

The Learning and Skills Council Prospectus

Learning to Succeed

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Foreword



Throughout the 20th century there was a continuing struggle to make the right to basic education a reality for all. The early part of the 21st century will be characterised by the transformation of the basis of economic success from fixed capital investment, to human capital. In a knowledge-driven economy, the continuous updating of skills and the development of lifelong learning will make the difference between success and failure, and between competitiveness and decline.

That is why we are putting so much stress on lifelong learning. Lifelong learning will hold the key to ensuring that, with the further development of information and communication technology, we avoid the 'haves' and 'have nots' of the past. At the same time, we must ensure that we can use the talent of all, to fulfil the potential of individuals and to ensure our economic survival as a nation. Lifelong learning is also essential to sustaining a civilised and cohesive society, in which people can develop as active citizens, where creativity is fostered and communities can be given practical support to overcome generations of disadvantage.

If we are to help people permanently out of poverty, to use effectively our most important natural resource - people - and overcome gross inequality, then we will need to invest in equipping the nation for, and helping people through, that challenge of change.

That is why, in the Green Paper *The Learning Age* which we published in 1998, and in our White Paper *Learning to Succeed* which we published on 30 June 1999, we set a vision of a learning society and a programme of reform to enable us to achieve those goals. The effectiveness of our new arrangements must be judged against their success in helping those facing the greatest challenge to access high quality learning.

I want to thank all those individuals and organisations that responded to our invitation to comment on the proposed changes. Their response clearly supports the principles of the White Paper, and a wide variety of constructive comments and helpful proposals were made.

In this Prospectus we set out our conclusions following our consultation over the summer. In particular, we describe how the Learning and Skills Council (LSC) will work at national and local level - with key partners including Regional Development Agencies (RDAs), local Learning Partnerships, and the University for Industry (Ufi) - to drive forward the changes we need in post-16 learning. Separate, but complementary, proposals will be implemented for Wales.

The Government's aims in creating the LSC are clear. We want to create a new system of post-16 learning in this country which is coherent and accessible and is notably responsive to the needs of individuals, businesses and communities. In putting the needs of learners firmly at the centre of our proposals for reform, it is also our unswerving aim that the LSC and all post-16 learning in this country should manifest throughout the highest standards of provision and achievement. In this way, we intend that the LSC should make a significant contribution to upskilling the nation, increasing the employability of individuals and securing the competitiveness of UK business. Through the LSC and our complementary initiatives at other levels of education, we are determined to raise people's aspirations, improve standards and greatly extend opportunities for lifelong learning to all. We also see the establishment of the LSC as part of our wider efforts to prepare everyone in this country for their full participation in a knowledge-driven economy and a modern, democratic society.

Everyone has a stake in learning. I invite you to work with us in making our vision of a lifelong learning society a success in the years ahead.



David Blunkett

Secretary of State for Education and Employment

Contents

Foreword by the Secretary of State	3
Chapter 1: Introduction	6
Chapter 2: The Learning and Skills Council - What will it do and how will it work?	9
What we will achieve	
Establishing the new Learning and Skills Council	
What will the Learning and Skills Council look like?	
What will the Learning and Skills Council do?	
The national Learning and Skills Council	
Meeting the needs of local communities - local Learning and Skills Councils	
Relationship between the Learning and Skills Council and Government	
Government Offices and the Learning and Skills Council - ensuring 'joined up' Government on the ground	
Who will lead the national and local Learning and Skills Councils?	
Regional Development Agencies and the Learning and Skills Council	
Local authorities and the Learning and Skills Council	
Local Learning Partnerships and the Learning and Skills Council	
Chapter 3: The Planning and Funding Framework	26
A new planning framework	
A new funding and allocations framework	
National rates and local discretion	
Delaying the funding system	
Contributing to the cost of learning	
Funding to combat disadvantage	
Transitional arrangements	
Further consultation	
Chapter 4: How will the LSC meet the needs of individuals, businesses and communities?	31
Ensuring equality of opportunity	
Improving foundation learning for all young people	
Workforce Development - including National Training Organisations and the role of unions	
Adult learning and basic skills - including the role of local authorities and the Ufl	
Chapter 5: How will the LSC and the new inspection arrangements improve quality and effectiveness?	43
How will the LSC improve quality?	
The new inspection regime	
Rewarding quality provision and tackling poor provision	
Performance indicators	
Sharing good practice	
The importance of qualifications	
The next steps on improving quality	
Chapter 6: What happens next?	51
Setting up the national Learning and Skills Council	
Setting up local Learning and Skills Councils	
Setting up the Adult Learning Inspectorate	
Keeping partners informed	
Headline Timetable	
Further consultations	
Further information	
Annexes, Glossary and Bibliography	56

1. Introduction

"We applaud the shift in emphasis from provider to consumer-led provision."
(BP Oil UK Ltd)

"The White Paper proposals will significantly enhance the ability of business, learning providers and other organisations to work together to deliver an appropriately skilled, world-beating workforce" (English Regional Development Agencies)

Background

1.1 In the summer, the White Paper *Learning to Succeed* set out radical reforms to modernise and simplify arrangements for the planning, funding, delivery and quality assurance of post-16 education and training. The centrepiece of these new arrangements is the creation of a single body, the Learning and Skills Council (LSC), to oversee and implement strategies focused on the needs of individuals, businesses and communities in partnership with other key bodies. The White Paper also proposed a new, rigorous, independent inspection regime to underpin the LSC's focus on improving the quality of learning. Consultation documents were issued at the same time on the funding of school sixth forms and on proposals for a new support service for young people.

1.2 These changes will together build a system for post-16 learning capable of realising the Government's vision first set out in the Green Paper *The Learning Age*; a vision of a nation:

- ▶ in which individuals will achieve their full potential and companies will thrive;
- ▶ that can compete with the best, that is well equipped and adaptable enough to secure our economic future;
- ▶ that is confident, socially inclusive, with strong families and neighbourhoods, where people can grow and be equipped to play a full part in their community; and
- ▶ in which creativity, enterprise, and a regard for learning can flourish.

- 1.3** The key objectives underlying our proposals in *Learning to Succeed* are to create a new system which will:

- ▶ be responsive to the needs of individuals and employers;
- ▶ promote employability for individuals by equipping them with skills in demand in the labour market;
- ▶ help employers develop individual employees and their whole workforce to achieve world class business performance;
- ▶ ensure targeted support for the most disadvantaged;
- ▶ ensure equality of opportunity;
- ▶ secure the entitlement of all 16-19 year olds to stay in learning;
- ▶ promote excellence and high quality delivery of service;
- ▶ maximise participation, retention and achievement, to make progress towards the National Learning Targets for 2002 and beyond;
- ▶ remove unnecessary bureaucracy; and
- ▶ secure maximum effectiveness and value for money.

The Small Business Service

- 1.4** The development of the Small Business Service (SBS), at a national and a local level will proceed in tandem with the development of the LSC.
- 1.5** The SBS will have three main tasks: to act as a strong voice for small business at the heart of Government; to simplify and improve the quality and coherence of Government support for small business; and to help small firms deal with regulation and ensure small firms' interests are properly considered in future regulation.
- 1.6** The SBS, as a Next Steps Agency of the Department of Trade and Industry (DTI), will be established from April 2000. Local partners are currently drawing together proposals to deliver business support services on a franchise basis. The boundaries for the franchise areas are generally coterminous with those of local LSCs.

The Purpose of this Prospectus

- 1.7** From the responses to *Learning to Succeed*, it is clear that there is a strong welcome for the new coherence the Government is introducing to post-16 learning. But there have been questions about the detailed operation of the new system and concern too that we must build on the good practice that exists in the current arrangements to ensure a customer-focused system which meets the learning and skill needs of the 21st Century.

1.8 This Prospectus explains how we intend to work with our partners at national, regional and local level to establish the new LSC. It sets out:

- ▶ how and when the LSC will be established;
- ▶ how the new arrangements will work and make a difference;
- ▶ how the LSC will work with others to deliver a co-ordinated, collaborative and coherent framework; and
- ▶ how we will put in place new independent inspection arrangements and drive forward quality improvements.

1.9 Over the course of the next 15 months we will be issuing further details of our plans for implementing the proposals in *Learning to Succeed*. This will include the publication shortly of a consultation paper on the funding and allocation system. This will be followed next year by a series of more technical papers on the funding system and an initial consultation on the future post-16 quality improvement framework. We will also issue further details on the proposals for the new support service for young people, which is a key element of the ConneXions framework.

Legislation

1.10 The Government's intention to introduce legislation in the current session of Parliament was announced in the Queen's Speech in November 1999. The plans set out in this document are subject to the passage of this legislation.

The Learning and Skills Council - what will it do and how will it work?

What we will achieve

- 2.1** In *Learning to Succeed* we proposed a Learning and Skills Council to bring together, for the first time into a single coherent system, the current range of learning opportunities for individual learning and workforce development. This will cut through the present duplication, leading to savings of at least £50 million a year, which will be invested in improving the quality of learning. In developing the new framework, we have listened to the important comments made in response to the consultation. We have recognised the need to build a system which places the learner at its heart; which engages business; which is responsive to local needs and is innovative; and which builds on the positive features of the present arrangements.
- 2.2** We need to build a new culture of learning, ensuring every individual has an opportunity to develop their potential, and in so doing to improve the competitiveness and prosperity of the nation. This will entail a new approach - one based on a stronger and more informed understanding of the needs of individuals and employers and, in particular, future employment needs. It will be based on a new partnership between government, employers, individuals and communities, where the aim is to maximise the effectiveness of the total investment in skills and learning, not just public expenditure. And it will ensure more cohesion between national, regional and local organisations.

Establishing the new Learning and Skills Council

- 2.3** Subject to the passage of the necessary legislation, the LSC will be up and running by April 2001. It will have responsibility for a budget of around £6 billion and for almost 6 million learners. It will work alongside the new support service for young people about which we will announce details shortly. The LSC will also work very closely with the new SBS to ensure that skills development is integrated with enterprise and business support. In promoting lifelong learning, the LSC will work closely with Ufl at both national and local levels.

What will the Learning and Skills Council look like?

- 2.4** There will be a national LSC with two statutory committees (one covering adult learning and one covering young people) and 47 local LSCs responsible for responding to the skills and learning needs of individuals, communities and local businesses and economies.
- 2.5** The national LSC and its local LSCs will be part of a single organisation, with common objectives and goals and working through a coherent structure and a common culture. But local LSCs will have significant decision making authority and flexibility, within a transparent and accountable national framework. This is important because learning, skills and labour markets are predominantly local; and most small and medium sized companies recruit from local labour markets for all their staff. It is also important because planning learning effectively requires good local knowledge. We have therefore agreed boundaries for the local LSCs at sub-regional level to be consistent with travel-to-work and travel-to-learn areas and to facilitate planning, co-ordination and joined up working.

- 2.6** Through these arrangements, we will have for the first time a single national body responsible for coherent post-16 learning - at arms length from Ministers, but answerable to them.
- 2.7** Building and establishing this new organisation will be a major task. We want to achieve a rapid step improvement in quality and participation through arrangements which have credibility with key partners and which build a new partnership between individuals, employers and the state. We will create the LSC as a dynamic and outward-facing organisation which seeks to engage a range of partners and key stakeholders and work with them to create a shared vision. It will promote excellence through diversity - meeting the needs of the most disadvantaged, through to the most able.
- 2.8** We have already taken the first steps to build the new organisation. We have announced:
- ▶ the boundaries for the 47 local LSCs (on the basis of advice from RDAs and the London Development Partnership) - the map at Annex 1 shows these;
 - ▶ that Coventry will be the location of the Head Office of the LSC and the Head Office of the new Adult Learning Inspectorate (ALI); and
 - ▶ the level of business representation on the national and local LSCs - 40 per cent of LSC members, together with the national Chair and most local Chairs will have substantial recent business or commercial experience.
- 2.9** These early announcements have been widely welcomed and are essential to ensuring the smooth transition to the new arrangements. The next steps in building the new system are described in this Prospectus.

What will the Learning and Skills Council do?

- 2.10** As we set out in *Learning to Succeed*, the LSC, with its overview of all post-16 education and training, will bring a new strategic focus to lifelong learning and play a key role in helping make a reality of the Government's vision set out in *The Learning Age*. It will be responsible for planning, funding and improving the quality of post-16 learning up to university level. Developing a strategy that inspires and that is shared and owned by a wide range of partners will be critical to its success. It will therefore be much more than just a funding body. Its mission will be to build a new learning culture which will underpin our national competitiveness and personal prosperity and help build a cohesive society. We will give it the right resources, levers and policy instruments to ensure it is able to achieve this. We want the LSC to make a real difference to people's lives - to help support families, build stronger neighbourhoods, support the regeneration and the capacity building of communities and support competitive businesses.

- 2.11** The LSC will play a key role in promoting the benefits of learning - not just the economic benefits, important though they are, but also the personal, family and community benefits that learning can bring. We are not yet a nation of lifelong learners. There is no general acceptance in our society, especially among busy small businesses and communities where poverty of aspiration and opportunity have been reinforced across generations, of the high priority that should be given to learning. The LSC will work with partners at national and local level in creative ways to stimulate interest in learning and create opportunity and aspiration - especially among those who do not consider themselves as learners.
- 2.12** Learning opportunities funded by the LSC will meet the needs of individuals, businesses and communities. The LSC will help to build a prosperous and diverse society, meeting the needs and developing the talent of all, irrespective of ethnic or cultural background. Through research and analysis, jointly with other organisations, the LSC will assess and anticipate national, regional and local learning and skills needs. It will secure the provision of the information and advice people need to help them make the right decisions. And it will help break down traditional barriers to learning by encouraging and funding new ways of learning, building on the good practice that already exists. In particular, that will mean ensuring that learning should be accessible to all individuals and sections of the community including the socially disadvantaged. As recommended in *Skills for Neighbourhood Renewal*, the report of the Policy Action Team on Skills, much more of the right kind of learning will be available, in ways that meet the needs of local people, on their own terms and in settings with which they are comfortable.

Case study

Golden Hillock School post-16 centre - FE provision on School Sites

East Birmingham College has established a women only post-16 centre at Golden Hillock School. Before the Centre was opened, there was no provision in the locality. The local population has a high proportion of residents of Pakistani origin and for cultural reasons many of the female pupils at the school were unable to travel outside the area. The college leases a block of the school building from the local education authority (LEA). Its curriculum is heavily based on local employment opportunities. In addition, because many pupils spend long periods abroad or come to this country as teenagers, it offers courses specifically tailored to people for whom English is not their first language. In 1998 the retention rate was 98 per cent and pass rates were very high.

- 2.13** The LSC will work with the Government on a national drive to tackle the legacy of poor basic skills among adults, which has been so starkly highlighted by the report of Sir Claus Moser's committee. The aim is to make real and rapid inroads into this pressing problem that affects so many people and businesses. But the LSC will also need to invest in the high-tech skills which we need to support the knowledge driven economy of the future. It will do this by targeting resources where they are needed most and encouraging individuals and employers to invest in learning. Its spending decisions will support and complement other private and public investments. This will include European money and ideas for improving the co-ordination between national and

European funds will be set out in a consultation document on the funding and allocation framework to be published shortly. The LSC will also support the learning and skills elements of economic development, inward investment and regeneration projects, building on the work of Training and Enterprise Councils (TECs), including imaginative local initiatives such as Intermediate Labour Market projects to build local capacity in disadvantaged communities.

- 2.14** Most of the action to take this work forward will take place at local level. The local LSCs will work closely with key local partners including local authorities, the local Learning Partnerships, the Employment Service (ES), the new support service for young people, Ufl, educational institutions, training providers, the new SBS and with RDAs and local economic development partnerships.

The national Learning and Skills Council

- 2.15** At national level the LSC will work with the full range of partners and interests to build a shared national learning and skills agenda for England. It will encourage those who need to exert an influence, in particular employers and their representatives, such as National Training Organisations (NTOs), to come together to take a leading role in galvanising action on learning and skills. This will be critical to establishing a strong vocational route for young people and raising learning and skill levels amongst adults in the workforce.
- 2.16** The LSC will also build an effective partnership with representatives of the wider community (in particular local authorities) and others with a significant influence on learning. This will also include the ES because of their role in providing training for jobseekers and those on other benefits trying to get into work, representatives of employees such as trades union and the new support service for young people. It will also include the Ufl - which will have a special relationship with the LSC because of Ufl's role in stimulating demand for learning and driving forward world class virtual learning opportunities (the important role played by the Ufl is described in paragraph 4.35). And it will include working with the Higher Education Funding Council for England (HEFCE) to ensure and encourage a seamless progression into higher education.
- 2.17** At national level, the LSC will assess and identify current and future skills and learning needs and advise on how these can best be met, building on the work of the National Skills Task Force. The Task Force will complete its work in Spring 2000 by making recommendations in its final report to the Secretary of State about the content of a National Skills Agenda and how best to carry it forward. To develop and inform its work, the LSC will draw together authoritative advice on skills supply and demand by convening, with the HEFCE and other agencies, an advisory group of leading experts in the field of skills research and information. The group will be steered by key influencers, particularly employers and their representatives, and will provide considered analyses that advance thinking and policy in the same way that the Task Force has done. Its membership and remit will be designed to support the LSC in its lead role in advising the Secretary of State on skills. The Secretary of State will continue to be supported by a small unit within the Department for Education and Employment (DfEE), which will work closely with the LSC and its joint advisory group on skills.

2.18 The box below describes how the LSC will work at national level in a new partnership with employers, individuals, communities and a variety of organisations to set and implement a strategy to meet the current and future learning and skill needs of the nation.

The national LSC will:

- ▶ assess national skills and learning needs. The position on future skills advice to Ministers and others is set out in paragraph 2.17 above;
- ▶ allocate the majority of its budget, each year, to local LSCs, for them to determine, within a national framework, how resources can best be used to raise participation, attainment and learning skills levels in the areas they serve. It will also allocate resources to LEAs for their school sixth forms. And it will develop the national funding system, including a national tariff;
- ▶ focus on the National Learning Targets. The LSC will advise Government on all the National Learning Targets and set a strategy for achieving the post-16 and the Investors in People targets working with the HEFCE in respect of the targets at degree level. We will be setting out guidance on the general principles we expect the LSC to adopt in providing advice on new targets;
- ▶ develop a three year corporate plan and an annual operational plan agreed with the Secretary of State. The three year corporate plan will include strategies to achieve the National Learning Targets, meet workforce development needs, develop equality of opportunity and define priority areas for action. It will be produced in consultation with key stakeholders. It will provide the national framework for similar strategic plans produced by each local LSC. The Corporate Plan will be accompanied by an annual plan showing how strategies will be turned into action;
- ▶ encourage people of all ages to learn through national marketing and the promotion of learning opportunities and learning accounts. This will include skills accreditation, particularly the use of National Vocational Qualifications (NVQs);
- ▶ mainstream equal opportunities in all its policies and programmes and develop an equal opportunities strategy and action plan;
- ▶ play a key role in the Government's drive to tackle poor basic skills among adults;
- ▶ co-ordinate a national strategy to ensure accessible learning opportunities of an appropriate kind are available to the most socially disadvantaged and those with learning difficulties to become involved in learning, and to promote equality of opportunity for all learners;

- ▶ develop and drive forward a comprehensive quality improvement strategy, drawing on the inspection findings of Office for Standards in Education (OFSTED) and the new Adult Learning Inspectorate (ALI);
- ▶ secure, working with others, information, advice and guidance for adults to ensure a good quality support service is available to all learners;
- ▶ develop national partnerships - so that there is a close understanding of the needs of key partners - and agree strategies for working together with:
 - local authorities and LEAs (see paragraphs 2.41 to 2.42);
 - RDAs to ensure that regional skills and regeneration needs inform LSC national and local plans (see paragraphs 2.36 to 2.40);
 - the SBS nationally to ensure the needs of small businesses are met (see paragraphs 1.4 to 1.6);
 - the ES to draw on its labour market intelligence and to ensure that what the LSC and ES provide for job seekers and those on other benefits wanting to get into work is coherent and complementary;
 - the Ufl to identify priority skill needs and to extend access to and use of on-line learning opportunities (see paragraph 4.35);
 - the new support service for young people to gain an accurate picture of young people's learning and skills needs and aspirations;
 - the NTO National Council (see paragraphs 4.18 to 4.21) and groups of NTOs to identify the current and future learning and skill needs of sectors and to inform the production of sector-based workforce development plans;
 - trades union to help stimulate employee demand for learning through, for example, workplace innovations arising out of the Union Learning Fund and the TUC *Bargaining for Skills* projects (see paragraph 4.25);
 - major national and multi-site employers in partnership with the relevant NTOs to increase the effectiveness of their workforce development policies and to enhance their positive influence on national learning and skills achievement; and
 - education and training providers and their representatives - including schools, colleges and private and voluntary sector providers - to improve and develop new forms of learning opportunities which are high quality and meet individual, business and community needs.

2.19 At national level the LSC will have a Chief Executive and a number of national directors covering all of the LSC's functions including quality, foundation learning, adult learning and workforce development. The Chair and Chief Executive, when appointed, will shape the final structure.

2.20 The relationship between the national and local LSCs will need to ensure that the local LSCs have substantial flexibility within a national framework and that there is effective co-ordination with regional partners. We envisage that:

- i. local Executive Directors will have direct access to the Chief Executive;
- ii. part of the Chief Executive's role will be to ensure that the local LSC meets national requirements, e.g. on quality, targets and priority. The Chief Executive will be supported in this role by an Operations Director and a high-powered performance unit;
- iii. the Chief Executive will be further supported in this role by linking each national director with a number of local LSCs to improve liaison and understanding between the centre and local LSCs; and
- iv. local LSC Executive Directors will network with each other on a regional basis and will assign lead responsibilities amongst themselves for liaison with other bodies on regional issues.

Meeting the needs of local communities - local Learning and Skills Councils

2.21 At the heart of the LSC's design are the 47 local LSCs. The local LSCs will be responsible for ensuring that the needs of local communities, including the needs of employers and of individuals, are reflected and met through LSC-funded provision. Through these arrangements we will ensure that the LSC will be a responsive organisation, rather than one driven only by national planning and funding assumptions. It will build on the good practice that already exists and deliver improvements in the participation and attainment of young people and adults, ensure adult literacy and numeracy is improved, the skills needs of the local economy are met and that everyone has the opportunity to learn throughout life. The box below shows how the local LSCs will deliver this.

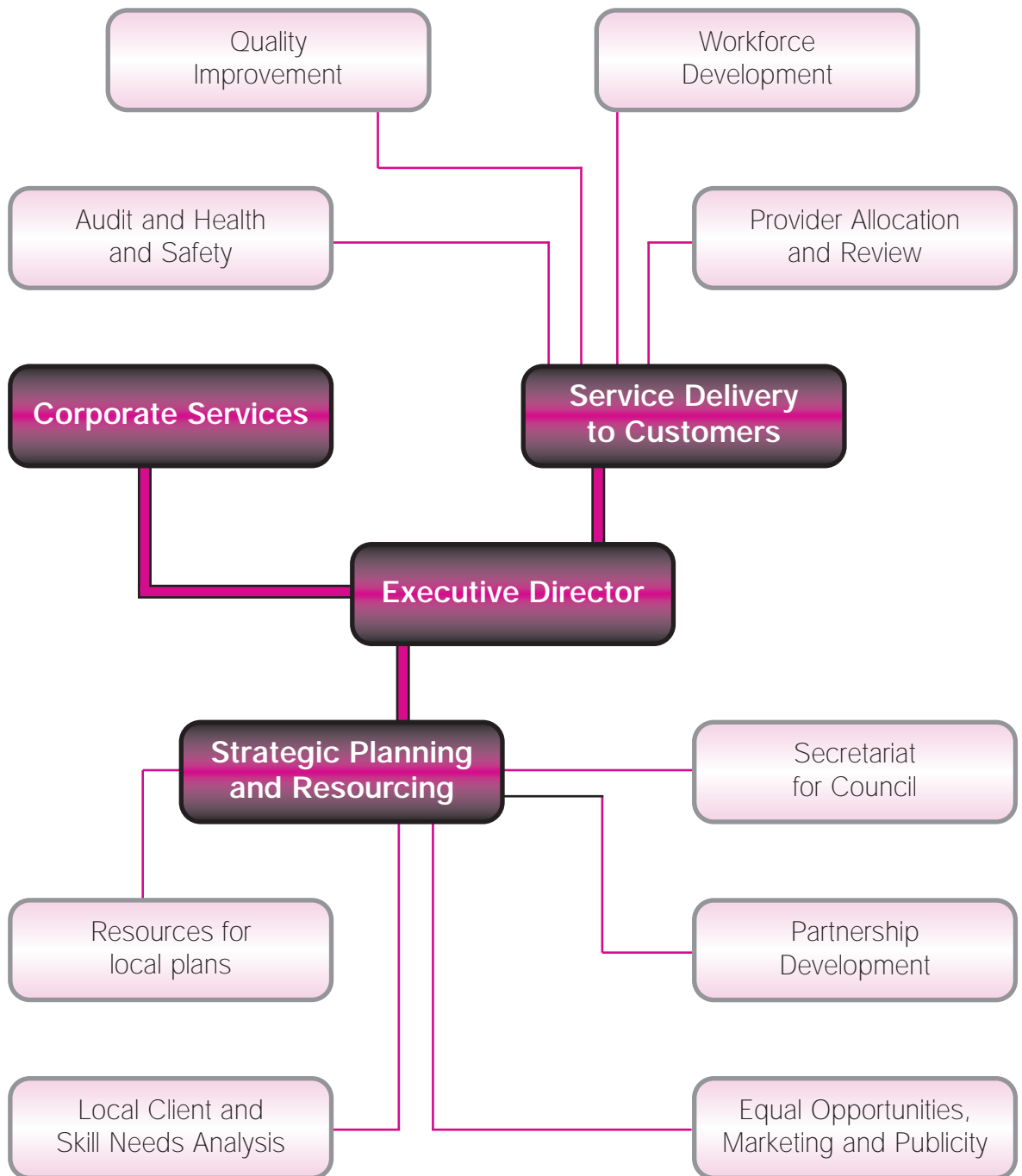
Local LSCs will be responsible for:

- ▶ identifying the current and future learning and skill priorities for individuals, businesses and communities by:
 - analysing local labour market and skill needs;
 - discussing and agreeing the plans and budgets for individual Further Education (FE) colleges and training providers;
 - deciding how, within nationally agreed limits, rates within the national funding formula may be varied locally to meet priority local skill and community needs;
 - deploying locally-managed development budgets to meet learning, skills and workforce development needs; and
 - using discretionary expenditure to support innovative projects adapted to local circumstances;
- ▶ developing the local provider infrastructure and managing the learning market and promoting the demand for skills and lifelong learning needed locally, sectorally and nationally;
- ▶ drawing up local workforce development strategies which will complement the direction of wider economic strategies;
- ▶ reinforcing and investing in Education Business Partnerships (EBPs), building on the existing work undertaken in school business ventures designed to raise standards in school, overcome disaffection and alienation and ensure a smooth transition from school to adult life;
- ▶ promoting learning and widening participation and ensuring that lifelong learning is embedded in the lives of adults and communities in their local area, including agreeing plans and budgets for adult and community education in partnership with local authorities, colleges and voluntary sector bodies;
- ▶ working with the Ufl locally and building on the development of *learn direct* hubs and learning centres;
- ▶ playing a key role in the Government's drive to tackle poor adult basic skills;

- ▶ mainstreaming equal opportunities in all its local policies and programmes to identify and challenge discrimination and promote equal opportunities for all learner's;
- ▶ planning to meet the National Learning Targets and/or targets for basic skills locally, and to ensure that all local young people, including those with disabilities and learning difficulties, have access to high quality learning to meet their individual needs;
- ▶ driving up quality and standards in all post-16 learning, using funding to support quality improvements and encourage innovation;
- ▶ integrating the LSC's activities with local economic development and regeneration activities, by consulting and developing close links with RDAs, local authorities, ES, Ufl, local Learning Partnerships, local economic development partnerships and the SBS;
- ▶ liaising closely with the new support service for young people locally to ensure that information about young people's learning and skills needs from various youth fora and local Learning Partnerships are fed into decisions about planning and funding of education and training opportunities;
- ▶ supporting the further development of information, advice and guidance for adults at local level; and
- ▶ local marketing and publicity about opportunities including national programmes such as Modern Apprenticeships (MAs), Investors in People (working with the SBS) and local initiatives.

2.22 Significant programme resources will be made available to meet local needs and the local LSCs will need staff to match their responsibilities. Working with TEC, Further Education Funding Council (FEFC) and Government Office (GO) representatives we have devised an indicative model of the structure of the local LSCs. This is set out in the diagram below. It has been developed to help us and partners plan the transition and should not be seen as a blueprint since local Executive Directors will need the flexibility to design structures that best meet local needs.

Functions of a local Learning and Skills Council



2.23 Staffing numbers for local LSCs will vary according to the size of the population and the geographical boundaries of the locality. We envisage that the smallest will have between 55 and 60 staff and the largest around 150 staff. On average, the local LSCs are likely to have 80-90 staff. Over the next few months the DfEE and GOs will be working with TECs and FEFC Regional Offices to identify which of their current functions map onto the functions of the local LSCs. We expect to complete this work by the end of April 2000.

2.24 The Executive Directors of the local LSCs will have demanding posts, with a responsibility for an average budget in excess of £100 million and for improving quality and choice for well over 100,000 learners. We will want to attract the best candidates for these posts and will therefore advertise them. We expect to see successful candidates from a range of backgrounds from TECs, further and higher education, business and the voluntary sector as well as from local and central Government. We expect the pay for successful candidates to be commensurate with these responsibilities and to be dependent upon the size of LSC and the number of staff employed, of between £50,000 and £80,000.

Relationship between the LSC and Government

2.25 Fundamental to the influence and effectiveness of the LSC will be its relationship with the DfEE. This will be characterised by:

- ▶ a commitment to joint working between LSC and DfEE at all levels as part of a shared vision;
- ▶ a direct working relationship between Ministers and the LSC Chair and Chief Executive on critical issues;
- ▶ a good deal of formal and informal contact, and joint working between national LSC members, Ministers and the DfEE Board; and
- ▶ joint and co-operative working with other relevant agencies including the ES, the new support service for young people, Ufl, the HEFCE and the SBS.

2.26 As well as leading on the identification and analysis of learning and skills needs and gaps and offering advice on the National Learning Targets, the LSC will share responsibility with DfEE for the design of national initiatives and programmes, and will lead on their development, management, quality and evaluation. DfEE will retain responsibility for policy and strategy development, and Ministers will continue to 'own' the National Learning Targets and to be accountable in Parliament for their delivery. The Secretary of State will set out his policy priorities for the LSC through an annual letter of direction.

This will:

- ▶ review the LSC's performance over the previous year, with a particular focus on how well it has met learning and skills needs, participation and achievement targets nationally and locally and succeeded in raising the quality of post-16 provision and promoting inclusion and equality of opportunity;
- ▶ give guidance on the future learning and skills agenda and how it relates to the LSC's overall mission and strategic plans; and
- ▶ set the LSC's budget for the coming year and indicative budgets for the future, with details of priority areas for spending.

Government Offices and the LSC - ensuring 'joined up' Government on the ground

2.27 We will also expect the local LSCs to work closely with GOs to ensure that the LSC integrates, actively complements and contributes to the programmes and policies of other Government Departments and those of key local agencies to realise common goals. This will include, for example, the work of the Home Office with ex-offenders. It will also include promoting and working through multi-agency collaboration. The active involvement of local LSCs in the development of integrated local strategies for the renewal of disadvantaged neighbourhoods and communities will be of particular importance. The significant role that RDAs fulfil in the development of regeneration strategies will also play a key role here.

Who will lead the national and local Learning and Skills Councils?

2.28 In *Learning to Succeed* we made clear that those leading the LSC at national and local level must bring a strong customer influence into the new arrangements. Those people who make up the national LSC's Council will be appointed individually and on merit. We will publish a specification of the knowledge, understanding and skills we are looking for amongst LSC members. They will not be delegates, but will bring with them understanding and experience of the wide variety of interests in post-16 education and training, including individual learners (young people and adults), employers, trades union, disadvantaged groups, providers (including FE sector colleges) and the voluntary sector.

2.29 The leadership of the national LSC Chair and the Chairs of the local LSCs will be particularly important in the new arrangements. For example, the local Chairs will play the leading role in appointing, appraising and, if necessary, removing the Executive Directors of the local LSCs, working closely with the Chief Executive of the LSC or her/his representative.

2.30 We have already announced that at least 40 per cent of the members of the local and national LSCs will be people with substantial recent business and commercial experience. We have also said that local and national LSCs will each include a senior RDA figure to reinforce the important links between the LSC and the RDAs on skills issues. We would also expect the national and local LSCs to have members who understand the needs of:

- ▶ local communities through local authority experience;
- ▶ people who are disadvantaged or excluded through voluntary sector experience;
- ▶ employees through trade union representation;
- ▶ young people;
- ▶ people with special learning needs, learning difficulties and/or disabilities;
- ▶ adult learners; and
- ▶ people who face discrimination.

2.31 The vast majority of those serving on LSCs will speak for the views of the 'consumers' of the learning system - individuals and employers. But it will be important that learning providers are also represented, including people with experience of working in a senior capacity in the schools, further education, higher education and private and voluntary training provider sectors.

2.32 We will be looking to partners, representative organisations and individual businesses to recommend and encourage individuals of the highest calibre to apply for membership of the LSC. In particular, we want individuals who understand the range of needs covered in post-16 learning and who will challenge discrimination and promote equality of opportunity. The Secretary of State will appoint a senior member of the DfEE to act as his representative on the LSC. He will also expect the national LSC to invite to its meetings the Chief Executive of the ES, the head of the support service for young people, the Chief Executive of the SBS and the Chief Executive of HEFCE. We will also expect the local LSCs to invite the relevant ES Regional Director, the head of the relevant local support service for young people, the GO Regional Director and a representative of the local relevant SBS franchises as observers.

2.33 The national and local LSCs should also reflect, better than previous structures, the diversity of the population of England. We will take active steps to encourage applicants from women and people from ethnic minorities and other under-represented groups, such as disabled people. We will be contacting a wide range of organisations to ask them to encourage suitable applicants.

2.34 The national LSC will be advised by two key statutory committees, one on Young People's Learning and one on Adult Learning. Members will include people who have special knowledge, understanding and skills in education and training for young people and for adults. The Young People's Learning Committee will wish, for example, to have direct access to the professional advice of the Chief Inspector of OFSTED and those with direct experience of schools with sixth forms and sixth form colleges. The Adult Learning Committee will wish to have direct access to the professional advice of the Chief Inspector of ALI, those with direct experience of workforce

development and adult and community learning. These committees will look at and advise on all aspects of learning, including learning for employment, for individual fulfilment, and to help these who are socially excluded. The Adult Learning Committee will also lead on workforce development, Investors in People, on skills priorities including adult basic skills and on information, advice and guidance for adults.

- 2.35** Appointments to the positions of Chair, Chief Executive/Executive Director, and members of the national LSC and the local LSCs will be made, mirroring Nolan principles, following open, national advertisements. Chapter 6 describes the timetable for the appointment process in detail.

Regional Development Agencies and the LSC

- 2.36** RDAs have a statutory duty “to enhance the development and application of skills relevant to the employment in each area”. RDAs are developing an influential role in driving forward their regional strategies for sustainable economic development, regeneration, and social inclusion. They have an important strategic role in helping to ensure that the new planning and funding arrangements meet the challenges of the knowledge based economy and address the legacy of low skills and disadvantage that many individuals, communities and regions face.

- 2.37** The production of the RDAs' Economic Strategies are a milestone in the Government's regional development agenda because they provide a framework for identifying skill needs which are essential for the prosperity and sustainable development of their regions. This is the key role for the RDAs as part of the new arrangements for identifying and meeting the learning and skill needs of the country.

- 2.38** RDAs will need to work very closely with the LSC to ensure that at national and local level their regional skills strategies inform, complement and are integrated with the LSC's plans and strategies. In practice this means that statements of priority and plans from local LSCs will need to be consistent with Regional Economic Strategies. They will need to have the support of the RDA before they are formally approved. In turn, RDAs will need to take account of the information and plans produced by the LSC at national and local level. This means that local LSCs and RDAs will need to work closely together to share information and economic assessments, monitor the progress of regional and local strategies, contribute to the national LSC's corporate and annual plans, and its strategies, and contribute to local LSC plans and statements of priorities. We will ensure that the LSC is able to plan and take decisions which meet the changing regional skills needs and fully support the implementation of the RDA Skill Action Plans. It will also be important for the funding decisions taken by the LSC and by the RDA in respect of its own Skills Development Fund to be complementary.

2.39 To underpin this close working relationship:

- ▶ the LSC's Councils at national and local levels will include a senior RDA figure;
- ▶ at national level the LSC will be required to consult RDAs in drawing up its guidance to the local LSCs;
- ▶ local LSCs will be required to consult their RDA in drawing up their plans and have regard to the RDA's regional and sub-regional economic strategies in doing so;
- ▶ RDAs will assess local plans and advise the national LSC that they are consistent with their regional strategies; and
- ▶ the LSCs will work closely with the RDA and NTOs to develop appropriate skill packages.

2.40 RDAs gave invaluable advice on the boundaries of the local LSCs. We will also want them to contribute to the process for setting up the new arrangements. GOs are taking the lead in this and it will be vital for RDAs to work with them, for example to encourage the right people to apply for local boards. The next steps in this process are described in Chapter 6.

Local authorities and the LSC

2.41 Local authorities will be central partners in the new post-16 arrangements - not just in providing and securing learning opportunities but also as organisations which are uniquely placed to provide vision and leadership for local communities. The new arrangements will mean that they will have a greater strategic influence over post-16 learning in their local areas than is currently the case. They will be able to represent the needs of the communities they serve. They will also offer innovative ways of giving access to learning opportunities to traditionally excluded groups. This will include ensuring learning is fully integrated into local economic, social and regeneration strategies, the development of community capacity and the renewal of civic engagement. They will also work very closely with community organisations and others in their areas to organise, support and deliver provision.

2.42 Local LSCs will be required to consult local authorities on their plans and set out in them the LEA contribution. The LEA's continuing role in adult learning is described in paragraph 4.33. Local authorities are also key partners in local Learning Partnerships and Learning City Initiatives.

Local Learning Partnerships and the LSC

2.43 A number of respondents argued that the White Paper did not define clearly enough the respective roles of local LSCs and local Learning Partnerships. We agree that there should be well-defined roles and responsibilities to avoid duplication or gaps in provision.

2.44 Under the new arrangements, local Learning Partnerships will continue to be voluntary groupings with a local focus. Their task is to promote collaboration and higher standards, by engaging in voluntary partnership the different local providers on post-16 education and training and learners themselves. Their advice ought to assist the local LSC to ensure that learning opportunities match or anticipate the aspirations of the local community by judging the needs of individuals and employers and promoting collaboration. They are expected to help develop local economic prosperity and social cohesion by contributing to regeneration, capacity building and community development. The Secretary of State will require the local LSC to consult local Learning Partnerships in drawing up their plans. Provided that local partners invest the necessary time and commitment, local Learning Partnerships' role will be central to arrangements because:

- ▶ they are best placed to reach out into local communities and find out what it is that local people want. They will be able to provide their local LSC with invaluable information on adult and community learning needs and on employer skill needs. They know and understand the local conditions that influence the decisions people make. They can identify local solutions to local problems and encourage everyone, even in the most difficult areas, to participate in learning. They can maintain an appropriate balance between recreational, academic and vocational learning, learning for personal and family growth (including basic and key skills) and learning to enhance the capacity of communities. Each Partnership should, therefore, put in place arrangements - or satisfy itself that arrangements already exist - to identify local needs;
- ▶ they can also help provide the means of securing collaboration between local providers to obtain the best value for the funds made available. They can seek to tackle gaps and help avoid duplication by co-ordinating local curriculum planning and staff development. For example they will support and co-ordinate action to widen participation, increase attainment, raise standards and meet the skills challenge. We expect the local LSC to work closely with the Learning Partnerships in stimulating the spread of good practice, for example, so as to secure continuous improvement in retention and achievement rates. And local Learning Partnerships will work with the LSC to help co-ordinate local information, advice and guidance for adults.

Co-ordinating the development of ConneXions

2.45 Local Learning Partnerships will help to bring coherence to our ConneXions strategy at the local level, working with the new support service for young people and the local LSC. They will help develop and co-ordinate innovative approaches needed locally to increase the number of young people continuing in education and training.

Consultation role

- 2.46** Local Learning Partnerships will have an important new role in establishing mechanisms to enable feedback from learners to have a real influence on the quality of future provision. They will need to draw on effective existing arrangements for obtaining the views of young people and adults. In respect of young people, the Careers Service, and in due course the new support service for young people, will lead upon establishing and maintaining appropriate mechanisms within the Learning Partnership and providing feedback to the Partnership and the local LSC.

Broadening membership

- 2.47** If local Learning Partnerships are to advise local LSCs and ensure learning opportunities are responsive to local need, they will necessarily need to involve a wide range of local partners. In particular they will need to engage employers involved in local education and training, for example, by working closely with EBPs, private sector training providers, trades union, voluntary and community groups and others such as the cultural industries. Local Learning Partnerships will need to decide on the best way of involving all the appropriate partners. One approach would be to establish sub-group structures to focus on key issues or geographical areas. For those wishing to get involved with their local Learning Partnership, contact names and addresses are listed on the Lifelong Learning website: www.lifelonglearning.co.uk
- 2.48** Local Learning Partnerships can expect help from the LSC with promotion and support for training provider/employer partnerships as part of the LSC's role to establish clear and effective relations/partnerships with key players. Also, the DfEE will contribute £10 million to local Learning Partnerships in each of the next two years to help them fulfil their responsibilities.

3. The Planning and Funding Framework

- 3.1** *Learning to Succeed* set out our concerns about the incoherence of the current planning system and the inconsistency and excessive complexity of the existing funding systems. This chapter describes how the planning and funding framework for the LSC will increase transparency and simplicity and will cut out the layers of bureaucracy that make parts of the existing system so inefficient.

A new planning framework

- 3.2** The LSC's planning system will be customer-led, not provider-driven. That means the system, both planning and funding, will be driven by needs, not by central design nor by pre-ordained funding routes. The LSC's planning will be steered by a thorough assessment of national, regional, sectoral and local priorities, with SBS, NTOs, the Ufl, RDAs, the new support service for young people and local Learning Partnerships all helping to inform the LSC's plans. Annex 2 describes how the system will work. The LSC will also work very closely with ES to ensure coherence in their planning and funding systems. This will help limit the administrative burden on providers and maximise the resources available to meet the needs of the customers they serve together.

A new funding and allocations framework

- 3.3** We shall be consulting shortly on a new funding and allocations framework for the LSC covering more fully all of the issues raised in this section. We must work towards a new system which supports our agenda for raising standards of achievement and widening participation. The allocation of the great majority of the LSC's funds will depend on demand from individuals and businesses about the learning opportunities they wish to pursue, which will in turn inform the decisions taken by the local LSCs. We must work towards a new system which supports our agenda for raising standards of achievement and promotes equality of access and opportunity.
- 3.4** In the consultation paper on school sixth form funding we invited views on whether LEAs should be funded by the LSC for school sixth form provision, or whether they should continue to be funded through the current local Government finance system. In the light of the comments received, in particular from headteachers, we have decided that LEAs should in future receive their sixth form funds via the LSC, with the school sixth forms continuing to receive the funds from their LEA. For 16-19 year olds, schools and colleges tend to provide the same type of teaching, curriculum and qualifications. The LSC's involvement will ensure a coherent approach to post-16 provision, helping to support high national standards and greater local collaboration. The emphasis will be on standards not structures.
- 3.5** Schools with sixth forms will play a vital role in the drive to increase success for all our young people. We do not expect to introduce the change in funding arrangements before 2002-03 and will be consulting LEAs, schools and others shortly on the timing and phasing of introduction. Schools will be safeguarded so that a school's sixth form budget will not reduce in real terms provided numbers are maintained.

We shall include in our consultation on funding details of how this will operate. Further consultation next Spring will focus on other detailed aspects of implementation. Further information on the LSC and LEA roles in relation to 16-19 provision is described in paragraphs 4.6-4.13.

- 3.6** The LSC will need to encourage and support providers offering a high quality service, whether they be colleges, school sixth forms or private or voluntary sector training providers. If they can demonstrate that they can meet extra demand, we must give them opportunities to expand. We want a seamless transition to the new arrangements. But the new framework must cater for the future needs of individuals, employers and the economy, not perpetuate historic irrelevant patterns of delivery. Funding systems must not disadvantage any group of potential learners, for example those from a particular ethnic minority. It must also allow entry for new providers who are capable of offering a high quality service.
- 3.7** Local LSCs will determine how resources can best be used to raise participation, standards, attainment and skill levels within the area they serve. The national LSC will monitor the expenditure of local LSCs and retain the capacity to make in-year adjustments, and re-allocate a proportion of local budgets in the event of significant underspends or potential overspends, or of changing needs. Particularly during the first few years of its operation, the national LSC may need to use this capability to 'fine-tune' the allocation of budgets. The LSC will retain some capacity to invest in sector-based initiatives through NTOs where this provides specific benefits that cannot be delivered locally. The national LSC will also hold a limited contingency fund to allow it to respond to unexpected in-year changes. And there will be scope for new arrangements which allow the LSC to allocate matched funds alongside European Social Fund (ESF) budgets to maximise coherence with and take up of European resources and cut through the present bureaucracy. We will be consulting on the arrangements for this.
- 3.8** This approach will have the benefits of a national body, with strong central leadership and clear national priorities, overseeing expenditure, whilst recognising the authority and decision-making ability of the local LSCs that comes from their local knowledge and regular contact with local authorities, education and training bodies, employers, trades union and individual learners.

National rates and local discretion

- 3.9** The new framework will be transparent and fair. The majority of funds will be allocated according to national rates within a funding formula; and we expect that learning for individuals which is subject to national rates now, will continue to be so in the future. But this will not be a system which assumes that one size fits all. Local LSCs will be able to vary the national rate if necessary, for example where it is necessary to respond to a local gap in provision. But guidelines from the national LSC will need to ensure that variations apply only to a small amount of the local LSC's total funding.

3.10 In addition to having the decision making role about mainstream funds which will be subject to national pricing, local LSCs will have a range of flexible budgets to meet needs for:

- ▶ adult and community learning;
- ▶ encouraging the use of skills accreditation, including NVQs;
- ▶ marketing and promotion activity, which can facilitate matching the design of courses to local needs;
- ▶ workforce development, including for Investors in People;
- ▶ information, advice and guidance;
- ▶ 'pump-priming' initiative funding, for small-scale local projects;
- ▶ the promotion of equality of opportunity projects and initiatives;
- ▶ initiatives to meet the needs of those people who have the greatest difficulty in accessing learning opportunities; and
- ▶ support for local regeneration initiatives, including matched funding for ESF and/or the Single Regeneration Budget.

3.11 Taken together, these budgets will initially amount to around 10-15 per cent of the overall funding for the LSC. The precise sums will be determined as part of the Government's Comprehensive Spending Review.

Delaying the funding system

3.12 A major task for the LSC will be to engage employers in improving the quality of opportunities for young people who will benefit most from MAs, National Traineeships and other work based training. By reducing bureaucracy, and creating greater standardisation of arrangements, we will make the funding of work based training much simpler than under current arrangements. This will mean that in most cases local LSCs will take this forward through simple contracts with training providers, including where appropriate those employers which manage work based training for young people, and through funding of FE sector colleges. Long contracting chains, with intermediaries which each take a cut without adding value, will be a thing of the past.

3.13 At national level, the LSC will establish arrangements to make it easier for national companies, operating throughout the country, to have a single central contracting arrangement. The scope and coverage of these arrangements will be subject to consultation with interested parties.

Contributing to the cost of learning

3.14 16 to 19 year olds will be entitled to free tuition as at present, when studying for qualifications. For adults, there will continue to be circumstances when individuals or their employers are expected to contribute to the cost of tuition. The new framework will seek to ensure consistency of treatment from one local area to another, as befits a unitary system. At the same time, it will need to ensure that a history of state contributions in a particular area does not come to an end arbitrarily or accidentally, while also being careful not to extend state funding to replace contributions which learners or employers have properly made in the past.

- 3.15** In the case of work based training for young people, we expect that the national rate should provide an appropriate funding mechanism for some qualifications specified in a MA framework. There might be a need for additional flexibility for other aspects of training, but within a national system of funding and audit. We shall be exploring, through consultation, the right funding mechanism for this.

Funding to combat disadvantage

- 3.16** The funding system will need to make proper allowance for the higher costs of recruiting, retaining and teaching learners who have been disadvantaged by their backgrounds. The need for this has been recognised in the Social Exclusion Report *Bridging the Gap in Skills for Neighbourhood Renewal*, the report of the Policy Action Team on Skills, and in the Kennedy and Tomlinson reports. The system will need to weight funding to education and training bodies to help learners achieve their potential and to break the link between social deprivation and educational under-achievement. And it will also need to take account of the additional costs associated with reaching the most disadvantaged learners, such as outreach work. It will be important to ensure that LSC funding is accessible to community and voluntary organisations, who are often the best placed to provide learning in the most socially disadvantaged communities.
- 3.17** Learners with special needs, learning difficulties and/or disabilities must also be supported to ensure that they can achieve their full potential. The LSC will build on the strengths of the current FEFC and TEC systems, as well as the work of LEAs funding those with special needs through adult and community education. In addition the new support service for young people will secure arrangements for assessing a young person's special learning needs post-16 and the additional support that is required to meet them. The focus will be on the needs of the individual and we will ensure that the LSC's funding framework is designed to deal effectively with each individual's needs.

Transitional arrangements

3.18 We intend that the process of adjustment to a new system will be a smooth one. We will achieve this as follows:

- ▶ schools will have guarantees of future funding for their sixth forms, provided numbers are maintained;
- ▶ FE colleges can expect that national rates will apply wherever that is desirable and possible, just as happens at present;
- ▶ local LSCs will be encouraged to take over the role TECs have played in local regeneration partnerships, alongside the SBS;
- ▶ LEAs, provided they produce and effectively implement a strategic plan and maintain their current level of spend on adult education, will be guaranteed funding in the first two years of the LSC's operation, at a level comparable with their current spend on adult education in their education budgets;
- ▶ by agreeing transitional arrangements for important local projects and initiatives; and
- ▶ for all learners, including those on the work based route, the LSC will honour the commitments it inherits and will ensure that support for learners is maintained during the transition period.

Further Consultation

3.19 The initial consultation document on the proposed funding and allocations framework for the LSC covers all of the issues above in more detail and will be published shortly. It will set out, for partners' views, how the range of existing provision might be brought within the new arrangements. The comments on this document will inform the production of a series of more detailed documents which will be published in the Spring. *Learning to Succeed* also made clear the importance of ES and the LSC working together to ensure that their funding systems are consistent and use common audit and payment arrangements wherever possible. The consultation document will therefore be a joint one covering ES as well as LSC-funded provision.

How will the LSC meet the needs of individuals, businesses and communities?

- 4.1** The LSC will be judged by how well the learning opportunities it funds meet the needs and aspirations of individual learners, businesses, communities and the wider economy.
- 4.2** It will be expected to develop a culture where self-improvement is a widely held expectation. And it will overcome barriers to learning through innovative forms of learning and better access to information and advice about learning opportunities. This chapter describes how the LSC will make a difference.

Ensuring equality of opportunity

- 4.3** We want the LSC to ensure that high quality learning opportunities are available to meet the needs of all learners across the range of abilities and aptitudes, including the very able. In addition, it will be critical that the LSC is able to combat the disadvantages that some learners and potential learners face. Many people have experienced direct and indirect barriers to learning as a result, for example, of their race, gender, disability or age. As a result they have been excluded from the benefits learning can bring to them personally. And that exclusion also damages our overall competitiveness. The statistics show:

- ▶ in Modern Apprenticeships only 5 per cent of participants are from ethnic minorities and in more traditional sectors proportions are as low as 1 per cent;
- ▶ at age 18, a higher proportion of Indian and White young people have a level 2 equivalent qualification or higher (82 per cent and 68 per cent respectively) than Black (48 per cent) or Pakistani/Bangladeshi young people (56 per cent);
- ▶ disabled people have fewer qualifications than their non-disabled counterparts. They are more than twice as likely to have no qualifications; and
- ▶ the age profile of the labour force is changing - in year 2000 35 per cent will be 45 or over. By 2010, almost 40 per cent will be in that age group.

- 4.4** We will expect the LSC to build equality of opportunity into all its policies, programmes and actions, working closely with key equality organisations including the Equal Opportunities Commission, the Commission for Racial Equality and the Disability Rights Commission which is being set up in April 2000. In particular we will expect the LSC to:

- ▶ draw up an **equal opportunities strategy** and action plan (at national and local level), including equal opportunities targets and performance indicators to tackle under-representation and under-achievement. This strategy will include its own staffing and membership of its boards and councils. The LSC will also consult widely on this strategy, including with the ethnic minority communities, women's, older people's and disability groups. It will draw on existing good practice including TECs' equal opportunities strategies;

- ▶ **mainstream equal opportunities** in all its policies and programmes and use discretionary funding to support innovative projects to promote equal opportunities and raise awareness. This will include ensuring that the learning programmes and materials which the LSC funds take account of the different characteristics of learners including race, culture, religion, gender, disability, age and social background;
- ▶ have **funding systems that do not disadvantage any group** of potential learners and which have clear equality requirements in relation to gender, race, age and disability;
- ▶ **promote equality of opportunity and challenge discrimination with the providers and employers** it funds to ensure the type and content of learning opportunities meet the needs of different groups and to identify gaps. This will include recognising the importance of high quality providers of education and training who specialise in meeting the needs of disadvantaged groups including black people, women returners, older people, disabled people and ex-offenders. Many of these providers are in the voluntary sector;
- ▶ through its funding and promotional strategies, **encourage all providers to take positive steps to widen participation and engage in learning those groups which are currently under-represented**. For example, in further education, it will build on the 'widening participation' agenda launched by the Kennedy Committee report *'Learning Works'*;
- ▶ **benchmark the equal opportunities performance of the local LSCs** and publish the comparative data disaggregated by gender, race, age and disability as a basis for identifying gaps and developing action to address them;
- ▶ **ensure that learners who need additional support get the help they need** - for example, through appropriate facilities and equipment for people with disabilities or learning difficulties, or by confidence-building workshops, counselling or advice for people with low self-esteem or those coming back into learning after a long period;
- ▶ work to ensure that the learning opportunities it funds meet the needs of the country for **skilled childcare workers**, and also recognise the needs of learners, for example, through support for those with childcare or caring responsibilities;
- ▶ consider how best **to promote equal opportunities through its marketing activities**, for example, by working with the new support service for young people, with schools and with community groups to target groups of people who are traditionally under-represented in learning, or in certain subject areas;

- ▶ develop strategies setting out as a priority the **need to challenge stereotyping** and under-representation of women, black people, particular age groups and other people facing disadvantages in particular occupations;
- ▶ **monitor and evaluate performance** on equal opportunities learning from existing good practice for example the New Deal Ethnic Minority Strategy and Toolkit; and
- ▶ **disseminate** examples of good practice.

4.5 In addition, the Government has recognised that the omission of education from existing disability rights legislation is a serious weakness. The Disability Rights Task Force (DRTF) has recommended that future legislation should extend protection to disabled people in further education, LEA-secured adult education and the Youth Service, to secure comprehensive and enforceable civil rights in post-16 learning. The Government will be introducing legislation in the coming session to take forward the education recommendations in the DRTF report.

Improving foundation learning for all young people

- 4.6** Young people deserve the chance to be better qualified and have the best possible start to their working lives. The LSC, through its Young People's Committee, will be responsible for developing a high quality system offering young people choices which are well matched to future employment opportunities. As mentioned earlier, following our consultation on the options for funding school sixth forms under the new arrangements, we have decided that the LSC will distribute funds through LEAs to schools in respect of their school sixth forms. We will consult further on the details of this change and how to implement the Government's guarantee that the present level of funding for any school sixth form will be at least maintained in real terms, on condition that its student numbers do not fall.
- 4.7** The LSC will also ensure that all providers play a full role in implementing the reforms to the 16-19 curriculum arising from the *Qualifying for Success* consultation. It will inject new dynamism into the system, combined with the ability to intervene following the new inspection arrangements (which are described in paragraphs 5.8 - 5.13). Collaborative planning will be a key feature and will be essential to the successful co-ordination of provision for 16-19 year olds.
- 4.8** The local LSCs will consult all local interests and have regard to guidance from the Secretary of State before drawing up a statement of priorities for 16-19 provision. LEAs will consider these priorities when preparing their School Organisation Plans, as will Schools Organisation Committees and Schools Adjudicators when considering LEAs' draft plans. The emphasis will be on collaboration and the guiding principle will be the importance of building on the strengths of each provider.
- 4.9** Subject to the passage of legislation, local LSCs will have broad funding powers which will enable a more flexible approach to meeting individual needs. They will be able, for example, in certain circumstances, to fund education for 14-16 year olds, in collaboration with FE colleges, LEAs and schools.

Where it does happen, the LSC will need to ensure the learning provider can meet the statutory curriculum needs for the learners in question. Successful institutions - including schools - will be able to expand, and collaboration between schools and other providers across the 14-19 curriculum will help increase standards and opportunities for all young people. It will also mean that the LSC must work closely with the new support service for young people, LEAs and schools to ensure that young people are able to make the successful transition from pre to post-16 learning. Local Learning Partnerships will have a key role in promoting collaboration between providers.

- 4.10** The Social Exclusion Unit report "*Bridging the Gap: New Opportunities for 16-18 year olds not in Education, Employment or Training*" (July 1999) raised some concerns around the effectiveness of the transition of those with special educational needs from school to other post-16 provision. Proposals for improving this transition - particularly for those with statements in school - from school to other post-16 provision will be developed. These arrangements will also ensure that the needs of young people who develop learning difficulties after leaving compulsory education are able to move into post-16 learning and have their needs identified and addressed.
- 4.11** The LSC will work closely with the new support service for young people at both local and national level to share information on the needs and aspirations of young people. This will be important to enable the LSC to ensure that the provision of learning opportunities for young people is matched with needs. The new support service for young people will also have an important perspective, based on the contacts of their personal advisers, on the quality, availability and effectiveness of opportunities for young people which they will need to share with their local LSC, as well as with the individuals they support and advise. A close relationship will be critical to help young people and their parents make the right choices and give young people a firm start on the path to lifelong learning.
- 4.12** Working with the new support service for young people, local LSCs will ensure that all young people and their parents have good information on the full range of learning opportunities in their area. This should be linked to information on different industries, the types of job and pay rates available within them, changing local and national job and skill needs, different learning pathways, and the skills, learning and qualifications necessary along the way. It will include publishing information on the performance and destinations of learners.

- 4.13** We also want to encourage new forms of provision to meet the needs of young people and to ensure that patterns of provision best serve local needs. Ministers intend to lift the legal bar on the creation of LEA-maintained 16-19 institutions imposed by the Further and Higher Education Act 1992. Subject to the passage of legislation, LEAs and other promoters will all be able to propose the creation of LEA-maintained 16-19 institutions. The LSC will also be able to propose the establishment of new LSC-maintained sixth form colleges or tertiary colleges. In addition, FE colleges will continue to be able to set up their own bespoke 16-19 provision where there is a demand for this locally. These arrangements will put in the hands of local communities options for raising standards and providing the choices and curriculum breadth that young people need.
- 4.14** Improving the links between business and schools will be a further way that the local LSCs will drive up the availability and quality of provision for young people. Business and the wider community have an important role to play in the learning community. Their support for schools can have a huge positive impact on raising standards, developing key skills and preparing young people for adult and working life. In particular, this support encourages greater social inclusion by engaging disaffected young people in alternative learning experiences and by offering them adult role models to influence their life choices. We want to build on the excellent work of EBPs and other local organisations to encourage more businesses and the wider community to support schools, working closely with local Learning Partnerships. The LSC will therefore have responsibility for ensuring that effective school-business links are in place. The local Learning Partnerships will have an important role in helping to ensure that local partners work closely to provide high quality opportunities for all young people, which meet the needs of schools and the business community. Additional resources have been made available for 2000-2001 to help integrate activity at local level within each local LSC area and we will be working closely with TECs and EBPs whilst LSCs are being set up.

Workforce Development

- 4.15** It is essential that we develop a responsive system of support for workforce development which meets the needs of the economy in general, but also provides sufficient flexibility to meet local needs and those of particular industries. Employers spend over £15 billion each year on workforce development. Those businesses without a well motivated and well trained workforce will have increasing difficulty surviving. This is why workforce development is at the heart of the LSC's remit. And that is why we are ensuring that employers have a leading role in influencing arrangements at national, local and industry levels.
- 4.16** At national level the LSC will be responsible for articulating a clear agenda for action on workforce development working with employers, trades union and other employment interests (primarily through their NTOs), the SBS, higher education institutions, Investors in People UK, and the Ufl.

4.17 Local LSCs will develop integrated local workforce development plans, building on the important preparatory work currently being carried out by TECs. These plans will take account of the national framework, the regional priorities outlined in the RDA economic strategies and the local dimension outlined in the plans of the local Learning Partnerships in their areas. They will be the trigger for action at local level to promote and support workforce development. They will:

- ▶ encourage employers, particularly small firms, to invest in the development of their workforce, and promote the business benefits of this learning, including its recognition through Investors in People UK;
- ▶ identify and spread good practice in workforce development, including the setting of quality benchmarks;
- ▶ promote skills accreditation generally, including the use of NVQs;
- ▶ ensure that individuals and employers get quality advice on how to gain access to the most suitable courses, taking full account of Ufi's *learn direct* information and advice service and the new arrangements for information, advice and guidance being provided through local Learning Partnerships;
- ▶ help people overcome the financial barriers to learning by promoting learning accounts;
- ▶ develop workplace training which is coherent with and complements the New Deal in partnership with the ES; and
- ▶ consult widely with local communities, working closely with local Learning Partnerships.

National Training Organisations and the LSC

4.18 NTOs will also have an important role to play in workforce development. The DfEE is currently working with selected NTOs to produce a framework for sector workforce development plans. During 2001, we intend to ask all NTOs to produce such plans. These too will need to take account of relevant national, regional and local priorities and will require close co-operation with the LSC at national and local levels and with RDAs. The plans will be the trigger for workforce development activity at industry sector level.

4.19 NTOs are well placed to encourage suitable employers in their sectors to apply for LSC member positions which will be appointed through open competition. In addition, to ensure stronger and more informed input from employers, those business members who are appointed to local LSCs will be expected to develop effective links with an appropriate NTO. Every effort will be made to ensure that key local industries are represented on local LSCs, and that all broad industry sectors are represented within a region. Such links would be replicated at staff level. In this way, employers will be

better supported and more able to influence national learning and skills issues within their sectors, as well as locally. Local organisations will be better equipped to link with regional and national agencies to ensure more cohesive and effective support for employers and individuals.

4.20 NTO groups provide the basis for NTOs to discuss collective sectoral issues with key national and regional bodies. NTOs are also active participants in Sector Dialogue Groups designed to inform education and training provision. These arrangements will continue, and will help NTOs provide strategic leadership for their sectors and to develop and promote workforce development plans, occupational standards, qualifications and training frameworks.

4.21 NTOs are also building relationships with RDAs to support regional economic strategies. The NTO National Council has appointed regional representatives to help NTOs with this task. As the SBS develops, NTOs will work closely to ensure that the learning and skill needs of small and medium sized employers in their sectors are addressed and appropriate support provided.

Delivering workforce development programmes and services

4.22 The LSC will determine how workforce development services should be provided, and will manage funding for such services. The majority of the LSC's workforce development budgets will be delegated to the local LSCs following approval of their workforce development plans, and will be available to be used flexibly to meet the needs identified in the plans. The separate consultation document to be published shortly on the LSC's funding and allocations framework will set out our proposals in greater detail.

Case study

A number of **TECs in West Midlands** were instrumental in establishing with the motor industry an Automotive Skills Task Force, involving major motor manufacturers and second tier manufacturers. The Task Force has already overseen the development of the Skills Challenge bid working across a whole range of issues from influencing the schools curriculum to delivering training programmes to world class standards. The Task Force has also provided a mechanism to extend best practice down the supply chain through partnership working with Rover and a local college to develop world class skills needed for a new factory. The LSC approach will retain this local responsiveness and aim to encourage and build on collaborative workplace learning projects.

4.23 Regardless of the mechanisms for funding, the LSC will ensure that employer organisations of all types get a high quality, customer-focused service. This will include:

- ▶ *for multi-national, national and multi-site employers.* The LSC will want to work directly with large national employers which have an important contribution to make to the national skills agenda. A central unit will be set up within the LSC which will develop and maintain strong relationships with national and multi-site employers, and the relevant NTOs, to ensure that their needs are understood and acted upon effectively. A key advantage of the new arrangements will be a better service and funding consistency across areas and regions while retaining and developing responsiveness at the local level;
- ▶ *for small and medium-sized enterprises (SMEs).* The SBS, often working with NTOs, will have a key role in promoting and giving advice on workforce development as part of its seamless service to small firms. The local LSCs will contract with SBS franchisees to provide advice to SMEs on workforce development services, including support for Investors in People and access to MAs, National Traineeships and management development (although the LSC will remain accountable for meeting National Learning Targets for Investors in People). Initially this relationship is likely to be by means of a three year contract, with the normal review and termination conditions. Whilst the majority of workforce development support for SMEs will be through the SBS, there may be circumstances when the local LSC will wish to make supplementary arrangements. For example, organisations wishing to pursue Investors in People through supply chains or through their sectors may wish to seek advice and support from the LSC direct. The DfEE is also working with the NTO National Council to look at ways in which NTOs may support sectoral approaches to Investors in People. SMEs are also a priority group for Ufi which is developing virtual provision to meet the needs of SMEs as well as other enterprises. The LSC will work closely with Ufi to ensure this provision meets employers' needs by making best use of digital and other leading edge technologies to focus on the needs of learners in the workplace and improve management skills; and
- ▶ *for other organisations.* Local LSCs will make their own arrangements for the delivery of advice and guidance on workforce development, including Investors in People, to large local businesses and to other organisations, for example schools and the voluntary sector. It will be open to local LSCs to contract with SBS franchisees for this purpose if they judge that this is the best way to provide an effective and efficient service.

Case study

The Green Street Business Support and Training Centre is situated at Barclay Hall, Green Street, London E13. This college-owned, community-based, multi-purpose centre is focused on the community and SMEs in London's most intensive area of Asian businesses. The centre is currently working closely with local business associations and with Newcastle City Council who are interested in the Newham experience. The centre plans to house the Chamber of Commerce offices, is the focal point for ethnic minority business associations and is developing a database of all the businesses in the Green Street area. Many local businesses have formed groups to support one another and to exchange information. The following are available at the centre:

- ▶ 40 PCs with Internet access;
- ▶ childcare facilities;
- ▶ disabled access;
- ▶ training offered includes basic skills, ICT skills, business and enterprise skills;
- ▶ free learning, unless certification is required. Qualifications are also available; and
- ▶ extended opening hours: Monday to Saturday, 9.00 am to 9.00 pm.

Investors in People - assessment and recognition

- 4.24** The quality and consistency of assessment and recognition is crucial to ensuring the integrity of the Investors in People Standard nationally. Assessors and most advisers are registered under a variety of local and national arrangements. We are reviewing current arrangements which involve a range of different organisational and funding models to see how they could be delivered more efficiently in future. We will be consulting partners, including Investors in People UK, on the options.

Employee development - the role of unions

- 4.25** The trade union movement has an important and pivotal role in encouraging and facilitating learning opportunities at work. We will be discussing with them how to enhance the union capacity building on the present *Bargaining for Skills* projects and sustain the innovation in workforce development arising out of the Union Learning Fund projects. These products will be administered by the national and local LSC after April 2001. The fund has already been enhanced so that trades union can help tackle basic skill needs in the workplace.

Adult learning and basic skills

- 4.26** The LSC will have a clear remit to promote and support the development of lifelong learning amongst the adult population. As set out in *The Learning Age* we want everyone to share in the wider benefits of learning - the excitement and opportunity for discovery of new talents it brings and the way it stretches creativity. Learning helps stimulate enquiring minds and opens up the chance to explore new areas such as art, music, and literature. It also helps people develop their self-confidence and extends their sense of what it is possible for them to achieve.

- 4.27** We therefore want the LSC and its partners to maintain and strengthen the commitment of existing learners and to draw into learning adults of all ages, particularly those who do not currently believe they have anything to gain from learning. The new arrangements must promote, support and make learning accessible in many different ways - from formal study or taking evening classes through to less formal arrangements. They are crucial for building opportunity and raising expectations among those most in need in our society. They will also have a vital part to play for those who find it hard to access traditional, institutional learning so that they can gain in confidence and acquire new skills for work or personal interest.
- 4.28** Meeting this challenge will make it essential that the LSC understands the needs of adult learners and can respond effectively to them. The national Adult Learning Committee and the LSC locally will be responsible for ensuring mechanisms are in place for identifying adult learning needs and for developing strategies and plans to address them. To do this at local level they will work with local Learning Partnerships and other networks, including Learning Cities, to engage and gather the views of adults on the learning opportunities in their area - see paragraph 2.46. The national Adult Learning Committee will also have the remit for recommending funding for national adult and community provision and for advising on effective mechanisms to allocate and review this provision. This will include national initiatives, including working jointly with community and voluntary bodies.

Learning in the community

- 4.29** Adult and community learning is a vital part of the Government's plans to drive up achievement, widen participation in learning and to strengthen community confidence and capacity. The new arrangements must offer an inclusive approach to learning, providing a range of attractive local opportunities for those who already value learning and which engage those who are excluded from learning because of poor attainment at school or economic circumstances, or race, age, gender or disability, or indeed a combination of these factors. It has a key role to play in improving basic skills, in providing opportunities for families to learn together and in creating access to further and higher education.

Case study

The **East Leeds Family Learning Centre** has been created as a venue where local residents can improve their skills in a familiar setting. It is the product of a partnership between local schools, colleges, Leeds Metropolitan University, the City Council and companies like Elida Faberge, Tesco and Halifax Direct. Over 2000 learners of all ages have come through the doors since it opened two years ago, many of whom are returning to learning for the first time. A supportive environment which focuses on the needs of individuals has enabled a number of these residents to achieve beyond their expectations.

- 4.30** Local learning opportunities, where people learn together in locally-based, familiar environments, provide a key link to learning for individuals of all ages. They are important, as we enter the 21st Century, for ensuring that the growing proportion of older people have the opportunities to learn for personal interest and to support their engagement in families and communities. They are also crucial for those who are socially disadvantaged or those who find it hard to access institutional learning to gain in confidence and acquire new skills for work or personal interest.

- 4.31** Our aim is to bring about a step change in the range and scale of such opportunities available locally. The Adult and Community Learning Fund - which has supported 218 learning projects benefiting disadvantaged people in its first year of operation - has shown the way. The Fund has emphasised engaging disadvantaged people in learning on their own terms, delivering learning in ways that are truly accessible and building community capacity. As recommended in *Skills for Neighbourhood Renewal*, the report by the Policy Action Team on Skills, these themes must lie at the heart of the way in which the LSC at both national and local level works.
- 4.32** A wide range of providers have a role to play here: from community arts and sports organisations, community and voluntary organisations, to further and higher education institutions. Local LSCs will want to build strong links with all these bodies, but we see a key role for local authorities in securing coherence in the provision of locally accessible community based learning opportunities for their areas. Local authorities already provide learning opportunities for some two to three million people. The new arrangements will give them a strategic influence over all post-16 learning. They will have a key role to play in helping ensure coherence between compulsory education and post-16 learning, particularly family learning, and with their own broader economic and social responsibilities.
- 4.33** Under the new arrangements, LEAs will be responsible for submitting strategic plans which demonstrate how they will contribute to securing adult and community learning for their area. Provided LEAs produce and effectively implement their strategic plans and they maintain their current level of spend on adult education, we guarantee that each LEA will receive funding, in the first two years of the LSC's operation, at a level comparable with their current spend on adult education in their education budgets. We will be writing shortly to LEAs to clarify the details of this guarantee. In this way, those LEAs who are committed to working with the LSC on this important agenda can expect to receive a substantial part of the resource available for adult and community learning.

Promoting Lifelong Learning

- 4.34** The LSC will develop a promotional strategy that reflects national priorities - for example, widening participation in learning and tackling adult basic skills. This will form a basis for the development of local strategies by local LSCs to reflect and respond to local conditions. Ufl also has a remit from the Government to drive demand for lifelong learning through mass marketing and promotion. It will be important that the promotional activities of both the LSC and Ufl are co-ordinated and informed by the Government's overall strategy for the promotion of lifelong learning. Effective links will be needed with the work of other key partner organisations including the National Institute of Adult Continuing Education (NIACE), NTOs, the voluntary sector, Campaign for Learning, the British Broadcasting Corporation and other broadcasters and the wider media at national, regional and local level. The LSC's strategy for promotion will need to take into account - and link to - its lead role in funding and planning local information, advice and guidance services for adults. The new digital technologies, through online services and digital broadcasting, will have a part to play in this

process. They offer opportunities not only for delivering learning in innovative ways, but also for promoting learning. The LSC and Ufl should therefore work closely with DfEE, broadcasters and others to ensure that the full potential of digital technology is realised.

The Ufl and the LSC

- 4.35** We will want the LSC to establish effective ways of working closely with the Ufl, which the Government has established as a flagship initiative for the promotion and extension of lifelong learning in the digital age. Ufl's aims are to stimulate demand for lifelong learning amongst businesses and individuals; and promote the availability of, and improve access to, relevant, high quality and innovative learning opportunities through the use of information and communication technologies. Local LSCs, in seeking to ensure flexible and accessible provision in their areas, will build on the *learn direct* network established by the Ufl. With its distinctive role as a driver of virtual learning, we expect the Ufl to play a key role in meeting the new skill needs of individuals and businesses, in particular SMEs, through world class web based learning.

Tackling Adult Literacy and Numeracy Problems

- 4.36** We are committed to addressing the legacy of high numbers of adults with poor literacy and numeracy skills which was so starkly highlighted by the report of Sir Claus Moser's committee. We are developing a long-term strategy to increase and improve the quality of, and access to, learning opportunities to achieve this. As part of that strategy, we will set national targets for participation and attainment, building on the existing aim for 2002 of helping 500,000 adults annually to improve their basic skills. As set out in Chapter 2, the LSC will play a key role - reporting to the Government - in the drive to tackle this vital issue. We will expect the national LSC to:

- ▶ publish its own year on year targets and monitor them;
- ▶ show in its plans how the required rate of improvement will be achieved; and
- ▶ work closely with the Basic Skills Agency, Ufl and other bodies active in this field.

- 4.37** The LSC's work will build on existing good practice.

Case study

Brookie Basics was an initiative that used the popular Channel 4 soap storyline to encourage adults with basic skills difficulties to get help. Short promotions after the programme gave viewers the *Learning Direct* telephone number. Over 10,000 people responded.

- 4.38** We envisage that providers will also establish their own basic skills targets, consistent with those set by the local LSCs. We will also expect the national and local LSCs to stimulate demand by providing incentives and removing obstacles to participation. This needs to build on effective practices already established by the FEFC including the 100 per cent fee remission for all basic skills students.

5.

How will the LSC and the new inspection arrangements improve quality and effectiveness?

- 5.1** The drive for more consistent and higher quality will be central to the new arrangements. *Learning to Succeed* set out our concern to improve the quality of learners' experiences, to raise retention and achievement levels and tackle areas of weak provision. We want all providers (schools, colleges, employers and those in the private, public and voluntary sectors) to be able to demonstrate:

- ▶ high and rising levels of retention, completion and achievement;
- ▶ responsiveness to the needs of individuals, businesses and communities;
- ▶ responsiveness to the diverse needs of learners;
- ▶ effective teaching and training by appropriately qualified staff;
- ▶ a safe, healthy and supportive environment;
- ▶ good governance and management; and
- ▶ full value for money and financial probity.

- 5.2** *Learning to Succeed* also set out our proposals for a new, independent inspectorate regime and comprehensive inspection arrangements based on a common framework to provide coherence and consistency.

How will the LSC improve quality?

- 5.3** The LSC will develop a quality improvement strategy in partnership with the ES and agreed with the Secretary of State, which will incorporate the principle of intervention in inverse proportion to success. The strategy will set out how the LSC will lead the drive for more consistent standards and will be compatible with the common framework for inspection. For adult information, advice and guidance services, the LSC will work closely with the Guidance Council and the independent Accreditation Board to be set up under its auspices.

Self assessment

- 5.4** Principal responsibility for quality rests with those who provide learning opportunities - including colleges, employers, and the voluntary and private sector. It will be the task of the LSC to build and sustain a culture of continuous improvement, building on the good practice of self-assessment that already exists in the current arrangements. Self-assessment against the LSC's quality criteria will be a requirement on providers.

Case study

J A Training was inspected in January 1999 and found to provide good or excellent training. The company is committed to continuous improvement and works hard to develop its training programmes to the highest standard. The company has a rigorous quality assurance system. There is a strong team spirit and communications are good, with regular team meetings. A project team was formed to carry out self-assessment and staff held regular team meetings to take the process forward. All judgements are supported with identified sources of evidence. The company demonstrated a full analysis of its business. The report is detailed, comprehensively covers all aspects of the company's provision, is well presented and easy to read. Inspectors agreed with most of the findings. The grades given by the company were accurate in trainee support and quality assurance. In all other areas inspectors awarded one grade higher than that proposed by the company.

Source: *Reaching New Standards: Annual Report of the Chief Inspector 1998-1999*, Training Standards Council

Less red tape

- 5.5** The LSC will design its quality improvement arrangements to reduce bureaucracy and duplication. Minimising burdens and maximising integration will be the goal. Monitoring of quality, financial and health and safety arrangements will be integrated - resulting in fewer visits.

Impact on existing providers

- 5.6** The LSC must be satisfied about the quality of all the providers which it funds. Factors to be considered will include promotion of equal opportunities and ensuring appropriate support for those with learning difficulties and disabilities. Existing providers which already meet the requirements and the criteria set out by the LSC, will see minimal change under the new arrangements. Those which are still striving to reach the standards can expect a greater degree of support and involvement than they may be experiencing currently. Over time, the LSC will fund only those providers which meet the standards it expects.

Case study

The National Association for the Care and Resettlement of Offenders

(NACRO) provides satisfactory or better work based training for over 2,500 people in 12 occupational areas. Inspection feedback has been welcomed and is being used to develop continuously the quality of provision. NACRO's clients include many people who are not former offenders but whose disadvantages place them at risk of social exclusion. Most have special learning needs. Training is thoughtfully structured and delivered effectively. Trainees are enthusiastic and receive attentive support from caring staff. Equality of opportunity is promoted strongly. Managers have developed good working relationships with other organisations to enable them to offer comprehensive assistance to trainees with a wide range of disadvantages.

Source: *Reaching New Standards: Annual Report of the Chief Inspector 1998-1999*, Training Standards Council

A fair and open system

- 5.7** The LSC will work to create an open, fair and competitive system, for post-16 learners below degree level, which will promote local flexibility to meet individual and local needs, raise quality and encourage innovation. New providers will be encouraged, subject to being able to demonstrate that they can meet the LSC's requirements. Local LSCs will work within the overall framework to build a network of well-managed and innovative providers, capable of identifying and responding to the needs of learners and employers, and will reward providers who are successful in these respects. Local LSCs will look in particular to promote imaginative arrangements designed for example to meet the needs of particular groups such as women returners and learners from ethnic minorities. This will include the greater use of on-line learning through the Ufl which can enable individuals and companies to fit learning more conveniently within their own lives and priorities.

The new inspection regime

- 5.8** To support the LSC at local and national level there will be a rigorous and independent external inspection system. Existing inspection systems will be rationalised into one coherent approach for all providers, to ensure that all are inspected on a regular basis, regardless of the provision they offer. Responsibility for inspecting provision for 16-19 year olds in schools and colleges will rest with OFSTED. For post-19 provision in colleges, and for work-based learning for all post-16s, there will be a new Adult Learning Inspectorate (ALI). This will also cover education and training provision funded by the ES, appropriate Ufl *learn direct* provision and community learning.
- 5.9** There will be a transparent, streamlined and independent inspection process. Where provision falls within the remit of both Inspectorates, there will be joint inspections led by OFSTED. In these joint inspections there will be a single team of inspectors, producing one report under a common framework and written in a consistent format.

Inspection framework

- 5.10** The Inspectorates will develop the common framework for inspection which will apply across the ALI's remit and to OFSTED's new responsibilities. The framework will be published, after full public consultation, to ensure that common criteria and standards are applied. The application of the framework will be 'fit for purpose' according to the nature and size of the provider. The framework will be a key element in raising post-16 standards and it will need to reflect the diversity of the post-16 learners and cover equal opportunities. It will be compatible with the LSC's quality improvement strategy. The common framework for inspection is being taken forward on an informal basis by OFSTED, the FEFC Inspectorate and the Training Standards Council (TSC), pending the proposed legislation. Good progress has already been made in setting out the common principles by which post-16 inspections will be conducted. There will be initial public consultation on these principles in the Spring.

Area-based inspections

- 5.11** *Learning to Succeed* announced the Government's intention to introduce OFSTED-led area inspections for 16-19 provision. These will look at the range of provision in terms of standards achieved, quality of provision, range and coherence of what is provided and value for money. The first of these area inspections is already under way with collaboration between OFSTED, the FEFC Inspectorate and the TSC. By December 2000, 15 area inspections will be completed.

What will area inspections cover?

Areas will usually be a single LEA. Sometimes an area may comprise more than one or part of an LEA, or part of a local LSC area.

Most school sixth forms, colleges and major training providers in the area will be visited but the focus will be on the quality of what is provided in the area as a whole.

Inspectors will draw on other evidence of recent or current inspections of individual institutions or providers to complement their activity, and in order to minimise burdens on providers.

Inspections will be in two stages:

Stage 1 - collecting evidence, including performance, curriculum, programmes, costs/resources from LSC, LEAs and providers.

Stage 2 - subsequently inspectors will visit a sample of lessons/sessions to look at provision and learner reaction to it. Themes across sectors will be addressed at this stage. Inspectors will also consider the contribution which the LEA(s), local TEC(s) (and later LSCs) and the Careers Service, make to 16-19 provision in the area. Local labour market and skill needs information will also be considered.

- 5.12** Area inspection reports will lead to action plans involving both the local LSC and the LEA(s), who will work in close consultation with all parties: schools, colleges and training providers. These action plans will link directly to the strategic roles of both the LSC and the LEA(s) to ensure that emerging themes receive appropriate attention to spread good practice and avoid common problems.
- 5.13** A separate report will be published annually by each local LSC on action taken to promote quality improvement in its area, including action taken to address weaknesses identified by inspections. This report will help individuals and businesses make judgements on the quality of learning and skills available locally. The Inspectorates will also publish Annual Reports on their activities. Individual provider reports will continue to be published.

Rewarding quality provision and tackling poor provision

- 5.14** Education and training which is judged to be of high quality will be rewarded through lighter touch monitoring of those who provide it and through the funding arrangements. Further details of the way this relationship will work will be set out in the funding consultation document. Local LSCs will have locally managed budgets to encourage providers continuously to improve quality. To ensure standards are maintained, local LSCs will have the capacity to validate the achievement and maintenance of its requirements for quality, financial probity and health and safety. Where shortcomings arise on health and safety or where serious financial irregularities are found, local LSCs will be empowered to take immediate action. Local LSCs will employ staff with the competence to make sound judgements in these areas.
- 5.15** Inspection reports may identify that, although the provider is making good or satisfactory provision overall, there are weaknesses which need addressing. Schools, colleges and training providers will need to rectify these through post-inspection action plans which will be agreed with the local LSC.

Case study

Thanet College in Broadstairs, Kent, has a student retention rate of 80 per cent but its inspection report indicated low retention for some courses. The principal has successfully introduced a carefully planned strategy to address retention:

- ▶ each course is monitoring monthly retention figures against agreed targets;
- ▶ regular meetings between the college principal and senior managers are being held to discuss progress on retention;
- ▶ the awarding of grades to courses on the basis of retention figures to assist in analysing where action is having an impact;
- ▶ the formation of a cross-college group to consider retention and spread good practice; and
- ▶ targets for enrolment, retention and achievement have to be submitted by course teams and agreed by the college's senior management team.

- 5.16** Where a provider falls short of requirements and inadequate progress has been made to secure the necessary improvements, the LSC will take action, drawing on the support of others, such as NTOs, as appropriate. In respect of the FE sector, the LSC will have a number of options including:

- ▶ requiring specific improvements as a condition of future funding;
- ▶ appointing up to two additional governors directly to any governing body to secure such improvements; and
- ▶ recommending that the Secretary of State intervenes where the LSC has found mismanagement at any FE college or where a college has failed or is failing to discharge a statutory duty.

- 5.17** The Secretary of State will also have the power to intervene if necessary as well as on the explicit recommendation of the LSC.
- 5.18** The national LSC will also have reserve powers in the case of school sixth forms which persistently show serious weaknesses or are failing, and can choose to allow local LSCs to exercise this power. As a last resort, the LSC will be able to propose the closure of such sixth forms and LEA-maintained sixth form institutions. Decisions on closure would be taken by School Organisation Committees or the School Adjudicator, as for all other school-related proposals. This role for LSCs would only come into use where the normal mechanisms for addressing weak provision had failed. The power to make proposals would be triggered where the sixth form or sixth form institution had failed to address weaknesses identified in an adverse report from OFSTED and still showed a serious weakness or failure on re-inspection.
- 5.19** In the case of all other providers which fail to deliver their action plans for improvement, the ultimate sanction will be the withdrawal of the funding contract.

Performance indicators

- 5.20** Using benchmarking, the LSC will expect each provider to set rigorous improvement targets using relevant and consistent performance indicators across the post-16 sector. Before the LSC is established, DfEE will work with representatives of the provider network and the ES to develop proposals for revising performance indicators for the sector. We shall also consult those bodies who have worked with providers, e.g. the FEFC, TECs, the TSC and GOs. The aim is to produce relevant, straightforward measures which provide a basis for judgements about quality and value for money but which can also be used for self-assessment and make use of management information which is relevant for internal purposes.

Sharing good practice

- 5.21** Local LSCs will build upon the separate arrangements that currently exist in the FE and work based learning sectors for identifying and disseminating good practice.

5.22 This work will include:

- ▶ arranging studies of the quality and value for money of LSC-funded education and training activities, including the identification of good practice;
- ▶ publishing the results;
- ▶ supporting collaborative work (such as that which produced the TECs' Health and Safety Code of Practice and joint work between OFSTED and FEFC on arrangements between schools and colleges on 16-19 provision) to build models for standard setting with flexibility;
- ▶ building on the work of others (such as the TEC National Council's TECtranet) to develop innovative IT approaches to sharing good practice; and
- ▶ using networks, workshops, conferences and the Internet to publicise findings.

Health and Safety

5.23 We expect the national LSC to build on the collaborative work undertaken by TEC and Departmental representatives to agree a Health and Safety Code of Practice. All TECs have signed up to it; major providers and the DfEE support its use; and the Health and Safety Executive endorses this approach. The Code of Practice sets common standards and addresses criticisms from training providers about the burdens of several versions of similar documentation, multiple visits and the lack of consistency in decisions and requirements, all of which create bureaucracy and detract from the main business of providing a safe and healthy training environment. The partnership working which produced the Code of Practice also provides a model which could be extended to other areas of common concern.

Developing post-16 teachers and trainers

5.24 High quality provision relies on people with the necessary skills. All providers will need to demonstrate to the local LSC that their staff have appropriate, nationally-recognised qualifications or have personal development plans leading to appropriate qualifications or units. In addition, all staff will be encouraged to undertake continuous professional development or education. The LSC will base its requirements on the work being carried out by the DfEE, in consultation with the ES, with the Employment National Training Organisation (ENTO), which sets standards for trainers in work based learning, and the Further Education NTO, which sets standards for further education teachers. Following this work, there will be consultation early in 2000 on the proposals.

Encouraging Feedback

5.25. Effective mechanisms for gathering and acting on customer feedback will be a central feature of the way local LSCs work. Feedback will come from learners, their parents, employers and the wider community. Local LSCs will work closely with their providers, and through local Learning Partnerships, to develop robust feedback mechanisms that are easily accessible and which ensure that concerns about quality are investigated promptly and thoroughly. These feedback and complaints procedures and the information they provide will be made public.

The importance of qualifications

- 5.26** The White Paper made it clear that qualifications will continue to be an important measure of success for individuals and providers. To ensure that we can create a robust, coherent and transparent system of qualifications, we have now endorsed the criteria that the Qualifications and Curriculum Authority (QCA) will apply to qualifications submitted for accreditation to the national framework. The current provisions for the approval of qualifications (for use outside higher education) will be revised to recognise the different learning needs of young people and adults and to ensure that only qualifications that meet high quality standards will be publicly funded. The LSC will promote the accreditation of skills, including NVQs.
- 5.27** We expect the LSC to be better able to support learning provision which meets real needs by removing the distinctions created by Schedule 2 of the Further and Higher Education Act 1992. Whilst qualifications are very important and accreditation will continue to be appropriate for the majority of courses, we also want to see the LSC provide opportunities with scope for learners to gain recognition for their achievements other than through qualifications.

The next steps on improving quality

- 5.28** This chapter has provided a summary of the current design principles. More detail will be available in the Spring when a consultation paper covering quality, financial controls and inspection arrangements will be published.

6. What happens next?

- 6.1** This chapter sets out the process for establishing the LSC and the timetable for detailed planning which is designed to manage a smooth transition to the new arrangements. All dates and plans are subject to the passage of legislation.

Setting up the national LSC

- 6.2** The post of national Chair of the LSC will be advertised in February and the appointment announced in May. We envisage that this appointment will be on the basis of 2 days a week. Until Royal Assent for the legislation setting up the LSC, the appointment will be to the position of Chair-designate and the appointee will be employed by the DfEE. The posts of national LSC members will be advertised in May, with appointments announced by September. National LSC members will be appointed by the Secretary of State.
- 6.3** The Chief Executive of the LSC will be recruited by open competition. The post will be advertised in March and the appointment announced in June, again on a designate basis until the necessary legislation is passed. The LSC Chair-designate will play an important role in choosing the Chief Executive. The first Chief Executive will be appointed by the Secretary of State. Subsequent appointments will be made by the national LSC, subject to the Secretary of State's approval. The most senior executive posts in the LSC headquarters will also be recruited by open competition. Posts will be advertised in April and appointments announced by July.
- 6.4** The LSC national headquarters will be located in Coventry. Working closely with the FEFC, DfEE is currently looking at options for premises.

Setting up the local Learning and Skills Councils

- 6.5** We want GOs to work with local and regional partners - including RDAs - to bring together small task groups for each local LSC area by April 2000. Under the guidance of GOs, we want these task groups to build on transition planning already under way and on the work of local Learning Partnerships to identify existing provision that will need to be funded by the LSC from April 2001. In particular, this will include work based training for young people, workforce development (including TEC workforce development plans being developed for April 2000), LEA funded adult and community learning, school-business partnerships and work experience and information, advice and guidance for adults. The task groups will then develop a local transition plan for each local LSC area. This will set out who will do what, by when, in each locality, to ensure a smooth transition to the new arrangements for learners and providers.
- 6.6** The task groups will work closely with providers and with existing funding and planning bodies such as TECs, FEFC and LEAs, whose staff will be involved in taking forward this transitional work. They will be informed by a national LSC transition plan which will be developed in consultation with providers and their representatives and published in March 2000. The task groups will not pre-empt decisions which must rest with the local LSC Executive Director on staff transfer issues, on appointment to individual posts or on the organisational structure of the local LSC. GOs and the ES will also work with providers to assure them about continuity of funding and support.

- 6.7** Appointing the Chairs and Board members of local LSCs will be a major task. These appointments will be public appointments subject to the guidance issued by the Office of the Commissioner for Public Appointments. There will be local, regional and national press advertisements beginning in March for the local Chairs and May for the local LSC members and we will ask partner organisations to encourage individuals with a contribution to make to the new arrangements at this level to apply. GOs and DfEE will manage the process leading to recommendations for appointment. Local Chairs-designate will be appointed by the Secretary of State with announcements in June. Other members of local LSCs will be appointed by the national LSC subject to the approval of the Secretary of State, with announcements in September.
- 6.8** The Executive Directors of local LSCs will be appointed following open competition. Advertisements will be placed in April 2000 with appointments, on a designate basis, announced in July. Local Chairs-designate will have a leading role in the final decision on whom to appoint, working closely with the LSC Chief Executive or their representative. Executive Directors will then manage the process of appointing staff to posts in the local LSCs and will look first to make such appointments from staff identified as having an entitlement to transfer to the LSC from other organisations.
- 6.9** Those interested in becoming a member of either the national LSC or a local LSC are invited to register their interest by e-mailing us at lsc.appointments@dfec.gov.uk or by writing to us at: LSC Appointments, LSC Set-up Team, Learning and Skills Council Division, W3c, Moorfoot, Sheffield S1 4PQ.
- 6.10** A key priority for local Executive Directors and their transition teams will be to build on the work of local task groups by working with existing planning and funding bodies and with providers to agree plans for funding and contracting from April 2001. Funding for FE colleges will be rolled forward from commitments made by the FEFC. The priority for the LSC will therefore be to secure continuity for non FE-sector provision for the period from April 2001. We will work with providers over the next 15 months to ensure that the transition is as smooth as possible and will consult and involve them in managing the process. Local LSCs will aim to make firm commitments to those providers through letters of intent by the end of November 2000, with contracts signed by the end of February 2001. We will expect TECs, FEFC, local authorities, local Learning Partnerships and other partners to give their full support to this process. LSC Executive Directors and the ES will work particularly closely in planning provision to be funded by their two organisations from April 2001.
- 6.11** We will need to identify, secure and prepare the initial premises for the 47 local LSCs. Our priority will be to make the most cost-effective use of the current TEC, Business Link and FEFC estate. With DTI we will encourage co-location with SBS franchises where that makes sense. We intend to have a single office location for each local LSC to limit administrative costs and promote efficient working and the creation of a new common culture for the local LSCs. GOs will discuss with TECs and FEFC the future use of their premises as part of the transition planning process. GOs will make recommendations to Ministers for the location of each LSC local office and Ministers will announce decisions by the end of February 2000. GOs will then secure initial premises for each local LSC, to be handed over to the LSC when it is formally established.

- 6.12** From October 2000, we would expect the LSC itself gradually to take over responsibility for establishing its local LSCs, as it develops the capability to do so.

Setting up the Adult Learning Inspectorate (ALI)

- 6.13** We are working on a similar timetable for setting up the new ALI. The post of Chair of the Inspectorate will be advertised in February and the appointment announced in May. The Chief Inspector post will be advertised in March and the appointment announced in June. The remaining Board appointments will be announced by September. The Inspectorate will also be located in Coventry and, working closely with the FEFC and the TSC, DfEE is currently looking at options for future premises.

Keeping partners informed

- 6.14** The creation of the LSC and the new ALI means significant change for many partner organisations involved in post-16 learning and the people who work for them. From the consultation responses and our work with partners to develop their own transition plans, we know organisations affected by the changes are committed to ensuring that the transition to the new arrangements goes as smoothly as possible. Where possible, the new arrangements should make best use of expertise within the current system. Central to everyone's concern is the importance of maintaining continuous progress against the National Learning Targets and assuring the quality of provision.
- 6.15** We recognise that the Government has a central role to play in communicating and bringing partners together at national, regional and local levels to ensure there is a shared understanding of the issues being faced. There is also an onus on partner organisations to identify issues and work closely with us and other organisations in addressing them. Most importantly, it will be essential that customers and staff affected are kept in touch with developments.
- 6.16** There has already been some progress. In addition to the regular updates on *Learning to Succeed* published on the DfEE's web site, numerous conferences and events have been held, many of them arranged jointly with partners. We want to encourage organisations at all levels to share details of their own planning arrangements so that, as far as practical, there is clarity and openness about how things are progressing. In the New Year we will be hosting regional road show events to outline the vision and benefits of the LSC and to allow partners to explore detailed aspects of the new arrangements.
- 6.17** A wide range of consultative arrangements have been established over the last few months, to bring together key partners to address particular issues. At national level, we have set up groups to consider issues such as transition, human resources, funding and inspection. We are very grateful to all those who are giving their time to these arrangements. We have also published a national Transition Plan. A first draft was published alongside *Learning to Succeed* and has been well received. The Plan is intended to help organisations directly affected by the changes to develop their own detailed plans and to set these within the wider framework of changes taking place across all areas and across related organisations. It is very much a working document which will evolve as discussions with partner organisations take place and decisions about the impact of the changes are announced.

- 6.18** An updated version of the Transition Plan was issued at the end of November. This took account of partners' views on the first draft and we intend to produce further, regular updates over the next year. For copies of the plan or queries on the transition arrangements, please contact Lucy Alexander, the Transition Policy Team, DfEE, Moorfoot, Sheffield, S1 4PQ, e-mail lucy.alexander@dfee.gov.uk, telephone 0114 259 3369. The plan is also available on the DfEE website (www.dfee.gov.uk/post16/br_transition.shtml)

Timetable for the establishment of the Learning and Skills Council, the new inspection arrangements and the Small Business Service (subject to the passage of legislation)

Month/Year	Milestone
December 1999	Publish LSC Prospectus
January 2000	Publish funding and allocations consultation document
January 2000	Discussion document on EBPs, and guidance for local Learning Partnerships
January 2000	Announce arrangements for the new support service for young people.
February 2000	Announce locations of local LSC offices
February 2000	Advertise the LSC Chair and ALI Chair posts
March 2000	Advertise the LSC Chief Executive and ALI Chief Inspector posts and the local LSC Chairs
March - June 2000	Functions of LSC and ALI agreed
April 2000	Publish second consultation document on detailed framework of funding system
April 2000	Advertise posts of local Executive Directors and key executive posts in the National Council
April 2000	SBS established
	Decisions in principle on the identity of local SBS franchises
May 2000	Confirm appointment of LSC Chair-designate and ALI Chair-designate
May 2000	Advertise the posts of national and local LSC members
June 2000	Confirm appointment of LSC Chief Executive-designate, ALI Chief Inspector-designate, and local LSC Chairs-designate
July 2000	Terms and conditions of employment for LSC and ALI agreed
July 2000	Confirm designate appointments of local Executive Directors and key executive posts in the National Council
September 2000	Confirm appointments of national and local Council members
September 2000 - March 2001	Training of LSC and ALI staff including, where necessary, updating of skills
November 2000	Appoint Young People's and Adult Learning Committee members
December 2000	Issue letter of guidance (including amount of grant in aid) to LSC
January 2001	LSC and ALI operate in parallel with existing bodies
April 2001	LSC, ALI and SBS local outlets fully operational
April 2002	Possible start date for funding from the LSC, via LEAs, of school sixth forms*

* Subject to further consultation.

Further consultations

6.19 We shall publish a series of further papers over the next few months covering:

- ▶ LSC funding and allocations including the sixth form funding changes;
- ▶ a range of publications on the new quality and independent inspection arrangements; and
- ▶ local Learning Partnerships.

Further Information

6.20 If you would like further information on the contents of this Prospectus you can contact us:

- ▶ **by post** to Mike Morley, Department for Education and Employment, W3a, Moorfoot, Sheffield S1 4PQ
- ▶ **by e-mail** to mike-morley.feedback@dfee.gov.uk, or
- ▶ **via the DfEE's Internet site** at www.dfee.gov.uk/post16. This site has an e-mail facility available.

More Prospectus Copies?

6.21 Copies of this document (also available in Braille, large print and on audio cassette) can be obtained free of charge, by quoting reference LSCP1, from:

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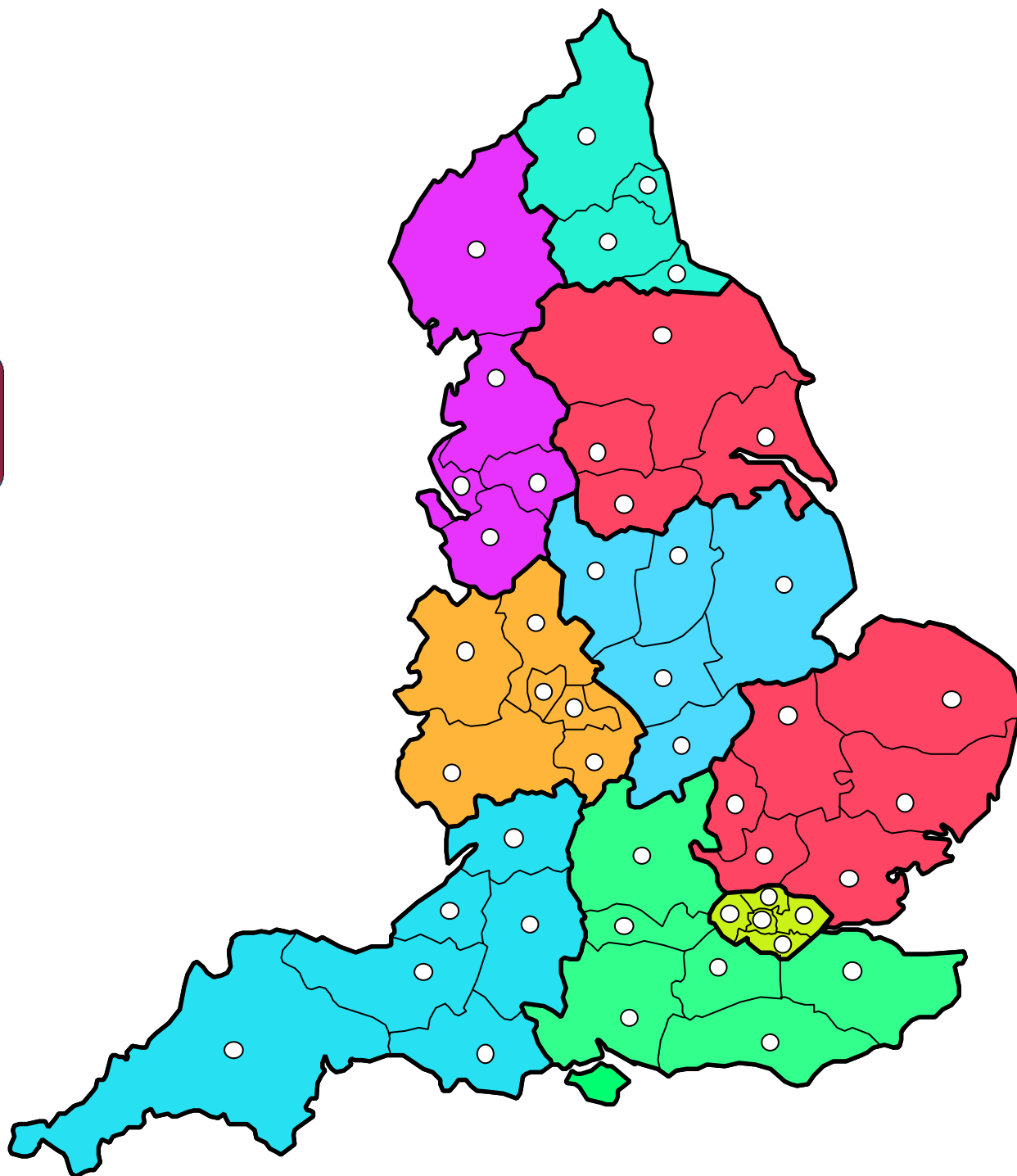
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Annex 1

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North West

(Note: There will be two Small Business Service franchises in Lancashire, one for East Lancashire and one for West/North Lancashire, and there will be two Small Business Service franchises in Greater Manchester.)

- 1 Cumbria
- 2 Lancashire
- 3 Greater Manchester
- 4 Merseyside/Halton
- 5 Cheshire/Warrington

West Midlands

- 6 Shropshire
- 7 Staffordshire
- 8 The Black Country
- 9 Birmingham/Solihull
- 10 Coventry/Warwickshire
- 11 Herefordshire/Worcestershire

South West

- 12 Gloucestershire
- 13 Wiltshire/Swindon
- 14 Former Avon
- 15 Somerset
- 16 Bournemouth/Dorset/Poole
- 17 Devon/Cornwall

North East

- 18 Northumberland
- 19 Tyne & Wear
- 20 County Durham
- 21 Tees Valley

Yorkshire and the Humber

- 22 North Yorkshire
- 23 West Yorkshire
- 24 Humberside
- 25 South Yorkshire

East Midlands

- 26 Derbyshire
- 27 Nottinghamshire
- 28 Lincolnshire/Rutland
- 29 Leicestershire
- 30 Northamptonshire

East of England

- 31 Norfolk
- 32 Cambridgeshire
- 33 Suffolk
- 34 Bedfordshire
- 35 Hertfordshire
- 36 Essex

London

(Note: There will be a single Small Business Service franchise area for London with 5 local delivery operations which align with the 5 local LSC boundaries below.)

- 37 London West – Hillingdon, Harrow, Brent, Ealing, Hounslow, Hammersmith & Fulham
- 38 London Central – City of Westminster, Kensington & Chelsea, Lambeth, Wandsworth, Southwark, Camden, Islington
- 39 London North – Barnet, Enfield, Haringey, Waltham Forest
- 40 London East – Hackney, Redbridge, Havering, Barking & Dagenham, Newham, Tower Hamlets, City of London, Bexley, Greenwich, Lewisham
- 41 London South – Richmond upon Thames, Kingston upon Thames, Merton, Sutton, Croydon, Bromley

South East

- 42 Oxfordshire/Buckinghamshire/Milton Keynes
- 43 Bracknell Forest/West Berkshire/Reading/Slough/Windsor & Maidenhead/Wokingham
- 44 Surrey
- 45 Kent/Medway
- 46 East Sussex/West Sussex/Brighton & Hove
- 47 Hampshire/Isle of Wight/Portsmouth/Southampton

Annex 2

The LSC Planning Framework

The LSC will promote each year a debate on national priorities for improving participation, quality and attainment. This will begin with an annual letter from the Secretary of State setting out the LSC's budget for the year ahead and the Government's steer on priorities. The national LSC will then:

- ▶ consult widely on priorities and targets, involving all key partners, including the Ufi, NTOs, the new support service for young people, the ES, local authorities, RDAs, the equality commissions, and representative bodies for colleges, the schools sector, private and voluntary sector training providers;
- ▶ draw up an assessment of current and future national skill needs;
- ▶ set out plans for achieving the key National Learning Targets for which the LSC would be responsible including national workforce development plans; and
- ▶ set further targets e.g. including participation and attainment in basic skills, and strategies for achieving them which would underpin the National Learning Targets.

The end product will be a three year rolling corporate plan, published annually and supported by an operational plan. The corporate plan will describe national priorities and skills needs, the LSC's strategies for achieving the National Learning Targets and any further targets. The operational plan will set out details of the LSC's budget for each objective, together with target learner numbers.

These plans will inform and steer the bottom-up planning process of individual providers and the 47 local LSCs. It will include priorities for young people's learning, for adults, for community regeneration through learning and for workforce development.

Local LSCs will also publish an annual statement of learning and skill needs for their area and an annual statement of priorities for the development of local provision. These will draw upon a wide range of information and influences, in particular:

- ▶ the advice of local Learning Partnerships on the needs of local learners and on gaps in current provision;
- ▶ the regional skills action plans produced by RDAs in the context of their Regional Economic Strategies;
- ▶ the national learning and skills priorities set out in the LSC's learning and skills strategy and annual skills assessment;
- ▶ direct feedback from individual learners;

- ▶ intelligence and analysis from organisations in touch with learners and the customers of learners, including local authorities, NTOs, the new support service for young people, local Learning Partnerships, the ES, the Ufl and the SBS. This will also include intelligence on progress on equal opportunities, including arrangements to meet the needs of those with disabilities and special educational needs;
- ▶ data and analysis from public, private and voluntary sector institutions, including FE sector colleges; and
- ▶ the local LSCs' own analysis of the progress required locally to ensure that the National Learning Targets are met.

Local LSCs' annual statements of priorities will be locally owned, but agreed with the national LSC where they relate to national priorities. They will also set out the role local authorities will play in securing provision for adult and community education.

Setting local priorities will be the start of what will be a bottom-up planning system. Each local LSC will invite local providers to submit plans to meet the needs of customers (including those needs it has itself identified), and will discuss and agree those plans with providers as a basis for funding. These arrangements will include local authority planning for adult and community learning.

Once this process has been completed, the local LSC will finalise its annual operational plan, which will set out in detail the provision which it intends to fund. The plan will be reviewed each quarter to identify any problems in delivery or changing priorities throughout the year.

Glossary

ALI	Adult Learning Inspectorate
DfEE	Department for Education and Employment
DRTF	Disability Rights Task Force
DTI	Department of Trade and Industry
EBPs	Education Business Partnerships
ENTO	Employment National Training Organisation
ES	Employment Service
ESF	European Social Fund
FE	Further Education
FEFC	Further Education Funding Council
FENTO	Further Education National Training Organisation
GO	Government Office for the Regions
HE	Higher Education
HEFCE	Higher Education Funding Council for England
ICT	Information Communication Technology
LEA	Local Education Authority
Local LSC	local Learning and Skills Council
LSC	Learning and Skills Council
MA	Modern Apprenticeship
NACRO	The National Association for the Care and Resettlement of Offenders
NIACE	National Institute of Adult Continuing Education
NTO	National Training Organisation
NTONC	National Training Organisations National Council
NVQ	National Vocational Qualification
OFSTED	Office for Standards in Education
QCA	Qualifications and Curriculum Authority
RDA	Regional Development Agencies
SBS	Small Business Service
SME	Small and Medium Sized Enterprises
TEC	Training and Enterprise Council
TSC	Training Standards Council
Ufi	University for Industry

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Notes

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