shared and discussed and any necessary actions for further development noted.
- 13 The day 2 sessions varied both in terms of the number of attendees present at the session and in the main group focus of discussion. The key agenda items identified for discussion at the meetings were:
 - providers’ approach to strategic planning and the meeting of national targets
 - local LSCs’ approach to agreeing the balance of provision
 - understanding and reviewing the data contained in the OP reports
 - providers’ approach to curriculum validation and planning
 - discussion on what makes OP valuable and valued including areas such Skills for Life, non-accredited learning and “first-steps” provision.
- 14 In many cases representatives of the local LSC have joined the KPMG adviser in presenting information to their providers and taking part in workshops.
- 15 All the visits required by local LSCs involving discussion with their chosen providers took place between September and December 2004 (42 visits were completed from 47 local LSCs).
- 16 Further meetings involving additional providers and the other key stakeholders were also arranged during January and May 2005.
- 17 It is estimated that well over half of the colleges funded by the LSC will have attended these local LSC provider sessions, or have been visited as part of this project, to provide an opportunity to discuss in detail and comment on the issues surrounding a providers’ approach to managing the balance and mix of provision.

- 18 Final dissemination events for local LSCs were held in each region during June and July 2005.

2: Background

- 19 In order to more fully understand the current pattern of provision in further education (FE) institutions, it may be helpful to understand the arrangements for the funding and planning of FE that have taken place in the last 15 years.
- 20 In April 2001, when the new arrangements for funding and planning post-16 education and training came into effect, the LSC inherited a pattern of FE provision in FE colleges and elsewhere that had been funded (but not planned) by its predecessor body, the Further Education Funding Council (FEFC). The FEFC had a statutory duty to ensure the adequacy and sufficiency of FE provision in England. However, its main focus (as the name suggests) was on funding FE provision, with less emphasis on the planning of provision. Colleges were not required to justify their curriculum plans, nor to show how their curriculum offer was meeting the needs of learners or employers. There was an emphasis on the achievement of targets for the volume of learning delivered (expressed in funding units) but less concern for the pattern of provision in terms of the programme areas covered, or the qualification level(s).
- 21 Prior to the creation of the FEFC in 1993, planning and funding of FE provision had been the responsibility of local authorities. There was no planning of FE at any higher level.
- 22 During the mid-1990s, in response to encouragement from Government to increase FE student numbers, the FEFC introduced a demand-led element in funding FE. This encouraged colleges and other FE providers to increase enrolments, particularly on short courses, almost regardless of the subject area or level of the programme of study. Learning was funded on the basis of a funding tariff, which determined the value of particular qualifications. These were qualification-bearing courses but were funded on the basis of the number of guided learning hours (glh) involved. In some cases this led colleges to focus more on the duration of the course (and hence the value of funding it attracted) rather than the needs of the learner.
- 23 There were also changes in relation to the provision of adult and community learning (ACL). With the creation of the FEFC, FE providers could claim funding only for their Schedule 2 FE provision. Programmes outside Schedule 2 (part of the Further and Higher Education Act 1992) could be funded through local education authorities but not by using any FE funds made available to them by the FEFC. From 1999–2000, the then Secretary of State for Education and Skills directed the FEFC to use a small amount of its

funds to support non-Schedule 2 pilots set up to develop innovative learning programmes for adults in colleges and higher education institutions only. The intended outcome of these pilots was to enable adults to progress as far as Level 2.

Local Plans

- 24 Following the creation of the LSC in 2001, a new system of FE funding was introduced that shared some characteristics with the LSC systems for funding work-based learning and sixth-form provision in schools. The Learning and Skills Act 2000 gave the LSC responsibilities in relation to the planning of post-16 education and training. Each of the 47 local LSCs developed a local strategy and local plan, which reflected the particular needs of learners and employers in that local area.
- 25 Not long after the establishment of the LSC, the Government set out its vision for reforming FE and training (*Success for All*, November 2002). *Success for All* called for a new planning relationship within the sector based on partnership and trust. The strategy also introduced strategic area reviews (StARs) of the pattern of provision in each part of the country and provider development planning as the catalysts for taking forward this new relationship. In due course, with guidance from the LSC, a review was taken forward by each local LSC to develop a robust understanding of local needs and priorities. These StARs helped local LSCs develop their own local plans to improve the choice and balance of provision for young people, adults, employers and their communities. At the same time, the LSC introduced arrangements for FE colleges and work-based learning providers to allow the negotiation and agreement of three-year development plans, setting out how they would develop their training offer in the medium term.

Local Targets

- 26 In particular, the LSC was interested in understanding how far individual providers were contributing towards the achievement of targets for increased participation in the 16–18-year-old cohort and for achievement of adult basic skills. In order to help ensure achievement of its national targets, the Government had set targets for the LSC to achieve increases in the number of adult learners acquiring basic skills qualifications in literacy, numeracy and information technology. These targets were in turn disaggregated to give a local contribution for each of the 47 local LSCs. It was then for each local LSC to incorporate into its local annual plan how it would achieve that local contribution to the national target. This plan might include a further disaggregation of the local target to the level of individual providers.

- 27 The contribution to the Skills for Life target set for local LSCs was subject to some refinement. In particular, there was clarification of which qualifications could be counted as contributing to achievement of the target. This was necessary in part as a result of the introduction of new qualifications and the introduction of the National Qualifications Framework (NQF), which had been established following the revisions in the Learning and Skills Act 2000.
- 28 As part of their three-year development plans, providers were also asked to set out their plans for franchised and partnership provision. The LSC also reinforced the requirement for colleges to seek approval to run particular types of course (for example, distance-learning courses, for which funding was based on assumptions about the amount of tutor contact time) where audit of funding claims in previous years had suggested that there was a risk of over-claiming.
- 29 As part of their work in planning the delivery of post-16 education and training, local LSCs have to take a view on which provision and which providers they wish to fund. This has become increasingly important, as the Government has set challenging targets (at national level) for the learning and skills sector to achieve. In order to meet these targets, local LSC annual plans are increasingly giving priority to purchasing qualifications that contribute to the achievement of the Government's targets (as opposed to those that do not).

Other Provision

- 30 The LSC's definition of other provision is "provision that does not consist of approved qualifications" (2004/05 FE Funding Guidance, paragraph 369).
- 31 There are three main types of other provision – courses that lead to:
- external qualifications or external certificates of attainment not approved by the Secretary of State
 - internal qualifications or internal certificates of attainment
 - no formal certification of attainment.
- 32 While sections 96 and 97 of the Learning and Skills Act 2000 (the Act) are clear about the definition and funding eligibility of external qualifications outside the NQF for learners under the age of 19 (section 96) and learners over the age of 19 (section 97), the Act is silent on eligibility for provision that is internally certificated or not certificated at all.
- 33 A particular issue for local LSCs has been the understanding of the value of internally certificated provision and non-accredited provision, which currently falls outside the NQF. Some of this provision has proved to be effective in widening participation in FE, but on its own it does not contribute towards achievement of the Government's

targets for adult basic skills, or Level 2 qualifications for adults. This provision has therefore been a focus of attention for local LSCs to see if the large amounts of funding supporting this provision could be better used elsewhere. Given the many qualifications being delivered by FE providers (not all of which fall within the NQF) and the changes in the list of qualifications contributing towards achievement of the Government's targets, the LSC concluded that it would be helpful to commission research to help local LSCs analyse, better understand and plan the provision they are funding.

- 34 The analysis produced by KPMG and shared with local LSCs suggests that the increased focus on OP has led most providers to change their curriculum offer. Colleges have made changes to the qualifications that they offer, have reviewed their overall curriculum offer and in some cases have changed from offering outdated qualifications (particularly those that previously came within Schedule 2 to the Further and Higher Education Act 1992 but fall outside the NQF) to offering similar or equivalent qualifications within the NQF.
- 35 There is also evidence that some providers are putting pressure on awarding bodies to seek approval for their qualifications where these are not currently recognised as part of the NQF. While the analysis shows that there has been progress in changing the pattern of provision so that more of it has the potential to contribute towards achievement of the Government's targets, there still remains much to do.

3: Recommendations

- 36 The following section summarises the actions that have been identified through the review that could assist the LSC national office, the regions, the local LSCs and providers in the management of other provision.

Local LSCs

- 37 There is a real need to **further support and develop the knowledge base of staff within local LSCs in order to improve their understanding of the profile and mix of provision** delivered by their providers. This could be achieved through local LSC staff agreeing to undertake a period of professional development, organised and delivered locally or regionally by nominated LSC FE champions as part of the business cycle or other external agencies, or alternatively perhaps by agreeing to undertake shadowing or secondment opportunities within an LSC-funded FE institution.
- 38 Effective contract management requires sound preparation combined with sufficient curriculum knowledge to enable robust discussion. This is key to be able to support, or if necessary challenge, a

provider's choice with respect to an appropriate balance and mix of provision.

- 39 The benefits for the planning of provision and the potential to support providers in understanding the distinctiveness and purpose of provision must be recognised, communicated and supported through **any revised arrangements to the business planning process.**
- 40 **Timing in relation to developing policy and guidance to support the business planning process is crucial.** It was considered that some of the guidance used to clarify the key issues as part of this year's business cycle arrived too late fully to inform the allocations process.
- 41 The complexity and changing nature of OP is also such that not all local LSCs are able to quantify precisely a provider's current volume of OP. It may therefore be appropriate to consider how best to **develop a standard and consistent approach, which is clearly communicated and understood, so that all providers could buy in to the process.**
- 42 The above point also highlights the need to ensure **national consistency and connectivity of messages across all appropriate policy areas and all funding streams.** This suggests the need to ensure enhanced communication between the LSC national office and the regions to support delivery of the agenda.
- 43 The regions should consider developing a purchasing plan that provides a clear framework for future direction. This should identify the priorities, type and volume of provision they wish to purchase, as well as providing an indication of how much shift may be required by the provider. Any assessment should be made both locally and regionally and include the notion of effectively and efficiently delivered provision as well as an assessment purely around the balance and mix of provision. This could also include examples of the type of provision the LSC would not wish to purchase.
- 44 Any change process creates anxiety and sensitivity. It would therefore be prudent for local LSCs and the regions to develop a strategy to manage this process. This should include:
- **identification of clear objectives and specific goals**
 - **milestones to be established** in order to bring about an appropriate balance and mix of provision at an individual provider level
 - **identification of any areas of risk** based on the information gained from all local and regional reviews to bring about an appropriate balance and mix of provision across the whole area.
- 45 The operational strategy would need to be developed regionally or locally and translated into a profile for the delivery of OP that could

then be agreed at a local level on a provider-by-provider basis but measured against clear and consistent objectives designed to meet specific local priorities as well as to evaluate the contribution to national targets and priorities. This should also acknowledge that different types of provider may require some variation in approach.

- 46 Strategies should be developed that may include the need for targeted intervention by LSCs. If, and when, this is considered an appropriate approach for a particular provider, the level of intervention should be commensurate with the level of risk.
- 47 There is a need to clarify with providers **the way in which these targets and priorities will be set, defined and measured. This should include the clear articulation of a small number of consistent and coherent messages.**
- 48 The report identifies particular types of provision that currently make significant use of OP activity. These include areas such as: Skills for Life, English for speakers of other languages (ESOL), information and communications technology (ICT), health and safety and first aid. Similarly, a significant proportion of partnership and franchise provision is recorded as OP. It would therefore be appropriate to build on the existing work undertaken by the LSC national office to **target specific areas of provision and help to shift the overall balance and mix of provision** at local LSC or provider level.
- 49 English for speakers of other languages is an area that has recently undertaken significant curriculum change in the delivery of new qualifications. As ESOL previously made use of a high volume of OP activity, the review suggested further analysis to be undertaken in this area using the latest available individualised learner record (ILR) information to identify more precisely the current position. Depending on the results of this analysis it may be appropriate for the LSC national office and local LSCs to consider if some further support or guidance may be necessary in this area.
- 50 There may also be a role for the LSC national office in providing further clarification or developing policy with respect to the identification of either key users or common areas that make regular use of OP, for example: Prince's Trust; British Red Cross; St John Ambulance. Any potential change that may impact on any of these key areas should be publicised well in advance.
- 51 A number of providers stress that their current mission or ethos is primarily to support the local community, and little attention has previously been paid towards gearing provision to support LSC priorities directly. The governing body of the college will also need to be satisfied that the mission still reflects the key purpose and principal role of the college. **The transition therefore needs to be managed carefully. Providers may need time to consider alternative approaches to delivery and time to engage with other funding agencies.**

- 52 **There is a need to better understand and communicate to all providers their particular preferred focus or specialism, that is to identify who is good at doing what, either nationally, in the region and/or within the local area.**
- 53 **There is general support for the categorisation of all learning aims to assist the process of business planning. Categories need to be developed around the potential for achievement or contribution to national targets (as per the examples set out in the Executive Summary).** This will assist both providers and local LSCs in developing their understanding of the range and types of course and qualifications available and the context in which they can be used.
- 54 **Other provision should be viewed as part of the wider quality agenda,** in that the LSC aims to purchase high-quality provision that progresses learners towards LSC targets. Other provision that cannot demonstrate this and that does not contribute to the provider's mission would have to be deemed non-essential.

Providers

- 55 The curriculum planning process for any provider should focus on the following.
- The **specific skill needs of the local or regional area, which may have been identified through StARs.**
 - The recognition that a provider's mission should reflect its curriculum offer, the developed specialisms and expertise (for example, Centres of Vocational Excellence), and any particular focus on their community. Other provision proposed should be in support of these purposes and should form part of the learning strategy rationale.
 - A **review of the three-year development plan** to include individual "curriculum" measurements of performance against an overall business target, together with evidence to support the provider's current and planned volume and mix of provision.
 - An **analysis of strengths and weaknesses** with respect to current provision, including an assessment of how provision is geared towards delivering priorities as outlined in the Skills Strategy or targeted towards learners such as those requiring basic skills or who have not achieved a full Level 2 qualification.
 - Ensuring that the **national planning and funding priorities for 2005-06 have been considered** as an integral part of the planning process. Likewise to provide, if possible, an indication of

what assumptions are likely to be used to plan provision for 2006-07 and beyond.

- **Consideration of appropriate timescales** that include an assessment of the transition and migration arrangements required to move the mix of provision more towards delivery of newly approved or alternative qualifications able to contribute towards the targets.
- **Consideration of other provision delivered as part of franchising and partnership arrangements** to be supported by the LSC; other provision may be a necessary component in such arrangements, where the primary purpose is widening participation and may be delivered in consortia.
- **Consideration of an appropriate balance and mix of provision to meet LSC targets and priorities** at national levels that are seen to support the widening participation agenda.

- 56 **Any change to provision that impacts on the overall strategy and mission of the college should be conveyed to the governing body.** The governing body will need to be satisfied that it understands the significance and importance of the educational character and ethos, in the context of the college and its constituency
- 57 A process representation of a **model for effective “curriculum planning”** is included in Annex A to this report. It indicates the potential key areas for consideration with respect to the management of provision for both providers and LSCs and has been developed to identify key components of the LSC business and planning cycle.
- 58 **A clear understanding on the part of the provider of the need to be able to evidence the relationship of provision to the delivery of national targets and priorities** and the ability to develop a consistent approach, which incorporates robust planning and monitoring arrangements, should be ensured.
- 59 **Clear and agreed criteria should be established** to support the different approaches required for the **planning and funding of all provision.**
- 60 **Providers need to consider the rationale for the use of OP rather than just develop a strategy that looks to migrate all OP learning programmes to make use of qualifications included within the NQF.**
- 61 Providers may need to consider whether, in some instances, units or parts of NQF qualifications could be used in place of, or delivered alongside, the use of other provision. If this is not a viable option, providers might wish to make use of other externally accredited qualification aims, **seeking advice and guidance from both the relevant validating body and the LSC**, as required.

- 62 If there is considered to be no suitable externally accredited qualification, providers should, in the last instance, be able to **use internally accredited learning mapped against an individual plan**. For learners with learning difficulties and/or disabilities this should demonstrate a social, emotional, physical or behavioural curriculum and/or be linked to the Pre-entry Level literacy and numeracy milestones.
- 63 All learning should be **delivered in a context that can lead to recognised achievement and progression, and in many cases this will mean an externally accredited route**. Where non-accredited provision is appropriate to the needs of learners, **providers should be able to demonstrate an appropriate progression route for all learning and have clear rationales for “first steps” and “personal and community development learning” curriculum offers**.

4: Issues Identified

- 64 The following section provides a summary of the key issues discussed during the dissemination events and the visits arranged with local LSCs and providers.

Process for Managing Other Provision

- 65 Visits to local LSCs and meetings with providers showed a significant variation in the current approach to the management of OP activity. Although the project has been extremely successful to date, it has been established that the LSC must address the need to further support staff in local LSCs through a development programme of both raising awareness and providing more detailed information in respect of understanding curriculum planning and delivery. This is essential for those LSC staff engaged in strategic planning and provider relationship management, in order to be able to challenge providers constructively about their balance and mix of provision, if required.
- 66 There have been wide variations in approach to the planning of provision by local LSCs. Current practice includes requesting providers to complete detailed and lengthy documentation for all OP learning aims being offered. This information is then checked, confirmed, validated and monitored by the local LSC, compared with other LSCs where they comment that overall they consider, until recently, they have done very little in respect of focusing on the management of provision.
- 67 The variable level of detailed curriculum knowledge and understanding, plus the wider recognition of a changing role of the LSC as a more interventionist purchaser of provision, suggests that,

overall, relatively limited coherent or integrated planning has taken place so far. However, it is now acknowledged that all regions have begun to consider purchasing strategies as an integral part of a provision planning approach.

- 68 Some regions have introduced regional purchasing plans for 2005-06. The LSC might therefore consider how best to develop this approach nationally by ensuring good practice and up-to-date information with respect to curriculum planning, and the emerging external policy drivers, affecting the planning and management of provision, can be disseminated across all local LSCs and regions.
- 69 It is evident from this work that local LSCs cannot be expected to support strategies for a balance and mix of provision in a vacuum. Local LSCs must be able to work with providers to make informed decisions in the context of the awareness of external policy drivers as well as in understanding the regional and local drivers and considerations that affect OP. This should then enable them to better understand how a provider's curriculum offer can be structured to meet learner needs and help to identify where the individual contribution to key agendas and targets can best be achieved.
- 70 **It is not suggested that local LSCs manage the provision of their providers at a micro-level.** While micro-management of providers or provision is not an option, the complexity of OP can be such that to understand fully what is actually being delivered and to work constructively with providers, a degree of familiarity about the planned learning programme, which provides for an informed analysis of the provision at individual learning aim level, is desirable. However, the review identified some cases where the capacity to manage the change required effectively may not always be available from the provider. There could also be issues here around the capability or willingness of the provider to implement these key changes in policy. In such cases it may be necessary for the local LSC to consider a more proactive and interventionist approach.
- 71 Some local LSCs and providers have expressed a wish for a more explicit statement of policy from the LSC with regard to OP, encompassing details of specific levels and volumes of this type of provision. Others express concern that, despite assurances to the contrary, a percentage figure may be imposed for the reduction of OP and be implemented "across the board". This may in part be due to the direct link in the business planning process, in which figures are quoted for "overall" volumes of OP, but with little explanation and opportunity for dialogue.
- 72 In addition, some providers have raised concerns about the review of OP and the changes and potential impact through linkages with the review of ACL. The review of OP should not be seen as separate from the development and implementation of a unit-based credit

framework, which is likely to contain a wider range of achievement than the current NQF.

Strategic Curriculum Planning

- 73 Dialogue with providers shows a mixed and very varied approach to the management of provision.
- 74 Some providers have confirmed that considerations surrounding the use of OP have not been a major part of their curriculum focus to date. It is only relatively recently that issues around the balance and mix of provision have been considered in any detail. Many providers have readily agreed that the majority of current programmes are delivered on a purely historical basis and are not always fully reviewed in the light of recent policy changes or in relation to changing local or regional needs.
- 75 A number of colleges have commented that the OP initiative has required senior managers to manage their curriculum planning process more robustly.
- 76 However, this has not been the case uniformly across those providers visited as part of the review. Generally, it would appear that more formalised internal mechanisms for agreeing course approvals are beginning to be put in place, and where these have been in operation for some time, a greater sophistication of format is emerging, which usually includes the widening of the range of staff and managers encouraged to take part actively in the process.
- 77 There is also good evidence to confirm that those providers that are seen to manage their provision strategically often display a greater synergy between all staff and actively involve cross-college teams in the process, including management information systems and finance, as well as the required curriculum teaching teams and managers. Where this cross-college approach has been developed more widely, greater use is often made of data to help inform the decision-making process. It was also stated that this widening of the process helps confirm learner data as accurate, timely and available and presented in a format that could be readily understood by the range of staff involved, some of whom were not always familiar or confident in using data.
- 78 Discussions with senior college managers would also appear to suggest that individual local LSCs interpret and apply policy and deliver key messages on the balance and mix of provision in a number different ways. One provider said that in its view there appeared little pressure from the local LSC to make significant curriculum change, nor was it expecting any substantial change in what would be funded or purchased as part of the business planning process in the forthcoming year. There was another example provided where the local LSC had stated to a provider that it would

not fund any internally certificated courses for the 2005/06 academic year, with the exception of courses for learners with severe or moderate learning difficulties and/or disabilities.

- 79 A number of college managers commented that they considered the changes surrounding the management of provision to result in the potential for policy conflict, particularly if there was to be an approach by some local LSCs in respect of limiting overall volumes of OP activity originally designed to widen participation. A wide range of OP courses, particularly at Entry Level and Level 1 had been used as a catalyst to encourage the reluctant learner and those who have had a poor or negative experience of education. If these courses were no longer to be funded because they were not seen as a priority by the local LSC, this could ultimately result in reduced participation, particularly as these providers considered they had previously been required and directed by the LSC to focus provision more on delivering the widening participation agenda.

Balance of Provision

- 80 Feedback from providers indicates that there is general support for the further categorisation of all learning aims. This is seen to assist both providers and local LSCs to better understand ideas surrounding the overall balance and profile of the curriculum and begin dialogue around the possible broad “classifications” and “types” of provision being delivered.
- 81 The “categories of provision” sheet first developed as part of this review has recently been revised to include some additional groupings and minor amendments have been made to the process to take account of recent curriculum changes with respect to areas such as ESOL or the recording of modern foreign languages (MFL). The latest process sheet is attached at Annex B for information.
- 82 The data analysis identified general areas of learning that make significant use of OP activity, for example in areas such as Skills for Life, ESOL, ICT, health and safety and first aid, or franchising. As indicated previously, consideration might be given by local LSCs to identifying those providers where the balance of OP in their portfolio of provision looks to be relatively high. This could encourage local LSCs to work with these providers in identifying a “fit-for-purpose” strategy, which one could hope should result in a more equal balance. Examples already identified and discussed with providers through this project are included later in this report, and it may be that these could be used as “walk through” exemplars for other local LSCs and their providers.
- 83 So far, very few providers have firm views when challenged or asked to identify gaps or omissions with regard to provision contained within or outside the NQF. Some providers have identified perceived

omissions in some trades at particular levels: for instance, Level 1 plumbing or for croupiers. There are also some gaps in some vocationally specific areas, such as print. But few providers or LSCs were fully aware of how these gaps might be addressed, for instance through work on a coherent framework of provision below Level 2 or through the Apprenticeship reform programme. There may be a need here for the LSC national office to consider how a regular update of policy could be used to alert providers and local LSCs to the availability and development of any new areas of provision.

- 84 Some questions have arisen in relation to a perceived hierarchy of OP. Is provision more valuable when linked to accreditation by external validating agencies? Some validating bodies offer “national endorsement” to groupings of provider-specific learning activity under the titles “National Award” or “Investors in Quality”. Some local areas have stated they have close relationships with particular awarding bodies and are often regarded by providers as “suppliers of choice”.
- 85 Providers also comment about the potential for some awarding bodies to be able to respond quickly in the move to accredit current OP qualifications as part of the NQF. There is also a view that NQF qualifications are not as flexible as programmes of OP or that assessment approaches used across some OP may be more flexible. Indeed, in some cases the nature of assessment was seen as the determining factor in affording value to OP, as opposed to some comparative NQF provision in which independent assessment in the form of external examinations was seen as a disincentive for some learners. The current reform of vocational qualifications and the development and implementation of the proposed Framework for Achievement are seeking to address the perception of large, inflexible and prohibitive national qualifications.
- 86 Effect on key performance indicators, such as retention, achievement and progression, are also often highlighted as part of the discussion about the relationship of OP to NQF qualifications and why NQF qualifications are not being used. Likewise flexibility, unitisation, responsiveness to curriculum development, responsiveness to individual needs, attractiveness to learners and the credibility and currency of some qualifications have also been mentioned as potential issues in the debate between OP and NQF provision. Some providers have highlighted specific courses linked to the retraining of adults and professional development type qualifications geared towards those who wish to update their skills where National Vocational Qualifications (NVQs) are not considered appropriate.
- 87 One provider has commented that the OP initiative has been a motivator to review the existing curriculum offer in much more detail, believing the potential change creates a much more secure curriculum structure overall by delivery of nationally recognised

qualifications that are seen to develop credibility and be more easily recognised by employers or for entry into other learning in the future.

Defining Valued and Valuable Other Provision

- 88 The review suggested that all curriculum provision should be evaluated by providers, both accredited and non-accredited, in terms of learner value. In using categorisations of “valuable” and “valued” in the context of OP, it is not just the actual provision or notional learning aim that determines the value to the learner, but often the context in which the learning activity takes place.
- 89 One of the aims of this project has been to develop a fit-for-purpose approach for the management of OP within the context of external policy drivers, local and regional needs, and LSC targets and priorities. One of the ways of doing this is through influencing the purchasing decisions of the local LSCs so that the rationale for purchasing OP is clear and the relationship to priorities and targets is fully negotiated and understood.
- 90 Paragraph 1.26 of the LSC consultation paper on fees, funding and learner support quotes the FE sector as being “heavily dependent on public funds”. These funds are, by their nature, limited and subject to many competing priorities. The Government’s Skills Strategy, published in 2003, sets out a vision to prioritise the investment in skills, ensuring public funds are applied to the areas in which they will have most benefit, while making the point that employers and individuals are expected to contribute to the costs of learning in relation to the benefits they receive.
- 91 The above point forms the basis of the consultation on fees, funding and learner support in FE, which highlights the need to proactively engage with employers and to review the balance of contributions from the State, employers and learners in order to reflect the priorities of the Skills Strategy.
- 92 Although this document concentrates on the proposed changes to the LSC’s FE funding approach, the foreword to the document states that the “principles should have wide application across the learning and skills sector as the LSC continues to develop its overall approach to funding and planning in the sector”.
- 93 The LSC is considering how these principles might apply in work-based learning (WBL) and ACL. The LSC has established a safeguard for learning for personal and community development, which will effectively end the artificial divide between the old ACL and FE funding streams and will, over time, ensure that all providers are funded on the same basis for equivalent provision. The development of the LSC’s agenda for change proposals will support a fairer and simpler funding approach. The introduction of agreeing the income levels with all providers will support the need to secure higher

contributions from individuals and employers and make providers more autonomous as they become less reliant upon public funds.

- 94 It can be seen that all the proposed changes are potentially of great significance for all providers. Detailed consideration must be given to better understand the rationale for the type and range of provision being offered, the potential contribution towards national priorities and the contribution in fees expected from individual learners and employers.
- 95 These aspects are all intended to contribute directly to the “historic shift in expectations and practice about who pays for what” called for by the Secretary of State in his speech to the Learning and Skills Development Agency (LSDA) during its 2004 summer conference and subsequent statements by the new ministerial team.

Business Planning Process

- 96 Local LSCs need to integrate more fully the management of OP into the business cycle, and in particular the annual planning review with providers, in order to encourage providers to work more towards delivery of recognised qualifications that deliver priorities, wherever appropriate.
- 97 The work on managing the balance and mix of provision will support other key agendas and assist the LSC in ensuring more resource is focused on delivering against its priorities.
- 98 At the moment it would appear that very few local LSCs have a clear, agreed and well-communicated action plan to be used as part of the business cycle for the management of the delivery of OP.
- 99 Local LSCs will need to ensure they manage the change to the profile of provision delivered by providers carefully over an agreed and acceptable timescale.
- 100 Generally, the review recommended that local LSCs need to develop their planning in this area and start by agreeing to work in partnership with their providers to develop a strategy for the local area that will avoid any disruption to the local provider network and minimise the potential impact on learners. Careful planning at a regional and/or local level is also likely to result in fewer problems with regard to anxieties and concerns surrounding areas such as the widening participation agenda, the funding and planning arrangements of first steps provision, or personal and community development types of learning for adults.
- 101 Timescales are also important, in that providers often raise concerns about the business planning process and direction of “future” policy, particularly as full-time course prospectuses are often published well in advance of the annual planning review. Typically the full-time curriculum offer by a college or other provider is finalised during June

or July of the year prior to the start of the academic year to which it relates. This lead-in time is necessary to enable the publication of a prospectus for major marketing purposes (mainly to Year 11 school students) during the Autumn term. Part-time provision will typically be finalised during the Spring term (January to February) prior to the commencement of delivery. Given that the LSC business cycle does not finally agree funding allocations as part of the business cycle until May, this could be some 16 months after the full-time provision was first marketed.

- 102 Realigning the mix of provision in order to ensure that there is a clear line of sight to targets and priorities, but not to the detriment of learner entitlement, is also dependent on providers not taking advantage of the current flexibility that they are afforded through the accepted use of OP. This again needs to be considered against the level of resource and expertise currently available to LSCs to be able to support and monitor any changes to the curriculum, given the complexity of the provision profile offered by some providers.

Next Steps

- 103 Given the timescale available to support the approach to business planning, the immediate focus for local LSCs should be to direct attention towards those providers that offer unusually high levels of OP and/or those curriculum areas, offered by providers, that have been highlighted as delivering high volumes of OP, such as Skills for Life, ESOL, ICT, qualifications used for legislative training, and so on. Local LSCs also need to identify particular purchasing strategies that could be used across each discrete area of provision.
- 104 Likewise, the review suggested a focus on success rates for all provision, including OP, viewed as part of the wider quality agenda. **Areas that offer poor-quality provision with poor success rates need to be identified and targeted for intervention.** This supports the view that the LSC aims to purchase only high-quality provision that progresses learners towards achievement of LSC priorities and targets.
- 105 This focus on a more informed approach to planning, based on quantitative and qualitative data sources that allow for, and support, “constructive curriculum challenge” should help providers develop **ways to manage better their own provision, within an agreed funding envelope.**
- 106 The main objective is to ensure providers **develop a more “strategic” approach to curriculum planning** that better aligns provision to LSC policy when making key decisions about their current and future curriculum offer. Also, this will encourage providers to demonstrate and evidence why their current and future

level of OP is valuable and valued alongside the wider consideration of entitlement and learner achievement and progression.

- 107 The purpose of this review was to understand how OP contributes to (or has the potential to contribute to) LSC remit, targets and priorities. It is envisaged that this report will provide further clarification to both LSCs and providers in planning and negotiating a balanced curriculum offer that supports the achievement of targets and, at the same time, is responsive to the needs of individual learners, employers and the community.
- 108 The areas indicated below were highlighted in the quantitative analysis of provision (considered at a national, regional and local level) that was undertaken as part of this review and used as a basis for discussion during the visits arranged with LSCs and their providers.
- 109 The analysis identified these areas as appropriate for further investigation:
- externally accredited learning not within the NQF, including former Schedule 2 activity
 - internally certificated learning
 - Skills for Life activity, including use of ESOL other provision
 - 3 glh ICT courses
 - 3 glh basic skills courses
 - 6 glh other courses
 - franchised and partnership activity.
- 110 The above categories are discussed in more detail in section 5 (Profile of Provision) of this report. Many of the examples confirm the complexity in the understanding of the range and volume and use of OP activity by providers and the difficulties that exist in being able to negotiate and plan an attractive curriculum offer that both motivates learners and meets national and local targets and priorities. This is also true of the perceived tensions that exist between policy rationale and a consideration of some of the key external drivers required for the effective management of the balance and mix of provision.

5: Profile of Provision

Introduction

111 This report describes the detailed findings arising from the review of OP that was undertaken by KPMG LLP for the LSC national office and the Department for Education and Skills (DfES) and Skills for Life Strategy Unit (SfLSU) during the period between January 2004 and September 2005. The purpose of the report is to provide a detailed summary of the quantitative and qualitative analysis that was undertaken during that period. It is intended that this report could be used by regional and local LSCs to better understand, at a national level, the key issues in terms of the approach to the planning, purchasing, contracting and management of an appropriate balance and mix of provision.

Overview

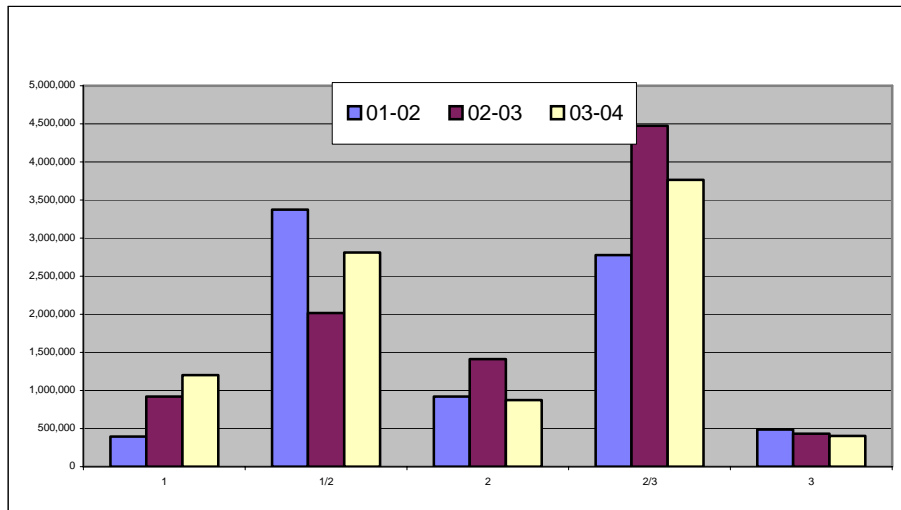
112 The detailed reports plus analysis gained through the review meetings involving providers and shared with local LSCs suggests that the increased focus on OP has led most providers to change their curriculum offer. In general, providers are taking a much more structured and planned approach to their choice of curriculum offer. The majority of colleges comment that they have made changes to the qualifications that they offer, have reviewed their overall curriculum offer in response to external drivers, and in some cases have changed from offering outdated qualifications (particularly those that previously came within the former Schedule 2 to the Further and Higher Education Act 1992 but fall outside the NQF) to offering similar or equivalent qualifications within the NQF.

113 This is supported by Figure 1, which shows the change in the pattern of provision in the academic years 2001/02, 2002/03 and 2003/04. Figure 1 identifies the volume of enrolments by type of provision, using 2004/05 type codes.

Table 1: 2004/05 type codes

Type 1	Directly contributes to LSC priorities and targets
Type 2	Indirectly contributes to LSC priorities and targets
Type 3	Not yet clear how provision contributes or could contribute to LSC priorities and targets

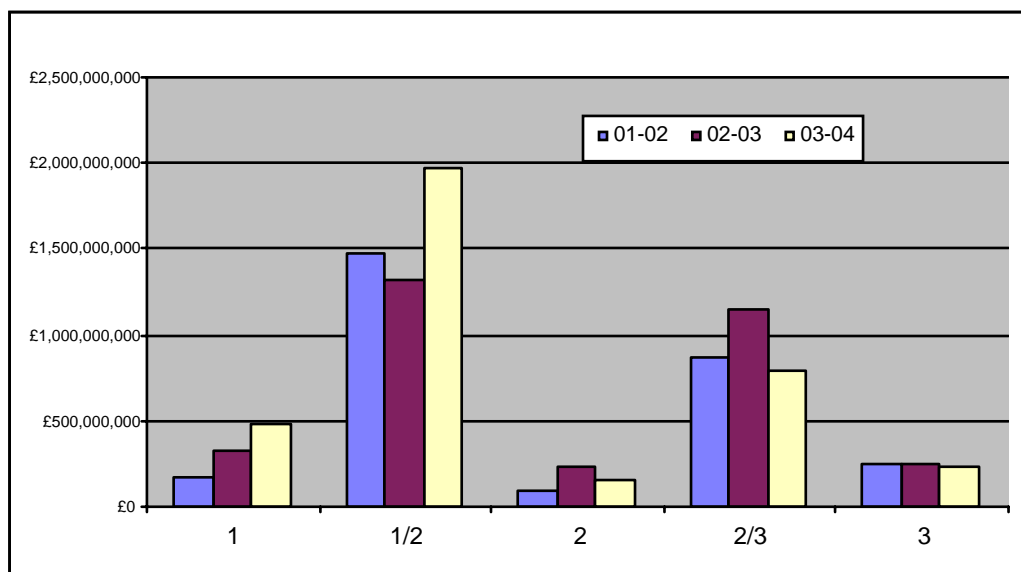
Figure 1: Three-year enrolments by type, 2001/02 to 2003/04 (using 2004/05 type codes).



114 This classification broadly indicates each category's potential for contributing to current LSC priorities and targets. It is important to note that not all provision classified as type 1 or 2 necessarily directly or indirectly contributes to LSC priorities and targets, nor conversely that all provision described as type 3 will not. However, Figure 1 clearly shows a move towards delivery of type 1 and type 1 or 2 provision, with a corresponding reduction of type 2 and type 2 or 3 provision.

115 When the above change in enrolments is considered against the total value of LSC funds (Figure 2), there is a noticeable increase in the proportion of funding used to support type 1, but particularly type 1 or 2, activity.

Figure 2: Three-year funding by type, 2001/02 to 2003/04 (using 2004/05 type codes).



- 116 This may be important, in that the move towards the delivery of “target” qualifications suggests an increasing spend per learning aim. This is also supported by an increase in average glh per enrolment between 2002/03 and 2003/04. This could severely impact on overall learner numbers, particularly in a climate in which budgets will be even tighter in 2006/07 than in 2005/06 and will continue to remain focused on delivering qualifications that contribute to government priorities.
- 117 While this analysis shows that there has been progress in changing the pattern of provision so that more of it has the potential to contribute towards achievement of the Government’s targets, the above also suggests there still remains much to do.

Reporting Arrangements

- 118 This report should be set alongside other key documents, developed as part of this study, such as the summary report on the balance and mix of provision or the detailed OP data reports that were produced at national, regional, local and provider levels, first in July 2004 then again in June 2005. These reports were designed to address the questions posed as part of the original project specification and approved by the OP Steering Group at its meeting on 23 February 2004. These areas of reporting constitute the agreed project deliverables, and full details are attached, for reference, at Annex C.
- 119 The version of the data reports provided to each local LSC in July 2004 was version 4.20. The later version of the reports made available to local LSCs was version 5.50. The freeze details for reports (version 5.50) are shown in Table 2.

Table 2: Freeze details for version 5.50 of the reports.

Definitions – Data

2002/03 Uses ILR F05 freeze dated 22 March 2004: 91 per cent complete (582 out of 638 providers)

2003/04 Uses ILR F04 freeze dated 6 December 2004: 96 per cent (577 out of 605 providers)

2004/05 Uses ILR F01 freeze dated 6 January 2005: 94 per cent (546 out of 582 providers)

Excludes providers where F05 data not available

Analysis based on Learning Aims Database v.002 Version Date 12 April 2005

- 120 The following areas were also identified for consideration by local LSCs when the reports were first issued and are repeated here to assist understanding, particularly when making reference to any of the latest tables included in the report.
- **Care should be taken when using the reports to identify actual or implied trends.** The later analysis makes use of F05,

F04 and F01 data as shown in Table 2; **it is important to realise, therefore, that the analysis is not comparing “like with like” data sources in each of the three years.** Similarly, the learning aim information held on the Learning Aims Database (LAD) may have changed in subsequent funding years: for example, GCE A2 qualifications are recorded as Other Provision (code 98) in 2002/03 and as components of section 96 and/or section 97 in 2003/04 and 2004/05 (code 06).

- Data for 2004/05 are part year and likely to be less robust and not thoroughly validated (or audited).
- The notes and definitions pages (attached at the beginning of each of the data reports) are critical pieces of information that contextualise and define the parameters for all the reports. It is important to note that these notes and definitions for the later versions of the reports have changed from previous versions. These notes have been amended to take account of associated curriculum changes, for example with respect to the new arrangements for the delivery of ESOL or changes to the recording and coding of areas such as Access courses or MFL.
- It is also important to note the analysis is based only on those providers who had submitted their ILR to the LSC by the date the data freeze was made available. For example in 2004/05 the analysis, as shown in Table 2, makes use of ILR F01 freeze dated 6 January 2005 and is 94 per cent complete (546 out of 582 providers).
- Version 4.20 of the data reports issued to local LSCs included the funding value assigned to additional learning support. In the second series of reports (version 5.50), the value of additional learning support has been excluded from the total.
- The reports themselves provide information that will give each local LSC a headline indication of the balance of provision in the local area. It will also enable regional and national comparisons to be made. However, any regional and national headlines (detailed as percentages) should not be interpreted as agreed benchmarks.
- The analysis is based on LSC-funded FE provision for full-time and part-time learners. It does not include data for WBL, ACL, Ufi centres, specialist residential colleges or some higher education institutions.

Provision Planning and Expenditure

Total enrolments and funding values

- 121 The data sheets included in the national report provide an analysis of all provision, that is, provision recorded as both NQF and OP.
- 122 Total enrolments and funding values for all provision for 2002/03, 2003/04 and 2004/05 considered as part of this review are as in Table 3.

Table 3: Total enrolments and funding values for all provision, 2002/03, 2003/04 and 2004/05.

	2002/03 (F05)	2003/04 (F04)	2004/05 (F01)
Total enrolments	8,653,477	8,200,283	5,085,887
Total LSC-funded enrolments (Funding streams 20+80)	8,322,204	7,595,046	4,287,108
Total funding	£3,426,069,838	£3,685,467,371	£3,762,909,669
LSC funding less additional support funding	£3,151,562,223	£3,395,249,868	£3,661,611,701

- 123 The 2004/05 analysis makes use of the first F01 data return and will therefore naturally include some learners who will subsequently withdraw from their programme(s) of study. **This will mean funding values contained in F01 for 2004/05 are overstated** and will remain so until these learners are withdrawn from their programme of study as evidenced on the ILR returns produced later in the year.
- 124 Likewise, learners who enrol later in the year will not be included in the F01 analysis.
- 125 **Enrolment and funding values contained in the following tables for 2004/05 should therefore be treated with significant caution.**

Funding streams

- 126 To better understand the complete provider curriculum offer, the analysis makes use of the full range of learning aims recorded in the ILR and identifies the stated source of funding for each learning aim.
- 127 Breakdown of the total LSC funding by funding stream is as in Table 4.

Table 4: Total LSC funding by funding stream, 2002/03, 2003/04 and 2004/05.

Academic year	Funding stream	Description	Number of enrolments	Percentage of total	Total funding
2002/03	20	FE	8,295,772	95.9	£3,426,069,838
2002/03	70	LSC ESF co-finance	17,543	0.2	

2002/03	80	Other LSC funding	26,432	0.3	
2002/03	99	No LSC funding	313,730	3.6	
Total enrolments			8,653,477		
Academic year	Funding stream	Description	Number of enrolments	Percentage of total	Total funding
2003/04	20	FE	7,561,448	92.2	£3,685,467,371
2003/04	70	LSC ESF co-finance	28,402	0.3	
2003/04	80	Other LSC funding	33,598	0.4	
2003/04	99	No LSC funding	576,835	7.0	
Total enrolments			8,200,283		
Academic year	Funding stream	Description	Number of enrolments	Percentage of total	Total funding
2004/05	20	FE	4,268,883	83.9	£3,762,909,669
2004/05	70	LSC ESF co-finance	9,524	0.2	
2004/05	80	Other LSC funding	18,225	0.4	
2004/05	99	No LSC funding	789,255	15.5	
Total enrolments			5,085,887		

- 128 Funding stream 99 relates to provision not funded by the LSC but recorded by the provider on the ILR. Examples contained in the data include learning aims recorded in areas such as such craft, practical skills or crafts, or vocational study not leading to a recognised qualification or other education and leisure type activities. In some providers this may also include higher level qualifications such as Higher National Diploma (HND), Higher National Certificate (HNC), degree, higher level work and other non-LSC-funded courses.
- 129 Funding stream 80 is used to identify “other LSC funding” and is mainly project based. This includes recording activity in areas such as employer training pilots (ETPs), basic skills local community projects, or projects making use of new technology.
- 130 Funding stream 70 identifies LSC ESF co-financed provision.
- 131 This complete analysis of learning aims is helpful in understanding the “totality” of a provider’s curriculum offer, particularly when needing to give consideration to appropriate strategies that could better align the overall pattern, balance and mix of provision.
- 132 To provide further detailed analysis, numbers of LSC-funded enrolments are also included in the following tables. This value includes those enrolments for which in the Learning Aims Database set the source of the funding stream for the learning aim (Field A10) has been set to record code 20 (FE) or 80 (other LSC funding).

Other provision enrolments

133 The total enrolment and funding values for OP for 2002/2003, 2003/2004 and 2004/2005 (coded as LSC funding status 98 'other provision – eligible for LSC funding') are as in Table 5.

Table 5: Total enrolment and funding values for OP, 2002/03, 2003/04 and 2004/05.

	2002/03	2003/04	2004/05 (F01)
Total enrolments	6,363,974	4,489,369	1,976,310
LSC-funded enrolments	6,068,248	3,939,555	1,377,218
Total funding	£1,919,876,599	£1,217,934,548	£604,171,493
LSC funding less additional support funding	£1,731,180,566	£1,061,039,669	£557,318,268

134 Brief analysis of the data highlights the following.

135 In 2002/03, there were approximately 8.65 million total enrolments, of which 6.4 million (74 per cent) were OP and 2.25 million (26 per cent) were within the NQF. In 2003/04, the total number of enrolments recorded in the ILR decreased to 8.2 million, of which 4.5 million (55 per cent) were OP and 3.7 million (45 per cent) were within the NQF. In the analysis, NQF includes all qualifications on section 96 and/or 97 and/or components (that is, these are coded in the LAD as funding status set 01=S96; 02=S97; 03=S96&S97; 06=component of S96&/or S97). In 2004/05, there were approximately 5.1 million total enrolments, of which 2.1 million (41 per cent) were OP and 3.0 million (59 per cent) were within the NQF.

136 When the above is considered as a proportion of the total LSC funding, the 8.3 million LSC-funded enrolments in 2002/03 generated some £3,426 million of LSC funding, of which slightly more than half (£1,919 million) (56 per cent) was recorded against OP. In 2003/04, the 7.6 million LSC-funded enrolments generated an increased funding value of £3,685 million of LSC funding, of which £1,218 million (33 per cent) was recorded against OP. In 2004/05, the 4.3 million LSC-funded enrolments generated some £3.762 million, of which £604 million (16 per cent) was recorded against OP.

Skills for Life Provision

137 Skills for Life activity is categorised by the groupings in Table 6. Tables 7 to 12 provide an analysis of Skills for Life activity.

Table 6: Skills for Life categories.

Code	Category
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70	Skills for Life (counting towards the target) (as part of the transitional arrangements only in 2004/05) (recorded as OP)
71	Skills for Life (counting towards the target) (within NQF)
72	Skills for Life (not counting towards the target)
73	Adult basic education
80	ESOL (internally certificated)
90	ESOL (externally accredited)
91	ESOL Skills for Life (within the NQF but not counting towards the target) (available in 2004/05 only)
120	3 glh basic skills courses
130	6 glh basic skills courses

Data analysis

Table 7: Analysis of Skills for Life provision, 2002/03.

Enrolments 2002/03	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All Skills for Life	1,268,726	1,235,345	53,586	8,922
Total Skills for Life recorded as OP (Cats 72, 73, 80, 90, 120, 130)	713,006	693,255	21,252	5,589
Skills for Life NQF (Cat. 71)	464,501	453,446	6,040	1,006
Transitional qualifications (Cat. 70)	91,219	88,644	26,294	2,327

- In 2002/03, 13 per cent of all LSC-funded OP enrolments were recorded as Skills for Life OP.
- In 2002/03, 63 per cent of all LSC-funded Skills for Life enrolments were recorded as OP.

Table 8: Breakdown of funding for Skills for Life provision, 2002/03.

Funding 2002/03	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,193,495
All Skills for Life	£70,591,207	£437,467,022	£508,058,229	£38,639,241	£7,121,046

Total Skills for Life recorded as OP (Cats 72, 73, 80, 90, 120, 130)	£40,864,257	£269,379,496	£310,243,753	£15,742,913	£4,642,900
Skills for Life NQF (Cat. 71)	£27,819,936	£110,057,655	£137,877,591	£2,567,939	£347,085
Transitional qualifications (Cat. 70)	£1,907,014	£58,029,872	£59,936,886	£20,328,389	£2,131,061

- In 2002/03, OP Skills for Life courses were funded by the LSC to the value of £370,180,639.
- This represented 21 per cent of all OP costs.

Table 9: Skills for Life enrolments, 2003/04.

Enrolments 2003/04	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All Skills for Life	1,560,235	1,518,217	66,035	13,160
Total Skills for Life recorded as OP (Cats 72, 73, 80, 90, 120, 130)	835,492	811,091	31,126	7,285
Skills for Life NQF (Cat. 71)	674,749	658,036	14,773	4,578
Transitional qualifications (Cat. 70)	49,994	49,090	20,136	1,298

- In 2003/04, 22 per cent of all LSC-funded total OP enrolments were recorded as Skills for Life OP.
- In 2003/04, 57 per cent of all LSC-funded Skills for Life enrolments were recorded as OP.

Table 10: Breakdown of funding for Skills for Life provision, 2003/04.

Funding 2003/04	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,431,776
All Skills for Life	£87,200,488	£530,978,151	£618,178,639	£40,381,505	£10,772,299
Total Skills for Life recorded as OP (Cats 72, 73, 80, 90, 120, 130)	£45,089,913	£282,379,490	£327,469,403	£14,652,955	£5,002,035

Skills for Life NQF (Cat. 71)	£41,255,666	£210,682,782	£251,938,448	£7,956,077	£4,539,503
Transitional qualifications (Cat. 70)	£854,908	£37,915,880	£38,770,788	£17,772,472	£1,230,761

- In 2003/04, Other Provision Skills for Life courses were funded by the LSC to the value of £366,240,191.
- This represented 30 per cent of all OP costs.

Table 11: Skills for Life enrolments, 2004/05 (F01).

Enrolments 2004/05	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
All Skills for Life	886,325	840,034	18,051	4,875
Total Skills for Life recorded as OP (Cats 72, 73, 80, 90, 120, 130)	409,659	392,463	9,520	2,591
Skills for Life NQF (Cat. 71)	464,079	435,325	6,835	2,043
Transitional qualifications (Cat. 70)	799	616	502	0
Skills for Life NQF not counting towards target (Cat. 91)	11,788	11,630	1,194	241

- In 2004/05, 29 per cent of all LSC-funded total OP enrolments were recorded as Skills for Life Other Provision.
- In 2004/05, 47 per cent of all LSC-funded Skills for Life enrolments were recorded as Other Provision.

Table 12: Breakdown of funding for Skills for Life provision, 2004/05 (F01)..

Funding 2004/05	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All Skills for Life	£23,220,329	£372,834,649	£396,054,977	£13,644,112	£3,798,706
Total Skills for Life recorded as OP (Cats 72, 73, 80, 90, 120, 130)	£12,424,205	£175,073,717	£187,497,922	£6,006,900	£1,874,909

Skills for Life NQF (Cat. 71)	£10,770,693	£181,658,136	£192,428,828	£5,201,112	£1,466,200
Transitional qualifications (Cat. 70)	£292	£674,840	£675,132	£581,216	£0
Skills for Life NQF not counting towards target (Cat. 91)	£25,139	£15,427,956	£15,453,095	£1,854,884	£457,597

- In 2004/05, Other Provision Skills for Life courses were funded by the LSC to the value of £188,173,054.
- This represented 31 per cent of all OP costs.

Learner aim analysis

- 138 In 2002/03, the learning aim with the highest number of enrolments and funding was a generic basic ESOL course at Entry Level (CBSE0002) with 162,795 enrolments and a funding value of £112,105,148.
- 139 In 2003/04, the learning aim with the highest number of enrolments was the generic basic ESOL course at Entry Level (CBSE0002) with 171,618 enrolments and a funding value of £113,721,503.
- 140 In 2004/05, the learning aim with the highest number of enrolments was the generic basic ESOL course at Entry Level (CBSE0002) with 71,577 enrolments and a funding value of £66,941,197.

Commentary

- 141 The category report shows that of the 8.32 million LSC-funded enrolments in 2002/03, some 1.24 million were included within the Skills for Life category (categories 70-90, 120 and 130). In 2003/04, 1.5 million (18 per cent) of the 7.6 million LSC-funded enrolments could be classified as Skills for Life. This Skills for Life category generated over £530 million of LSC funding in 2003/04.
- 142 Although only part-year information is included for 2004/05 in the analysis, LSC-funded enrolments in the Skills for Life group stand at 840,034, some 20 per cent of the total funded enrolments included at that time. When this is compared to the part-year information for 2003/04, this showed a total of 721,531 enrolments at that time, providing a significant increase of around 118,503 enrolments.
- 143 The figures show that some 47 per cent of enrolments in 2004/05 could be classified as Other Provision compared with 57 per cent in 2003/04 and 63 per cent in 2002/03. Although these figures do include the transitional “legacy” qualifications for ESOL, which were recorded as OP, it does demonstrate how the curriculum offer of providers in this area has been actively managed by providers and geared towards the delivery of national targets for Skills for Life, with the support and direction of the local LSCs.

144 Support for providers has been made available to address and understand the implications of miscoding in relation to individual learning aims. The introduction of the new Skills for Life learning infrastructure, including the development of new qualifications against nationally devised standards, created significant problems for some providers engaged in this area of work. The clearly stated policy required to deliver the Skills for Life agenda, requesting providers to address the overall volume of OP and give consideration of the vast range of the qualification aims that were previously being funded, highlights some of the key stages in the delivery of the agenda. This approach of providing support to both providers and local LSCs through the delivery of specific Skills for Life support events focusing on coding and funding, combined with a clearly stated policy for both planning and funding plus the use of a number of fact sheets and bulletins, has clearly had an overall impact with respect to this area of provision.

145 The above is also supported in *Mandatory Instructions for Local LSCs – Managing the Balance and Mix of Provision 2005/06*, a document produced by the LSC, which states:

Nationally, more than half (56 per cent) of Skills for Life provision currently funded does not directly contribute towards the Skills for Life targets. Local LSCs should work with providers to achieve a more appropriate balance. Similarly, an improvement in the ratio of individual learner participation to individual learner achievement is needed to move closer to the original planning assumption. FE data shows that this overall ratio is currently 3:1 although the original planning assumption was 2.4:1. If these issues are not addressed it will prove difficult to achieve the 2007 milestone and 2010 target and stay within budget.

146 This suggests that an approach that includes developing effective procedures for the planning, validation, monitoring and control of activity targeted at a local and/or regional level for use by both providers and local LSCs to help raise awareness of the key issues and engage providers in meaningful dialogue around the mix and balance of provision can be successful and should be encouraged. Success to date in this area has not been achieved without allocation of a significant resource into this one major area of provision.

147 *Mandatory Instructions for Local LSCs – Managing the Balance and Mix of Provision 2005/06* also states with respect to Skills for Life:

We need to establish benchmarks that offer guidance in the proportion of provision that should count towards the target. As an interim measure, we propose a national benchmark of 80 per cent of Skills

for Life provision that is made up of approved qualifications, with only 20 per cent in the other provision category. The 80 per cent benchmark would comprise a combination of provision directly contributing for the first time towards the target, first-rung provision, and provision for those who have already achieved a first literacy, language or numeracy qualification but who are now progressing further through the qualification levels. Clearly, this is just a guide and actual proportions will vary according to local and regional needs and the type of provider. Balance in the mix of provision should be sought across local and regional areas.

Key issue – approach to purchasing, including validation, monitoring and control of activity

148 The review suggest the above approach to the management of Skills for Life activity could be developed further, making use of the available data. This would include a consideration of the wider purchasing aspects of qualifications and OP, and the translation and understanding of the nature of a provider’s current curriculum offer and the potential relationship to the delivery of national priorities and targets.

ESOL Provision

Data analysis

149 Tables 13 to 18 provide an analysis of ESOL activity.

Table 13: ESOL enrolments, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All ESOL	444,035	437,570	40,234	12,334
OP (Cat. 98)	423,629	417,552	38,295	12,146
S97 (Cat. 2)	12	12	0	0
S96 & S97 (Cat. 3)	20,371	19,983	1,939	188

- In 2002/03, LSC-funded OP ESOL learning aims accounted for 7 per cent of all LSC-funded enrolments on OP.
- There were 437,570 LSC-funded enrolments on ESOL courses, of which 417,552 (95 per cent) were recorded as Other Provision.

Table 14: Breakdown of funding for ESOL provision, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partner funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,193,000
All ESOL	£6,291,693	£233,277,176	£239,568,869	£32,117,002	£7,632,000
OP (Cat. 98)	£5,969,821	£221,978,970	£227,948,791	£31,213,318	£7,427,000
S97 (Cat. 2)	£0	£1,900	£1,900	£0	£0
S96 & S97 (Cat. 3)	£313,934	£11,249,969	£11,563,902	£903,684	£205,600

- In 2002/03, LSC-funded OP ESOL courses were funded by the LSC to the value of £227,948,791.
- This represented 12 per cent of all OP costs.

Table 15: ESOL enrolments, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All ESOL	471,546	463,612	38,675	10,718
OP (Cat. 98)	388,187	382,893	32,780	7,071
S97 (Cat. 2)	154	154	0	0
S96 & S97 (Cat. 3)	83,191	80,551	5,895	3,647

- In 2003/04, LSC-funded OP ESOL learning aims accounted for 10 per cent of all LSC-funded enrolments on OP.
- There were 463,612 LSC-funded enrolments on ESOL courses, of which 382,893 (83 per cent) were recorded as Other Provision.

Table 16: Breakdown of funding for ESOL provision, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,431,776
All ESOL	£5,059,473	£255,713,817	£260,773,290	£30,069,070	£8,159,062
OP (Cat. 98)	£4,115,985	£197,999,719	£202,115,704	£25,778,492	£4,830,478
S97 (Cat. 2)	£0	£25,546.47	£25,546.47	£0	£0
S96 & S97 (Cat. 3)	£940,499	£57,661,553	£58,602,052	£4,290,578	£3,328,584

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- In 2003/04, LSC-funded OP ESOL courses were funded by the LSC to the value of £202,115,704.
- This represented 17 per cent of all OP costs.

Table 17: ESOL enrolments, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
All ESOL	240,144	231,468	9,082	3,074
OP (Cat. 98)	176,897	172,542	3,927	1,331
S97 (Cat. 2)	248	239	147	0
S96 & S97 (Cat. 3)	62,999	58,687	5,008	1,743

- In 2004/05, LSC-funded OP ESOL learning aims accounted for 13 per cent of all LSC-funded enrolments on OP.
- There were 231,468 enrolments on ESOL courses, of which 172,542 (75 per cent) were recorded as Other Provision.

Table 18: Breakdown of funding for ESOL provision, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All ESOL	£713,294	£156,478,531	£157,191,824	£7,724,198	£2,623,531
OP (Cat. 98)	£498,593	£96,277,568	£96,776,162	£2,861,716	£835,242
S97 (Cat. 2)	£0	£132,553	£132,553	£98,019	£0
S96 & S97 (Cat. 3)	£214,700	£60,068,409	£60,283,109	£4,764,462	£1,788,289

- In 2004/05, LSC-funded OP ESOL courses were funded by the LSC to the value of £96,776,162.
- This represented 16 per cent of all OP costs.

Learning aim analysis

150 In 2002/03, 2003/04 and 2004/05, the learning aim with the highest number of enrolments and funding was the Basic ESOL course at Entry Level (CBSE0002).

- In 2002/03, this learning aim had 162,795 LSC-funded enrolments and a funding value of £112,105,148.
- In 2003/04, this had increased to 171,618 LSC-funded enrolments and a funding value of £113,721,503.
- In 2004/05, this learning aim had 71,577 enrolments and a funding value of £66,941,197.

Commentary

- 151 It was not a simple process to identify ESOL provision from the full range of learning aims included in the overall data provided. It was necessary to develop a complex analytical syntax in order to be able to identify all of the learning aims that have been categorised as ESOL for this project. This is due to the diverse range of these aims, which fall across a range of areas of learning and meet a broad spectrum of learning needs. From this categorisation, the learning aims included in this analysis provide a robust sample from which to begin to make further judgements on the scope and nature of provision in this area.
- 152 ESOL can be seen to take up a significant proportion of OP activity, (between 7 and 13 per cent of all of LSC-funded OP). The expenditure on all ESOL provision continues to grow quite significantly (40 per cent between 2001/02 and 2002/03 and a further 10 per cent between 2002/03 and 2003/04).
- 153 The greatest volume of ESOL (approximately 70 per cent in 2004/05) is being delivered through learning aims that are recorded as having an awarding body as “None” and are therefore internally certificated “Other Provision”.
- 154 It is hoped that the new ESOL qualifications and associated guidance that have been issued by the LSC regarding both the new arrangements for the delivery of ESOL and the key messages as outlined in *Mandatory Instructions for Local LSCs – Managing the Balance and Mix of Provision 2005/06* should begin to address this situation.
- 155 The new Certificates in ESOL Skills for Life are the actual approved ESOL qualifications that are both eligible for funding and count towards the target, from 1 January 2005. However, the data analysis still shows the extent of the changes to curriculum that are required by providers in order for this to be fully realised. *Mandatory Instructions for Local LSCs – Managing the Balance and Mix of Provision 2005/06* suggests an 80:20 balance towards the delivery of nationally recognised qualifications, yet at the beginning of the academic year 2004/05 there were only 18,484 (approximately 8 per cent) of all ESOL enrolments recorded against the new ESOL Skills for Life qualifications. The 80:20 balance is aspirational, and local

LSCs and their providers are expected to work towards this in an appropriate way.

- 156 This is further complicated in 2004/05 by the perception of providers that the new qualifications were late to market and that there was a paucity of available teaching materials in order to facilitate delivery. The combination of the extent of change required and the “readiness” of the new qualifications could well have resulted in some providers suggesting they were not able to move provision quickly enough this year to meet the required curriculum change.
- 157 It is also important to recognise the political and equal opportunity arguments that are likely to be brought about by the removal of any ESOL OP.
- 158 As the new ESOL Skills for Life qualifications are now available at all levels from Entry Level 1 through to Level 2, it is important that providers realise they no longer have to offer OP to learners at Entry Levels 1 and 2. This requires an acceptance that OP is **not** the only route to qualifications that can count towards the target.
- 159 Furthermore, the new qualifications are unitised. This should mean that learners who enrol on even just one unit at Entry Level 1 can gain a “toehold” on the bottom rung of the qualifications ladder. This should mean that very few learners will be excluded from accessing the new qualifications.
- 160 It is essential for the introduction of the new qualifications to continue to be monitored closely at a national and local level, throughout the current academic year (2004/05) using the latest ILR data returns. Further analysis will need to be undertaken to review the migration to new qualifications and the associated impact on OP volumes.
- 161 It is also apparent from the latest data analysis that if the new guidance as set out for planning ESOL in *Mandatory Instructions for Local LSCs – Managing the Balance and Mix of Provision 2005/06* is not observed and the new qualifications are not implemented effectively by providers, then the overall volume of OP could continue to grow while adding only very limited value to learners, combined with not making any contribution towards key Skills for Life targets.

Key issue – monitoring the acceptance of the new ESOL Skills for Life qualifications

- 162 Given that ESOL represents a significant volume of OP it would seem appropriate to develop a mechanism to make capturing this data on an ongoing basis a much simpler task. It may therefore be appropriate to consider developing a “flag” on the ILR to identify specifically all ESOL provision.
- 163 The introduction of the new qualifications for this year should soon begin to address the current plethora of ESOL qualifications on offer. However, as indicated in the data review, the main area of

participation has previously been through OP. This, combined with perceived transition issues, could, if not closely monitored through the planning cycle by local LSCs, have limited impact on the overall volume of OP in this area.

- 164 One of the colleges visited as part of phase 2 of the study confirmed that, in line with LSC priorities, the college was currently working to transfer all of its ESOL provision to the new qualifications but wished to highlight the fact that many ESOL learners, and also basic literacy and numeracy learners, are assessed as functioning at below Entry Level 3. A broad-brush figure for the proportion of this level of work in 2003/04 suggests that, in this case, approximately 70 per cent of learners were estimated to be at this pre-target level. This volume of activity was estimated to be equivalent to just under 50 per cent of the college's current funding value for all OP.
- 165 The new qualifications are not seen as posing any problems with regard to their suitability and applicability to learners at Entry Level 3, Level 1 and Level 2. In fact, the coherence of the framework and the availability of more assessment opportunities are welcomed. Indeed, the percentage of ESOL learners who have been entered for a national qualification has already risen from 10 per cent to 90 per cent over recent years. However, it is useful to bear in mind that certificates in ESOL Skills for Life are available for learners at Entry Levels 1, 2 and 3.
- 166 The issue was seen to be more about the general ability of learners in this area of provision to be able to progress to the level of qualification that can contribute towards the national target for Skills for Life.

Modern Foreign Languages Provision

Data analysis

- 167 Tables 19 to 24 provide an analysis of modern foreign languages (MFL) activity.

Table 19: MFL enrolments, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Nu par
Total OP for 2002/03	6,363,974	6,068,248	677,919	297
All MFL	192,338	190,602	5,688	892
OP (Cat. 98)	158,557	156,875	4,957	837
S96 & S97 (Cat. 3)	33,781	33,727	731	55

- In 2002/03, LSC-funded OP MFL learning aims had 3 per cent of all LSC-funded enrolments on OP.

- There were 190,602 enrolments on MFL courses, of which 156,875 (82 per cent) studied OP.

Table 20: Breakdown of funding for MFL provision, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,193,4
All MFL	£1,077,755	£43,214,769	£44,292,524	£1,028,248	£340,153
OP (Cat. 98)	£836,147	£31,430,639	£32,266,786	£871,607	£310,241
S96 & S97 (Cat. 3)	£241,608	£11,784,130	£12,025,738	£156,641	£29,912

- In 2002/03, OP MFL courses were funded by the LSC to the value of £32,266,786.
- This represented 2 per cent of all OP costs.

Table 21: MFL enrolments, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnership
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All MFL	228,949	226,605	5,549	1,399
OP (Cat. 98)	163,351	161,225	4,104	1,087
S97 (Cat. 2)	53	53	4	0
S96 & S97 (Cat. 3)	58,193	57,989	1,420	294
Components (Cat. 6)	7,352	7,338	21	18

- In 2003/04, LSC-funded OP MFL learning aims had 4 per cent of all LSC-funded enrolments on OP.
- There were 226,605 LSC-funded OP enrolments on MFL courses, of which 161,225 (71 per cent) studied OP.

Table 22: Breakdown of funding for MFL provision, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,431,776
All MFL	£1,215,657	£51,120,127	£52,335,784	£1,025,548	£574,290

OP (Cat. 98)	£682,372	£27,447,829	£28,130,201	£685,386	£441,450
S97 (Cat. 2)	£2,002	£26,235	£28,237	£911	£0
S96 & S97 (Cat. 3)	£440,503	£19,302,826	£19,743,329	£332,622	£122,382
Components (Cat. 6)	£90,780	£4,343,238	£4,434,018	£6,629	£10,458

- In 2003/04, OP MFL courses were funded by the LSC to the value of £28,130,201.
- This represented 2 per cent of all OP costs.

Table 23: MFL enrolments, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
All MFL	179,342	170,679	3,356	771
OP (Cat. 98)	113,483	105,249	2,607	534
S97 (Cat. 2)	66	66	0	0
S96 & S97 (Cat. 3)	59,326	58,936	739	231
Components (Cat. 6)	6,467	6,428	10	6

- In 2004/05, LSC-funded OP MFL learning aims had 8 per cent of all LSC-funded enrolments on OP.
- There were 170,679 enrolments on LSC-funded MFL courses, of which 105,249 (62 per cent) studied OP.

Table 24: Breakdown of funding for MFL provision, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All MFL	£311,727	£49,531,414	£49,843,141	£768,428	£305,947
OP (Cat. 98)	£176,110	£22,999,224	£23,175,335	£555,970	£202,626
S97 (Cat. 2)	£0	£39,751	£39,751	£0	£0
S96 & S97 (Cat. 3)	£113,493	£22,484,320	£22,597,813	£208,483	£99,466
Components (Cat. 6)	22,123	4,008,120	4,030,243	3,975	3,855

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- In 2004/05, OP MFL courses were funded by the LSC to the value of £23,175,335.
- This represented 4 per cent of all OP costs.

Learning aim analysis

Specific language provision

- 168 In 2002/03, the specific OP qualification with the greatest level of funding and enrolments was ABC's Practical Languages Preliminary (00250781), with 6,525 enrolments and a value of £1,231,458.
- 169 In 2003/04, the OP learning aim with the greatest number of enrolments was Modern Languages (City Literary Institute) (00230627), with 4,299 enrolments and a funding value of £538,986.
- 170 In 2004/05, again the OP learning aim with the greatest number of enrolments was Modern Languages (City Literary Institute) (00230627) with 1,889 enrolments and a funding value of £228,263.

Generic language provision

- 171 **Learning aim analysis at provider level suggests language provision is one area that makes significant use of a wide range of generic learning aims to record language-based activity.** In 2002/03, and 2003/04, the "generic" OP learning aim with the greatest level of enrolments and funding that could be used to record MFL activity, was the non-externally certificated other provision, PW A, Level 1, area of learning 13 (C9OP113A), which had 17,706 LSC-funded enrolments and a total funding value of £2,146,343 in 2002/03, increasing to 26,274 enrolments with a corresponding funding value of £3,384,343 in 2003/04. In 2004/05, the OP qualification with the greatest level of funding and enrolments was the generic Credit Achievement Code (NOCN): Level 1, Credit Achievement Target 2, PW A, area of learning 13 (CN10213A), which had 19,797 enrolments and a funding value of £4,848,470. It is highly likely that this activity more specifically relates to locally accredited Open College Network (OCN) provision. Although it was not confirmed that these generic codes are used to exclusively categorise only language provision, it is evident that a significant number of providers choose to use these particular codes to record provision in this way.

Commentary

- 172 Again, this was a broad curriculum area that was not simple or easy to categorise or classify. At the commencement of the review, there appeared to be minimal data analysis available in respect of the identification of modern, foreign and community languages. The

review therefore set out to identify learning aims that were being offered within sub-programme area 9B that may be accredited by awarding bodies or other external organisations that have not been submitted or accepted onto the NQF against those qualifications that feature in section 96 and/or section 97 and/or components of approved qualifications.

- 173 As programme areas are no longer used for analysis, it soon became clear from the first part of the review that the code would need to be further revised in an attempt to capture more accurately the learning aims used to record language learning programmes. The later analysis therefore now makes use of Area of Learning (AOL) code 13 English, Languages and Communications and further classifies languages by means of the learndirect classification system code as recorded in the LAD.
- 174 The LSC has a commitment to support the development of the National Languages Strategy and has produced a policy position statement as part of the report of the Modern Foreign Language Conference on 8 November 2004, which is intended to support local LSCs in the production of action plans in this area. Those action plans will need to balance some of the tensions with regard to the balance of OP for delivery of MFL.
- 175 The implications of the introduction of the Asset Languages Assessment Scheme are likely to become apparent following its piloting during 2004/05 and 2005/06. The Asset Languages Assessment Scheme is designed to reward language skills for learners of all ages and abilities, from primary to adult, by measuring them against the national Languages Ladder of proficiency. The Languages Ladder is a voluntary recognition scheme designed to endorse achievement in languages skills.
- 176 The data presented in this report for 2004/05 will include pilot provision through the Asset Languages Assessment Scheme (ALAS), detailed in the ILR (Field A09). The qualifications are categorised by level, language and skill. The skills are listening, reading, writing and speaking. The levels are Breakthrough, Preliminary and Intermediate, which are equal to the NQF levels Entry Level, Level 1 and Level 2. Each level comprises three different grades: Breakthrough, grades 1 to 3; Preliminary, grades 4 to 6; and Intermediate, grades 7 to 9. The languages available initially for the pilot are French, German and Spanish. Further languages will be offered throughout the pilot.
- 177 ALAS offers external assessment for OCR qualifications at the interface between the stages and teacher assessment for the grades within each stage. For externally assessed aims, the appropriate NQF code should be used. These are available on the LAD: for example, 10044589 Certificate in French Listening (Intermediate) (LLAS) (Pilot). For teacher-assessed aims, class codes have been

created on the LAD. The codes for the Asset Languages Pilot Scheme include the level (Entry Level, Level 1 and Level 2) and skill (Listening, Writing and Speaking) and are formatted as shown in the example: ZLLASELI Asset Languages Pilot Scheme, Teacher Assessment, grades 1 to 3, Listening. Each code can be used for any of the languages offered and a single code be used more than once for the same learner.

Key issue – potential rise in course fees for some types of language programmes

- 178 Some OP programmes have been identified in this area that could be considered to be more leisure- or recreation-based, for example, holiday or conversational French or Spanish. A number of providers have already commented that it may be appropriate to further review the range of provision in this area and, where appropriate, move more towards increasing programme fees to recover more accurately the delivery arrangements for “fully costed” language provision.
- 179 Phase 2 visits confirmed the sensitivity regarding this aspect of shifting language provision into “full cost”. Concerns were raised by some providers in relation to the fees that may need to be charged for this type of provision in the future.

Adult Leisure- and Recreation-based Provision

Data analysis

180 Tables 25 to 30 provide an analysis of adult leisure- and recreation- (ALR) based course activity.

Table 25: ALR enrolments, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All leisure	54,715	13,403	646	11
OP (Cat. 98)	54,715	13,403	646	11

- In 2002/03, LSC-funded OP leisure courses had 0.2 per cent of all enrolments on OP courses.
- There were 13,403 enrolments on leisure courses, of which 13,403 (100 per cent) studied OP.

Table 26: Breakdown of funding for ALR provision, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,193,495
All leisure	£140,285	£1,018,402	£1,158,687	£502	£0
OP (Cat. 98)	£140,285	£1,018,402	£1,158,687	£502	£0

- In 2002/03, OP leisure courses were funded by the LSC to the value of £1,158,687.
- This represented 0.1 per cent of all OP costs.

Table 27: ALR enrolments, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All leisure	19,870	940	31	61
OP (Cat. 98)	19,870	940	31	61

- In 2003/04, LSC-funded OP leisure courses had 0.02 per cent of all enrolments on OP courses.
- There were 940 enrolments on leisure courses, of which 940 (100 per cent) studied OP.

Table 28: Breakdown of funding for ALR, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,431,776
All leisure	£72,969	£209,224	£282,192	£629	£0
OP (Cat. 98)	£72,969	£209,224	£282,192	£629	£0

- In 2003/04, OP leisure courses were funded by the LSC to the value of £282,192.
- This represented 0.02 per cent of all OP costs.

Table 29: ALR enrolments, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
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Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
All leisure	29,535	420	64	45
OP (Cat. 98)	29,535	420	64	45

- In 2004/05, LSC-funded OP leisure courses had 0.003 per cent of all enrolments on OP courses.
- There were 420 enrolments on leisure courses, of which 420 (100 per cent) studied OP.

Table 30: Breakdown of funding for ALR, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All leisure	£28,517	£131,021	£159,539	£0	£0
OP (Cat. 98)	£28,517	£131,021	£159,539	£0	£0

- In 2004/05, OP leisure courses were funded by the LSC to the value of £159,539.
- This represented 0.03 per cent of all OP costs.

Learning aim analysis

181 In 2002/03, the highest number of enrolments on an OP learning aim was “All other education/leisure type courses, area of learning 8” Hospitality, Sports, Leisure and Travel (COEDL008), with 1,445 enrolments.

182 By funding, it was “All other education/leisure type courses, area of learning 5” Business, Administration, Management and Professional (COEDL005), with £239,159.

183 In 2003/04, and 2004/05, the highest number of enrolments and funding was on ESB’s Leisure Travel and Tourism (00114162), with 686 enrolments and a funding value of £130,719 in 2003/04, and 213 enrolments and a funding value of £44,442 in 2004/05.

Commentary

184 This is a difficult area to comment on authoritatively, as it is not possible to easily categorise learning aims that could be considered “leisure-based”. The above information is only looking at a very specific subset of learning aims in education and leisure and does not include the “College Devised Other Provision” codes (for example, C9OP/X9OP prefixed). This group of learning aims is categorised separately in the data reports (category 200).

- 185 There are providers who genuinely use leisure-type programmes as a means to widen participation by engaging with learners described as “hard to reach”, and a much smaller number of providers who choose to deliver predominantly leisure-based programmes for a specific group of learners, where the context is clearly recreational or leisure-based.
- 186 The review confirms that provision in this area is variable across local LSCs. The LSC consultation document *Reforming the Funding and Planning Arrangements for First Steps, Personal and Community Development Learning for Adults* similarly highlights the fact that the level of provision, the offer to learners and what individuals pay for their courses often differs dramatically between areas.
- 187 This raises questions about the way LSC funds should be used and the priorities and principles set out for the use of public funds in the Skills Strategy. Programmes delivered in this area are currently the subject of the consultation on how to “safeguard” provision, as required in the White Paper.
- 188 The above requires an assessment of the potential impact on provision should providers perceive the need to “realign” their policy for delivery of this type of activity. This could be as a result of identifying any programmes that might be considered as being “out-of-scope” with regard to reconsidering the eligibility requirements for receipt of LSC FE funds or as a consequence of changes brought about by the outcome of the fees consultation document referred to in paragraph 186 above.
- 189 The nature of some qualifications offered by particular awarding bodies might also be considered to be more recreational, especially in areas such as fitness and/or exercise, or outdoor pursuits such as sailing. For example, in 2002/03, the qualifications offered by the Royal Yachting Association supported almost 9,400 LSC-funded enrolments to the value of some £1.5 million. Some of these qualifications are regulated by the Maritime and Coastguard Agency, but given the scale of activity it might also be appropriate to consider the context in which they are used.
- 190 This suggests the need to develop further an approach that attempts to assess the “recreational” or “skills” value of individual qualifications or groups of qualifications offered to learners by particular awarding bodies. This is similar to a previous approach adopted by the FEFC with respect to diving qualifications. It would involve establishing clear and consistent criteria to communicate the potential of each award to contribute directly or indirectly to national targets or priorities.
- 191 The qualitative input from providers to date is that increasing fees to relate them more directly to the actual full cost of the provision for some types of programme would not be advisable, as not all learners could afford to pay. Some providers also state that they believe a

major change in this area would lead to a reduction in the overall number of learners who could then have the potential to contribute to national targets. This approach could also be seen to be particularly sensitive, as it is also likely that accusations would be made by some providers against the LSC with respect to the changes introduced that, they would argue, would result in reducing participation and the current focus on issues of equality of opportunity.

- 192 Future changes could also include developing a means testing process for different types of activity for individual learners based on their ability to pay. However, this would again be seen to be increasing bureaucracy and introducing barriers to participation at a time when the emphasis is very much on reducing bureaucracy in FE.
- 193 It was not possible to quantify the perception of individual learners during this study to a potential change in respect of a change in fee policy for particular types of programmes in this area. However, it may be possible to gain the views of some of the validating bodies as to the type and nature of the individual who chooses to access particular types of leisure or recreational programmes.

Key issue – high rises in course fees for some types of leisure and recreational programmes

- 194 Phase 2 visits confirmed much of the above and also highlighted the wide variation in approach to the current arrangements of charging fees.
- 195 One former external institution visited currently has a policy of not charging course fees for any of its programmes. Naturally, concerns were raised, not only by the significant shift in policy required by this provider and the political and local sensitivities this change would bring, but also by a much larger number of providers in relation to the increase in fees that they may need to charge in the future.
- 196 A number of providers commented that they were moving a range of ALR-based courses into full-cost recovery from an essentially subsidised situation. They were also planning to substantially increase course fees over a very short timescale, essentially in time for the next academic year. The main concerns related to the potential for substantial negative publicity for both the provider and ultimately the LSC, from what is a potentially articulate and politically aware segment of the community, who are more than likely to voice their disapproval of any substantial increase in fees to their locally elected leaders. There was also anecdotal evidence during the phase 2 visits that some colleges had already responded, or planned to respond, to the policy imperative to increase fees, only to find that neighbouring colleges had not planned to do so. In one instance, a college had actually reduced fees, or in some cases removed fees

completely, in order to be able to compete with other colleges (in this case across a local LSC boundary).

- 197 It is also recognised that for some, attending ALR learning is a main point of social contact during the week, and that this activity fulfils more than just the acquisition of skills or knowledge. When questioned, providers commented that they were unclear, at the time of the visits, about the potential impact any increase in fees would have on future demand for the wide range of programmes in this area.

3- and 6-ghl Basic Skills Provision

Introduction

- 198 Short learning aims for basic skills learners were first introduced in 2001/02. The LSC recognised that if learners were to be engaged in this high priority area of provision, there was a need for basic skills provision to be offered with maximum flexibility. Short programmes were designed to enable colleges and other institutions to provide attractive learning opportunities, which would engage learners and enable progression onto longer learning aims.
- 199 Funding guidance confirms that a learner may follow programmes of both 3 and 6 ghl in adult basic skills, provided that the institution can demonstrate that the two programmes have significantly different learning goals. For example, an institution might use a 3 ghl programme as an extended period of diagnostic assessment for individuals with adult basic skills needs (up to a maximum of one such assessment for each of the basic skills: that is, literacy, numeracy and ESOL). Current guidance also confirms a combination of up to one 3-ghl and one 6-ghl programme for each basic skill would be eligible for funding, with the expectation that the learners would then progress onto a more substantial programme. Therefore, for each learner, up to 27 hours of short learning aim provision in relation to basic skills may be claimed (that is, three lots of 3 ghl plus three lots of 6 ghl).
- 200 All learning aims recorded in these categories are, of course, classified as OP and therefore feature as part of the 20 per cent benchmark suggested in *Mandatory Instructions for Local LSCs – Managing the Balance and Mix of Provision 2005/06*.

3-ghl basic skills courses (category 120)

- 201 Tables 31 to 36 provide an analysis of 3-ghl basic skills course activity.

Table 31: Enrolments on 3-ghl basic skills courses, 2002/03.

	Number of	Number of LSC	Number of	Number of
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	enrolments	funded (A10)	franchised	partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All 3 glh basic skills	198,128	185,905	2,692	1,046
OP (Cat. 98)	198,128	185,905	2,692	1,046

- In 2002/03, LSC-funded 3 glh basic skills learning aims had 3 per cent of all enrolments on OP courses.
- There were 185,905 LSC-funded enrolments, of which 185,905 (100 per cent) studied OP.

Table 32: Breakdown of funding for 3-glh basic skills courses, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,193,495
All 3 glh basic skills	£2,631,829	£8,891,513	£11,523,342	£120,644	£55,007
OP (Cat. 98)	£2,631,829	£8,891,513	£11,523,342	£120,644	£55,007

- In 2002/03, 3 glh basic skills learning aims were funded by the LSC to the value of £11,523,342.
- This represented 0.6 per cent of all OP costs.

Table 33: Enrolments on 3-glh basic skills courses, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All 3 glh basic skills	288,942	273,688	10,149	1,855
OP (Cat. 98)	288,942	273,688	10,149	1,855

- In 2003/04, LSC-funded 3 glh basic skills learning aims had 7 per cent of all enrolments on OP courses.
- There were 273,688 LSC-funded enrolments, of which 273,688 (100 per cent) studied OP.

Table 34: Breakdown of funding for 3-ghl basic skills courses, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,431,7
All 3 ghl basic skills	£4,953,628	£14,701,678	£19,655,306	£526,155	£102,814
OP (Cat. 98)	£4,953,628	£14,701,678	£19,655,306	£526,155	£102,814

- In 2003/04, 3 ghl basic skills learning aims were funded by the LSC to the value of £19,655,306.
- This represented 1.6 per cent of all OP costs.

Table 35: Enrolments on 3-ghl basic skills courses, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
All 3 ghl basic skills	161,548	150,457	3,252	1,050
OP (Cat. 98)	161,548	150,457	3,252	1,050

- In 2004/05, LSC-funded 3 ghl basic skills learning aims had 11 per cent of all enrolments on OP courses.
- There were 150,457 LSC-funded enrolments, of which 150,457 (100 per cent) studied OP.

Table 36: Breakdown of funding for 3-ghl basic skills courses, 2004/05.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All 3 ghl basic skills	£1,156,479	£8,266,578	£9,423,057	£185,345	£55,780
OP (Cat. 98)	£1,156,479	£8,266,578	£9,423,057	£185,345	£55,780

- In 2004/05, 3 ghl basic skills learning aims were funded by the LSC to the value of £9,423,057.
- This represented 1.6 per cent of all OP costs.

Learning aim analysis

202 Tables 37 to 39 illustrate the use of the 3-glh diagnostic tests or short courses in each basic skill area.

Table 37: Use of 3-glh diagnostic tests or short courses in each basic skill area, 2002/03.

Aim title	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnership	LSC funding	Franchised funding	Partnership funding
Diagnostic test in literacy, 3 glh	57,065	51,562	500	30	£3,770,809	£19,661	£1,475
Short course in ESOL, 3 glh	47,085	46,488	169	940	£2,204,265	£7,892	£49,656
Diagnostic test in ESOL, 3 glh	39,147	38,178	631	0	£2,186,985	£30,182	£0
Diagnostic test in numeracy, 3 glh	28,145	23,655	53	30	£1,903,150	£2,655	£1,547
Short course in literacy, 3 glh	19,595	19,175	1,107	21	£1,074,966	£50,175	£1,080
Short course in numeracy, 3 glh	7,074	6,830	231	25	£381,509	£10,042	£1,249
Short course in numeracy, 3 glh	10	10	0	0	£1,518	£0	£0
Short course in ESOL, 3 glh	6	6	0	0	£103	£0	£0
Short course in literacy, 3 glh	1	1	1	0	£36	£36	£0
Totals	198,128	185,905	2,692	1,046	£11,523,342	£120,644	£55,007

Table 38: Use of 3-glh diagnostic tests or short courses in each basic skill area, 2003/04.

Aim title	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnership	LSC funding	Franchised funding	Partnership funding
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Diagnostic test in literacy, 3 glh	97,009	89,825	2,224	240	£7,026,430	£109,993	£11,65
Diagnostic test in ESOL, 3 glh	65,497	64,465	2,313	99	£4,134,378	£122,699	£5,269
Diagnostic test in numeracy, 3 glh	64,651	58,486	1,534	212	£4,642,117	£81,616	£10,28
Short course in literacy, 3 glh	30,007	29,723	2,002	0	£1,931,974	£104,788	£0
Short course in ESOL, 3 glh	21,993	21,607	1,146	1,304	£1,364,152	£62,350	£75,60
Short course in numeracy, 3 glh	9,785	9,582	930	0	£556,254	£44,709	£0
Totals	288,942	273,688	10,149	1,855	£19,655,306	£526,155	£102,8

Table 39: Use of 3-glh diagnostic tests or short courses in each basic skill area, 2004/05 (F01).

Aim title	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnership	LSC funding	Franchised funding	Partne funding
Diagnostic test in ESOL, 3 glh	51,594	50,455	537	113	£2,993,677	£31,977	£6,054
Diagnostic test in literacy, 3 glh	48,740	43,910	573	94	£2,875,149	£29,637	£4,692
Diagnostic test in numeracy, 3 glh	33,765	29,333	369	228	£1,969,174	£19,410	£11,51
Short course in ESOL, 3	11,846	11,454	624	570	£645,051	£37,787	£31,09

glh							
Short course in literacy, 3 glh	11,411	11,207	1,030	45	£702,288	£59,939	£2,421
Short course in numeracy, 3 glh	4,192	4,098	119	0	£237,718	£6,595	£0
Totals	161,548	150,457	3,252	1,050	£9,423,057	£185,345	£55,78

6-hour basic skills courses (category 130)

203 Tables 40 to 45 provide an analysis of 6-glh basic skills course activity.

Table 40: Enrolments on 6-glh basic skills courses, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All 6 glh basic skills	1,199	1,177	0	225
OP (Cat. 98)	1,199	1,177	0	225

- In 2002/03, LSC-funded 6-glh basic skills learning aims had 0.02 per cent of all enrolments on OP courses.
- There were 1,177 LSC-funded enrolments, of which 1,177 (100 per cent) studied OP.

Table 41: Breakdown of funding for 6-glh basic skills courses, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,193,495
All 6 glh basic skills	£7,160	£94,226	£101,386	£0	£17,486
OP (Cat. 98)	£7,160	£94,226	£101,386	£0	£17,486

- In 2002/03, 6-glh basic skills learning aims were funded by the LSC to the value of £101,386.
- This represented 0.005 per cent of all OP costs.

Table 42: Enrolments on 6-glh basic skills courses, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All 6 glh basic skills	19,604	19,196	1,222	2
OP (Cat. 98)	19,604	19,196	1,222	2

- In 2002/03, LSC-funded 6-glh basic skills learning aims had 0.5 per cent of all enrolments on OP courses.
- There were 19,196 LSC-funded enrolments, of which 19,196 (100 per cent) studied OP.

Table 43: Breakdown of funding for 6-glh basic skills courses, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,431,776
All 6 glh basic skills	£202,319	£1,559,861	£1,762,180	£102,928	£148
OP (Cat. 98)	£202,319	£1,559,861	£1,762,180	£102,928	£148

- In 2003/04, 6-glh basic skills learning aims were funded by the LSC to the value of £1,762,180.
- This represented 0.1 per cent of all OP costs.

Table 44: Enrolments on 6-glh basic skills courses, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
All 6 glh basic skills	14,579	14,426	793	0
OP (Cat. 98)	14,579	14,426	793	0

- In 2004/05, LSC-funded 6-glh basic skills learning aims had 1.0 per cent of all enrolments on OP courses.
- There were 14,426 LSC-funded enrolments, of which 14,426 (100 per cent) studied OP.

Table 45: Breakdown of funding for 6-ghl basic skills courses, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All 6 ghl basic skills	£68,430	£1,225,589	£1,294,018	£69,131	£0
OP (Cat. 98)	£68,430	£1,225,589	£1,294,018	£69,131	£0

- In 2004/05, 6-ghl basic skills learning aims were funded by the LSC to the value of £1,294,018.
- This represented 0.2 per cent of all OP costs.

Learning aim analysis

204 Tables 46 to 48 illustrate the use of the 6-ghl short courses in each basic skill area.

Table 46: Use of 6-ghl short courses in each basic skill area, 2002/03.

Aim title	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnership	LSC funding	Franchised funding	Partnership funding
Short course in ESOL, 6 ghl	752	732	0	225	£65,114	£0	£17,486
Short course in literacy, 6 ghl	425	423	0	0	£34,657	£0	£0
Short course in numeracy, 6 ghl	22	22	0	0	£1,615	£0	£0
Totals	1,199	1,177	0	225	£101,386	£0	£17,486

Table 47: Use of 6-ghl short courses in each basic skill area, 2003/04.

Aim title	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnership	LSC funding	Franchised funding	Partnership funding
Short course in	7,911	7,722	392	0	£728,812	£31,761	£0

literacy, 6 glh							
Short course in ESOL, 6 glh	7,882	7,788	729	2	£703,927	£63,272	£148
Short course in numeracy, 6 glh	3,811	3,686	101	0	£329,440	£7,896	£0
Totals	19,604	19,196	1,222	2	£1,762,180	£102,928	£148

Table 48: Use of 6-glh short courses in each basic skill area, 2004/05 (F01).

Aim title	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnership	LSC funding	Franchised funding	Partne funding
Short course in ESOL, 6 glh	6,423	6,320	380	0	£527,127	£32,153	£0
Short course in literacy, 6 glh	5,723	5,686	386	0	£560,143	£34,983	£0
Short course in numeracy, 6 glh	2,433	2,420	27	0	£206,748	£1,995	£0
Totals	14,579	14,426	793	0	£1,294,018	£69,131	£0

Commentary

205 As part of the Skills for Life agenda, 3- and 6-hour basic skills courses are used extensively by providers. A large proportion of this provision is likely to be used for diagnostic testing or as taster sessions to attract new learners, and the analysis shows that providers tend to use the 3-glh basic skills programmes mainly for diagnostic testing. English for speakers of other languages is the area that tends to make the most extensive use of short 3- and 6-glh programmes. It is shown that throughout the sector, 6-glh basic skills programmes are not well used, although there looks to be a significant increase in take-up of the 6-glh short courses, particularly between 2003/04 and 2004/05. Analysis between the F01 returns for 2003/04 and 2004/05 shows an increase in 3-glh programmes from

112,802 enrolments to 161,548 enrolments (43 per cent) and in 6-glh programmes, from 3,977 to 14,426 (262 per cent).

Key issue – monitoring uptake of 3- and 6-glh programmes in basic skills

- 206 Local LSCs should study activity further in this area to find out how and when short programmes are being used by providers – to meet individual learner need or as a block. It might also be appropriate to ask providers to evidence progression from short programmes in order to assess their effectiveness in helping to deliver the Skills for Life agenda. It is accepted that more effective use of the 3-glh diagnostic tests could lead to providers' making better judgements and earlier decisions about the most appropriate choice of nationally recognised qualification able to move the learner forwards rather than promoting further Skills for Life OP activity.
- 207 The review also identified examples in this area of colleges routinely claiming funding of 3- and 6-glh short programmes mainly for diagnostic tests undertaken by 16-18 year-old full-time learners. It is important to recognise that **in this instance the 3- and 6-glh short course provision is not eligible for funding for full-time learners.**

NOCN and OCN Provision

Data analysis

208 Tables 49 to 60 provide an analysis of NOCN and OCN provision.

Table 49: Enrolments on NOCN and OCN provision, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All OCN and NOCN	601,410	596,526	45,207	11,866
OP (Cat. 98)	568,181	563,476	45,122	11,737
S96 & S97 (Cat. 3)	6,504	6,478	34	126
Access QAA recognised (Cat. 4)	26,725	26,572	51	3

- In 2002/03, LSC-funded OCN OP learning aims had 9 per cent of all enrolments on OP courses.
- In 2002/03, there were 596,526 LSC-funded enrolments, of which 563,476 (94.5 per cent) studied OP.

Table 50: Breakdown of funding in NOCN and OCN provision, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,193,495
All OCN and NOCN	£26,590,487	£216,290,429	£242,880,916	£22,919,360	£5,997,222
OP (Cat. 98)	£23,026,434	£176,321,220	£199,347,654	£22,873,037	£5,827,827
S96 & S97 (Cat. 3)	£611,993	£5,354,703	£5,966,696	0	£169,396
Access QAA recognised (Cat. 4)	£2,952,060	£34,614,506	£37,566,566	£46,323	0

- In 2002/03, OCN OP learning aims were funded by the LSC to the value of £199,347,654.
- This represented 10 per cent of all OP costs.

Table 51: Enrolments on NOCN and OCN provision, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All OCN and NOCN	606,685	603,219	44,841	6,485
OP (Cat. 98)	554,161	550,880	43,796	5,983
S97 (Cat. 2)	111	111	0	0
S96 & S97 (Cat. 3)	19,354	19,258	897	485
Access QAA recognised (Cat. 4)	33,059	32,970	148	17

- In 2003/04, LSC-funded OCN OP learning aims had 14 per cent of all enrolments on OP courses.
- In 2003/04, there were 603,219 LSC-funded enrolments of which 550,880 (94.5 per cent) studied OP.

Table 52: Breakdown of funding for NOCN and OCN provision, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,431,776

All OCN and NOCN	£25,980,418	£230,251,390	£256,231,808	£21,271,063	£5,336,754
OP (Cat. 98)	£21,303,703	£167,362,207	£188,665,911	£19,969,193	£4,376,571
S97 (Cat. 2)	£205	£9,141	£9,346	£0	£0
S96 & S97 (Cat. 3)	£1,224,462	£18,351,613	£19,576,075	£1,118,386	£925,821
Access QAA recognised (Cat. 4)	£3,452,048	£44,528,429	£47,980,477	£183,485	£34,362

- In 2003/04, OCN OP learning aims were funded by the LSC to the value of £188,665,911.
- This represented 16 per cent of all OP costs.

Table 53: Enrolments on NOCN and OCN provision, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
All OCN and NOCN	320,384	313,397	16,628	2,849
OP (Cat. 98)	280,271	274,120	15,913	2,621
S97 (Cat. 2)	52	52	0	0
S96 & S97 (Cat. 3)	8,983	8,849	701	182
Access QAA recognised (Cat. 4)	31,078	30,376	14	46

- In 2004/05, LSC-funded OCN OP learning aims had 20 per cent of all enrolments on OP courses.
- In 2004/05, there were 313,379 LSC-funded enrolments of which 274,120 (87.5 per cent) studied OP.

Table 54: Breakdown of funding for NOCN and OCN provision, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All OCN and NOCN	£5,862,039	£176,226,315	£182,088,354	£9,838,913	£3,744,763
OP (Cat. 98)	£4,413,556	£107,460,354	£111,873,911	£9,378,305	£2,565,534
S97 (Cat. 2)	£0	£3,679	£3,679	£0	£0
S96 & S97 (Cat. 3)	£575,421	£12,811,237	£13,386,659	£420,272	£1,029,840

Access QAA recognised (Cat. 4)	£873,061	£55,951,044	£56,824,106	£40,337	£149,389
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- In 2004/05, OCN learning aims were funded by the LSC to the value of £111,873,911.
- This represented 19 per cent of all OP costs.

Learning aim analysis

209 For NOCN and OCN provision:

- In 2002/03, the highest number of enrolments on an OP learning aim was the Credit Achievement Code (NOCN): Level 1, Credit Achievement Target 1, PW B, area of learning 6 (ICT) (CN10106B) with 39,316 LSC-funded enrolments. The largest single amount of funding was spent on an Open College Network Basic ESOL Course, Entry Level (CNBSE002) with £14,476,874.
- In 2003/04, the highest number of enrolments on an OP learning aim was the Credit Achievement Code (NOCN): Level 1, Credit Achievement Target 1, PW B, area of learning 6 (CN10106B) with 44,470 LSC-funded enrolments. The largest single amount of funding was spent on an Open College Network Basic ESOL Course, Entry Level (CNBSE002) with £11,578,390.
- In 2004/05, the highest number of enrolments on an OP learning aim was the Credit Achievement Code (NOCN): Level 1, Credit Achievement Target 2, PW A, area of learning 13 (CN10213A) with 19,797 enrolments. The largest single amount of funding was spent on an Open College Network Basic ESOL Course, Entry Level (CNBSE002) with £ 5,047,534.

NOCN and OCN provision for 16–18 year olds

Table 55: Enrolments on NOCN and OCN provision for 16–18 year olds, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2002/03	1,625,640	1,488,757	32,441	9,291
All OCN and NOCN	78,680	77,817	2,307	789
OP (Cat. 98)	76,985	76,131	2,307	769
S96 & S97 (Cat. 3)	1,571	1,566	0	19
Access QAA recognised (Cat. 4)	124	120	0	1

- In 2002/03, LSC-funded OCN OP learning aims had 5 per cent of all enrolments on OP courses for 16-18 year-old learners.

- In 2002/03, there were 77,817 LSC-funded enrolments, of which 76,131 (97.8 per cent) studied OP.

Table 56: Breakdown of funding for NOCN and OCN provision for 16–18 year olds, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2002/03	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All OCN and NOCN	£6,691,719	£34,312,991	£41,004,270	£1,635,000	£488,069
OP (Cat. 98)	£6,453,477	£31,949,056	£38,402,532	£1,635,000	£460,170
S96 & S97 (Cat. 3)	£232,854	£2,076,015	£3,308,869	£0	£27,899
Access QAA recognised (Cat. 4)	£5,388	£287,480	£292,869	£0	£0

- In 2002/03, OCN OP learning aims were funded by the LSC to the value of £38,402,532.
- This represented 6 per cent of all OP costs.

Table 57: Enrolments on NOCN and OCN provision for 16–18 year olds, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	1,062,239	650,852	24,165	5,199
All OCN and NOCN	83,027	81,933	2,239	360
OP (Cat. 98)	79,000	77,926	2,140	344
S97 (Cat. 2)	8	8	0	0
S96 & S97 (Cat. 3)	3,723	3,707	86	16
Access QAA recognised (Cat. 4)	296	292	13	0

- In 2003/04, LSC-funded OCN OP learning aims had 12 per cent of all enrolments on OP courses for 16–18 year-old learners.
- In 2003/04, there were 81,933 LSC-funded enrolments, of which 77,926 (95 per cent) studied OP.

Table 58: Breakdown of funding for NOCN and OCN provision for 16–18 year olds, 2003/04.

	Additional support	Total funding less	LSC funding	Franchised funding	Partnership funding
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	funding	additional support			
Total OP for 2003/04	£52,225,681	£250,638,244	£302,863,926	£9,763,722	£1,938,434
All OCN and NOCN	£6,311,853	£38,353,852	£44,665,705	£1,632,158	£296,607
OP (Cat. 98)	£5,738,378	£31,848,015	£37,586,393	£1,487,681	£262,823
S97 (Cat. 2)	£0	£936	£936	£0	£0
S96 & S97 (Cat. 3)	£540,344	£5,946,601	£6,486,945	£105,950	£33,784
Access QAA recognised (Cat. 4)	£33,131	£558,300	£591,431	£38,527	£0

- In 2003/04, OCN OP learning aims were funded by the LSC to the value of £37,586,393.
- This represented 12 per cent of all OP costs.

Table 59: Enrolments on NOCN and OCN provision for 16–18 year olds, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2004/05	615,980	209,658	5,164	989
All OCN and NOCN	43,941	41,663	635	305
OP (Cat. 98)	41,137	38,976	590	174
S96 & S97 (Cat. 3)	2,418	2,366	40	131
Access QAA recognised (Cat. 4)	386	321	5	0

- In 2004/05, LSC-funded OCN OP learning aims had 19 per cent of all enrolments on OP courses for 16–18 year-old learners.
- In 2004/05, there were 41,663 LSC-funded enrolments, of which 38,976 (94 per cent) studied OP.

Table 60: Breakdown of funding for NOCN and OCN provision for 16–18 year olds, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2004/05	£15,947,049	£140,835,052	£156,782,101	£2,835,895	£560,578
All OCN and NOCN	£2,078,458	£28,790,372	£30,868,830	£573,847	£975,483
OP (Cat. 98)	£1,566,846	£22,213,080	£23,779,926	£529,570	£216,345
S96 & S97 (Cat. 3)	£506,943	£5,919,921	£6,426,864	£30,342	£759,138
Access QAA	£4,669	£657,371	£662,040	£13,935	£0

recognised (Cat. 4)					
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- In 2004/05, OCN OP learning aims were funded by the LSC to the value of £23,779,926.
- This represented 15 per cent of all OP costs.

Learning aim analysis 16–18 year olds

210 For NOCN and OCN provision:

- In 2002/03, the highest number of enrolments on an OP learning aim for 16-18 year olds was Credit Achievement Code (NOCN): Level 1, Credit Achievement Target 1, PW A, area of learning 12 (CN10112A) with 3,185 LSC-funded enrolments. The largest single amount of funding was spent on an Open College Network Basic Literacy Course, Level 1 (CNBS1001) with £3,118,315.
- In 2003/04, the highest number of enrolments on an OP learning aim for 16–18 year olds was the Credit Achievement Code (NOCN): Level 3, Credit Achievement Target 1, PW A, area of learning 12 (CN30112A) with 3,304 LSC-funded enrolments. The largest single amount of funding was spent on an Open College Network Basic ESOL Course, Entry Level (CNBSE002) with £2,055,048.
- In 2004/05, the highest number of enrolments on an OP learning aim for 16–18 year olds was the Credit Achievement Code (NOCN): Level 2, Credit Achievement Target 2, PW A, area of learning 14 (CN20214A) with 2,319 enrolments. The largest single amount of funding was spent on an OCN Basic ESOL course at entry level (CNBSE002) with £1,260,922.

Commentary

- 211 This was another broad curriculum area that was not simple or easy to categorise or classify. The National Open College Network (NOCN) provides both national qualifications and other learning programmes in a range of subject areas and offers local accreditation service through local Open College Networks (OCN) that provides the recognition of achievement through the award of credit.
- 212 The review therefore set out to identify the wide range of learning aims that were being offered by both the national and local networks and identify those learning aims that have not been submitted or accepted onto the NQF against those qualifications which feature on section 96 and/or section 97 and/or in the case of Access to HE programmes, identify those learning aims recognised by the Quality Assurance Agency for Higher Education (QAA).
- 213 Providers have commented that much of OCN provision is particularly useful for progression purposes. This provision can be

tailored for bespoke delivery for certain groups of learners. Providers also comment that alternatives within the NQF are hard to find or do not compare favourably with the flexibility offered by locally devised OCN provision.

- 214 NOCN has begun to move some of its provision into the NQF through the suite of progression qualifications, which from April 2005 were approved by the Secretary of State under section 96 and section 97. The progression awards, certificates and diplomas are available at Entry Level, and Levels 1, 2 and 3 and offer a range of core units in developing skills in areas such as learning for life, work and personal development. They also offer a range of optional units aimed at providing opportunities in different vocational areas.

Key issue – OCN accreditation for 16–18 year olds either for use in the delivery of full-time programmes or for use as additionality to full-time programmes

- 215 Learner aim analysis in 2002/03, as seen in the above tables, shows a total of 77,817 LSC-funded enrolments on NOCN and OCN provision with a funding value in excess of £41 million. In 2003/04, the number of enrolments increases to nearly 82,000 enrolments for 16–18 year olds funded by the LSC to the value of some £44.7 million. Although much of this activity is at Level 1 and Entry Level, the highest number of enrolments for 16–18 year olds in this year (3,304) is recorded against Credit Achievement Code (NOCN): Level 3, Credit Achievement Target 1, PW A, area of learning 12 – Humanities (CN30112A).
- 216 One of the colleges visited as part of phase 2 was keen to provide evidence from both team and corporate reviews suggesting that most of their learners, particularly those that first come to the college, did not benefit from, nor could they sustain, study towards a full-time, full year (sometimes two-year) programme leading to a nationally recognised qualification.
- 217 The college argued that most of their learners needed more flexible provision, to build the confidence and skills before then moving on to undertake national qualifications. Evidence also suggested its learners experienced substantial discontinuous learning where they would enrol on a course but due to social, economic and domestic reasons often cease to attend, only to restart their programme again some months (and sometimes years) later. In such cases, they argued learners were frustrated at having to start their learning again or to start learning without any recognition of prior learning or achievement. In addition, the majority of their learners were stated as coming from a background of under-achievement (against the Government's age-related attainment targets), and often have already experienced a discontinuous pattern of education, often

combined with other particular personal and social circumstances (for example, high mobility).

218 The college therefore worked to design a modular programme across all curriculum areas, using OCN accreditation, with the aim of packaging learning into six-week coherent blocks of study, thus facilitating credit accumulation and transfer.

219 The stated aim of this policy is to achieve high standards of learning for all college students and it was seen as a way of offering relevant learning with clear progression and the flexibility to build motivation and achievement in bite-sized chunks that allow the college to accredit the learning students achieve and focus on success rather than failure.

Access to HE Provision

Data analysis

220 Tables 61 to 66 provide an analysis of Access to HE provision.

Table 61: Enrolments on Access to HE programmes, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All access	43,812	43,623	622	3
OP (Cat. 98)	8,045	8,037	9	0
Access QAA recognised (Cat. 4)	35,767	35,586	613	3

- In 2002/03, LSC-funded Access to HE OP (type 2 or 3) learning aims had 0.1 per cent of all enrolments on OP courses.
- In 2002/03, there were 43,623 LSC-funded enrolments on Access to HE courses, of which 8,037 (18 per cent) studied OP.

Table 62: Breakdown of funding for Access to HE programmes, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,193,49
All access	£3,767,615	£46,366,616	£50,134,231	£283,107	£0
OP (Cat. 98)	£364,550	£3,951,378	£4,315,928	£13,477	£0

Access QAA recognised (Cat. 4)	£3,403,065	£42,415,238	£45,818,303	£269,631	£0
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- In 2002/03, Access to HE OP (Type 2/3) learning aims were funded by the LSC to the value of £4,315,928.
- This represented 0.2 per cent of all OP costs.

Table 63: Enrolments on Access to HE programmes, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All access	42,930	42,830	698	17
OP (Cat. 98)	308	308	0	0
Access QAA recognised (Cat. 4)	42,622	42,522	698	17

- In 2003/04, LSC-funded Access to HE OP (type 2 or 3) learning aims had 0.008 per cent of all enrolments on OP courses.
- In 2003/04, there were 42,830 LSC-funded enrolments on Access to HE courses, of which 308 (0.7 per cent) studied OP.

Table 64: Breakdown of funding for Access to HE programmes, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,431,776
All access	£3,811,698	£53,586,985	£57,398,683	£408,479	£34,362
OP (Cat. 98)	£14,921	£181,985	£196,906	0	0
Access QAA recognised (Cat. 4)	£3,796,776	£53,405,001	£57,201,777	£408,479	£34,362

- In 2003/04, Access to HE OP (type 2 or 3) courses were funded by the LSC to the value of £196,906.
- This represented 0.0002 per cent of all OP costs.

Table 65: Enrolments on Access to HE programmes, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
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Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
All access	38,918	37,987	15	46
OP (Cat. 98)	72	70	0	0
Access QAA recognised (Cat. 4)	38,846	37,917	15	46

- In 2004/05, LSC-funded Access to HE OP (type 2 or 3) courses had 0.005 per cent of all enrolments on OP courses.
- In 2004/05, there were 37,987 LSC-funded enrolments on Access to HE courses, of which 70 (0.2 per cent) studied OP.

Table 66: Breakdown of funding for Access to HE programmes, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchise d funding	Partners hip funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All access	£1,035,277	£65,953,335	£66,988,611	£40,372	£149,389
OP (Cat. 98)	£3,226	£39,299	£42,524	£0	£0
Access QAA recognised (Cat. 4)	£1,032,051	£65,914,036	£66,946,087	£40,372	£149,389

- In 2004/05, Access to HE OP (type 2 or 3) courses were funded by the LSC to the value of £42,524.
- This represented 0.00007 per cent of all OP costs.

Learning aim analysis

221 For Access to HE provision:

- In 2002/03, the highest number of enrolments on an OP learning aim was LOCN's Access to Modern Languages (00120355) with 3,914 enrolments and a funding value of £527,114.
- In 2003/04, the highest number of enrolments on an OP learning aim was UCAN's Access to Higher Education (00274287) with 1,026 enrolments. The largest amount of funding was spent on MERCOF's Access to Higher Education (00232350) with £923,412.
- In 2004/05, the highest number of enrolments on an OP learning aim was Access Programme to Higher Education - South Tyneside College (00274262) with 720 enrolments. The largest

amount of funding was again spent on MERCOF's Access to Higher Education (00232350) with £932,067.

Commentary

222 The analysis shows all Access Level 3 provision that was formerly on schedule 2c, but now falls within the OP category. The majority of provision now offered in this area is recognised by the QAA. The LSC recognises the importance of Access to HE provision as an alternative progression route into HE for adult learners. In particular, Access to HE provision plays a key role in providing progression to undergraduate education for adults from non-traditional backgrounds and under-represented groups.

223 It should also be noted that changes have been made to the code used to categorise Access to HE programmes not recognised by QAA (category 41) during the report stages. All category 41 provision is now likely to be locally devised "Access to HE" or "Pre-access to HE" provision. This category does not now include learning aims with "Access" in the title, which had been assigned Level X in the LAD.

IT Programme Provision

Data analysis

224 Tables 67 to 72 provide an analysis of IT provision.

Table 67: Enrolments on IT programmes, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All IT	1,422,755	1,397,050	122,723	117,675
OP (Cat. 98)	968,372	946,905	100,477	99,377
S96 and S97 (Cat. 3)	452,326	448,893	22,245	18,298
Access QAA recognised (Cat. 4)	1,205	1,200	0	0
Not eligible for LSC funding (Cat. 99)	852	52	1	0

- In 2002/03, LSC-funded IT OP learning aims had 16 per cent of all enrolments on OP courses.
- In 2002/03, there were 1,397,050 LSC-funded enrolments on IT courses, of which 946,905 (68 per cent) studied OP.

Table 68: Breakdown of funding for IT programmes, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,193,499
All IT	£22,817,069	£386,331,103	£409,148,172	£28,129,323	£19,634,733
OP (Cat. 98)	£10,859,433	£188,891,837	£199,751,271	£19,041,101	£13,132,811
S96 and S97 (Cat. 3)	£11,779,386	£195,516,906	£207,296,292	£9,087,067	£6,501,919
Access QAA recognised (Cat. 4)	£177,415	£1,873,986	£2,051,400	£0	£0
Not eligible for LSC funding (Cat. 99)	£834	£48,375	£49,209	£1,155	£0

- In 2002/03, IT learning aims were funded by the LSC to the value of £199,751,271.
- This represented 10 per cent of all OP costs.

Table 69: Enrolments on IT programmes, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All IT	1,288,948	1,266,672	64,990	60,582
OP (Cat. 98)	517,383	503,794	24,327	15,105
S96 and S97 (Cat. 3)	559,233	553,823	25,686	31,231
Access QAA recognised (Cat. 4)	927	923	0	0
Components S96 & S97 (Cat. 6)	210,630	207,946	14,949	14,246
Not eligible for LSC funding (Cat. 99)	775	186	28	0

- In 2003/04, LSC-funded IT OP learning aims had 13 per cent of all enrolments on OP courses.
- In 2003/04, there were 1,266,672 LSC-funded enrolments on IT courses, of which 503,794 (40 per cent) studied OP.

Table 70: Breakdown of funding for IT programmes, 2003/04.

	Additional support	Total funding less additional	LSC funding	Franchised funding	Partnership funding
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	funding	support			
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,431,776
All IT	£25,133,838	£373,332,643	£398,466,482	£17,468,557	£15,855,022
OP (Cat. 98)	£7,003,005	£82,580,375	£89,583,380	£5,552,062	£2,159,378
S96 and S97 (Cat. 3)	£15,760,975	£248,637,062	£264,398,037	£9,990,380	£11,469,892
Access QAA recognised (Cat. 4)	£184,138	£1,726,809	£1,910,947	£0	£0
Components S96 & S97 (Cat. 6)	£2,176,526	£40,198,353	£42,374,879	£1,903,084	£2,225,752
Not eligible for LSC funding (Cat. 99)	£9,195	£190,044	£199,239	£23,031	£0

- In 2003/04, IT OP learning aims were funded by the LSC to the value of £89,583,380.
- This represented 7 per cent of all OP costs.

Table 71: Enrolments in IT programmes, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
All IT	630,055	599,526	17,539	23,030
OP (Cat. 98)	150,534	136,066	4,940	1,642
S96 and S97 (Cat. 3)	384,050	374,637	9,016	15,739
Access QAA recognised (Cat. 4)	717	666	0	0
Components S96 & S97 (Cat. 6)	89,760	88,156	3,534	5,625
Not eligible for LSC funding (Cat. 99)	4,994	1	49	24

- In 2004/05, LSC-funded IT OP learning aims had 10 per cent of all enrolments on OP courses.
- In 2004/05, there were 599,526 LSC-funded enrolments on IT courses, of which 136,066 (22 per cent) studied OP.

Table 72: Breakdown of funding for IT programmes, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All IT	£7,841,625	£316,425,894	£324,267,519	£5,934,972	£10,122,566
OP (Cat. 98)	£1,205,086	£26,083,506	£27,288,592	£1,204,118	£298,102
S96 and S97 (Cat. 3)	£6,049,996	£262,645,599	£268,695,595	£4,091,856	£8,135,272
Access QAA recognised (Cat. 4)	£34,378	£1,537,135	£1,571,513	£0	£0
Components S96 & S97 (Cat. 6)	£552,164	£26,158,499	£26,710,664	£638,998	£1,689,189
Not eligible for LSC funding (Cat. 99)	£0	£1,155	£1,155	£0	£0

- In 2004/05, IT OP learning aims were funded by the LSC to the value of £27,288,592.
- This represented 5 per cent of all OP costs.

Learning aim analysis

225 For IT programme provision:

- In 2002/03, the highest number of enrolments on an OP learning aim was the Unitisation (approved external qualification): Level 1, Area of Learning 6, PW B (CUNA106B) with 125,167 LSC-funded enrolments and for funding was BCS's ECDL (00230812) with over 96,000 LSC-funded enrolments and a funding value of £26,364,469.
- In 2003/04, the highest number of enrolments on an OP learning aim was the Short Course in ICT, 3 glh (CSC30001) with 86,254 enrolments and for funding was BCS's ECDL (00230812) with over 61,000 enrolments and a funding value of £17,997,335.
- In 2004/05, the highest number of enrolments on an OP learning aim was the Short Course in ICT, 3 glh (CSC30001) with 24,033 LSC-funded enrolments and for funding was non-externally certificated other provision, PW B, Level 1, area of learning 6 with over 17,500 enrolments and a funding value of £2,852,056.

Commentary

226 This is an area with high numbers of enrolments, but is complex in terms the range of learning aims available, some of which are externally accredited but not on the NQF and some of which are internally certificated. It is made more difficult in that a search for

validating body on the LAD, in this area of learning, shows almost 32 per cent by enrolments as having no awarding body, that is, awarding body = "NONE". However, closer analysis shows all of the unitisation (approved external qualification) learning aims are recorded in this way, and if these unitisation codes are removed then the analysis indicates approximately 17 per cent, by enrolments, could be more accurately considered to be "internally certificated".

227 It is also important to note the change in funding status recorded on the LAD between 2002/03 and 2003/04 as this is likely to have considerable impact on interpretation between the years. Changes to the recording of components as units of approved qualifications (from funding status 98(OP) to funding status 06 (Components of S96 &S97)) has a significant effect in this area with a reclassification of 207,946 LSC-funded enrolments. This is particularly noticeable with respect to recording of A2 and the unitisation of IT programmes, for example over £18.4 million is attached to the unitisation of IT in 2002/03 and this rises to £28.8 million in 2003/04.

Key issue – unit-based delivery of IT qualifications

228 Because of the above it might be useful to discuss with providers their agreed rationale for unit-based delivery in this area and, where appropriate, monitor and confirm levels of progression to full qualifications that are able to contribute towards targets. The review suggested that this area requires further, more detailed investigation in order to confirm the wider volume of IT provision that is actually being delivered and funded across all funding streams, for example through learndirect or ACL.

229 As a priority, it might also be appropriate to look at the providers approach to the unitisation of IT courses, and compare this with any shifts in college-devised OP. It might also be appropriate to focus on the use of 3-gh IT programmes as used for widening participation or progression, and similarly to confirm the reasoning for delivery with providers of all externally accredited IT programmes recorded as being outside of the NQF and other non-certificated IT courses.

Higher Level Programme Provision

Data analysis

Levels 4, 5 and H

230 Tables 73 to 78 provide an analysis of higher level provision.

Table 73: Enrolments on higher level programmes: Levels 4, 5 and H, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships

Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All higher level	76,685	68,174	3,938	401
OP (Cat. 98)	32,802	32,146	1,572	261
S97 (Cat. 2)	3,121	3,077	396	33
S96 & S97 (Cat. 3)	32,411	31,942	1,930	94
Not eligible for LSC funding (Cat. 99)	8,319	1,009	40	13
Not assigned (X)	32	0	0	0

- In 2002/03, LSC-funded Level 4, 5 and H OP learning aims had 0.5 per cent of all enrolments on OP courses.
- In 2002/03, there were 68,174 LSC-funded enrolments on Level 4, 5 and H courses, of which 32,146 (47 per cent) studied OP.

Table 74: Breakdown of funding for higher level programmes: Levels 4, 5 and H, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partne funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,19
All higher level	£428,059	£30,220,125	£30,648,184	£1,309,758	£83,98
OP (Cat. 98)	£222,862	£15,052,698	£15,275,560	£563,062	£44,64
S97 (Cat. 2)	£17,416	£1,103,479	£1,120,895	£136,090	£1,792
S96 & S97 (Cat. 3)	£182,070	£13,511,677	£13,693,747	£609,452	£37,54
Not eligible for LSC funding (Cat. 99)	£5,712	£552,270	£557,982	£1,155	£0
Not assigned (X)	£0	£0	£0	£0	£0

- In 2003/04, OP Level 4, 5 and H courses were funded by the LSC to the value £15,275,560.
- This represented 0.8 per cent of all OP costs.

Table 75: Enrolments on higher level programmes: Levels 4, 5 and H, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partners hips
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512

All higher level	81,602	74,524	3,553	76
OP (Cat. 98)	20,958	20,376	779	4
S97 (Cat. 2)	7,406	7,267	441	21
S96 & S97 (Cat. 3)	43,852	43,163	2,248	48
Components S96 & S97 (Cat. 6)	3,477	3,395	50	0
Not eligible for LSC funding (Cat. 99)	5,874	319	35	3
Not assigned (X)	35	4	0	0

- In 2003/04, LSC-funded Level 4, 5 and H OP learning aims had 0.5 per cent of all enrolments on OP courses.
- In 2003/04, there were 74,524 LSC-funded enrolments on Level 4, 5 and H learning aims, of which 20,376 (27 per cent) studied OP.

Table 76: Breakdown of funding for higher level programmes: Levels 4, 5 and H, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partners funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,431,
All higher level	£535,281	£34,184,094	£34,719,375	£1,491,985	£20,693
OP (Cat. 98)	£168,108	£11,560,015	£11,728,122	£386,401	£0
S97 (Cat. 2)	£14,882	£2,691,506	£2,706,388	£156,547	£3,412
S96 & S97 (Cat. 3)	£337,164	£19,145,985	£19,483,150	£936,980	£17,280
Components S96 & S97 (Cat. 6)	£11,374	£703,043	£714,416	£12,057	£0
Not eligible for LSC funding (Cat. 99)	£3,753	£83,546	£87,299	£0	£0
Not assigned (X)	£0	£0	£0	£0	£0

- In 2003/04, Level 4, 5 and H OP learning aims were funded by the LSC to the value £11,728,122.
- This represented 0.1 per cent of all OP costs.

Table 77: Enrolments on higher level programmes: Levels 4, 5 and H, 2004/05 (F01).

	Number of	Number of LSC	Number of	Number of
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	enrolments	funded (A10)	franchised	partnerships
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
All higher level	107,245	50,365	2,160	179
OP (Cat. 98)	13,513	10,576	216	10
S97 (Cat. 2)	8,543	7,194	166	18
S96 & S97 (Cat. 3)	31,196	28,589	1,358	52
Components S96 & S97 (Cat. 6)	4,479	3,800	111	0
Not eligible for LSC funding (Cat. 99)	48,971	206	309	99
Not assigned (X)	543	0	0	0

- In 2004/05, LSC-funded Level 4, 5 and H OP learning aims had 0.8 per cent of all enrolments on OP courses.
- 50,365 LSC-funded enrolments on Level 4, 5 and learning aims, of which 10,576 (21 per cent) studied OP.

Table 78: Breakdown of funding for higher level programmes: Levels 4, 5 and H, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All higher level	£99,260	£37,308,317	£37,407,577	£1,270,981	£14,615
OP (Cat. 98)	£34,317	£9,376,893	£9,411,209	£95,393	£0
S97 (Cat. 2)	£8,260	£4,740,283	£4,748,543	£68,772	£6,117
S96 & S97 (Cat. 3)	£55,432	£22,106,834	£22,162,266	£1,101,796	£8,498
Components S96 & S97 (Cat. 6)	£1,251	£871,442	£872,693	£0	£0
Not eligible for LSC funding (Cat. 99)	£0	£212,866	£212,866	£5,021	£0
Not assigned (X)	£0	£0	£0	£0	£0

- In 2004/05, Level 4, 5 and H OP learning aims were funded by the LSC to the value £9,411,209.

- This represented 2 per cent of all OP costs.

Learner aim analysis

Level 4

- 231 In 2002/03, the OP learning aim with highest number of enrolments and funding was the CIM's Advanced Certificate in Marketing (00103100) with 1,530 enrolments with a funding value of £ 623,035.
- 232 In 2003/04, the highest number of enrolments on an OP learning aim was Advanced Certificate in Marketing (00103100) with 1,230 LSC-funded enrolments and for funding it was NCFE's Counselling Diploma (00221012) with £613,249.
- 233 In 2004/05, the highest number of enrolments on an OP learning aim was Unitisation (external qualification not approved): Level 4, Area of Learning 5, PW A (CUNE405A) with 787 enrolments and for funding it was NCFE's Counselling Diploma (00221012) with £1,003,236.

Level 5

- 234 In 2002/03, the learning aim with highest number of enrolments and funding was CIM's Diploma in Marketing (00103102) with 815 enrolments and a funding value of £294,632.
- 235 In 2003/04, the learning aim with the highest number of enrolments was the CIM's Diploma in Marketing (00103102) with 553 LSC-funded enrolments and a funding value of £251,039.
- 236 In 2004/05, the learning aim with the highest number of enrolments was the CIM's Diploma in Marketing (00103102) with 216 LSC-funded enrolments and a funding value of £148,103.

Level H

- 237 In 2002/03, the learning aim with the highest number of enrolments and funding was the IDP's Graduateship (00103247) with 1,953 enrolments and a funding value of £914,031.
- 238 In 2002/03, the learning aim with the highest number of enrolments and funding was the IDP's Graduateship (00103247) with 2,061 LSC-funded enrolments and a funding value of £1,081,094.
- 239 In 2004/05, the learning aim with the highest number of enrolments and funding was the IDP's Graduateship (00103247) with 1,479 LSC-funded enrolments and a funding value of £1,071,333.

Commentary

- 240 Some providers have raised questions regarding their local LSC's approach to the purchasing of higher level qualifications. Level 4 qualifications and above do not feature as part of the LSC's targets, although there is a government expectation that the LSC will actively support the target of progression to HE. A number of questions have

been raised with respect to funding externally certificated professional qualifications and implications for the future should provision in this area transfer to the Higher Education Funding Council for England (HEFCE).

First Aid, Health and Safety and Food Hygiene Provision

Data analysis (First Aid)

241 Tables 79 to 84 provide an analysis of First Aid provision.

Table 79: Enrolments on First Aid programmes, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All First Aid	272,147	268,864	155,442	10,341
OP (Cat. 98)	271,704	268,421	155,331	10,341
S96 & S97 (Cat. 3)	443	443	111	0

- In 2002/03, LSC-funded First Aid OP learning aims made up 4 per cent of all enrolments on OP courses.
- In 2002/03, there were 268,864 LSC-funded enrolments on First Aid learning aims, of which 268,421 (99.8 per cent) studied OP.
- There were three qualifications only on S96 and S97: Certificate in Swimming Pool Supervision and Rescue; Certificate for NARS Pool Lifeguard; and Certificate of Competence to Climb Trees and Perform Aerial Rescue.

Table 80: Breakdown of funding for First Aid programmes, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,193,495
All First Aid	£781,052	£26,580,675	£27,361,726	£14,536,118	£913,426
OP (Cat. 98)	£780,927	£26,491,073	£27,272,000	£14,520,373	£913,426
S96 & S97 (Cat. 3)	£125	£89,602	£89,727	£15,746	£0

- In 2002/03, First Aid OP learning aims were funded by the LSC to the value £27,272,000.

- This represented 1.4 per cent of all OP costs.

Table 81: Enrolments on First Aid programmes, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All First Aid	289,890	286,038	180,011	5,258
OP (Cat. 98)	288,798	284,961	179,949	5,047
S96 & S97 (Cat. 3)	1,092	1,077	62	211

- In 2003/04, LSC-funded First Aid OP learning aims made up 7 per cent of all enrolments on OP courses.
- In 2003/04, there were 286,038 enrolments on LSC-funded First Aid courses, of which 284,961 (99.6 per cent) studied OP.
- There were three qualifications on S96 and S97: Certificate in Swimming Pool Supervision and Rescue; Certificate for NARS Pool Lifeguard; and Certificate of Competence to Climb Trees and Perform Aerial Rescue.

Table 82: Breakdown of funding for First Aid programmes, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchise d funding	Partnershi p funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,431,776
All First Aid	£761,557	£29,628,492	£30,390,049	£17,603,969	£594,733
OP (Cat. 98)	£755,811	£29,340,384	£30,096,194	£17,590,843	£532,934
S96 & S97 (Cat. 3)	£5,746	£288,109	£293,855	£13,126	£61,799

- In 2003/04, First Aid OP courses were funded by the LSC to the value £30,096,194.
- This represented 3 per cent of all OP costs.

Table 83: Enrolments on First Aid programmes, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047

All First Aid	48,662	46,902	22,783	385
OP (Cat. 98)	48,069	46,317	22,780	278
S96 & S97 (Cat. 3)	593	585	3	107

- In 2004/05, LSC-funded First Aid OP learning aims had 3 per cent of all enrolments on OP courses.
- In 2004/05, there were 46,902 enrolments on LSC-funded First Aid courses, of which 46,317 (99 per cent) studied OP.
- Five qualifications are now available on S96 and S97: Certificate in Swimming Pool Supervision and Rescue; Certificate for First Aid for Sport; Certificate of Competence to Climb Trees and Perform Aerial Rescue; Certificate for NARS Pool Lifeguard; and Certificate in Paediatric First Aid.

Table 84: Breakdown of funding for First Aid programmes, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All First Aid	£114,876	£5,297,459	£5,412,335	£2,164,693	£85,143
OP (Cat. 98)	£114,726	£5,073,687	£5,188,413	£2,163,709	£23,709
S96 & S97 (Cat. 3)	£150	£223,771	£223,922	£984	£61,433

- In 2004/05, First Aid OP courses were funded by the LSC to the value £5,188,413.
- This represented 0.9 per cent of all OP costs.

242 For First Aid:

- In 2002/03, the highest number of enrolments and funding on an OP learning aim was the HSE's First Aid at Work Certificate (00228787) with 114,127 enrolments and £16,882,815.
- In 2003/04, the highest number of enrolments on an OP learning aim was the HSE's First Aid at Work Certificate (00228787) with 106,185 enrolments and £17,126,353.
- In 2004/05, the highest number of enrolments and funding on an OP learning aim was the HSE's First Aid at Work Certificate (00228787) with 19,840 enrolments and £3,296,214.

Data analysis (Health and Safety)

243 Tables 85 to 90 provide an analysis of Health and Safety provision.

Table 85: Enrolments on Health and Safety programmes, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All Health & Safety	80,330	78,346	16,385	4,098
OP (Cat. 98)	69,246	67,993	14,476	3,991
S97 (Cat. 2)	251	246	39	0
S96 & S97 (Cat. 3)	10,779	10,054	1,870	107
Access QAA recognised (Cat. 4)	53	53	0	0
Not eligible for LSC funding (Cat. 99)	1	0	0	0

- In 2002/03, LSC-funded Health and Safety OP learning aims had 1 per cent of all enrolments on OP courses.
- In 2002/03, there were 78,346 LSC-funded enrolments on Health and Safety learning aims, of which 67,993 (87 per cent) studied OP.

Table 86: Breakdown of funding for Health and Safety programmes, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partne funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,19
All Health & Safety	£482,958	£9,110,464	£9,593,421	£1,380,528	£382,9
OP (Cat. 98)	£396,751	£8,255,060	£8,651,811	£1,238,123	£378,3
S97 (Cat. 2)	£0	£108,067	£108,067	£10,351	30
S96 & S97 (Cat. 3)	£86,206	£731,288	£817,494	£132,054	£4,620
Access QAA recognised (Cat. 4)	£0	£16,049	£16,049	£0	£0
Not eligible for LSC funding (Cat. 99)	£0	£0	£0	£0	£0

- In 2003/04, Health and Safety OP learning aims were funded by the LSC to the value of £8,651,811.
- This represented 0.5 per cent of all OP costs.

Table 87: Enrolments on Health and Safety programmes, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All Health & Safety	84,987	83,258	16,258	4,289
OP (Cat. 98)	56,871	56,145	11,036	4,071
S 97 (2)	215	207	19	0
S96 & S97 (Cat. 3)	27,885	26,890	5,203	218
Access QAA recognised (Cat. 4)	16	16	0	0

- In 2003/04, LSC-funded Health and Safety OP learning aims had 1 per cent of all enrolments on OP courses.
- In 2003/04, there were 83,258 LSC-funded enrolments on Health and Safety learning aims, of which 56,145 (67 per cent) studied OP.

Table 88: Breakdown of funding for Health and Safety programmes, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,431,776
All Health & Safety	£562,409	£12,855,383	£13,417,792	£1,928,839	£644,024
OP (Cat. 98)	£261,393	£9,936,957	£10,198,350	£1,514,055	£627,832
S97 (Cat. 2)	£0	£61,711	£61,711	£2,425	£0
S96 & S97 (Cat. 3)	£301,016	£2,851,843	£3,152,860	£412,358	£16,192
Access QAA recognised (Cat. 4)	£0	£4,871	£4,871	£0	£0

- In 2003/04, Other Provision Health and Safety learning aims were funded by the LSC to the value of £10,198,350.
- This represented 0.8 per cent of all OP costs.

Table 89: Enrolments on Health and Safety programmes, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
All Health & Safety	27,076	25,832	2,531	338
OP (Cat. 98)	14,146	13,725	1,662	325
S97 (Cat. 2)	168	82	16	0
S96 & S97 (Cat. 3)	12,746	12,009	853	13
Access QAA recognised (Cat. 4)	16	16	0	0

- In 2004/05, LSC-funded Health and Safety OP learning aims had 0.9 per cent of all enrolments on OP courses.
- In 2004/05, there were 25,832 LSC-funded enrolments on Health and Safety learning aims, of which 13,725 (53 per cent) studied OP.

Table 90: Breakdown of funding for Health and Safety programmes, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All Health & Safety	£111,877	£6,026,094	£6,137,971	£439,504	£128,473
OP (Cat. 98)	£23,900	£2,995,649	£3,019,549	£261,536	£127,352
S97 (Cat. 2)	£0	£91,106	£91,106	£17,521	£0
S96 & S97 (Cat. 3)	£87,977	£2,920,122	£3,008,099	£160,447	£1,121
Access QAA recognised (Cat. 4)	£0	£19,218	£19,218	£0	£0

- In 2004/05, Health and Safety OP courses were funded by the LSC to the value of £3,019,549.
- This represented 0.5 per cent of all OP costs.

Data analysis (Food Hygiene)

244 Tables 91 to 96 provide an analysis of Food Hygiene provision.

Table 91: Enrolments on Food Hygiene programmes, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All Food Hygiene	139,888	136,945	23,825	9,632
OP (Cat. 98)	106,467	104,700	17,156	9,370
S96 & S97 (Cat. 3)	33,421	32,245	6,669	262

- In 2002/03, LSC-funded Food Hygiene OP learning aims had 2 per cent of all enrolments on OP courses.
- In 2002/03, there were 136,945 LSC-funded enrolments on Food Hygiene learning aims, of which 104,700 (76 per cent) studied OP.

Table 92: Breakdown of funding for Food Hygiene programmes, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partne funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,19
All Food Hygiene	£1,261,720	£11,818,633	£13,080,353	£1,273,611	£799,1
OP (Cat. 98)	£876,860	£9,081,222	£9,958,082	£864,858	£784,8
S96 & S97 (Cat. 3)	£384,859	£2,737,411	£3,122,270	£408,752	£14,31

- In 2002/03, Food Hygiene OP learning aims were funded by the LSC to the value of £9,958,082.
- This represented 0.5 per cent of all OP costs.

Table 93: Enrolments on Food Hygiene programmes, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All Food Hygiene	156,153	153,504	24,174	11,491
OP (Cat. 98)	78,149	77,084	9,744	10,444
S96 & S97 (Cat. 3)	78,004	76,420	14,430	1,047

- In 2003/04, LSC-funded Food Hygiene OP learning aims had 2 per cent of all enrolments on OP courses.
- In 2003/04, there were 153,504 LSC-funded enrolments on Food Hygiene learning aims, of which 77,084 (50 per cent) studied OP.

Table 94: Breakdown of funding for Food Hygiene programmes, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,431,776
All Food Hygiene	£1,270,093	£15,681,958	£16,952,051	£1,597,183	£1,565,834
OP (Cat. 98)	£471,170	£10,253,566	£10,724,736	£677,905	£1,463,980
S96 & S97 (Cat. 3)	£798,923	£5,428,392	£6,227,316	£919,278	£101,854

- In 2003/04, OP Food Hygiene learning aims were funded by the LSC to the value of £10,724,736.
- This represented 0.8 per cent of all OP costs.

Table 95: Enrolments on Food Hygiene programmes, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
All Food Hygiene	39,385	37,397	2,980	1,202
OP (Cat. 98)	15,688	15,027	983	1,065
S96 & S97 (Cat. 3)	23,697	22,370	1,997	137

- In 2004/05, LSC-funded Food Hygiene OP learning aims had 1 per cent of all enrolments on OP courses.
- In 2004/05, there were 37,397 LSC-funded enrolments on Food Hygiene learning aims, of which 15,027 (40 per cent) studied OP.

Table 96: Breakdown of funding for Food Hygiene programmes, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
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Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All Food Hygiene	£211,346	£4,030,965	£4,242,311	£156,529	£382,963
OP (Cat. 98)	£40,007	£2,602,416	£2,642,423	£64,024	£376,797
S96 & S97 (Cat. 3)	£171,339	£1,428,549	£1,599,888	£92,504	£6,166

- In 2004/05, Food Hygiene OP courses were funded by the LSC to the value of £2,642,423.
- This represented 0.4 per cent of all OP costs.

Commentary

- 245 Some short programmes such as First Aid, Health and Safety and Food Hygiene can be considered to have an occupational requirement and to have employment-related currency, with standards recognised and awarded by industry professional agencies.
- 246 Some providers have identified these three areas and the currency of the individual qualification as an essential component for 16–18 year-old learners, for example, before commencing practical skills training in the providers realistic working environments (RWEs) or undertaking a period of industrial work placement. They have confirmed that they believe this to be a legal or contractual requirement of employers or at the very least prudent risk management where learners and trainees are in contact with the public, sometimes with college clients paying for personal and professional services, or goods and services such as meals.

Key issue – indicative content of future qualifications

- 247 In discussion with providers during the visits, it was accepted that, in the future, it might be more appropriate to include the integration of the content of these short courses in areas such as First Aid, Health and Safety and Food Hygiene into the indicative content of main qualifications. They would wish to point out however, that they would have some concerns relating to timescales surrounding the revalidation of existing and emerging qualifications, and that some consideration might need to be given to formulating some form of transition arrangements for the intervening period so as not to disadvantage learners, employers and providers.

Key issue – students’ responsibilities and liabilities whilst on work placement

- 248 A number of providers stated that it was often a requirement of employers that learners were “qualified” in these areas before they were allowed to undertake a period of work experience or placement. From a student perspective, this view could be seen to pose a risk in

that it begs the question: “Is it appropriate for a 16-18 year-old learner on a period of work-placement to be considered ‘qualified’?” What would be expected of the individual should an emergency situation arise?

- 249 From qualitative discussions with a range of providers, it was identified that students are, and should be considered as “supernumerary” from the perspective of their responsibility to the work placement and, where there is an emergency, students should be treated in the same way as any other visitor.
- 250 There are also potential issues surrounding employer’s liability insurance and vicarious liability (that is, the legal responsibility for the actions of others in law). Colleges must have insurance cover in place appropriate to meet the needs of the student while they are away from the college on work premises.
- 251 First Aid, Health and Safety and in particular Food Hygiene courses can have a positive impact on reducing liability, as the students may not pose such a risk. Where they have obtained an elementary qualification such as First Aid or Food Hygiene, it could be regarded by the authorities that some reasonable steps had been taken to reduce the potential for negligence or injury to third parties, such as customers of a restaurant or beauty therapy salon. It was also highlighted that employers may not be willing to offer work experience opportunities where they believe an increase in public liability may occur due to the fact that trainees do not possess “basic” qualifications.
- 252 Paragraph 371 of *Funding Guidance for FE 2004/05* states that it is permissible for providers to fund additional learning aims, not approved by the Secretary of State for 16–18 year olds, that is, “other provision” as enrichment activity through the claim for entitlement funding. However, it appears very few providers offer to deliver “additional” learning in this way. Many cite the reason for this as the difficulty or challenge posed in the delivery of the key skills and the time allocated for tutoring against the available funding value of the entitlement.
- 253 The above suggests a need to manage actively the migration of these awards as part of the NQF, with a wider consideration of the need for “essential competencies” in these broad areas to be covered by the inclusion of appropriate “units” in approved qualifications that can be offered to primarily full-time learners in areas such as Hospitality and Catering, Childcare, Direct Care, Sport, Hairdressing and Beauty Therapy.
- 254 It might also be appropriate to undertake more detailed research to verify employer expectations and the minimum levels of competence and qualification currency that are required to support the above.

- 255 It might further be appropriate to consider an individual's intention in undertaking qualifications or training in this area. Is there an employment or employer occupational requirement to achieve a recognised qualification? If so, who should pay and to what level of competence? Similarly, what level of financial support should be provided to the individual and to the employer through the use of LSC funding?
- 256 Analysis also shows that areas such as First Aid feature significantly in the current overall volume of franchise and partnership arrangements (£15.5 million in 2002/03 rising to £18.2 million in 2003/04). Consideration should therefore be given to identify the key partners who work with providers in these areas and, if appropriate, consider whether it may be more cost-effective to fund directly the partner actually delivering the qualifications.
- 257 During the phase 2 visits, it was suggested (by some colleges not franchising First Aid themselves) that they considered the franchising of First Aid qualifications represented a high-value opportunity for colleges since they believed some partners in this area were willing to accept an arrangement whereby a significantly higher level of funding could be retained by the college. This was considered to be due to the ability of the partner to deliver the learning element of the programme at low cost since, in some instances, it was suggested this had been provided by volunteers.
- 258 Given the high volume of activity, it might be appropriate to consider how the identified skill gaps in these areas might be best addressed for the future, for instance, through work on a coherent framework of learning provision at or below Level 2, or through consideration of inclusion of this type of provision in other funding streams such as the Apprenticeship programme. The LSC might also wish to consider developing a central strategy and provide further guidance to support local LSCs and their providers in the delivery of qualifications in these areas.

Levels of Provision

Data analysis (Entry Level)

259 Tables 97 to 102 provide an analysis of Entry Level provision.

Table 97: Enrolments on Entry Level programmes, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All Entry Level	860,606	845,353	67,850	39,194

OP (Cat. 98)	798,248	784,554	65,321	39,079
S96 & S97 (Cat. 3)	62,358	60,799	2,529	115

- In 2002/03, LSC-funded Entry Level OP learning aims had 13 per cent of all enrolments on OP courses.
- In 2002/03, there were 845,553 LSC-funded enrolments on Entry Level learning aims, of which 784,554 (93 per cent) studied OP.

Table 98: Breakdown of funding for Entry Level programmes, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,193,495
All entry level	£94,770,088	£357,341,101	£452,111,189	£34,859,465	£12,746,527
OP (Cat. 98)	£81,514,343	£326,780,958	£408,295,301	£33,538,013	£12,619,113
S96 & S97 (Cat. 3)	£13,255,744	£30,560,143	£43,815,888	£1,321,451	£127,414

- In 2002/03, Entry Level OP learning aims were funded by the LSC to the value of £408,295,301.
- This represented 21 per cent of all OP costs.

Table 99: Enrolments on Entry Level programmes, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All Entry Level	851,704	835,320	48,701	22,394
OP (Cat. 98)	691,216	678,236	38,680	17,783
S96 & S97 (Cat. 3)	148,338	145,344	9,304	3,450
Components S96 & S97 (Cat. 6)	12,150	11,740	717	1,161

- In 2003/04, LSC-funded Entry Level OP learning aims had 17 per cent of all enrolments on OP courses.

- In 2003/04, there were 835,320 enrolments on Entry Level learning aims, of which 678,236 (81 per cent) studied OP.

Table 100: Breakdown of funding for Entry Level programmes, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partner funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,431
All Entry Level	£105,502,511	£400,689,697	£506,192,208	£33,425,980	£13,287
OP (Cat. 98)	£78,753,787	£308,332,665	£387,086,452	£26,974,015	£9,075,
S96 & S97 (Cat. 3)	£25,746,543	£88,831,745	£114,578,288	£6,283,598	£4,039,
Components S96 & S97 (Cat. 6)	£1,002,181	£3,525,288	£4,527,469	£168,366	£171,45

- In 2003/04, OP Entry Level learning aims were funded by the LSC to the value of £387,086,452.
- This represented 32 per cent of all OP costs.

Table 101: Enrolments on Entry Level programmes, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
All Entry Level	449,739	420,894	16,562	6,345
OP (Cat. 98)	313,425	292,944	10,016	2,880
S96 & S97 (Cat. 3)	123,924	116,253	6,077	1,671
Components S96 & S97 (Cat. 6)	12,390	11,697	469	1,794

- In 2004/05, LSC-funded Entry Level OP learning aims had 21 per cent of all enrolments on OP courses.
- In 2004/05, there were 420,894 LSC-funded enrolments on Entry Level learning aims, of which 292,944 (70 per cent) studied OP.

Table 102: Breakdown of funding for Entry Level programmes, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All Entry Level	£36,722,822	£301,670,643	£338,393,465	£16,230,754	£5,682,606

OP (Cat. 98)	£25,996,892	£191,321,620	£217,318,511	£9,540,797	£2,495,315
S96 & S97 (Cat. 3)	£10,273,158	£103,426,722	£113,699,880	£6,603,227	£1,750,250
Components S96 & S97 (Cat. 6)	£452,772	£6,922,302	£7,375,074	£86,730	£1,437,041

- In 2004/05, Entry Level OP learning aims were funded by the LSC to the value of £217,318,511.
- This represented 36 per cent of all OP costs.

Data analysis (Level 1)

260 Tables 103 to 108 provide an analysis of Level 1 provision.

Table 103: Enrolments on Level 1 programmes, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All Level 1	2,243,180	2,209,608	284,895	138,229
OP (Cat. 98)	1,658,249	1,634,688	249,635	116,734
S96 & S97 (Cat. 3)	584,931	574,920	35,260	21,495

- In 2002/03, LSC-funded Level 1 OP learning aims had 27 per cent of all enrolments on OP courses.
- In 2002/03, there were 2,209,608 LSC-funded enrolments on Level 1 learning aims, of which 1,634,688 (74 per cent) studied OP.

Table 104: Breakdown of funding for Level 1 programmes, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,193,499
All level 1	£64,892,642	£586,872,315	£651,764,958	£58,962,021	£27,217,222
OP (Cat. 98)	£36,422,837	£355,984,218	£392,407,055	£45,898,490	£18,559,879
S96 & S97 (Cat. 3)	£28,469,805	£230,888,097	£259,357,902	£13,063,531	£8,657,351

- In 2002/03, Level 1 OP learning aims were funded by the LSC to the value of £392,407,055.
- This represented 20 per cent of all OP costs.

Table 105: Enrolments on Level 1 programmes, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All Level 1	2,225,152	2,173,849	286,028	80,867
OP (Cat. 98)	1,207,994	1,175,546	212,135	34,523
S96 & S97 (Cat. 3)	840,728	824,528	61,274	34,173
Components S96 & S97 (Cat. 6)	176,141	173,488	12,607	12,169
Not eligible for LSC funding (Cat. 99)	287	287	12	2
Not assigned (X)	2	0	0	0

- In 2003/04, LSC-funded Level 1 OP learning aims had 30 per cent of all enrolments on OP courses.
- In 2003/04, there were 2,173,849 LSC-funded enrolments on Level 1 learning aims, of which 1,175,546 (54 per cent) studied OP.

Table 106: Breakdown of funding for Level 1 programmes, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partne funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,43
All Level 1	£68,276,292	£618,747,873	£687,024,165	£53,078,772	£23,75
OP (Cat. 98)	£28,629,910	£262,721,487	£291,351,397	£34,566,025	£8,390
S96 & S97 (Cat. 3)	£37,900,435	£333,005,583	£370,906,018	£17,057,654	£13,47
Components S96 & S97 (Cat. 6)	£1,740,362	£22,848,431	£24,588,793	£1,428,924	£1,886
Not eligible for LSC funding (Cat. 99)	£5,585	£172,373	£177,957	£26,168	£815
Not assigned (X)	£0	£0	£0	£0	£0

- In 2003/04, OP Level 1 learning aims were funded by the LSC to the value of £291,351,397.
- This represented 24 per cent of all OP costs.

Table 107: Enrolments on Level 1 programmes, 2004/05 (F01).

	Number of	Number of LSC	Number of	Number of
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	enrolments	funded (A10)	franchised	partnerships
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
All Level 1	1,082,464	991,931	50,279	26,738
OP (Cat. 98)	424,588	374,002	30,984	5,854
S96 & S97 (Cat. 3)	588,566	550,313	16,299	16,054
Components S96 & S97 (Cat. 6)	69,291	67,610	2,996	4,830
Not eligible for LSC funding (Cat. 99)	6	6	0	0
Not assigned (X)	13	0	0	0

- In 2004/05, LSC-funded Level 1 OP learning aims had 27 per cent of all enrolments on OP courses.
- In 2004/05, there were 991,931 LSC-funded enrolments on Level 1 learning aims, of which 374,002 (38 per cent) studied OP.

Table 108: Breakdown of funding for Level 1 programmes, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All Level 1	£18,311,939	£446,336,506	£464,648,446	£16,259,564	£13,245,949
OP (Cat. 98)	£5,339,124	£122,273,578	£127,612,702	£7,674,903	£2,979,163
S96 & S97 (Cat. 3)	£12,439,395	£311,076,325	£323,515,720	£8,146,005	£8,586,976
Components S96 & S97 (Cat. 6)	£533,420	£12,986,604	£13,520,023	£438,656	£1,679,810
Not eligible for LSC funding (Cat. 99)	£0	£0	£0	£0	£0
Not assigned (X)	£0	£0	£0	£0	£0

- In 2004/05, Level 1 OP learning aims were funded by the LSC to the value of £127,612,702.
- This represented 21 per cent of all OP costs.

Data analysis (Level 2)

261 Tables 109 to 114 provide an analysis of Level 2 provision.

Table 109: Enrolments on Level 2 programmes, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All Level 2	1,981,699	1,953,181	131,280	52,333
OP (Cat. 98)	1,236,160	1,218,869	98,624	47,560
S97 (Cat. 2)	3,186	3,182	40	0
S96 & S97 (Cat. 3)	742,288	731,065	32,616	4,773
Access QAA recognised (Cat. 4)	65	65	0	0

- In 2002/03, LSC-funded Level 2 OP learning aims had 20 per cent of all enrolments on OP courses.
- In 2002/03, there were 1,953,181 LSC-funded enrolments on Level 2 learning aims, of which 1,218,869 (62 per cent) studied OP.

Table 110: Breakdown of funding for Level 2 programmes, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partner funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,193,000
All Level 2	£44,093,776	£792,273,762	£836,367,539	£41,279,024	£10,572,000
OP (Cat. 98)	£18,989,468	£357,396,346	£376,385,814	£25,132,674	£8,260,000
S97 (Cat. 2)	£22,194	£941,181	£963,376	£13,305	£0
S96 & S97 (Cat. 3)	£25,081,769	£433,768,673	£458,850,442	£16,133,045	£2,312,000
Access QAA recognised (Cat. 4)	£344	£167,562	£167,906	£0	£0

- In 2002/03, Level 2 OP learning aims were funded by the LSC to the value of £376,385,814.
- This represented 20 per cent of all OP costs.

Table 111: Enrolments on Level 2 programmes, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All Level 2	1,920,356	1,888,758	103,679	34,783

OP (Cat. 98)	790,183	776,725	59,359	24,081
S97 (Cat. 2)	8,483	8,317	190	6
S96 & S97 (Cat. 3)	1,058,690	1,041,630	39,080	9,472
Access QAA recognised (Cat. 4)	65	64	0	0
Components S96 & S97 (Cat. 6)	62,700	61,809	5,029	1,224
Not eligible for LSC funding (Cat. 99)	235	213	21	0

- In 2003/04, LSC-funded Level 2 OP learning aims had 20 per cent of all enrolments on OP courses.
- In 2003/04, there were 1,888,758 LSC-funded enrolments on Level 2 learning aims, of which 776,725 (41 per cent) studied OP.

Table 112: Breakdown of funding for Level 2 programmes, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,430,000
All Level 2	£47,197,737	£870,493,450	£917,691,187	£35,090,199	£11,950,000
OP (Cat. 98)	£10,698,768	£226,463,514	£237,162,282	£14,344,042	£6,478,000
S97 (Cat. 2)	£90,053	£2,465,184	£2,555,236	£97,459	£1,097,000
S96 & S97 (Cat. 3)	£35,745,402	£629,196,246	£664,941,648	£19,805,271	£5,258,000
Access QAA recognised (Cat. 4)	£0	£163,392	£163,392	£0	£0
Components S96 & S97 (Cat. 6)	£662,389	£12,157,296	£12,819,685	£839,548	£216,900
Not eligible for LSC funding (Cat. 99)	£1,125	£47,817	£48,942	£3,879	£0

- In 2003/04, Level 2 OP learning aims were funded by the LSC to the value of £237,162,282.
- This represented 20 per cent of all OP costs.

Table 113: Enrolments on Level 2 programmes, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships

Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
All Level 2	1,181,919	1,108,082	28,490	11,682
OP (Cat. 98)	235,757	223,259	10,817	5,719
S97 (Cat. 2)	4,561	4,378	102	0
S96 & S97 (Cat. 3)	905,985	845,839	16,590	5,382
Components S96 & S97 (Cat. 6)	35,584	34,574	981	581
Not eligible for LSC funding (Cat. 99)	32	32	0	0

- In 2004/05, LSC-funded Level 2 OP learning aims had 16 per cent of all enrolments on OP courses.
- In 2004/05, there were 1,108,082 LSC-funded enrolments on Level 2 learning aims, of which 223,259 (20 per cent) studied OP.

Table 114: Breakdown of funding for Level 2 programmes, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All Level 2	£15,751,312	£890,416,702	£906,168,013	£15,213,055	£6,715,715
OP (Cat. 98)	£1,877,815	£94,570,250	£96,448,065	£2,427,376	£2,263,039
S97 (Cat. 2)	£29,009	£1,781,492	£1,810,500	£27,467	£0
S96 & S97 (Cat. 3)	£13,627,395	£784,905,411	£798,532,806	£12,491,938	£4,267,339
Components S96 & S97 (Cat. 6)	£217,093	£9,113,435	£9,330,528	£266,273	£185,338
Not eligible for LSC funding (Cat. 99)	£0	£46,114	£46,114	£0	£0

- In 2004/05, Level 2 OP learning aims were funded by the LSC to the value of £96,448,065.
- This represented 16 per cent of all OP costs.

Data analysis (Level 3)

262 Tables 115 to 120 provide an analysis of Level 3 provision.

Table 115: Enrolments on Level 3 programmes, 2002/03.

	Number of enrolments	Number of LSC	Number of	Number of
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		funded (A10)	franchised	partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All Level 3	1,699,809	1,689,094	56,999	14,345
OP (Cat. 98)	847,281	841,384	42,441	10,170
S97 (Cat. 2)	2,020	2,018	40	0
S96 & S97 (Cat. 3)	814,823	810,188	13,905	4,172
Access QAA recognised (Cat. 4)	35,685	35,504	613	3

- In 2002/03, LSC-funded Level 3 OP learning aims had 14 per cent of all enrolments on OP courses.
- In 2002/03, there were 1,689,094 LSC-funded enrolments on Level 3 learning aims, of which 841,384 (50 per cent) studied OP.

Table 116: Breakdown of funding for Level 3 programmes, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,193,4
All Level 3	£30,702,626	£1,197,540,431	£1,228,243,057	£17,589,926	£4,392,87
OP (Cat. 98)	£11,946,393	£488,828,772	£500,775,165	£11,351,436	£2,254,02
S97 (Cat. 2)	£32,325	£965,909	£998,234	£11,624	£0
S96 & S97 (Cat. 3)	£15,321,186	£665,504,026	£680,825,212	£5,957,235	£2,138,85
Access QAA recognised (Cat. 4)	£3,402,721	£42,241,725	£45,644,445	£269,631	£0

- In 2002/03, Level 3 OP learning aims were funded by the LSC to the value of £500,775,165.
- This represented 26 per cent of all OP costs.

Table 117: Enrolments on Level 3 programmes, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All Level 3	1,603,277	1,590,933	43,132	5,652
OP (Cat. 98)	261,526	257,480	19,887	2,276
S97 (Cat. 2)	10,734	10,651	247	159

S96 & S97 (Cat. 3)	1,029,323	1,022,144	20,183	3,156
Access QAA recognised (Cat. 4)	42,549	42,450	698	17
Components S96 & S97 (Cat. 6)	258,891	257,963	2,115	44
Not eligible for LSC funding (Cat. 99)	254	245	2	0

- In 2003/04, LSC-funded Level 3 OP learning aims had 7 per cent of all enrolments on OP courses.
- In 2003/04, there were 1,590,933 LSC-funded enrolments on Level 3 enrolments, of which 257,480 (16 per cent) studied OP.

Table 118: Breakdown of funding for Level 3 programmes, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,430,000
All Level 3	£33,760,966	£1,326,749,610	£1,360,510,576	£18,862,529	£3,133,000
OP (Cat. 98)	£3,755,387	£107,962,646	£111,718,034	£6,818,273	£534,400
S97 (Cat. 2)	£143,707	£4,368,535	£4,512,242	£99,551	£77,720
S96 & S97 (Cat. 3)	£22,003,011	£987,199,733	£1,009,202,744	£11,153,573	£2,469,000
Access QAA recognised (Cat. 4)	£3,796,776	£53,238,043	£57,034,820	£408,479	£34,360
Components S96 & S97 (Cat. 6)	£4,049,703	£173,809,255	£177,858,956	£382,373	£18,040
Not eligible for LSC funding (Cat. 99)	£12,381	£171,398	£183,779	£279	£0

- In 2003/04, Level 3 OP learning aims were funded by the LSC to the value of £111,718,034.
- This represented 9 per cent of all OP costs.

Table 119: Enrolments on Level 3 programmes, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047

All Level 3	1,354,021	1,315,767	16,175	2,385
OP (Cat. 98)	82,365	76,619	5,768	564
S97 (Cat. 2)	9,897	9,380	350	114
S96 & S97 (Cat. 3)	988,387	960,654	9,796	1,620
Access QAA recognised (Cat. 4)	38,846	37,917	15	46
Components S96 & S97 (Cat. 6)	234,338	231,157	246	41
Not eligible for LSC funding (Cat. 99)	188	40	0	0

- In 2004/05, LSC-funded Level 3 OP learning aims had 6 per cent of all enrolments on OP courses.
- In 2004/05, there were 1,315,767 LSC-funded enrolments on Level 3 enrolments, of which 76,619 (6 per cent) studied OP.

Table 120: Breakdown of funding for Level 3 programmes, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partne funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985
All Level 3	£17,983,882	£1,908,273,618	£1,926,257,500	£15,339,164	£3,419
OP (Cat. 98)	£1,176,323	£62,491,633	£63,667,956	£4,017,130	£77,42
S97 (Cat. 2)	£68,801	£5,130,715	£5,199,516	£217,941	£66,07
S96 & S97 (Cat. 3)	£14,012,825	£1,608,321,904	£1,622,334,728	£11,004,740	£3,111
Access QAA recognised (Cat. 4)	£1,032,051	£65,914,036	£66,946,087	£40,372	£149,3
Components S96 & S97 (Cat. 6)	£1,682,629	£166,352,961	£168,035,590	£58,980	£14,43
Not eligible for LSC funding (Cat. 99)	£11,253	£62,370	£73,623	£0	£0

- In 2004/05, Level 3 OP learning aims were funded by the LSC to the value of £63,667,956.
- This represented 11 per cent of all OP costs.

Data analysis (Level M)

263 Tables 121 to 126 provide an analysis of Level M provision.

Table 121: Enrolments on Level M programmes, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All Level M	49,406	47,455	5,040	7,608
OP (Cat. 98)	49,406	47,455	5,040	7,608

- In 2002/03, LSC-funded Level M OP learning aims had 0.8 per cent of all enrolments on OP courses.
- In 2002/03, there were 47,455 enrolments on Level M learning aims, of which 47,455 (100 per cent) studied OP.

Table 122: Breakdown of funding for Level M programmes, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,193,495
All Level M	£2,366,123	£11,913,891	£14,280,014	£887,413	£1,198,715
OP (Cat. 98)	£2,366,123	£11,913,891	£14,280,014	£887,413	£1,198,715

- In 2002/03, Level M OP courses were funded by the LSC to the value of £14,280,014.
- This represented 0.7 per cent of all OP costs.

Table 123: Enrolments on Level M programmes, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All Level M	25,240	24,830	417	3
OP (Cat. 98)	25,240	24,830	417	3

- In 2003/04, LSC-funded Level M OP learning aims had 0.6 per cent of all enrolments on OP courses.
- In 2003/04, there were 24,830 LSC-funded enrolments on Level M enrolments, of which 24,830 (100 per cent) studied OP.

Table 124: Breakdown of funding for Level M programmes, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,431,770
All Level M	£1,589,778	£6,568,161	£8,157,939	£113,381	£0
OP (Cat. 98)	£1,589,778	£6,568,161	£8,157,939	£113,381	£0

- In 2003/04, Level M OP learning aims were funded by the LSC to the value of £8,157,939.
- This represented 0.7 per cent of all OP costs.

Table 125: Enrolments on Level M programmes, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
All Level M	2,924	2,728	90	0
OP (Cat. 98)	2,924	2,728	90	0

- In 2004/05, LSC-funded Level M OP learning aims had 0.2 per cent of all enrolments on OP courses.
- In 2004/05, there were 2,728 LSC-funded enrolments on Level M enrolments, of which 2,728 (100 per cent) studied OP.

Table 126: Breakdown of funding for Level M programmes, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All Level M	£80,593	£2,807,936	£2,888,530	£36,151	£0
OP (Cat. 98)	£80,593	£2,807,936	£2,888,530	£36,151	£0

- In 2004/05, Level M OP learning aims were funded by the LSC to the value of £2,888,530.
- This represented 0.5 per cent of all OP costs.

Data analysis (Level X)

264 Tables 127 to 132 provide an analysis of Level X provision.

Table 127: Enrolments on Level X programmes, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All Level X	1,739,896	1,507,170	215,246	75,442
OP (Cat. 98)	1,739,632	1,506,983	215,240	75,442
S96 & S97 (Cat. 3)	23	23	0	0
Access QAA recognised (Cat. 4)	17	17	0	0
Not eligible for LSC funding (Cat. 99)	202	139	6	0
Not assigned (X)	22	8	0	0

- In 2002/03, LSC-funded Level X OP learning aims had 24 per cent of all enrolments on OP courses.
- In 2002/03, there were 1,507,170 LSC-funded enrolments on Level X learning aims, of which 1,506,983 (99.9 per cent) studied OP.

Table 128: Breakdown of funding for Level X programmes, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partners funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,193,111
All Level X	£37,246,207	£175,070,705	£212,316,912	£29,289,161	£9,175,111
OP (Cat. 98)	£37,225,911	£174,893,791	£212,119,702	£29,285,578	£9,175,111
S96 & S97 (Cat. 3)	£11,161	£17,145	£28,306	£0	£0
Access QAA recognised (Cat. 4)	£0	£5,951	£5,951	£0	£0
Not eligible for LSC funding (Cat. 99)	£9,134	£148,948	£158,082	£3,583	£0
Not assigned (X)	£0	£4871	£4871	£0	£0

- In 2002/03, Level X OP learning aims were funded by the LSC to the value of £212,119,702.
- This represented 11 per cent of all OP costs.

Table 129: Enrolments on Level X programmes, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All Level X	1,470,920	985,273	129,594	12,706
OP (Cat. 98)	1,470,389	984,967	129,579	12,706
S96 & S97 (Cat. 3)	111	111	0	0
Access QAA recognised (Cat. 4)	8	8	0	0
Not eligible for LSC funding (Cat. 99)	388	177	15	0
Not assigned (X)	24	10	0	0

- In 2003/04, LSC-funded Level X OP learning aims had 25 per cent of all enrolments on OP courses.
- In 2003/04, there were 985,273 LSC-funded enrolments on Level X enrolments, of which 984,967 (99.9 per cent) studied OP.

Table 130: Breakdown of funding for Level X programmes, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partne funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,43
All Level X	£33,146,407	£135,636,956	£168,783,362	£19,614,991	£924,9
OP (Cat. 98)	£33,091,096	£135,361,575	£168,452,671	£19,595,839	£924,9
S96 & S97 (Cat. 3)	£46,116	£55,628	£101,744	£0	£0
Access QAA recognised (Cat. 4)	£0	£3,565	£3,565	£0	£0
Not eligible for LSC funding (Cat. 99)	£9,195	£206,369	£215,564	£19,152	£0
Not Assigned (X)	£0	£9,818	£9,818	£0	£0

- In 2003/04, Level X OP learning aims were funded by the LSC to the value of £168,452,671.
- This represented 14 per cent of all OP costs.

Table 131: Enrolments on Level X programmes, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047

All Level X	891,691	381,778	22,879	3,051
OP (Cat. 98)	888,091	381,752	22,862	3,016
Not eligible for LSC funding (Cat. 99)	3,534	26	17	35
Not assigned (X)	66	0	0	0

- In 2004/05, LSC-funded Level X OP learning aims had 28 per cent of all enrolments on OP courses.
- In 2004/05, there were 381,778 LSC-funded enrolments on Level X enrolments, of which 381,752 (99.9 per cent) studied OP.

Table 132: Breakdown of funding for Level X programmes, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partners funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,166
All Level X	£12,279,320	£73,085,767	£85,365,087	£5,306,956	£169,314
OP (Cat. 98)	£12,279,320	£73,019,498	£85,298,818	£5,306,956	£169,314
Not eligible for LSC funding (Cat. 99)	£0	£66,269	£66,269	£0	£0
Not assigned (X)	£0	£0	£0	£0	£0

- In 2004/05, Level X OP learning aims were funded by the LSC to the value of £85,298,818.
- This represented 14 per cent of all OP costs.

Data analysis (Level U)

265 Tables 133 to 138 provide an analysis of Level U provision.

Table 133: Enrolments on Level U programmes, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
All Level U	2,196	2,169	46	793
OP (Cat. 98)	2,196	2,169	46	793

- In 2002/03, LSC-funded Level U OP learning aims had 0.04 per cent of all enrolments on OP courses.

- In 2002/03, there were 2,169 LSC-funded enrolments on Level U enrolments, of which 2,169 (100 per cent) studied OP.

Table 134: Breakdown of funding for Level U programmes, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,193,499
All Level U	£8,095	£329,893	£337,987	£6,195	£81,975
OP (Cat. 98)	£8,095	£329,893	£337,987	£6,195	£81,975

- In 2002/03, Level U OP courses were funded by the LSC to the value of £337,987.
- This represented 0.02 per cent of all OP costs.

Table 135: Enrolments on Level U programmes, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
All Level U	22,032	21,559	1,512	136
OP (Cat. 98)	21,863	21,395	1,512	136
S96 & S97 (Cat. 3)	166	164	0	0
Components S96 & S97 (Cat. 6)	3	0	0	0

- In 2003/04, LSC-funded Level U OP learning aims had 0.5 per cent of all enrolments on OP courses.
- In 2003/04, there were 21,559 LSC-funded enrolments on Level U enrolments, of which 21,395 (99.9 per cent) studied OP.

Table 136: Breakdown of funding for Level U programmes, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,431,710
All Level U	£208,532	£2,180,027	£2,388,559	£124,642	£28,200
OP (Cat. 98)	£208,045	£2,069,605	£2,277,650	£124,642	£28,200
S96 & S97 (Cat. 3)	£487	£110,422	£110,908	£0	£0
Components S96 & S97 (Cat. 6)	£0	£0	£0	£0	£0

- In 2003/04, Level U OP learning aims were funded by the LSC to the value of £2,277,650.
- This represented 0.2 per cent of all OP costs.

Table 137: Enrolments on Level U programmes, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
All Level U	15,884	15,563	827	4
OP (Cat. 98)	15,647	15,338	827	4
S96 & S97 (Cat. 3)	237	225	0	0

- In 2004/05, LSC-funded Level U OP learning aims had 1 per cent of all enrolments on OP courses.
- In 2004/05, there were 15,563 LSC-funded enrolments on Level U learning aims, of which 15,338 (99.9 per cent) studied OP.

Table 138: Breakdown of funding for Level U programmes, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,165
All	£68,841	£1,712,210	£1,781,051	£71,249	£909
OP	£68,841	£1,456,861	£1,525,701	£71,249	£909
3	£0	£255,349	£255,349	£0	£0

- In 2004/05, Level U OP learning aims were funded by the LSC to the value of £1,525,701.
- This represented 0.3 per cent of all OP costs.

Learning aim analysis – other provision

266 The analysis of learning aims at Entry Level, Levels 1-3 and Levels M, X and U appears below.

Entry Level

- In 2002/03, the learning aim with the highest number of enrolments and funding was a Basic ESOL Course, Entry Level

(CBSE0002) with 162,795 enrolments and a funding value of £112,105,148.

- In 2003/04, the highest number of enrolments was the Basic ESOL Course, Entry Level (CBSE0002) with 171,618 enrolments and a funding value of £113,721,503.
- In 2004/05, the highest number of enrolments was the Basic ESOL Course, Entry Level (CBSE0002) with 71,577 enrolments and a funding value of £66,941,197.

Level 1

- In 2002/03, the learning aim with highest number of enrolments and funding was the Unitisation (approved external qualification): Level 1, Area of Learning 6, PW B (CUNA106B) with 125,167 enrolments and a funding value of £14,000,891.
- In 2003/04, the learning aim with the highest number of enrolments was non-externally certificated other provision, PW B, Level 1, Area of Learning 6 (C9OP106B) with 54,007 enrolments and in funding terms was Basic ESOL Course, Level 1 (CBS10002) with a funding value of £14,880,249.
- In 2004/05, the learning aim with highest number of enrolments and funding was NOCN's Credit Achievement Code (NOCN): Level 1, Credit Achievement Target 2, PW A, Area of Learning 13 with 19,797 enrolments and in funding terms was Basic ESOL Course, Level 1 (CBS10002) with a funding value of £10,058,353.

Level 2

- In 2002/03, the learning aim with highest number of enrolments and funding was the BCS's European Computer Driving Licence (00230812) with 96,637 enrolments and a funding value of £26,364,469.
- In 2003/04, the learning aim with the highest number of enrolments was the BCS's European Computer Driving Licence (00230812) with 61,818 enrolments and a funding value of £17,997,335.
- In 2004/05, the learning aim with the highest number of enrolments was NOCN's Credit Achievement Code (NOCN): Level 2, Credit Achievement Target 2, PW A, Area of Learning 13 with 6,979 and in funding terms was Basic ESOL Course, Level 2 (CBS20002) with a funding value of £2,531,516.

Level 3

- In 2002/03, the learning aim with the highest number of enrolments was EDEXCEL's Key Skills - Communication - Level 3 (00221756) with 16,224 enrolments. The largest single amount for funding was spent on CACHE's Diploma in Childcare and Education Level 3 (replaced by code 10006497) (00253989) with a funding value of £8,509,623.
- In 2003/04, the learning aim with the highest number of enrolments was EDEXCEL's Key Skills - Improving Own Learning and Performance - Level 3 (00221759) with 7,459 enrolments. The largest single amount for funding was spent on NOCN's Credit Achievement Code (NOCN): Level 3, Credit Achievement Target 6, PW C, Area of Learning 8 (CN30608C) with a funding value of £1,956,887.
- In 2004/05, the learning aim with the highest number of by enrolments was NOCN's Credit Achievement Code (NOCN): Level 3, Credit Achievement Target 6, PW C, Area of Learning 8 (CN30608C) with 2,589 enrolments (all franchised) and a funding value of £2,188,879.

Level M

- In 2002/03, the learning aim with the highest number of enrolments was EDEXCEL's Key Skills - Problem Solving - Level 2 (00229538) with 6,612 enrolments. The largest single amount of funding was spent on C&G's 6955 Progression Award: Furniture (00253989) with a funding value of £2,432,120.
- In 2003/04, the learning aim with the highest number of enrolments was EDEXCEL's Key Skills - Problem Solving - Level 2 (00229538) with 4,731 enrolments. The largest single amount of funding was spent on C&G's 6955 Progression Award: Furniture (00228728) with a funding value of £2,157,951.
- In 2004/05, the learning aim with the highest number of enrolments and funding was C&G's 6955 Progression Award: Furniture (00228728) with 676 enrolments and a funding value of £2,293,377.

Level X

- In 2002/03, the learning aim with the highest number of enrolments was the Tutorial and Enrichment Studies for students studying GCE A levels; AS levels; GCSEs and short course GCSEs (CMISC001) with 257,099 enrolments. The largest single amount of funding was spent on HSE's First Aid at Work Certificate (certificate awarded by HSE-approved organisations) (00228787) with over 114,000 enrolments and a funding value of £16,882,815.

- In 2003/04, the learning aim with the highest number of enrolments and funding was HSE's First Aid at Work Certificate (certificate awarded by HSE-approved organisations) (00228787) with 106,185 enrolments and a funding value of £17,126,353.
- In 2004/05, the learning aim with the highest number of enrolments was the Diagnostic Test in ESOL (CDT00002) with 50,455 enrolments. The largest single amount of funding was spent on Independent Living Skills Area of Learning 14 PWF C (CILSK14C) with £5,960,285.

Level U

- In 2002/03, the learning aim with the highest number of enrolments and funding was Short Course in ESOL, 6 glh (CSC60003) with 732 enrolments and a funding value of £65,114.
- In 2003/04, the learning aim with the highest number of enrolments was Short course in Literacy, 6 glh (CSC60002) with 7,722 enrolments and a funding value of £728,812.
- In 2004/05, the learning aim with the highest number of enrolments and funding was Short Course in ESOL, 6 glh (CSC60003) with 6,320 enrolments. The largest single amount of funding was spent on Short Course in literacy, 6 glh (CSC60002) with £560,143.

Commentary

- 267 Some providers express concern in relation to the future funding of OP for specific groups of learners, for example, with respect to a particular level Foundation, Pre-entry and Entry Level or for identified groups such as learners with learning difficulties and/or disabilities.
- 268 As part of a remit given to QCA and the LSC at the Entry to Employment (E2E) national conference in 2003, the two organisations are developing a coherent framework of provision below Level 2 with a common funding stream (the Foundation Learning Tier). This work is, in part, being taken forward as part of the development programme for the Framework for Achievement. The Foundation Learning Tier is intended to address some of the concerns around the appropriateness of Entry Level provision highlighted in the recent evaluation of Entry Level qualifications as well as address what is seen as generally patchy provision for both young people and adults at Entry Level and Level 1, which aspects of E2E highlighted. It is intended to begin trials of the Foundation Learning Tier from August 2006 with the intention of phased implementation, for young people and adults across all LSC-funded provision to 2010.

269 These areas of concern come through as a key theme in any discussion with providers around flexible use of provision. The curriculum offer at any institution needs to address the ability of all learners and it is therefore impossible to suggest that only nationally approved qualifications should be funded. This is an area, therefore, that will need to be considered alongside the impact of the findings and outcomes of the national strategic review of provision for learners with learning difficulties and/or disabilities, which was published in November 2005. The findings of the review will enable the LSC to develop a planning and funding framework that will enable the delivery of provision which is learner centred and cost-effective in the use of LSC funds. This will further allow the LSC, in partnership with other key agencies and learning providers, to build flexible packages of provision (including appropriate progression and transition routes) that meet the learning aspirations and needs of this cohort of learners.

270 Some providers have commented that they are unable to use any nationally approved qualifications for Entry Level learners as there are none available. There are several validating bodies that have recently put Skills for Life and Skills for Working Life on the NQF at Entry Level. In reality, of course, it is only achievements at Entry Level 3 that count towards targets. In addition, these qualification aims are funded at a listed rate so repeated enrolment on the same learning aim, in order to move from Entry Level 1 through to Entry Level 3, over a period of several years, could pose issues of eligibility and correct entitlement to LSC funding. The range of ability amongst people with learning difficulties and/or disabilities is huge. In our opinion the most able could manage NQF qualifications with appropriate support. Examples include delivery of NVQ Level 1 over a number of years or the opportunity to undertake relevant vocational units, as deemed appropriate to suit their individual "spiky profile". The important point is that providers identify a package of learning that is considered to be in the best interests of the learner. People with learning difficulties and/or disabilities have the same entitlement as other learners to achieve nationally recognised and respected qualifications and a curriculum that can best develop skills that could lead to work. It must also be taken into account that all examination boards have systems to approve reasonable adjustments to assessment activities to enable those with learning difficulties and/or disabilities to be included.

Key issue – recording learners with learning difficulties and/or disabilities activity

271 There would appear to be no uniform approach by learning providers in the way that learners with learning difficulties and/or disabilities are identified and recorded on the ILR and this maybe further compounded by the fact that this a self-declaration on the ILR. This

suggests some learners with learning difficulties and/or disabilities may not be easily identified by either providers or local LSCs particularly, when it may be necessary to further develop strategies to deal with the current and projected population of learners with learning difficulty. It is suggested a consistent approach should be adopted across LSC areas by all providers in order to help identify and categorise this type of provision.

- 272 This was supported by one of the college visits where the college expressed concern that some provision that is clearly both valued and valuable to all LSC-funded organisations remains and will always essentially remain as “other provision”. It requested that there should be some further sub-division of categories to ensure that there is easy recognition of such courses. For example, the college quoted both provision for learners with severe learning difficulties and/or disabilities and approved Access courses which it considered should sit outside the generic OP banner. It also requested development of more specific guidelines providing “transparent” criteria as to describe all elements of “other provision” that could be used to help to support the decision about “valued and valuable” OP. For example, it suggested a list of questions could be compiled, to work through with the local LSC, to help to determine particular types of provision that should be protected.

Charging for Employers

- 273 It may be possible to consider introducing a higher fee for employers who are currently seen to benefit from having staff undertake LSC-funded provision that is of direct benefit to their organisation, for example programmes in First Aid, Health and Safety, Food Hygiene and so on.
- 274 This has been raised as a concern in some discussions with providers particularly in relation to smaller small- to medium-sized enterprises (SMEs), for example care homes, being able or willing to pay a more realistic charge for the training and development of their staff. This change is also likely to have some negative impact in regard to increasing employer engagement, in that it would remove incentives for these types of employers to become involved with providers.
- 275 Also, when made aware of any proposed change in this area, unless comparative charging was also introduced for individuals on these programmes, it is likely some employers would choose to send learners to colleges as individuals rather than as a group.
- 276 The approach to charging employers for learning could however, be more readily implemented for provision that has been specifically tailored to meet the needs of that employer. Where provision is in this format it would be far easier to introduce higher fees, it would be also

less likely to have a detrimental effect on encouraging employers to engage with providers.

Franchising and Partnership Provision

Data analysis

277 Tables 139 to 144 provide an analysis of franchised and partnership provision.

Table 139: Enrolments on franchised and partnership provision, 2002/03.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total provision for 2002/03	8,653,477	8,322,204	765,294	328,345
Total OP for 2002/03	6,363,974	6,068,248	677,919	297,647
S97 (Cat. 2)	8,327	8,277	476	33
S96 & S97 (Cat. 3)	2,236,834	2,208,937	86,240	30,649
Access QAA recognised (Cat. 4)	35,767	35,586	613	3
Not eligible for LSC funding (Cat. 99)	8,521	1,148	46	13
Not assigned (X)	54	8	0	0

- In 2002/03, there were 765,294 franchised enrolments, of which 677,919 (89 per cent) studied OP.
- In 2002/03, there were 328,345 partnership enrolments, of which 297,647 (91 per cent) studied OP.

Table 140: Breakdown of funding for franchised and partnership provision, 2002/03.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total provision for 2002/03	£274,507,615	£3,151,562,223	£3,426,069,838	£184,182,962	£65,462,962
Total OP for 2002/03	£188,696,033	£1,731,180,566	£1,919,876,599	£146,662,860	£52,199,716
S97 (Cat. 2)	£71,935	£3,010,570	£3,082,505	£161,019	£1,792,486

S96 & S97 (Cat. 3)	£82,321,736	£1,374,249,760	£1,456,571,497	£37,084,715	£13,27
Access QAA recognised (Cat. 4)	£3,403,065	£42,415,238	£45,818,303	£269,631	£0
Not eligible for LSC funding (Cat. 99)	£14,846	£701,218	£716,064	£4,737	£0
Not assigned (X)	£0	£4,871	£4,871	£0	£0

278 In 2002/03:

- OP franchised enrolments were funded by the LSC to the value £146,662,860.
- This represented 80 per cent of the total LSC franchised funding value.
- OP partnership enrolments were funded by the LSC to the value £52,193,494.
- This represented 80 per cent of the total LSC partnership funding value.

Table 141: Enrolments on franchised and partnership provision, 2003/04.

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total provision for 2003/04	8,200,283	7,595,046	616,616	156,617
Total OP for 2003/04	4,489,369	3,939,555	462,348	91,512
S97 (Cat. 2)	26,623	26,235	878	186
S96 & S97 (Cat. 3)	3,121,208	3,077,084	132,089	50,299
Access QAA recognised (Cat. 4)	42,622	42,522	698	17
Components S96 & S97 (Cat. 6)	513,362	508,395	20,518	14,598
Not eligible for LSC funding (Cat. 99)	7,038	1,241	85	5
Not assigned (X)	61	14	0	0

- In 2003/04, there were 616,616 franchised enrolments, of which 462,348 (75 per cent) studied OP.
- In 2003/04, there were 156,617 partnership enrolments, of which 91,512 (58 per cent) studied OP.

Table 142: Breakdown of funding for franchised and partnership provision, 2003/04.

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total provision for 2003/04	£290,217,503	£3,395,249,868	£3,685,467,371	£161,802,479	£53,102,776
Total OP for 2003/04	£156,894,879	£1,061,039,669	£1,217,934,548	£102,922,619	£25,431,776
S97 (Cat. 2)	£248,642	£9,525,224	£9,773,866	£353,557	£82,235
S96 & S97 (Cat. 3)	£121,779,158	£2,057,545,341	£2,179,324,499	£55,237,077	£25,260,776
Access QAA recognised (Cat. 4)	£3,796,776	£53,405,001	£57,201,777	£408,479	£34,362
Components S96 & S97 (Cat. 6)	£7,466,010	£213,043,312	£220,509,321	£2,831,269	£2,293,312
Not eligible for LSC funding (Cat. 99)	£32,038	£681,503	£713,541	£49,479	£815
Not assigned (X)	£0	£9,818	£9,818	£0	£0

279 In 2002/03:

- OP franchised enrolments were funded by the LSC to the value £102,922,619.
- This represented 64 per cent of the total LSC franchised funding value.
- OP partnership enrolments were funded by the LSC to the value £25,431,776.
- This represented 48 per cent of the total LSC partnership funding value.

Table 143: Enrolments on franchised and partnership provision, 2004/05 (F01).

	Number of enrolments	Number of LSC funded (A10)	Number of franchised	Number of partnerships
Total provision for 2004/05	5,085,887	4,287,108	137,462	50,384
Total OP for 2004/05	1,976,310	1,377,218	81,580	18,047
S97 (Cat. 2)	23,001	20,952	618	132
S96 & S97 (Cat. 3)	2,638,295	2,501,873	50,120	24,779
Access QAA recognised (Cat. 4)	38,846	37,917	15	46
Components S96 & S97	356,082	348,838	4,803	7,246

(Cat. 6)				
Not eligible for LSC funding (Cat. 99)	52,731	310	326	134
Not assigned (X)	622	0	0	0

- In 2004/05, there were 137,462 franchised enrolments, of which 81,580 (59 per cent) studied OP.
- In 2004/05, there were 50,384 partnership enrolments, of which 18,047 (36 per cent) studied OP.

Table 144: Breakdown of funding for franchised and partnership provision, 2004/05 (F01).

	Additional support funding	Total funding less additional support	LSC funding	Franchised funding	Partnership funding
Total provision for 2004/05	£101,297,968	£3,661,611,701	£3,762,909,669	£69,727,874	£29,248,2
Total OP for 2004/05	£46,853,225	£557,318,268	£604,171,493	£29,169,955	£7,985,16
S97 (Cat. 2)	£106,070	£11,652,490	£11,758,560	£314,180	£72,190
S96 & S97 (Cat. 3)	£50,408,205	£2,830,092,545	£2,880,500,750	£39,347,707	£17,724,8
Access QAA recognised (Cat. 4)	£1,032,051	£65,914,036	£66,946,087	£40,372	£149,389
Components S96 & S97 (Cat. 6)	£2,887,165	£196,246,743	£199,133,908	£850,639	£3,316,62
Not eligible for LSC funding (Cat. 99)	£11,253	£387,618	£398,871	£5,021	£0
Not assigned (X)	£0	£0	£0	£0	£0

280 In 2004/05:

- OP franchised enrolments were funded by the LSC to the value £29,169,955.
- This represented 42 per cent of the total LSC franchised funding value.
- OP partnership enrolments were funded by the LSC to the value £7,985,165.
- This represented 27 per cent of the total LSC partnership funding value.

Learning aim analysis

281 In 2002/03, the learning aim with the highest number of enrolments and funding was HSE's First Aid at Work Certificate (00228787) with

72,702 franchised enrolments and a franchised funding value of £10,085,206.

282 In 2003/04, the learning aim with the highest number of enrolments was HSE's First Aid at Work Certificate (00228787) with 68,196 enrolments and a franchised funding value of £10,381,633.

283 In 2004/05, the learning aim with the highest number of enrolments was HSE's First Aid at Work Certificate (00228787) with 9,785 enrolments and in franchised funding terms, it was EDEXCEL's National Diploma in Music Technology with £2,524,326.

Commentary

284 The data shows that a significant volume of OP is currently being delivered through franchise and/or partnership arrangements.

285 The aim of partnerships is to provide good-quality learning that meets local and national priorities.

286 Many providers argue that the "partnership" is instrumental in meeting the widening participation agenda, yet in some cases little evidence is available to support the "added-value" dimension that is actually provided through the partnership arrangement.

287 Guidance from LSC national office has recently been strengthened in this area and it would therefore seem appropriate for any discussion on the future of partnerships that takes place between providers and local LSCs to include an assessment of planned OP and the indirect contribution this is able to make towards delivering key local priorities and targets.

288 This discussion requires details of exactly what provision the partners are providing, an understanding of value-added provided by the partnership arrangement and how this fits with local priorities. This could also be extended to consider other relevant factors such as location, provider expertise, style or mode of delivery and/or type of franchised or partnership arrangement, progression as a major influence in determining what is "valuable and valued other provision" and what should be supported through the use of LSC funds.

289 In doing this a fixed ratio of OP to qualifications, or the requirement to gather appropriate evidence of progression as a measure of added value could be applied, if considered appropriate, to further support the partnership arrangement. This could have the effect of helping to control partnerships arrangements but could also be seen by some as highly damaging to the widening participation agenda.

290 Another alternative is to consider the above in line with the five key principles of reform laid out in the DfES Five Year Strategy. One of these considers ways in which LSCs might consider how best to open up services to new and different providers and ways of delivering services.

Wider Key Skills

- 291 Nationally, Wider Key Skills represent a small proportion of total provision (approx 1.7 per cent). Provider analysis shows the delivery patterns of these key skills to be mixed, with variations of between 9 and 180 glh per key skill.
- 292 If sufficient evidence is available, the review suggested that consideration be given to introducing a listed value for each Wider Key Skill, as is the case with the hard key skills of communications, application of number and information technology in order to prevent delivery in unusually high levels of guided learning hours.
- 293 This mechanism removes any incentive for a provider to deliver the qualification in higher levels of guided learning hours purely to gain additional funding.
- 294 With effect from 1 September 2004, the Wider Key Skills have now been recognised as approved qualifications included within the NQF.

Data and Information Systems

- 295 The reports made available to the local LSCs, as part of this review, highlight the poor quality of data, and lack of curriculum and ILR validation routines used by some providers. Accuracy and timeliness of data is, of course, crucial in the new plan-led funding environment and is one of the key themes that has emerged from the recent roadshows. The LSC has already agreed to address this through the programme of work entitled the LSC agenda for change. The data task group has been already asked to make proposals about radically revised and simplified systems, to deliver the data and management information the FE sector needs.

Learning Aims Database

- 296 At a number of sessions with providers, concern has been raised about the quality and accuracy of information recorded in the learning aims database (LAD). Issues have been raised around “missing” fields with respect to levels, areas of learning and awarding bodies for example.
- 297 The LAD is seen to be “unwieldy” and unduly complex. There are currently over 93,000 available records, of which only around a maximum of 17,500 are used in any one year. Providers comment that the process would be much simpler if learning aims, as they cease to become eligible for funding, were removed from the database and other systems could be incorporated into the learner information suite (LIS), such that they could be adjusted to immediately reject any learning activity that was not deemed to be eligible for funding.

- 298 Although the analysis did not include an evaluation of the content or workings of the LAD, it is apparent from the levels of comment by staff in both the provider settings and in the local LSCs that the present LAD is perceived as a major factor in determining the quality and accuracy of data returns and in the selection of the “actual” or “miscoded” identification of the curriculum on offer. However, many providers did accept and understand some of the reasons for the complexity within the LAD. For example, all learning aims need to remain on LAD, even though they have ceased to exist, for the calculation of success rates. Likewise there is a need for “outdated” learning aims to continue to be available on the LAD for “continuing” learners until they have completed their programme.
- 299 A number of providers have commented in the workshop sessions that they have welcomed the discussion of alternative approaches to selecting the most appropriate curriculum that did not rely on using the LAD as the primary source of information.

Provider Visits

- 300 To further support the review the final study, included the identification, by LSC national office, of approximately 40 providers who offered a portfolio of provision heavily weighted towards OP. These providers were then invited to participate in phase 2 of the project and there were some interesting examples gained from the discussions held during these visits. Where appropriate, key issues identified from the visits have been included in the most appropriate section of the report. Some are also included below to help illustrate the current approaches being adopted by those providers visited as part of the study.
- 301 One large tertiary college had already taken steps to reduce the current volume of LSC-funded OP, for the forthcoming year (2005/06), by focusing on the identification of what could be regarded as mostly recreational provision, that is, provision where it was considered the learner attends more out of self-interest or pleasure. It was decided that some provision in this area would continue but the expectation was that this would require a greater contribution in fees from the learner. The college is concerned that changes in this area may impact negatively on recruitment. However, at the time of the visit it was unable to determine how best to measure the extent to which any downturn in learner numbers could be attributed to this future change as it felt uncertain as to how elastic the demand could be considered within their current ACL customer base. The college also highlighted that it has “exploited” the OP initiative as a mechanism to remove some outdated and poor-quality programmes which had been historically tolerated within the organisation.
- 302 Another example was of a provider which had always had a policy of giving a discount in course fees to older learners. This college stated

it was about to change its policy in this area and was expecting some negative publicity locally when it published the intended new fee structure for the next academic year.

- 303 In another college visited, managers expressed concern that although they were planning to increase the number of Skills for Life qualifications being delivered, this was at the expense of shorter programmes of OP, including a reduction in the delivery of both short courses, including the 3- and 6-glh programmes in the Skills for Life area. It believed that, overall, this could lead to a greater number of learners failing to achieve their primary qualification. This it considered was due to the fact that the longer programmes of learning are more commonly assessed by external mechanisms and not internally certificated by its own members of staff. This it considered would also make the college to appear to be performing less well than was previously the case. There is a perception from some staff that external testing disadvantages some learners by adding an additional stress which is not helpful to those who have been historically weak or have previously had a poor learning experience. There was however no hard evidence available to support this, though this point was expressed by a number of colleges during the visits.
- 304 Another college involved in the delivery of a wide range of HE provision had always offered a number of internally certificated OP programmes as “pre-entry” study to HE. This provision was regarded by the college as providing “a ladder for progression into the higher level programmes”. The concern was expressed, by the senior managers of the college, that they believed some learners would choose not to attend the college, if the starter courses were to be reduced or stopped due to the fact the local LSC chose not to purchase this provision in the future. This, they considered, would have the effect of reducing the overall levels of participation in HE, and that ultimately, this would not just be confined to provision targeted at this level but would work its way through other levels.
- 305 One large college, dispersed over three main sites, had recently moved to implementing an “agreed curriculum footprint” across the whole of the institution. This is a formal curriculum planning mechanism for agreeing the allocation of resources based on predicted learner numbers and includes agreement on taught hours, length of programme and, for full-time 16–18 year-old learners, includes discussion on the range of activities to be considered as entitlement with a recognition of the volume of additional learning aims that a 16-18 year-old learner could be expected to undertake that truly adds value to the learner in any one year. The college commented that overall the effect had been extremely positive to date in that this strategy had actually freed up resources which had then been made available for reallocation, and which had resulted in a greater number of learners being able to attend the college. Some

full-time students were being taught for fewer hours a week, but the college considered that this provided a more appropriate balance of activities and there was some evidence that, in the past, some high failure rates on certain courses could be attributed to programmes with high levels of “additionality”. The college commented that the “curriculum footprint provides a structure for sound curriculum management, includes discussion and challenge on the acceptable use of OP and ensures consistency of approach across the college”. It stated that the net result provided for a clearer and transparent allocation of resources combined with tighter and more effective control by managers.

- 306 Although limited, there were some examples of colleges beginning to identify and move provision into an approach based on recovery of full cost, particularly where programmes were targeted more towards employers or the self-employed. Examples in this area included part-time Manicure courses, the Association of British Travel Agents Competencies (ABTAC), Air Fares and Ticketing courses and the First Aid at Work certificate.

6: Final Dissemination Events

- 307 The following section summarises the issues raised at the dissemination events that should assist LSC national office, the regions, the local LSCs and their providers in the further management of other provision.

Introduction

- 308 Final dissemination events for local LSCs were held in each region during June and July 2005. At these events, local LSCs were provided with an outline of the changes contained within the issue of the new reports (July 2005), a presentation of the findings of the review, updates on related key policy initiatives and the opportunity to engage in a policy discussion session around two key themes:

- regional consistency
- development of regional purchasing plans.

- 309 The policy discussion documents used at the events as an aid to promote discussion are included at Annex D to this report.
- 310 The dissemination events were well attended and confirmed the analysis has been well received by local LSCs. The analysis has allowed both providers and LSCs to begin to interrogate the provision in an attempt to assess the overall balance and mix of provision.
- 311 As expected, although the agenda was the same, each event was different with a slight change of focus depending on the individual

requirements of each region. Issues raised at the regional events are summarised below.

Regional Consistency

- 312 Timing of planning was seen to be crucial. It was generally considered that some of the guidance this year arrived too late to inform planning discussions. There was a need for the right information to be presented at the right time.
- 313 It was considered there is a need for national consistency and connectivity of messages across policy areas and all funding streams. These should be pulled together to make a simple and coherent framework to allow interpretation of the implications for the balance and mix of provision. These messages need to be explicit and focused.
- 314 There is a need for clear understanding of targets and priorities, particularly as to how they are set, defined, influenced and measured. Also, a need to understand and communicate the relationship between drivers of targets and (particularly) priorities.
- 315 It was stated there is a need to understand better the provider focus, ethos and mission: “Who is good at doing what?”
- 316 Good preparation is considered to be key, having the knowledge to support robust discussion with providers. Quotes include: “A simplistic framework for a sophisticated dialogue with a small number of clear, consistent and coherent messages” and the need to confirm “Clear articulation of targets and priorities to providers”.
- 317 There was an acknowledgement that different provider types may require a slightly different approach but this is not about wanting a complexity of different data sets from different types of provider. This is more about wanting to be clear about what information is required, when and from whom. This should include effective communication with key stakeholders to better understand why the data is required. This is clearly linked to the work conducted as part of LSC agenda for change data strand, in being able better understanding how data collection and exchange can be streamlined.
- 318 There appeared to be some concern about the local LSCs’ capacity to manage multiple contracts and to make judgements about what is acceptable in terms of the extent to which provider change can be implemented. There is a real need to challenge provider assumptions, and make better assessments of the impact of OP on the allocation process.
- 319 The avoidance of mechanistic approaches was stressed, particularly an approach which might simply prioritise NQF provision above all else.

- 320 It was considered there is a need to establish a few smart and simple procedural agreements to enhance regional working.
- 321 There is a need to ensure enhanced communication between LSC national office and the regions.
- 322 There should be consideration of a planned approach that helps to manage the risk across the whole balance and mix of the provision offered in a region or local area. This should be linked to provider quality improvement, self-assessment and include measures of added-value and consideration of contestability and consistency.
- 323 LSCs should consider the need to develop strategies for targeted intervention, commensurate with levels of risk.
- 324 There may be a need for a moderation role by LSC national office in terms of supporting consistency across the regions.
- 325 Likewise there may be a role for LSC national office in respect of the clarification of large areas of OP such as The Prince's Trust, the British Red Cross and St John Ambulance. It was also considered that there is a real need to publicise in advance the potential impact of any change in these areas.
- 326 It was stated that there is a need to better consider the role of contract management; giving consideration to the effect of reshaping and the need to develop the core competencies and skills required for change. It may be possible here to consider an assessment of the current linkages to the provider review process.
- 327 The above must include an understanding of the impact of emerging and future policy drivers, for example, to include the LSC's agenda for change, the revision of provider development plans and the proposed Framework for Achievement.

Development of Regional Purchasing Plans

- 328 There is considered to be a need to understand more about demand, particularly the role of sector skills councils (SSCs) in developing sector qualification strategies and sector skills agreements and subsequently influencing purchasing decisions. Also recognised was the need to make use of regional observatories to inform planning regarding demography, skills, the role of Business in the Community; regional skills partnerships and so on.
- 329 There is a need to provide better clarification of what is meant by demand-led, particularly with regard to the identification of the key drivers within the wider policy context.
- 330 Purchasing plans should provide a clear framework for direction which identifies the priorities and type and volume of provision to be purchased. This should provide an indication of how much shift is required by providers, locally and regionally, in the context of the

notion of effective and efficient provision as well as the balance and mix of provision.

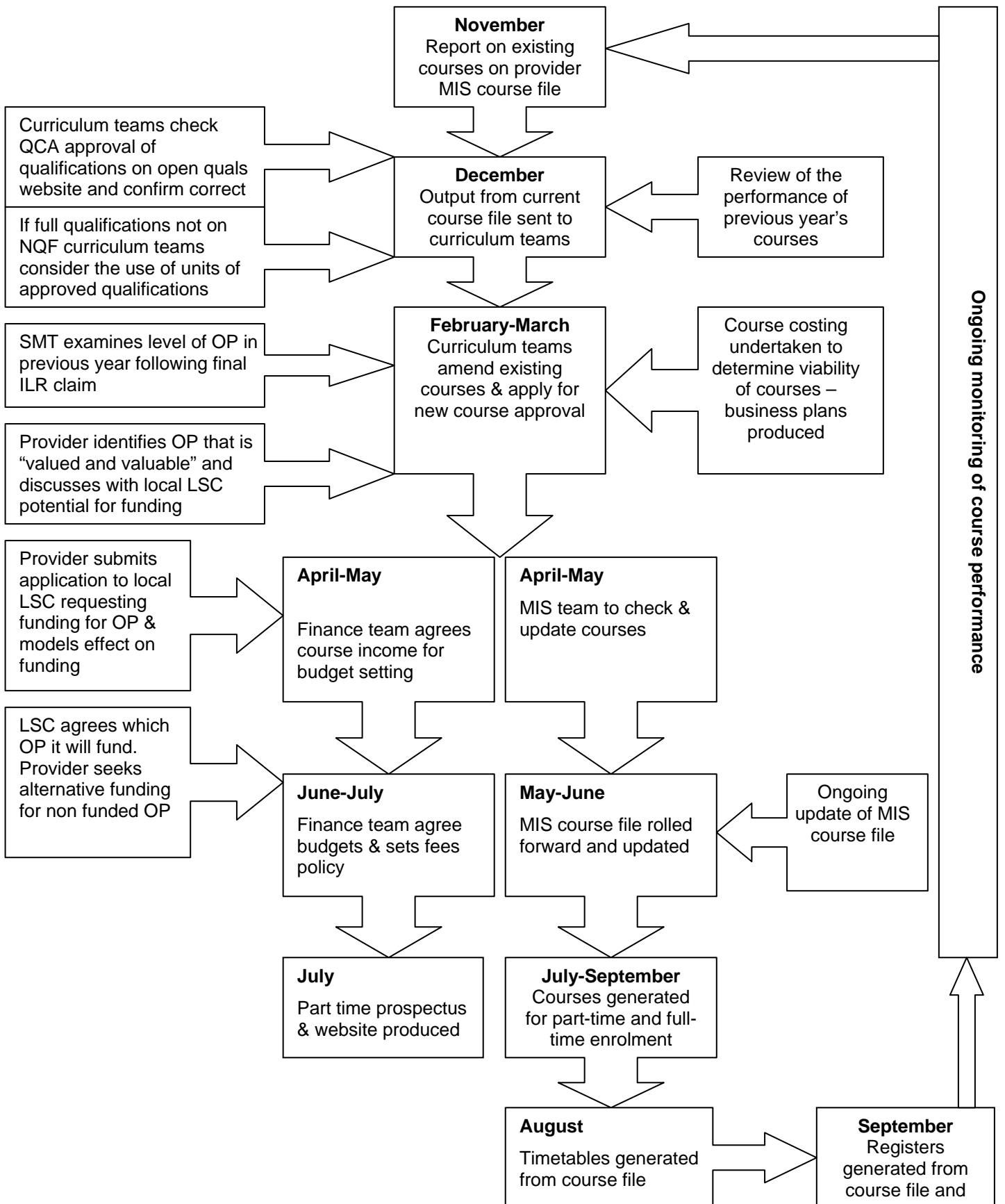
- 331 Purchasing models could be developed to provide examples of the types of provision the LSC does not wish to purchase and from what type of provider This might include areas of “over-supply”, but these could not be taken as blanket exclusions, since one locality or region’s priorities may not be another’s.
- 332 The planning tool may developed nationally or regionally but must be capable of being applied locally.
- 333 There was some concern about effective governance, mainly around issues in changes to the audit arrangements that may remove the requirement for governors to receive a full and comprehensive curriculum report that helps set the character and strategy of the college. This may mean that governors will not be made aware of key issues. What can LSC national office do to influence governing bodies?
- 334 It was considered that approaches such as the South East model based on skills priorities and target-bearing provision in the context of regional priorities.
- 335 Further clarification of budget pressures and knock-on implications for the development of purchasing priorities (including input from skills directors) need to be provided in the LSC’s Annual Statement of Priorities.
- 336 There is a real need to stress the importance of strategic curriculum planning. This should include an assessment of how effective the provider network is, for example, are providers delivering national, regional and local needs and priorities? What does this mean in terms of learner outcomes?
- 337 It was considered there is a need to provide further guidance from LSC national office to understand better some of the key issues surrounding employer engagement. Likewise, these key messages need to be communicated to employers.
- 338 Guidance on the balance and mix of provision needs to set out the key issues and in particular clarify the implications of forthcoming policies and initiatives such as the Framework for Achievement, the LSC agenda for change and the Foster Review of FE. It was suggested this could be undertaken by issuing guidance for providers. This could cross-reference the emerging adult learner policy and the implications for first steps provision, learning for its own sake and so on.
- 339 Purchasing priorities should be clarified in respect of Entry Level provision. For example what are we looking for? Is this about progression opportunities, motivation of learners and so on?

- 340 There is a need to consider the implications with respect to other funding streams, that is: "What should the balance and mix of provision be across WBL?" "Should it be across all provision, that is, irrespective of learner and type of provider?"
- 341 There is a need to identify and communicate the range of local LSC approaches in terms of agreeing the balance and mix of provision.
- 342 All of the above should be considered in the light of the review of the role of FE colleges being conducted by Sir Andrew Foster.

Other

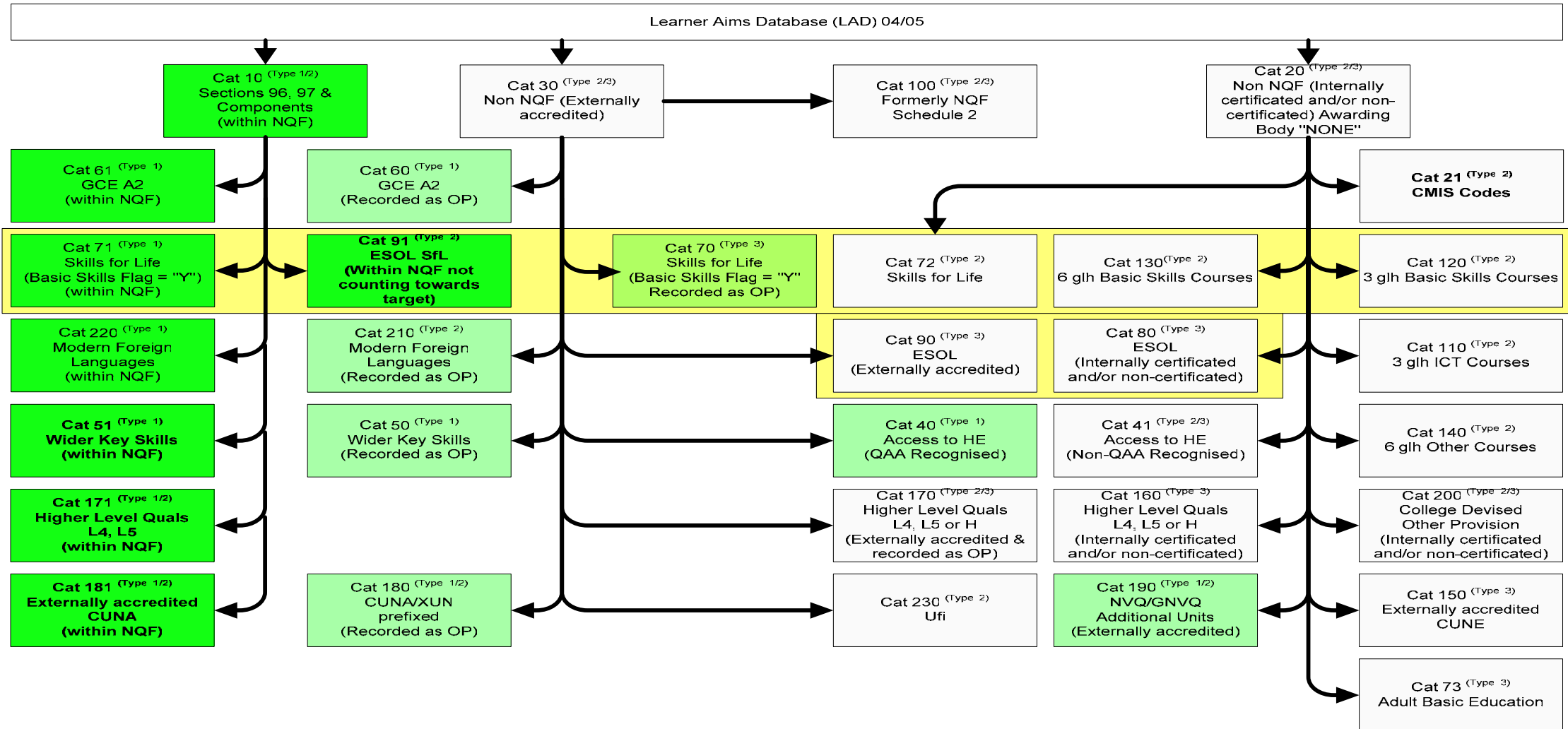
- 343 Analysis of provider activity, completed with more recent ILR data, in the third term would be helpful. The analysis conducted by LSC Birmingham and Solihull would seem to suggest provider profiles are shifting to an increase in forms of non-accredited learning.
- 344 Consideration should be given to better alignment of unit prices for both 16-18 provision and 19+ provision. Analysis of unit prices by provider for 2004/05 and 2005/06 would seem to indicate a stark increase in some areas.
- 345 It was considered there is a real need to identify how best to encourage private investment in education and training.

Annex A: Provider Course and Business Planning Process



Annex B: Categories of Provision

Learner Aims Database (LAD) 04/05



Annex C: Proposed Reports

- 1 These proposed reports are amended from the steering group meeting on 23 February 2004.

England, Local LSC, Region and Provider Level

- a Volume of OP as a proportion of total enrolments.
- b Volume of OP as a proportion of total budget for delivered programmes.
- c Growth trends in LSC FE funded OP (2001/02-2003/04).
- d Profile of OP enrolments over the three years by:
 - volume
 - age band (16-18, 19+)
 - gender
 - AoL
 - notional level
 - franchise provision learner
 - guided learning hours of programme.
- e Profile of learners undertaking OP by:
 - age band
 - duration of programme by load band of guided learning hours
 - ethnic background
 - disadvantage
 - Ufl learner
 - mode of study.
- f Proportion of OP that is unitised provision.
- g Retention, completion and achievement rate for each programme overall.
- h Comparison of providers to overall retention, completion and achievement rates.
- i Proportion of OP delivered to 16-18 year old FT learners eligible for the entitlement.
- j FT and PT OP programmes.

- k Programmes that are being offered in this way and the volume of enrolments on each.
- l Main programmes by AoL that have over 75 per cent of OP, by enrolments, learners and funding, attached to them.
- m Volume of OP delivered as a proportion of total funding, by college type, by college.

Specific Areas of Provision

- 2 The areas listed below will be analysed as in Section 1 of this annex and, in addition, as outlined below. Where it is stated that the top 20 programmes will be listed, this will be reviewed once the results are known and if necessary a more appropriate measure will be used.

Basic skills

- 3 The proportion of basic skills provision delivered through OP (enrolments and funding).
- 4 The number of learners undertaking a basic skills alternative to the key skills, within the entitlement.
- 5 Top 20 programmes, by volume of enrolments and funding.
- 6 Comparison of basic skills OP by provider.

ESOL

- 7 The proportion of ESOL provision delivered through OP (enrolments and funding).
- 8 Top 20 programmes, by volume of enrolments and funding.
- 9 Comparison of ESOL OP by provider.
- 10 Comparison of internal and external accredited ESOL programmes, by enrolments and funding.

Modern foreign languages

- 11 Top 20 programmes, by volume of enrolments and funding.
- 12 Comparison of MFL OP by provider.

Adult leisure and recreation provision

- 13 Proportion of OP delivered as ALR (enrolments and funding).
- 14 Investigate whether this can be disaggregated to give detail of subjects and/or courses delivered.

3- and 6-gh programmes

- 15 Proportion of OP delivered as 3- and as 6-gh programmes, by enrolments, learners and funding.

- 16 Analysis by of 3- and 6-gh programmes by IT, basic skills and other (6 glh only).

OCN provision

- 17 Proportion of OP that is OCN, and so on by enrolments, learners and funding.
18 Top 20 programmes, by volume of enrolments and funding.

Access to HE

- 19 Proportion of OP that is Access to HE by enrolments, learners and funding, analysis by QAA accredited and non-accredited.

IT programmes

- 20 Proportion of OP that is IT related, by enrolments and funding.
21 Top 20 programmes, by volume of enrolments and funding.

Higher level programmes

- 22 Proportion of OP that is Level 4, 5 or H, by enrolments and funding.
23 Top 20 programmes, by volume of enrolments and funding.

First Aid, Health and Safety, and Food Hygiene programmes

- 24 Proportion of OP that is First Aid, Health and Safety and Food Hygiene related, by enrolments and funding.
25 Top 20 programmes, by volume of enrolments and funding.

Other provision undertaken late in an academic year

- 26 Proportion of OP that is undertaken between 15 May and 31 July of each academic year.
27 Analysis of programmes undertaken, number of enrolments and funding, by provider and local LSC.

Awarding body analysis

- 28 Analysis by awarding body of OP, by enrolments and funding.
29 Top 20 programmes by enrolments and funding, for each awarding body.

Programmes potentially miscoded as other provision

- 30 Analysis of the categories includes but not limited to:
- Short GCSE
 - Key Skills
 - A/AS
 - GCSE

- GNVQ precursor
- GNVQ
- NVQ
- Basic Skill
- ESOL.

Unitised provision

- 31 Proportion of OP that is unitised provision, by enrolments and funding.
- 32 Analysis of programmes, by volume of enrolments and funding.

Vocational study not leading to a recognised qualification

- 33 Proportion of OP that is entitled as above, by enrolments and funding.
- 34 Analysis of programmes by volume of enrolments and funding.

Full-time and part-time provision

- 35 Analysis of OP, by programme, enrolments and funding.
- 36 Top 20 full-time programmes, by enrolments and funding.
- 37 Top 20 part-time programmes, by enrolments and funding.

Wider Key Skills

- 38 Proportion of OP that is Wider Key Skills, by enrolments and funding.

Continuing learners

- 39 Analysis of continuing learners that are on old codes, by enrolment and funding.

Sports coaching awards

- 40 Proportion of OP that is coaching-award related, by enrolments and funding.
- 41 Top 20 programmes, by volume of enrolments and funding.

CoVE initiatives

- 42 Proportion of OP that is delivered as part of a CoVE, by enrolments and funding.
- 43 Top 20 programmes, by volume of enrolments and funding.

Annex D: Managing the Balance and Mix of Provision – Policy Discussion Session

Regional Consistency

- 1 LSC decisions will be challenged as we move to further incorporate the contestability agenda within our work. We need to make sure that we have consistency of approach and that any local and regional variations of practice and policy (across funding streams) are justifiable.
 - What are the key indicators that you feel are appropriate for national office to use to look at performance. Is it just a percentage split or are there other factors that should be accounted for? (for example, disadvantage, mix of providers and so on)?
 - What measures are being taken to manage the risks in relation to shifts in provision? For example how are equality and diversity issues being identified?
 - How do we monitor providers within the context of Trust in FE?
 - What are the local and regional issues? How are they articulated, recorded and communicated?
 - How do we support local LSCs' capacity in terms of strategic curriculum planning?
 - How can national office add value?

Development of Regional Purchasing Plans

- 2 Some regions have introduced regional purchasing plans for 2005/06. National office is looking to further develop this approach nationally. It is important that we have **one** regional purchasing plan that looks at the totality of provision and how this meets our priorities and needs rather than separate plans for balance and mix of provision, sectors, 14-19 and so on.
 - What do we understand by the planning dialogue in practice? How does it start? What influences it? What are the issues?
 - What are the local and regional issues in terms of the business cycle?
 - How should the planning dialogue be developed to ensure that the providers' offer is appropriate?

- In developing this model what do you think are the important factors that need to be captured in terms of the approach to managing the balance and mix of provision?

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