

Matching Employer Needs and Learner  
Aspirations Today and Tomorrow –  
The Strategic Challenge for Providers





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## Preface



This report is an important contribution to the planning and funding of post-16 education and training. It builds on the strengths of the existing systems to promote a framework for all learners to gain the skills they need and to maintain purposeful employment. It commends the need to extend existing good practice. In doing so, it embraces the contents of Learning to Succeed and the secretary of state's letter of guidance to the Learning and Skills Council.

This report identifies issues facing post-16 education and training providers. The government has put into place a framework that brings together a diverse range of providers of post-16 education and training. It is particularly timely in that the new Learning and Skills Council will bring together the funding and planning of general and vocational learning. I believe that the nine recommendations made in this report will help address some of the critical issues the Learning and Skills Council will be tackling early in its existence.

We hope the report is seen as a constructive contribution to the work of the Learning and Skills Council. It also makes specific recommendations to the key players in the skills supply and demand chain: employers, learners and providers. If the recommended actions are to be implemented, we need to ensure that the new arrangements are couched in terms that learners, employers and providers can understand.

I am grateful to Michael Frye and members of the Demand-side Group who have given their time and expertise to inform the work of the Group. The strengths of the report are due to their efforts.

We are at a unique point in time to achieve a common vision that affords the opportunity for all to develop skills to maximise their personal prosperity and that of the whole nation. I hope that every partner will play his or her part in supporting this process.



David Melville

Chief executive, FEFC



## Foreword



In developing the recommendations, the Demand-side Group was fortunate to have in front of it the opportunity to:

- respond positively to the challenges presented by the contents of the *Learning and Skills Act 2000* and the secretary of state's letter of guidance to the Learning and Skills Council
  - debate the issues and make recommendations before the Learning and Skills Council's planning and funding arrangements have been completed
  - build on the recommendations of the National Skills Task Force and the Further Education Funding Council's Skills Working Group reports
- build on prior experience within post-16 education and training and, in particular, the work and reports of the Further Education Funding Council and the providers it funds
  - address issues which were subsequently identified in the 'White Paper on Enterprise, Skills and Innovation'.

New technology, particularly information and communications technology, coupled with the impact of the new economy, will put the provision of satisfactory vocational workforce education and training under pressure. Currently, we have a situation where many people in our population are unqualified, have minimal qualifications and/or are denied access to the very opportunities that the new economy opens up.

There is also a significant skills deficit in the current workforce that will be aggravated by the needs of new technology in the new economy. No one player can resolve all the outstanding issues. Concerted action is needed to address the historic weaknesses and take advantage of the opportunities in the future.

This means that all participants and potential partners need to take responsibility for themselves, for their own behaviour and for the actions and operations of their own organisations. Only in this way will we be able to develop the learning society that this country so critically needs and so desperately wants. Such a society will provide a platform to make true inclusivity a reality, not a platitude, and will increase the country's capacity for wealth creation and competitiveness.

I wish to thank the members of the group who have given their time and expertise so freely.

Only when all citizens, employers and providers truly engage in their own lifelong learning will we succeed. The benefits are worth it and should be seen as a call to action for all people. The people of this country deserve no less.

Michael Frye CBE

Chair, Demand-side Group



## Recommendations

1 The Further Education Funding Council (FEFC) established the Demand-side Group (the Group) in August 2000 to investigate how employers' and learners' skill needs can be taken into account by the Learning and Skills Council at national and local level in formulating future skills assessments. The final report of the Group was informed by the work of the National Skills Task Force and the FEFC's Skills Working Group. The Group identified nine recommendations that are directed at all partners in the new post-16 education and training arrangements, but in particular, at the Learning and Skills Council.

### Guiding Principles

2 Two guiding principles shaped the Group's thinking and helped develop the final recommendations. They are set out below.

**All effective partners in the education and training system should:**

- **use the opportunities presented by the changes to the planning and funding of post-16 education and training to stimulate and support a flexible learning culture**
- **develop effective ways of working together to eliminate or minimise the current mismatches between the supply of and demand for education and training.**

3 In his letter of guidance to the Learning and Skills Council, the secretary of state set out his expectations of the role the new Council will play, working alongside partners delivering programmes funded through other routes, such as New Deal. All bodies involved should focus their combined efforts on stimulating providers to update, improve and extend the offer available to learners. All partners should focus their combined efforts on monitoring and responding to the needs of learners. Employers need to be persuaded of the benefits that participation in education and training can bring to their businesses. For their part, providers need to try to engage employers and individuals in education and training through continually updating, improving and extending the offer available to them. Individuals must also take responsibility for their own current and future learning needs.

### Recommendations

4 The recommendations that follow have been identified for the Learning and Skills Council and other major partners to consider. They are intended to support the changes the new planning and funding framework will bring.



**Recommendation 1: win the support of employers and employer organisations to engage fully in training and identify and invest in training needs today and tomorrow**

5 This recommendation seeks to engage employers in new ways and identify mechanisms that would help their workforce planning and make recruitment and retention easier. The benefits to business of investing in education and training need to be emphasised.



**Recommendation 2: develop an effective system for the provision of dynamic, accurate and transparent information on training from employers and providers**

6 This recommendation proposes that employers and providers should work with ConneXions, careers and guidance services, National Training Organisations (NTOs) and the Learning and Skills Council to develop a model which facilitates:



- the collection of accurate, dynamic and transparent information on employers' skills needs at national and local level and in the provision of on-the-job training
- the publication by providers of accurate, dynamic and transparent information on training
- the presentation of the training offer using new technologies and channels of communication
- employers working with their relevant NTO to provide information on their needs and sign up to Investors in People
- employers identifying best practice in providing information to existing and new employees about the training that they will make available, or encourage individual employees to undertake.

**Recommendation 3: encourage careers and guidance services, ConneXions, NTOs, the Small Business Service (SBS), union learning representatives and providers to synchronize their activities in giving guidance and making provision relevant to current and future employer recruitment needs**



7 This recommendation argues for the need to bring together representatives from careers guidance services, ConneXions, NTOs and the SBS, in order that the skills needs of employers can be identified now and in the future. This information should be made available to providers in order for them to make relevant programmes available to learners. This could include publicly funded research on how this evaluation is being carried out in other countries.

**Recommendation 4: develop dedicated new national funded programmes for people who have fallen out of the system pre- and post-16.**



8 This recommendation argues for the provision of new dedicated funding to support programmes for pre- and post-16 learners that address employability skills needs. Such funding would complement programmes that have successfully supported basic and key skills initiatives and could be implemented in partnership with the ConneXions service. The model could be based on the success of Curriculum 2000 as an initiative that underpins the learner's main curriculum. The proposed model would complement other programmes, for example, New Deal.

**Recommendation 5: provide simpler and more direct access to learning**



9 This recommendation seeks to ensure that an individual has easy access to learning, in a mode and at a location and price that are appropriate to their needs. It will include simplifying the language of learning and the qualifications system so that everyone can understand and obtain easy access to the education and training they need. The development of learning opportunities delivered by information and communications technology will be a key element of implementing this recommendation. It will also mean ensuring that the funding system is transparent and can be used to support education and training that leads to a job, whether it leads to a qualification or not.

**Recommendation 6: listen to learners' needs through regular research and feedback mechanisms and make available relevant education and training opportunities**



10 This recommendation argues the need to identify more effectively what learners want from the education and training system. It recommends developing a responsive post-16 education and



training system, where feedback from individual learners before and after they embark on their programmes is acted upon appropriately. The Learning and Skills Council, in monitoring quality, could ensure that best practice is disseminated throughout the new arrangements to measure learners' satisfaction with the learning opportunities they have pursued. There will be an important role for learning partnerships in supporting this recommendation in partnership with ConneXions and agencies providing information, advice and guidance to adults.



**Recommendation 7: improve the appropriateness, quality and relevance of the provider offer and rationalise its complexity and size**

11 The current offer is complex, wide-ranging, not always completely up to date or relevant to today's needs. This recommendation would use the information obtained through the processes identified in recommendations 2 and 6. It will require the bodies involved in the provision of education and training including the Qualifications and Curriculum Authority (QCA) to work in partnership to develop a post-16 education and training system where course provision and qualification outcomes are relevant to the needs of employers and individuals today.



**Recommendation 8: ensure that the qualifications available for the learner reflect the needs of employers while at the same time giving the learner a transferable accredited qualification**

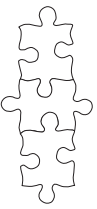
12 This recommendation will require action and commitment by government, the Learning and Skills Council, the QCA, employers, trade unions and other representative organisations and providers. Currently, qualifications reflecting employer needs are put forward for accreditation to the QCA and placed in the national qualifications framework. This ensures that learners will have transferable, nationally recognised qualifications. In addition, the need for programmes as precursors to nationally recognised qualifications could be addressed by accepting a model of 'validated learning' that could operate at a local Learning and Skills Council level. This would mean that the local Learning and Skills Council could fund programmes within the national framework of approved qualifications and also locally determined 'validated learning programmes' that adhered to a national framework developed by the Learning and Skills Council. The QCA needs to be farsighted, flexible and innovative in introducing to the framework new qualifications that meet employer and learner needs. In some cases this will also mean culling out-of-date qualifications from the framework.



**Recommendation 9: improve the quality of teaching input by up-skilling those delivering education and training**

13 This recommendation would require a commitment from providers to raise the skill levels of their teachers, trainers and instructors. At the final conference of the Further Education Funding Council held on 2 November 2000, the minister for further and higher education confirmed that it would be a requirement for all colleges to assess the development needs of their staff and produce an action plan outlining how these would be met. The Learning and Skills Council will support the delivery of these action plans with £80 million from the further education standards fund during 2001-02. This will help ensure that learners requiring training and support with basic, employability, information and communications technology and key skills are taught by appropriately trained staff. Teachers, trainers and instructors should be encouraged to use the most modern training methods and systems. This recommendation places equal value on up-skilling those delivering basic and information and communications technology skills and those delivering subject specific skills.





# Executive Summary

## The Demand-side Group

1 The Further Education Funding Council (FEFC) established the Demand-side Group (the Group) in August 2000 to investigate how employers' and learners' skill needs can be taken into account by the Learning and Skills Council at national and local level in formulating future skills assessments.

2 The Group recognised that, in creating the Learning and Skills Council, the Government had created a legislative framework within which the challenges set out in the reports of the National Skills Task Force could be addressed. The recommendations contained in this report are intended to act as a spur-to-action for key partners to work together within the framework to deliver the post-16 education and training that the nation needs. The Group was chaired by Michael Frye CBE, FEFC member and chair of the Learning and Skills Council, West London. Membership of the group, its terms of reference and background information are set out in annexes A, B and C to this report, respectively. A list of abbreviations is provided at Annex D.

## Rationale

3 The Group argued that the systems in place currently for skills, education and training are not wholly effective in meeting the demands of employers and learners. The Group identified the following broad issues:

- employers, providers, employees, their unions and learners share significant levels of frustration with the weaknesses in the education and training system
- there is a need to develop new skills in a labour market that is competitive and changing constantly
- basic, information and communications technology and key skill deficiencies exist amongst 25% of the workforce and these may worsen with the growing requirements of learners and employers
- the needs of the new economy and e-commerce pose a further challenge and opportunity to the education and training system
- learners and employers find it difficult to access and understand information about the education and training opportunities that are available.

4 Those who seek to address these issues need to be mindful of the following factors:

- a. in an increasingly technological society, individuals who lack basic literacy, numeracy and information and communications technology skills, become even more excluded;
- b. serious dropout problems exist in some areas because courses do not meet employers' or learners' expectations and/or may be difficult to access;
- c. current funding systems may make it difficult for providers to address learners' employability and basic skills deficiencies. The *Further and Higher Education Act 1992* placed restrictions and divisions on funding that led to an emphasis on qualifications as opposed to employability skills;
- d. the language of education and training provision is complex and contains jargon that makes it difficult to engage for those unfamiliar with the system;
- e. similarly, the language and range of qualifications are not easily understood and lead to confusion for employers and learners;



- f. the current funding system does not encompass fully the skilling and up-skilling needs of learners and employers;
- g. there is not a dedicated funding programme that focuses on those who fall out of the system immediately;
- h. there continues to be a significant mismatch between the needs of employers, employees and learners and the learning opportunities offered by providers of education and training;
- i. the creation of a successful education and training system will involve many organisations in the public, private and voluntary sectors, operating at local, regional and national level.

5 Taken together these raise some fundamental questions:

- how do we tackle those who fall out of the system pre- and post-16 in such a way that their needs are addressed earlier and more economically and their subsequent up-skilling is based on a platform of established employability and basic skills?
- how do we accommodate more effectively the needs of learners as prospective employees?
- how do we simplify and make more relevant the language of learning and qualifications?
- how do we ensure that the range of courses offered and the qualifications available are relevant to needs of employers, whether they seek to provide appropriate training themselves, or recruit appropriately qualified staff?
- how can we make access to education and training simpler and more direct?
- how do we create a system that delivers effective, high quality education and training in a flexible and responsive way?
- how can we make use of new technology to improve access, training methods and include those people who are currently excluded?

## Action Matrix

6 It was agreed that, if the Group's recommendations were to be successfully implemented, all partners will need to respond in a coherent and co-ordinated manner. The Group developed a matrix (Chapter 6) which sets out the actions and the timescale in which these will need to take place. Some partners clearly have a pivotal role in ensuring that the process of change takes place while the role of others may be to support the process.

## The Structure of the Report

7 The report has six main chapters:

- Chapter 1 introduces the context within which the Group undertook its work, the issues that need to be addressed and the model for addressing the issues
- Chapter 2 investigates the mismatch between what employers need and what providers offer and sets out recommendations to address these
- Chapter 3 identifies the mismatch between the skills that learners wish to acquire and the skills that employers need to fill vacancies, both currently and in the future and sets out recommendations to address these
- Chapter 4 discusses the mismatch between the education and training opportunities made available by providers and the aspirations of the learning community they serve and sets out recommendations to address these



- Chapter 5 takes the recommendations made in Chapters 1, 2 and 3 and Chapter 4 identifies strategies and actions for them to be taken forward by major partners and provides examples of good practice that can be used to support such strategies
- Chapter 6 brings together the key actions in a matrix that identifies short, medium and long-term actions for the Learning and Skills Council and other major partners involved.



## Chapter 1: Scope, Approach and Methodology

1.1 The Further Education Funding Council (FEFC) established the Demand-side Group (the Group) in August 2000 to investigate how employers' and learners' skill needs can be taken into account by the Learning and Skills Council at national and local level in formulating future skills assessments.

1.2 Although the changes currently taking place will bring together the planning and funding arrangements for post-16 education and training other than higher education, it is clear that their impact will be limited until they have been in operation for some time. The new arrangements provide the opportunity to tackle many of the major issues facing the post-16 sector. This report seeks to identify these issues and suggests ways in which the Learning and Skills Council and other key partners could take them forward. The Group commends this report as a constructive contribution to the work of the Learning and Skills Council.

1.3 At the outset of its work, the Group identified the following broad issues:

- employers, providers, employees, trade unions and learners share significant levels of frustration with the weaknesses in the education and training system
- there is a need to develop new skills in a labour market that is competitive and changing constantly
- there is a need to tackle those who fall out of the system pre- and post-16 in such a way that their needs are addressed earlier and more economically and their subsequent up-skilling is based on a platform of established employability and basic skills
- severe skills deficiencies exist in the workforce and these may worsen with the growing requirements of learners and employers
- the needs of the new economy and e-commerce pose a further challenge and opportunities to the education and training system
- learners and employers find it difficult to access and understand information about the education and training opportunities that are available.

1.4 Those who seek to address these issues immediately come up against some key considerations. These are detailed below.

### Basic, Information and Communications Technology and Key Skills Deficiencies

1.5 Approximately 25% of the current workforce have skill deficiencies. This situation is likely to get worse with further developments in information and communications technology (ICT) and the greater penetration of e-commerce.

1.6 There are additional problems for those with basic literacy and numeracy deficiencies. In an increasingly technological society, such individuals become even more disadvantaged and polarised as they are effectively denied access to the new economy.

1.7 Those trying to access or already involved in the new economy are beginning to question whether traditional education and training opportunities are delivering the skills required in this growing sector. In addition, doubts still remain as to whether National Vocational Qualifications will meet future needs.



## Learners' Dropout Rates

1.8 Dropout can be attributed to a number of factors including course type, content, length, mode of attendance and quality. Course-related problems may be compounded where providers stick to a rigid qualification-based curriculum in order to ensure their provision is eligible for funding. Issues of access and the lack of provision available locally may contribute to an increase in dropout rates. Student retention may also be affected by learners' financial difficulties and by individuals leaving their courses part way through after they have gained employment.

## Funding

1.9 There is a need to tackle employability across the pre- and post-16 sector as part of a coherent campaign. A difficulty in developing a strategy that addresses both groups is that funding to meet the needs of pre- and post-16 learners is channelled through different routes.

1.10 Because of the definitions introduced by the *Further and Higher Education Act 1992*, funding for post-16 skilling and up-skilling, particularly for those over 19, is related principally to qualification outcomes. This may result in learners being recruited to provision on the basis that it is eligible for funding rather than because it meets their needs.

1.11 In order to reduce dropout rates amongst pre-16 learners, there is a need to fund new initiatives to ensure that these individuals continue in compulsory education. These could include specific programmes for the disaffected as well as encouraging the growth of school/college link courses.

## Employability Skills

1.12 Dealing with the employability and basic skills needs of people who have completed their compulsory education is often not straightforward. Too often, employers are reluctant to address these needs because they believe it is the job of public sector providers to provide individuals with these skills. For providers, the current funding arrangements may mean that their priority is to deliver qualifications rather than something less tangible such as employability skills. This issue needs to be addressed as part of the 'Skills for life'<sup>1</sup> agenda outlined by the secretary of state for Education and Employment which closely addresses the issues highlighted in the Moser Report<sup>2</sup>.

1.13 People without key skills cannot access the ICT that is becoming a more common feature of modern society. There is no nationally co-ordinated programme to address those who drop out at pre-16 before they have acquired key skills. The only programmes available for these individuals are those aimed at the post-16 group. Different types of programmes and learning opportunities are needed to address the employability skills needs of individuals in the pre- and post-16 groups. It is normally more effective and efficient to address skills needs as they occur. Failing to address them at the appropriate time is likely to result in more expense at a later date.

## Language

1.14 The language of education and training provision is complex and contains jargon making it difficult for those unfamiliar with the system to readily engage with it. For employers and learners alike, it is often not easy to ascertain which course will meet their skills and/or training needs.

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1 *Skills for Life: The national strategy for improving adult literacy and numeracy skills*, David Blunkett, Department for Education and Employment, 2000

2 *Improving Literacy and Numeracy: A fresh start: The report of the working group chaired by Sir Claus Moser*, Department for Education and Employment, 1999



## Qualification Issues

1.15 Similarly, those who do not work within the education and training sector do not easily understand the language and system of qualifications. This complexity may lead to confusion for employers and learners.

1.16 Employers and learners frequently do not require the full qualification on offer but could benefit from smaller modules or unitised qualifications to meet their particular needs. Even though the FEFC now funds unitised programmes these are not available for all qualifications/programmes. This means that learners may be driven to undertake programmes that do not fully meet their requirements. This frequently leads to high levels of learner withdrawal partway through their programmes and consequently low qualification achievement rates.

## Matching Issues

1.17 There continues to be a significant mismatch between the needs of employers, employees and learners and the learning opportunities offered by providers of education and training. For example, courses may be designed to achieve a specific qualification instead of providing the skills necessary to get a job, obtain promotion, or undertake a new task at work. This can contribute to the high dropout rates found in some programme areas. There are many examples of people following a course for only as long as it takes them to complete successfully the module or element that they have identified as important.

1.18 The lack of transparent information on how courses relate to the workplace may also contribute to a mismatch between learners' aspirations and the skills that employers need. Similarly, the lack of information from providers on the destinations of people who have completed particular programmes may contribute to a lack of awareness of the relevance of programmes in meeting skill needs.

## Roles of Different Organisations

1.19 It is not easy to identify the roles and responsibilities of the large number of organisations involved in the education and training system. Organisations involved in education and training come from the public, private and voluntary sectors and operate varyingly at local, regional and national level. Annex D lists many of the organisations currently involved.

## Questions Arising

1.20 The issues discussed above raise some fundamental questions:

- how do we tackle those who fall out of the system pre- and post-16 in such a way that their needs are addressed earlier and more economically and their subsequent up-skilling is based on a platform of established employability and basic skills?
- how do we accommodate more effectively the needs of learners as prospective employees?
- how do we simplify and make more relevant the language of learning and qualifications?
- how do we ensure that the programme of courses offered and the qualifications available are relevant to needs of employers, whether they seek to provide appropriate training themselves, or recruit appropriately qualified staff?
- how can we make access to education and training simpler and more direct?
- how do we create a system that delivers effective, high quality education and training in a flexible and responsive way?



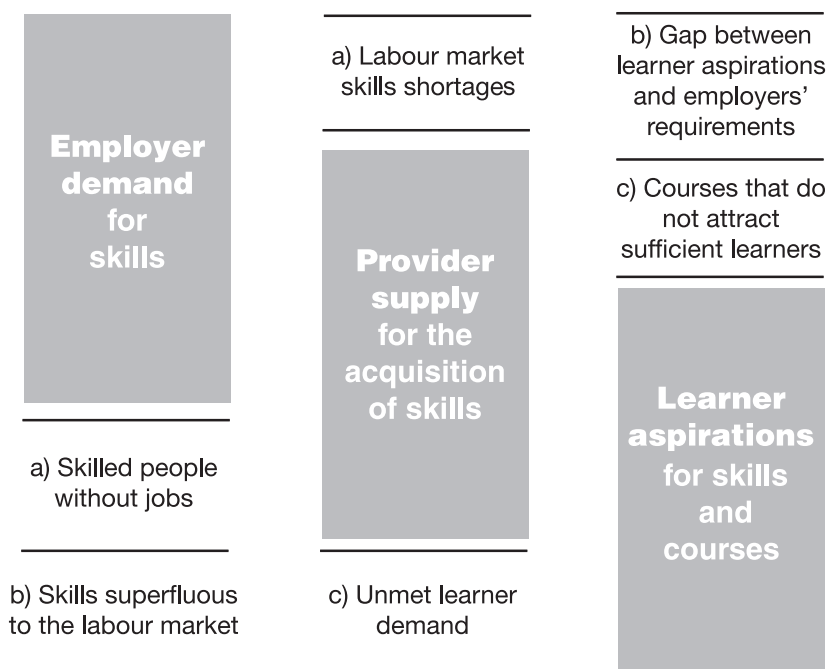


## The Model

1.21 In order to explore further the issues identified above, the Group used a supply and demand model (figure 1) comprising three main components: employers' demand for skills; providers' supply of education and training opportunities; and, learners'/potential learners' demand for skills. This model identified the following matches/mismatches:

- **employer demand – provider supply:** the mismatch between employer demand for particular skills and the flow of skilled people arising from provider supply
- **learner aspirations – employer demand:** the mismatch between what learners aim to achieve through education and training and the skill needs of employers
- **provider supply – learner aspirations:** the mismatch between the courses offered by providers and the expectations and needs of learners.

**Figure 1: Supply and Demand Model**



1.22 The supply and demand model in figure 1 illustrates the general mismatches identified by the group. Specific issues that can and do arise are summed up as follows:

- in the first mismatch the education and training sector must address the perceived discrepancy between the demands of employers and the education and training opportunities made or availability of offers. This discrepancy means that some employers view further education as unresponsive, providing qualifications that do not relate to the needs of the economy. This can lead to skilled individuals without jobs and specific skill shortages in an otherwise buoyant local labour market;
- the second major mismatch occurs where learners possess skills, often at quite a high level, that are not required by employers either because those skills are no longer relevant or because there is no identified skills gap;
- the problem is exacerbated if providers continue to make training opportunities available in areas where there are already too many skilled people for the jobs available. Conversely, there are occasions where the perceived skills needs of the individual do not meet the skills requirements articulated by employers;



- d. the final mismatch identifies that there are learners who have aspirations to obtain skills that are not provided by the education and training system and there are courses for which there would be jobs but these do not meet learner aspirations;
- e. it recognises that many different educational and training qualifications/courses aim to meet the needs of individuals as well as employers, but there remain learners who have become disengaged from learning because the available opportunities do not meet their individual needs;
- f. learners find it difficult to navigate their way through the range of education and training opportunities on offer and may not receive impartial careers guidance to select the most appropriate course for them. In addition, there are many learners who need to acquire skills but are not willing or able to participate in learning. Providers add to the problem when they continue to offer traditional provision that does not necessarily meet the needs of local communities and enrol students on courses/qualifications for which there is oversupply.

1.23 Problems and tensions exist in the current arrangements where there is a misalignment between any two of these three main components. For example:

- short-term skills shortages sometimes arise out of the mismatch between employers' demand for particular skills and the flow of skilled people arising from providers' supply. This reinforces the point that employers tend to want people with skills rather than qualifications
- where learners cannot access a provider's curriculum offer (perhaps for financial, geographical or other reasons) this can result in unmet demand. This is difficult to measure but attempts have been made through the reports of Tomlinson<sup>3</sup>, Kennedy<sup>4</sup>, Moser<sup>5</sup> and the National Skills Task Force<sup>6</sup>
- potential learners may find certain courses of study attractive but these may not provide the skills that employers are looking for thereby not enabling the learner to maximise his/her future employment prospects.

1.24 The model in figure 1 was adopted as an overall framework for identifying the problems. It was also used to develop strategies and actions to address the issues raised. The implications of these mismatches are discussed in more detail in Chapters 2, 3 and 4.

## The Vision of an Integrated Skills Supply Chain

1.25 Before exploring further the issues and how to address them, it is useful to look at the skills supply chain (figure 2) within which recommendations would be implemented. For a skills supply chain to be effective, two key principles need to be present:

- employer and learner needs must pull demand through the system
- it is important that the supplier side does not determine the provision it is offering in isolation from the requirement of employers and learners.

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3 *Inclusive Learning: Principles and recommendations: A summary of the Learning Difficulties and/or Disabilities Committee*, Further Education Funding Council, 1996

4 *Learning Works: Widening participation in further education*. Helena Kennedy QC, Further Education Funding Council, 1997

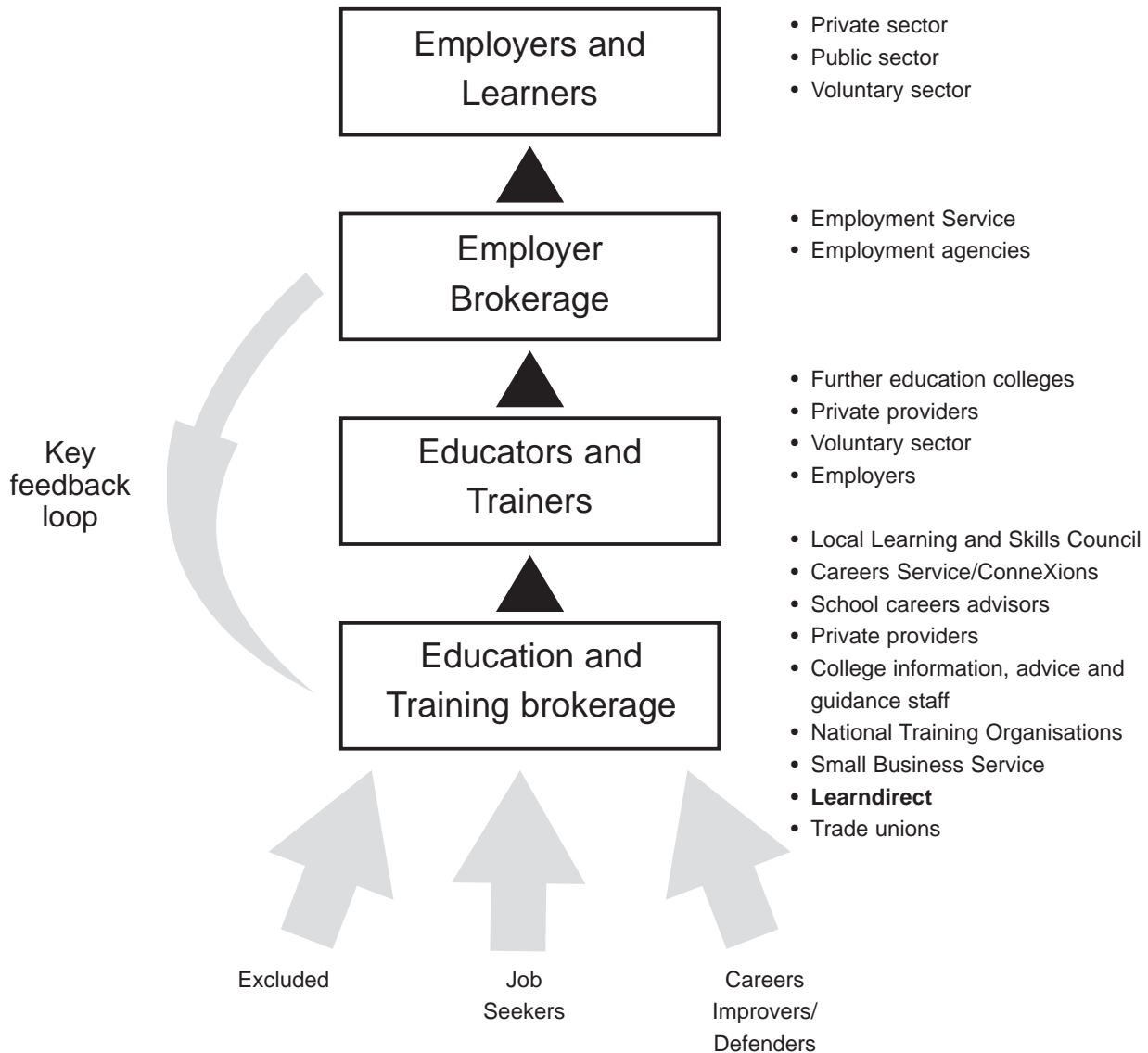
5 *Improving Literacy and Numeracy: A fresh start: The report of the working group chaired by Sir Claus Moser*, Department for Education and Employment, 1999

6 *Skills for All: Proposals for a national skills agenda*, Final Report of the National Skills Task Force, Department for Education and Employment, 2000





**Figure 2: Skills Supply Chain and Key Participants**



*Adapted from: Putting the Employer First, Focus Central London and West London Training and Enterprise Council, 1999*

1.26 In addition, a successful skills supply chain requires:

- high levels of employer/learner satisfaction
- comprehensive and up-to-date information
- strong partnerships throughout the chain
- two-way information flows at each interface
- the ability to track individuals and outcomes through the system
- transparency of costs, transactions and incentives.

1.27 The chain described in figure 2 applies equally to public, private or voluntary sector employers. It recommends an employment brokerage service that could be the Employment Service and/or private employment agencies. Realistically, it would only succeed if these bodies were working closely together.



1.28 This brokerage service would link into the providers of education and training who, under the Learning and Skills Council, will be a wide and varied group and include employers as providers of training. Apart from the large-scale provision currently funded by the FEFC and training and enterprise councils, there will be an opportunity for local authorities and the voluntary sector to make provision on equal terms. There will also be the opportunity for new providers to make provision in the future. This may be essential for recommendations that will rely on innovative work if they are to succeed. Any body involved in delivering such provision will need to build on work done in the area of basic skills and family learning that the FEFC and training and enterprise council funded sector have supported, but that is delivered through other agencies.

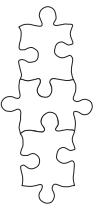
1.29 The next stage is a brokerage/advisory service that would ensure that any prospective applicants for training were given objective advice and guidance on the implications of their choice of provision. The development of the ConneXions strategy together with the emergence of learndirect is a useful addition to careers and guidance services, school careers advice, college advice and guidance services, and former training and enterprise council processes that provided induction and guidance at enrolment.

1.30 This service must be overseen by the Learning and Skills Council, ConneXions, and other agencies involved in providing advice and guidance to adults in partnership as part of their respective remits. This is important because there have been conflicts in the past concerning the impartiality of advice given to young people in the college and schools sector and to adults and young people by post-16 education and training providers. There are frequent reports of schools denying access to cohorts of year 10 and 11 students to local further education providers. There have been cases in the past where inter-college competition has meant advice received by prospective learners has been less than objective. There have also been issues concerning the impartiality of advice given to adults seeking to make choices between adult education provision, college courses and work-based training. There are cases where the advice received by prospective learners has been less than objective because of the funding imperatives faced, particularly in the college and work-based training sector.

1.31 The end of this chain identifies the users of provision, who will be:

- those currently excluded from education and training who are the group specifically addressed in the recommendation on employability skills
- job seekers with relatively low level skills who are seeking to upgrade these; the concept of improvements in basic skills and key skills is most relevant here
- job seekers with intermediate level skills who are seeking to upgrade these; the concept of improvements in relevant information and communications technology and key skills is important here
- career improvers and defenders (those who are facing structural changes within their industries and therefore their career paths) who might require level 2 into 3 or even level 4 training.

1.32 The following chapters take each component of the skills supply and demand model (figure 1) in turn and include recommendations on how to eliminate and/or minimise the mismatch. All the recommendations are then presented in a matrix in Chapter 6 setting out actions for the Learning and Skills Council and all major partners.



## **Chapter 2:**

# **Employer Demand – Provider Supply**

### **Current Issues**

2.1 A major issue facing the education and training sector is the mismatch between the demands of employers and the education and training opportunities available. This has meant that some employers view further education as unresponsive, providing qualifications that do not relate well to the needs of the economy. This chapter explores this mismatch in more detail.

### **Skilled People without Jobs**

2.2 Education and training providers aim to deliver skills relevant to employers and individuals in the area that they serve. Despite this, there are often insufficient work and employment opportunities for trained individuals. However, reasons for not taking up opportunities that are available may include:

- issues of mobility – for example, ability to travel to work
- lack of childcare facilities
- inflexible working practices
- concentration and location of industry
- lack of relocation incentives
- possible discrimination on gender and other grounds.

2.3 Potential solutions include:

- incentives for mobility, for example, the Department of the Environment, Transport and the Regions (DETR) initiative that supports accommodation costs for public sector workers in London and the South East
- a systematic approach to the concept of home working and job sharing
- more funds for childcare facilities
- involving the Social Exclusion Unit to address issues relating to discrimination on gender and other grounds.

2.4 There are instances where providers are delivering successfully in terms of learner achievement and satisfaction but are not delivering the skills required by local employers. This may be the result of education and training providers and trainers not working with employers to identify the skills relevant to them. This mismatch is partly attributable to providers working with poor demand-side information.

2.5 The further education sector often finds it difficult to collect up-to-date and accurate information on the demand for skills. There are a number of organisations including Regional Development Agencies (RDAs) and National Training Organisations (NTOs) that have a remit to collect demand-side information. Consequently, there is not always consistency in the nature and quality of the data available. There is a need to ensure a better match between local demand-side information and provider supply.

2.6 Learners who choose to develop their personal skills may recognise that these will not automatically lead to employment. Where they are making a conscious decision, this is not an issue. If their choice is influenced by lack of guidance or detailed information on the implications of a particular curriculum offer, there is clearly a need to remedy this deficiency. ConneXions, careers



services and agencies and mentors such as accredited union learning representatives who are involved in providing information, advice and guidance to adults need to work more closely with the Learning and Skills Council and providers to make this happen.

2.7 In seeking solutions to the apparent mismatch, the ease of access to and the quality of guidance available to the learner needs to be a priority.

### **Persistent Unemployment and Specific Skills Shortages in a Buoyant Local Labour Market**

2.8 This mismatch often results where education and training providers do not address relevant skills issues in their area. This may arise where providers:

- are unaware of the specific demands of the local labour market
- lack the resources both in terms of funding and staffing to make the necessary provision
- are aware of the specific demands and have the resources both in terms of funding and staffing to make the necessary provision but choose not to do so. This may be because they already generate sufficient income from their existing curriculum offer and have no incentive to address other markets in which it may be more difficult to succeed. It may also arise because there is no acknowledgement that the institution has a responsibility to address such issues.

2.9 Possible solutions are complex and relate to the responsiveness of the local provider to the needs of the market once problems are identified:

- a responsive provider would take steps to improve their market intelligence and liaison work to enable them to take account of local skills needs
- a responsive provider would have more scope to deliver the curriculum employers require if NTOs were more responsive in providing flexible qualifications and the Qualifications and Curriculum Authority (QCA) were able to accredit them
- the collective supply-side could be more proactive in the provision of flexible arrangements to reach other employment markets, for example, through the use of telematics
- a responsive provider could address the issue of providing the staffing resources necessary to make high quality provision. This should include the training of existing staff and the recruitment of appropriately qualified new staff. This may raise specific issues for some providers and their ability adequately to support basic, employability and key skills. In some institutions basic skills teaching time is used to fill timetables for staff from other specialist areas. This may lead to basic skills being taught by staff with no proven expertise or qualifications in this field. Basic skills tutors are more likely to be part-time than teachers in other curriculum areas. This can result in a lack of continuity of tutor/trainer for students who are already disadvantaged. There are conversely many institutions that specialise in supporting students with basic skills needs. These should be seen as role models for other providers to follow
- where an unresponsive provider chooses not to use available funding and staffing to address local priorities there may be a case for creating a centre of excellence on the basis that all providers should work with others to rationalise their provision. The statement by the secretary of state *Colleges for Excellence and Innovation*<sup>7</sup> encourages providers to explore this option
- there may be a need to ensure that funding arrangements encourage reluctant providers to address these issues where it is identified that this is necessary

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<sup>7</sup> *Colleges for Excellence and Innovation: Statement by the secretary of state for education and employment on the future of further education in England*, Department for Education and Employment, 2000



- there needs to be a different approach to issues of regeneration and the money spent on it. Currently a great deal of money is invested in capital programmes with less in supporting any infrastructure once it is developed. There is a strong case for ensuring that funding for up-skilling local people as a long-term aim rather than a short-term solution is included in regeneration schemes
- in order to support providers in addressing important issues a multi-agency approach may be necessary. Thought must be given to develop the skills that will be needed long term for the future as well as addressing the immediate needs of both employers and learners.

## Recommendations

**Recommendation 1: win the support of employers and employer organisations to engage fully in training and identify and invest in training needs today and tomorrow**



2.10 This recommendation seeks to engage employers in new ways and identify mechanisms that would help their workforce planning and make recruitment and retention easier. The benefits to business of investing in education and training need to be emphasised.

**Recommendation 2: develop an effective system for the provision of dynamic, accurate and transparent information on training from employers and providers**



2.11 This recommendation suggests that employers, trade unions and providers should work with ConneXions, careers and guidance services, NTOs and the Learning and Skills Council to develop a model that facilitates:

- the collection of accurate, dynamic and transparent information on employers' skills needs at national and local level and in the provision of on-the-job training
- the publication by providers of accurate, dynamic and transparent information on training
- the presentation of the training offer using new technologies and channels of communication
- employers working within their relevant NTO to provide information on their needs and sign up to Investors in People
- employers identifying best practice in providing information to existing and potential new employees about the training that they will make available, or encourage individual employees to undertake.

2.12 There is a need for the Learning and Skills Council and/or Government to fund the NTOs and the Small Business Service (SBS) to support the work they would be required to do in this area.



## Chapter 3: Learner Aspirations – Employer Demand

### Current Issues

3.1 Learners sometimes possess skills, often at quite a high level, that are not required by employers either because those skills are no longer relevant or because there is no identified skills gap. In the latter case, some industries are saturated with skills and this may be exacerbated by providers continuing to make available education and training opportunities in areas where there are already too many skilled people for the jobs available. Conversely, there are occasions where the perceived skills needs of individuals do not meet the skills requirements articulated by employers.

3.2 There is also a need to identify what kind of jobs will be available in the future, where these jobs will be required and what kind of generic and specialist skills learners will need to obtain those jobs. While it is recognised that predicting future needs is a difficult task, there is a need to provide some intelligence for the learner about future trends. This section will explore these issues in more detail.

### Skills Superfluous to the Labour Market

3.3 It is acknowledged that skills that are superfluous to the labour market can occur at different levels in the demand/supply chain, for example:

- **high level skills** – mainframe computer programmers are in less demand than personal computer experts. There are also saturated labour markets in the area of media studies, sports science and other popular curriculum areas
- **medium level skills** – the generic supervisory skills that are required in a multiskilled environment are needed rather than traditional single trade/process foreman type skills
- **low level skills** – traditional catering skills are in much less demand than skills in the fast food industry.

3.4 Consequently, employers' skill needs are not being met. This has led some employers to perceive that the post-16 education and training sector can be unresponsive.

3.5 Potential solutions include:

- refocusing the learning packages/products on offer
- relevant guidance facilities made available to learners
- encouragement and incentives to retrain and re-skill.

### Gap between Learner Aspirations and Employers' Requirements

3.6 Courses such as combined studies, media studies, and sports science are popular with learners and provide a wide range of generic rather than vocational skills. However, they may not meet employers' demands for specific vocational and work-related skills.

3.7 The solution here relies on the provision of effective guidance for young people and adult learners. In particular, there is a need to make learners aware of the career implications of particular areas of study in a quite detailed way.

3.8 Employers often find it difficult to forecast what their skill needs are likely to be in the future. NTOs have a key role to play in tackling skills shortages by producing sector level skills foresight reports. These reports require sector labour market monitoring, skills intelligence and liaison with employers.



## Recommendations

**Recommendation 3: encourage careers and guidance services, ConneXions, NTOs, SBS, union learning representatives and providers to synchronise their activities in giving guidance and making provision relevant to current and future employer recruitment needs**



3.9 This recommendation argues for the need to bring together representatives from careers guidance services, ConneXions, SBS and the NTOs in order that the skills needs of employers can be identified now and in the future. This information needs to be made available to providers in order for them to make relevant programmes available to learners. This could include publicly funded research on how this analysis is conducted in other countries.

**Recommendation 4: develop dedicated new national funded programmes for people who have fallen out of the system pre- and post-16**



3.10 This recommendation argues for the provision of new dedicated funding to support programmes for pre- and post-16 learners that address employability skills needs. Such funding would complement programmes that have successfully supported basic and key skills initiatives and could be implemented in partnership with the ConneXions service. The model could be based on the success of Curriculum 2000 as an initiative that underpins the learner's main curriculum. This proposed model would complement other programmes, for example, New Deal.



## Chapter 4: Provider Supply – Learner Aspirations

### Current Issues

4.1 In the post-16 education and training system currently, there are many different education and training qualifications and courses that aim to meet the needs of individuals as well as employers. However, there is still a large proportion of learners who have become disengaged from learning because the available opportunities do not meet their individual needs. Learners have found it difficult to navigate their way through the range of education and training opportunities on offer and may not have received good, impartial guidance to select the most appropriate course for them. A further issue is that there are many learners who need to acquire skills but are not willing or able to participate in learning.

4.2 In the past, education and training providers may have continued with traditional provision that does not necessarily meet the perceived needs of the local communities. Providers have also enrolled students on courses and qualifications for which there is oversupply, resulting in a less realistic, highly saturated market in which to gain employment. Finally, certain courses that deliver relevant skills to industry sectors have not been marketed effectively to attract learners.

4.3 The new economy is driving society to a position where recognised qualifications may not meet tomorrow's needs. Many qualifications do not address current skills requirements but retain their currency as a qualification on the basis of historical relevance.

4.4 The issue of the level, type and volume of provision that should be funded by the state is not a new one. The proportion of contributions that should be made for education and training by employers, individuals and the state is not always easy to determine. The second technical consultation paper<sup>8</sup> on post-16 funding for the Learning and Skills Council makes many references to this issue and recognises that the proportions will vary according to the type of education or training programme that is being provided. This issue could be addressed by accepting the principle of 'validated learning' that could operate at a local Learning and Skills Council level. This would mean that nationally approved qualifications and locally determined 'validated learning' programmes could be funded.

### Unmet Learner Demand

4.5 In order to become accessible and more socially inclusive, the education and training system needs to be more learner-focused. Whilst there are many references to learner-centred activity, there are still many individuals for whom appropriate and relevant learning opportunities do not exist. This is referred to as unmet learner demand.

### Potential Solutions

4.6 A learner-centred system that is accessible and socially inclusive will require changes in attitudes to:

- learning methods which could include traditional or ICT delivered distance-learning programmes but should not exclude flexible provision for adult learners who require face-to-face interaction with tutors

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<sup>8</sup> *Learning to Succeed: Post-16 funding: Second technical consultation paper*, Department for Education and Employment, 2000





- qualifications, where existing qualifications do not meet the needs of individual learners
- funding systems.

4.7 More appropriate and relevant provision needs to be based on more accurate learner and employer demand-side information. Providers may be more successful at attracting disengaged learners by making provision that includes:

- short 'drop-in' courses, in particular making more individually available modular or unitised courses which are easily transferable
- pre-vocational provision for those who have been out of work for a long period of time
- work-based training that is specific to the needs of employers and learners.

4.8 The FEFC has encouraged further education institutions to undertake these activities by:

- using funding incentives
- support from the further education standards fund
- implementing special initiatives, for example, non-schedule 2 pilot schemes and funding for programmes made up of units of qualifications.

4.9 The Learning and Skills Council is encouraged to build on the success of such strategies in the new arrangements and could consider, as a first step, extending the funding of individual units of qualifications and work with the QCA on developing a fully unitised qualifications framework.

4.10 There are instances where the provision delivered locally is not suitable or relevant to meet the needs of individual learners, where job specific skills and knowledge are required.

4.11 Working with partners, local Learning and Skills Councils will wish to review current provision with a view to:

- rationalisation, where there is oversupply of certain courses and qualifications within an area, but taking into account whether the provision is meeting a wider, that is national, need
- encouraging providers to develop vocational centres of excellence in line with the secretary of state's proposals in *Colleges for Excellence and Innovation*<sup>9</sup>
- encouraging providers to make provision in new areas where there is a lack of provision currently and/or where this would meet the needs of communities locally. The inclusion of local authority adult and community learning in the remit of the Learning and Skills Council is welcome, as there is a great deal of good practice in this area of work. This sector will benefit from the new funding system and will be in the forefront of delivering much of the new provision needed. This provision should have a particular emphasis on:
  - widening participation for adults
  - helping to build the capacity and capability of local communities by developing links with community-based provision
  - playing a key role in learning partnerships.

4.12 It is recognised that the new post-16 arrangements will allow these dimensions of supply and demand to be analysed collectively, locally and by sector.

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<sup>9</sup> *Colleges for Excellence and Innovation: Statement by the secretary of state for education and employment on the future of further education in England*, Department for Education and Employment, 2000



## Courses that do not Attract Learners

4.13 In certain areas of provision, such as construction, engineering and information technology, the number of students attracted may not be sufficient to maintain provision.

4.14 Before an effective strategy to overcome these difficulties can be developed and implemented, the following issues require investigation:

- how can less popular curriculum areas be made more attractive to learners?
- what incentives should there be to maintain important provision that currently attracts a small number of students?
- how can student retention in these and other programme areas be increased?
- how can we ensure that provision in all areas is relevant and updated regularly?

## Potential Solutions

4.15 Attracting and retaining learners can be addressed as two separate yet connected issues. From the outset, individual learners need access to high quality impartial, information, advice and guidance in order to embark on the most appropriate level and type of qualification/course for them. This can be enhanced by taster sessions, not only for the learning programme but also in the relevant field of employment. There is a great deal to be gained from an emphasis on small steps to potential new learners as a tool to attract them into a longer-term commitment to learning.

4.16 It is often the case that learners disengage from a learning programme to enter employment. If so, this should be viewed as a success, and education and training providers should encourage learners to continue their programme on a part-time basis. It is important that any new funding arrangements do not penalise providers who have supported learners in obtaining work if that is one of their personal objectives in taking part in a course of study.

4.17 Inspections will need to review learning programmes to check that they are regularly updated to maintain relevance. Learning programmes need to be flexible and lecturers/trainers will require regular updating and support to ensure that what they are teaching is relevant to employment. The current further education standards fund will enable staff to update their skills in order to ensure provision is relevant.

4.18 In addition, employers should be encouraged to release appropriate staff to deliver updating sessions on providers' learning programmes.

## Recommendations



### Recommendation 5: provide simpler and more direct access to learning

4.19 This recommendation seeks to ensure that an individual has easy access to learning in a mode, and at a location and price that are appropriate to their needs. It will include simplifying the language of learning and the qualifications system so that everyone can understand and obtain easy access to the education and training they need. The development of information and communications technology will be a key element of implementing this recommendation. It will also mean ensuring that the funding system is transparent and can be used to support education and training that leads to a job, whether it leads to a qualification or not.





**Recommendation 6: listen to learners' needs through regular research and feedback mechanisms and make available relevant education and training opportunities**



4.20 This recommendation argues the need to identify what learners want from the education and training system. It recommends developing a responsive post-16 education and training system, where feedback from individual learners before and after they embark on their programmes is acted upon appropriately. The Learning and Skills Council, in monitoring quality, could ensure that best practice is disseminated throughout the new arrangements to measure learners' satisfaction with the learning opportunities they have pursued. There will be an important role for local learning partnerships in supporting this recommendation in partnership with ConneXions and agencies providing information, advice and guidance to adults.

**Recommendation 7: improve the appropriateness, quality and relevance of the provider offer and rationalise its complexity and volume**



4.21 The current offer is complex, wide-ranging, and not always completely up to date or relevant to today's needs. This recommendation would use the information obtained through the process identified in recommendations 2 and 6. It will require the various bodies involved in the provision of education and training, including the QCA, to work in partnership to develop a post-16 education and training system where course provision and qualification outcomes are relevant to the needs of employers and individuals today.

**Recommendation 8: ensure that the qualifications available for the learner reflect the needs of employers while at the same time giving the learner a transferable accredited qualification**



4.22 This recommendation will require action and commitment by government, the Learning and Skills Council, the QCA, employers, trade unions and their representative organisations and providers. Qualifications reflecting employer needs should be put forward for accreditation by the QCA and placed in the national qualifications framework. This would ensure that learners have transferable, nationally recognised qualifications. In addition, the need for programmes as precursors to nationally recognised qualifications could be addressed by accepting a model of 'validated learning' that could operate at a local Learning and Skills Council level. This would mean that the local Learning and Skills Council could fund programmes within the national framework of approved qualifications and also locally determined 'validated learning programmes' that adhered to a national framework developed by the Learning and Skills Council. QCA needs to be farsighted, flexible and innovative in introducing new qualifications to the framework which meet employer and learner needs. In some cases this will also mean culling out-of-date qualifications from the framework.

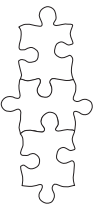
**Recommendation 9: improve the quality of teaching input by up-skilling those delivering education and training**



4.23 This recommendation would require a commitment from providers to raise the skill levels of their teachers, trainers and instructors. At the final conference of the Further Education Funding Council held on 2 November 2000, the minister for further and higher education confirmed that it



would be a requirement for all colleges to assess the development needs of their staff and produce an action plan outlining how these would be met. The Learning and Skills Council will support the delivery of these action plans with £80 million from the further education standards fund during 2001-02. This will help ensure that learners requiring support with basic, employability, ICT and key skills are taught by appropriately trained staff. Teachers, trainers and instructors would have available to them the most modern training methods and systems. This recommendation places equal value on up-skilling those delivering basic and ICT skills and those delivering subject specific skills.



# Chapter 5: Strategies for Implementing Recommendations

## Recommendations

5.1 The Group has made nine specific recommendations that stem from two guiding principles. These are intended for the Learning and Skills Council and other partners to consider and where possible implement.

## Guiding Principles

All effective partners in the education and training system should:

- use the opportunities presented by the changes to the planning and funding of post-16 education and training to stimulate and support a flexible learning culture
- develop effective ways of working together to eliminate or minimise the current mismatches between the supply of and demand for education and training.

5.2 It is recognised that a new framework for planning and funding post-16 education and training has been established with the aim of facilitating radical change within the sector. The Group identified a need to change attitudes to post-compulsory education and training nationally. The Group's recommendations are an attempt to support the changes the new framework will bring.

5.3 A culture change in attitudes to learning and consequent action needs to be achieved by a significant change in role and behaviour of the key partners. This reinforces and underlines the overall requirements of the secretary of state in his letter of guidance<sup>10</sup> to the new Learning and Skills Council, that underpins the learner's main curriculum.

**Recommendation 1: win the support of employers and employer organisations to engage fully in training and identify and invest in training needs today and tomorrow**



## Strategy

5.4 To engage employers in new ways and identify mechanisms that would help their workforce planning and make recruitment and retention easier.

## Action

- i. the Learning and Skills Council will need to foster strong links with employers, sector-based NTOs and work with the SBS/chambers of commerce, where appropriate;
- ii. it will be important to create an advisory network of employers, drawn from business organisations represented on local Learning and Skills Councils. Employers need to be kept well informed and encouraged to network with each other to ensure that their needs are taken into account when shaping our education and training system;
- iii. the Learning and Skills Council has been given a role within the remit letter to facilitate change throughout the new sector. This could include encouraging and persuading more local employers to:
  - commit to the Investors in People standard

<sup>10</sup> *The Learning and Skills Council Remit Letter*, Department for Education and Employment, 2000



- engage in debate on how best local providers could match their skills needs through the education and training opportunities they can offer
  - provide clear and specific information on what their skills needs are;
- iv. In addition, the Learning and Skills Council could:
- encourage every employer represented on the national or local Learning and Skills Council to link with and take bi-annual soundings from their relevant sectoral NTO
  - in partnership with the SBS, commission research directed at employers who do not use the qualifications system as their training outcome. The aim would be to ascertain the kind of training employers buy from providers such as the Industrial Society. The research could identify how employers select this training. It could also determine whether there is an opportunity for NTOs to develop and support training programmes in the areas where employers require support, and;
  - adopt a policy of developing a national work experience register and an interactive work experience portal accessible to all;
  - the proposed research would also identify areas of ‘market failure’ in the provision of qualifications through the national framework where employers were using non-framework provision. This might also point to areas where new, more relevant qualifications could be developed for entry into the framework.



### **Good Practice – Case Study 1**

Knowsley Community College, Mersyside serves one of the most deprived areas in the country. Many individuals in the area have had to retrain and re-skill as the pattern of employment has changed dramatically. The college works closely with its community and has developed partnerships to ensure that its mission of lifelong learning is achieved. In 1999-2000 outreach co-ordinators from the college recruited around 4,800 Learning in Neighbourhood Centres outreach students and organised programmes in 137 venues.

The college works effectively with small companies such as Hansen Glass, where adult basic education courses are offered in workshop-style provision at the end of the working day. Learning centres for employees in major local companies – such as Littlewoods, Pirelli, Ethel Austin and Mersey Tunnels – offer courses in basic and key skills and information technology. Negotiations with Trades Union Congress (TUC) Bargaining for Skills staff and Jaguar resulted in the Jaguar X400 Skills for Employability Programme. 833 Jaguar employees were bussed in for intensive 60-hour courses over two weeks, especially devised to improve literacy, numeracy and computer skills. Over 80% of the participants achieved Open College accreditation.



**Recommendation 2: develop an effective system for the provision of dynamic, accurate and transparent information on training from employers and providers**



### Good Practice – Case Study 2

A consortium of 7 colleges across Tyne and Wear has collaborated to co-ordinate the delivery of engineering training. The consortium has been strongly supported by Training Development and Resource (TDR) an industry-led training organisation representing more than 120 manufacturing companies.

Whilst each college continues to offer entry level and generic training, working as part of the consortia has allowed each college to develop a specialism in a particular engineering area with resultant investment in high cost resources. An example of this is the 'advanced computer aided design and rapid prototyping' provision which is only offered by Newcastle college. Collaboration has also enabled the colleges to share expertise and facilitated close collaboration between staff of the various institutions.

The role of TDR within the region is to co-ordinate provision ensuring that good quality training is available and the needs of the region's employers are met.

### Good Practice – Case Study 3

Unison member Pauline Hales started on the path to encourage her workmates to take up learning opportunities after attending the union's 'Return to Learn' course aimed at those who have been out of the learning loop for some time.

Like many 'return to learners' she found herself going back to work and persuading her colleagues to give it a try.

'I realised how important it is for people to take up learning opportunities, not just in terms of improving their job prospects but for personal development reasons.'

Now Unison has used a 'Union Learning Fund' grant to devise a course aimed at creating a whole raft of lifelong learning advisors. These advisors not only promote the general concept of 'lifelong learning' but also help returning learners obtain relevant information about how to return to education or training which can often be difficult to find.



### Strategy

5.5 To work with employers and providers to develop a model that facilitates the publication of factual, powerful and transparent information on training.

### Action

- i. the Learning and Skills Council should encourage providers to publish and make available clear, concise, relevant and current information to allow learners to select a course leading to a job, and;
- ii. NTOs and the SBS should encourage employers to ensure that job applicants are provided with information about the training that they will get once in a job, or encourage individual employees to undertake.

### Strategy

5.6 To work with employers and providers to develop a model that facilitates the collection of accurate, dynamic and transparent information on employers' skills needs at national and local level.



### Action

- i. the Learning and Skills Council, NTOs and RDAs could work closely to develop and adopt a consistent method for collecting data using a standard collection date, and;
- ii. the Learning and Skills Council should work with the ConneXions service, employers and providers including union learning representatives to develop models that ensure the availability of minimum levels of entitlement to information and guidance, so that learners understand the level of support they can expect to receive. This could include:
  - establishing a careers curriculum within post-16 education where it does not already exist
  - a major staff training and up-dating programme
  - highlighting the value to employers of promoting their business/industry in schools
  - promoting publications that explain to learners what they can expect to gain through undertaking education and training
  - more detailed labour market information fed back to providers and individuals through information, advice and guidance structures
  - a co-ordinated approach for different learning agreements so that learners have one agreement that encompasses all their commitments with different providers and organisations
  - the need within the guidance and information process to ensure that individuals pursuing a particular career option are given the most factual information about future employment prospects if they continue that route.



**Recommendation 3: encourage careers and guidance services, ConneXions, NTOs, SBS, union learning representatives and providers to synchronise their activities in giving guidance and making provision relevant to current and future employer recruitment needs**



### Good Practice – Case Study 4

Lewisham College has a strong commitment to, and is a key player in, the socio-economic regeneration of its local community. In May 1999, Lewisham College was awarded Beacon College status.

The college has adopted imaginative and sensitive schemes to widen participation and to enhance the skills and capabilities of local employees especially within the public sector. Successful business people, staff and community leaders act as role models to support and inspire students and local partnerships are flourishing. The college has a virtual personnel department that brings together small employers and job seekers. A new campus location helped provide strategic opportunities for assisting the local community to regenerate its economy.

Lewisham College is being assisted by Wildcat Service Corporation to develop 'demand-led' strategy to help New Deal participants get and keep well paid jobs within the financial services sector. Early results indicate that this approach can open opportunities for better jobs and new careers for all students across a range of industries and occupations.





## Strategy

5.7 To bring together careers guidance services, ConneXions, NTOs and the SBS to address the skill needs of employers now and in the future.

## Action

- i. the DfEE/Learning and Skills Development Agency (LSDA) should undertake research on how other countries provide guidance that is based on accurate labour market intelligence from employer representative organisations;
- ii. the Learning and Skills Council should commission a similar review of student services in Learning and Skills Council funded organisations to determine the extent and scope of development needs and to promote good practice. FEFC's cross-college inspection reports could be used as the basis for this;
- iii. the Learning and Skills Council could work with NTOs and the SBS to establish the mechanism through which their joint interests can be relayed to providers.

**Recommendation 4: develop a national programme specifically focusing on people who have fallen out of the system pre- and post-16**



## Strategy

5.8 To argue for the provision of new dedicated funding to support programmes that address employability skills needs.

## Action

- i. the Learning and Skills Council will need to:
  - work in partnership with those responsible for funding and managing the education of 13 to 16 year-old learners in order to develop an integrated strategy to address employability issues pre- and post-16;
  - develop and expand the success of arrangements for funding learners with learning difficulties and/or disabilities, inclusive learning, 'mentoring' and 'family' learning initiatives as well as the past success of college-school link courses.

## Good Practice – Case Study 5

**Lancaster Adult College's** Employability project has offered Job Quest Programmes which aim to recruit long-term unemployed. The courses encompassed a wide range of personal and job-seeking skills, including confidence building, motivation, identification of personal skills, producing curriculum vitae and job application letters, interview techniques and practice. A steering group consisting of college staff, representatives from careers and employment services and trade and business sectors, oversaw the project. Trainees were able to gain qualifications in: first aid, customer care, ICT, and Open College of the North West Job Seeking Skills Accreditation. Almost 50% of unemployed trainees who undertook Job Quest Courses at the Adult College between 1999 and 2000 are now employed in clerical, retail, manual and care work.





**Recommendation 5: provide simpler and more direct access to learning**



**Good Practice – Case Study 6**

**Laptops in the Community – Birmingham Adult Education** uses ICT as a learning tool for basic skills students. Laptops and appropriate software are widely used in community settings such as adult education centres, libraries, employment resource centres, homeless projects and probation hostels. The use of ICT has widened participation, increased confidence, forged new learning partnerships and increased employment opportunities for users.

**Bradford Local Education Authority** has facilitated access to learning through ICT via a managed laptop library approach (laptop library). This project has had a major impact for disadvantaged learners in Bradford by providing disadvantaged groups with access to ICT, which they would not otherwise have had. The laptop library was made available to: an Asian women's mentoring project; parents at local primary schools; a group recovering from drug and alcohol addiction; a mums and toddlers group; a club for elderly people; a youth initiative; a cancer sufferers' support group; and basic skills group based in the community.

**Strategy**

5.9 To support a campaign for the simplification of the language of learning and the qualification offer so that everyone can obtain easy access to the training they need.

**Action**

- i. in order to resolve issues surrounding the relevance of the qualifications on offer, there needs to be better co-ordination between employers, the Learning and Skills Council, providers and the QCA;
- ii. the Learning and Skills Council will need to engage in dialogue with employers and providers about the strategy necessary to address the issues of ICT skills and how to provide the right types of courses/provision. This dialogue should be informed by the results of intelligence received from the SBS about the needs of small-medium sized enterprises.



**Recommendation 6: listen to learners' needs through regular research and feedback mechanisms and make available relevant education and training opportunities**



### Good Practice – Case Study 7

Over 30 family literacy programmes in South Lincolnshire provides a route into basic skills and other adult education. This is in response to requests from learners for accessible educational opportunities particularly in sparsely populated rural communities with little or no public transport.

A particular initiative supports family literacy in a collective group of small rural schools. Transport is provided from scattered village communities to a local hall where a teacher and an adult tutor meet parents and children from up to 6 different schools. While the curriculum has a core framework adults from these groups have progressed to other courses including basic skills and, through the use of local secondary school facilities, ICT courses. The first group of parents to follow this route have, over 2 years, gained IBT at level 2 with several distinctions.

The qualitative gains for these adults are seen as their confidence to become partners in their children's educational growth together with the raising of their personal expectations and the awareness of the possibilities for post school education. For adults in rural areas providing access to learning opportunities must be a priority in any initiative to raise standards in basic skills. Lincolnshire has, fortunately, retained a network of small rural primary schools. The value of these for attracting adults and making provision for learning through IT facilities is ripe for exploration nationally.



### Strategy

5.10 To develop systematic and effective procedures to engage individual learners to provide feedback on their education and training needs and their level of satisfaction with provision and outcomes.

### Action

- i. the Learning and Skills Council should encourage providers to develop a systematic method to collect feedback from learners who have completed their course, on the quality of provision and how their aspirations were matched;
- ii. the Learning and Skills Council should work closely with the QCA to ensure that the present proliferation of vocational qualifications is reduced to an 'offer' that is relevant to employers and learners. The relevant offer should include unitised programmes. This would enable individuals to achieve the necessary qualifications for work, or upskill where already employed, and;
- iii. the Learning and Skills Council will have a responsibility to promote 'lifelong learning'. One means of doing this would be reviews and features (that is similar to those on holidays and restaurants) on education and training courses and the perceptions of learners.

**Recommendation 7: improve the appropriateness, quality and relevance of the provider offer and rationalise its complexity and volume**



**Recommendation 8: ensure that the qualifications available for the learner reflect the needs of employers while at the same time giving the learner a transferable accredited qualification**





### Good Practice – Case Study 8

South Tyneside College is recognised internationally as a centre of excellence for marine education.

The college is the largest UK centre for marine education and in July 1998 opened a fully equipped marine simulation centre with the aim of satisfying the training requirements of the marine industry. The college is closely involved with a range of multinational companies, e.g. Shell, as well as the Merchant Navy Training Board and the Welding Institute to ensure training provided is of a high quality and meets the up-to-date needs of the industry. Around one-third of its 16,000 plus students are engaged in studies relating to marine engineering. Recent inspections found that the centre's specialist resources were 'excellent', teaching in many lessons was 'outstanding' and retention and pass rates for nautical science courses were exceptionally high.

#### Strategy

5.11 To support the QCA's agenda for high quality relevant qualifications and encourage providers to deliver nationally recognised transferable qualifications.

#### Actions

- i. Ensure that new initiatives support the current qualifications framework and where they are either short-term initiatives or do not apply to all constituent parts of the Learning and Skills Council's provider network are extended as appropriate. This will include specific initiatives such as:
  - non-schedule 2 pilot schemes  
  
over £30 million has been provided between 1999-2000 and 2000-01 to develop non-schedule 2 provision for adults from disadvantaged backgrounds who need a bridge back into learning. This provision includes a substantial element of basic skills. The Learning and Skills Development Agency (LSDA) and the National Institute of Adult and Community Education (NIACE) are evaluating the projects with the aim to identify innovative and effective practice in embedding basic skills into non-qualification bearing provision and in progression to accredited learning. This initiative provides a means of assessing hitherto concealed learning needs. Targeted at new learners, it could provide a means of matching courses with local skill shortages
  - unitisation  
  
from 1 August 2000, providers have been able to offer unit-based programmes in order to target particular groups of adult learners, for example those who may need only part of a qualification to enhance or improve their employability. The FEFC has worked closely with QCA on this development. It is important that this gets taken forward by the Learning and Skills Council who will, in partnership with QCA, be providing further advice to ministers in spring/summer 2001 on the implementation of a unitised system of qualifications;
- ii. Develop strategies with partners that differentiate between the needs of pre-16 learners, 16–19 learners and post-19 learners:
  - vocational GCSEs (post-16)  
  
the QCA has been asked to focus on rationalising the range of subjects currently available as foundation, intermediate and part one GNVQs and on the technical issues of



aligning vocational and academic GCSEs for post-16 learners. It is anticipated that the current seven part one GNVQ titles together with science will be available as vocational GCSEs from September 2002

– Modern Apprenticeships/Technical Certificates (16–19)

Modern Apprenticeships are currently undergoing a process of reform which will introduce a new type of qualification covering skills and knowledge and supporting the achievement of an NVQ. Technical Certificates are intended to broaden and complement the practical training embodied by the NVQ at the core of the modern apprenticeship. They will allow individuals to acquire the underpinning knowledge in preparation for the NVQ in the occupation in which they seek employment, or for progression to higher education, Technical Certificates will stand alone as qualifications in their own right.

– New Deal (18–24) offers eligible young people up to four months guidance, known as ‘the Gateway’ before choosing one of four options:

- a job with day-release training
- full-time education and training
- placement in the voluntary sector
- the environmental task force

LSDA is managing the dissemination of New Deal good practice through the sector with the aim of making the scheme more job-focused. This work is financed by the standards fund. In addition, the Employment Service is developing new contracting and funding arrangements;

- iii. Qualifications that reflect employer needs should be put forward for accreditation by the QCA and placed in the national qualifications framework. This will ensure that the learner has a transferable, national recognised qualification;
- iv. A model of ‘validated learning’ for funding programmes that have not been accredited by the QCA could be considered and implemented at a local Learning and Skills Council level.

**Recommendation 9: improve the quality of teaching input by upskilling those delivering education and training**



### Strategy

5.12 To encourage partner organisations at national and local levels to sign up to a commitment to raise skills in this area.

### Action

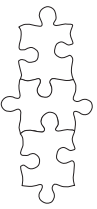
- i. in order to achieve this, the Learning and Skills Council is encouraged to:
  - target resources to ensure that all funded providers have an identified staff support mechanism, to enable the development of teaching and learning materials for the delivery of basic skills
  - ensure that new initiatives complement existing support mechanisms and undertake to extend the life span of current programmes, where appropriate
  - ensure that basic skills issues are addressed in all the sector groups



- with learning partnerships and other interested parties/organisations, be responsible for:
  - monitoring and reporting numeracy and literacy profiles within the community and determining how providers address these. This needs to be addressed in the context of the skills needs of the local area
  - ensuring that funded providers are required to produce action plans to ensure that targets are achieved. Targets will be agreed by the local Learning and Skills Council and its provider network
  - develop strategies with partners that differentiate between the training needs of staff delivering programmes to:
    - pre-16 learners
    - 16–19 learners
    - post-19 learners (seeking employment or already employed but requiring upskilling).

**Action** – specific to ICT and general skills updating

- i. all providers need support to enable them to develop ICT as a means of delivering learning. This is to enable institutions to engage in a reflective process to determine where and how ICT can best be used to enhance curriculum delivery;
- ii. support could be provided to:
  - update hardware and software
  - develop the capability of teachers to deliver programmes
  - develop students' capabilities;
- iii. action plans for implementation could have short, medium and long-term aims. This would mean that there are annual objectives as well as longer-term strategies which would seek to embed ICT skills within mainstream curriculum planning, and;
- iv. the aim in all areas is to emphasise qualitative changes and embed change throughout the curriculum on offer by all providers.



## Chapter 6: Action Matrix

1 The successful implementation of the recommendations in this report will require all partners to respond in a coherent and co-ordinated manner. Some partners, particularly the Learning and Skills Council, will clearly have a pivotal role in ensuring that the process of change takes place, whilst others will have a more supportive role. This is reflected in the summary of recommendations and actions set out below. These are explained in greater detail in Chapter 5.

2 The summary maps the actions into short, medium and long-term. Short-term actions should be completed within a 12-month time scale, medium-term actions could be completed within a 12–24 month period while long-term actions might need to be addressed over a period which exceeds two years.

<b>Actions for the Learning and Skills Council</b>	<i>Short-term</i>	<i>Medium-term</i>	<i>Long-term</i>
<b>Recommendation 1</b>			
Develop strong links with <b>employers</b> , sector-based <b>NTOs</b> and work with <b>SBS/chambers of commerce</b> where appropriate.	✓	✓	✓
Create an advisory network of <b>employers</b> , drawn from business organisations represented on local Learning and Skills Councils.		✓	✓
Encourage <b>employers</b> to network with each other to ensure that their needs are taken into account when shaping our education and training system.			
Encourage and persuade more <b>employers</b> , particularly <b>SMEs</b> , to: <ul style="list-style-type: none"> <li>• commit to the Investors in People standard</li> <li>• provide clear and specific information on what their skills needs are</li> <li>• engage in debate on how best local providers could match their skills needs through the education and training opportunities they can offer.</li> </ul>		✓	✓
Encourage <b>employers</b> represented on the national or local Learning and Skills Council to link with and take bi-annual soundings from their relevant sectoral <b>NTO</b> .		✓	✓
In partnership with the <b>SBS</b> , commission research directed at employers who do not use the qualifications system as their training outcome. The aim is to ascertain the kind of training employers buy from providers such as the Industrial Society and how they select training. The research could identify how employers select this training and seek to identify areas of market failure in the provision of qualifications. This could lead to opportunities for <b>NTOs</b> to develop and support training programmes in the areas where employers require support.			✓
Adopt a policy to develop a national work experience register and an interactive work experience portal accessible to all.			✓



<b>Recommendation 2</b>			
Encourage <b>providers</b> to publish and make available clear, concise, relevant and current information to allow learners to select a course leading to a job.		✓	✓
Encourage <b>employers</b> to ensure that job applicants are provided with information about the training that they will get once in a job, or given information about relevant training opportunities they might participate in outside the workplace.			✓
Work with <b>NTOs</b> and regional development agencies ( <b>RDAs</b> ) to develop and adopt a consistent method for collecting data using a standard collection date.		✓	✓
Work with <b>ConneXions</b> service, <b>employers</b> and <b>providers including Union Learning Representatives</b> to develop models that ensure that minimum levels of entitlement to information and guidance are available to learners.		✓	✓
<b>Recommendation 3</b>			
Work with <b>DfEE/ Learning and Skills Development Agency (LSDA)</b> to undertake research on how other countries provide guidance that is based on accurate labour market intelligence from <b>employer representative organisations</b> .			✓
Commission a review of student services in Learning and Skills Council funded <b>providers</b> to determine the extent and scope of development needs and to promote good practice. FEFC's cross-college inspection reports could be used as the basis for this.			✓
Establish a mechanism through which the skills needs identified by <b>NTOs</b> and the <b>SBS</b> can be relayed to <b>providers</b> .	✓	✓	✓
<b>Recommendation 4</b>			
Work in partnership with those responsible for funding and managing the education of 13 to 16 year-old learners in order to develop an integrated strategy to address employability issues pre- and post-16.		✓	✓
Develop and expand the success of arrangements for funding learners with learning difficulties and/or disabilities, inclusive learning, 'mentoring' and 'family' learning initiatives as well as the past success of college-school link courses.	✓	✓	✓
<b>Recommendation 5</b>			
Work with <b>employers, providers</b> and the <b>QCA</b> to resolve issues surrounding the relevance of the qualifications on offer.		✓	✓
Engage in dialogue with <b>employers</b> and <b>providers</b> about the strategy necessary to address the issues of ICT skills and how to provide appropriate courses.	✓	✓	✓





Recommendation 6			
Work with <b>providers</b> to develop a systematic method to collect feedback from learners who have completed their course, on the quality of provision and how their aspirations were matched. ( <b>Careers organisations</b> and <b>providers</b> to receive this information and inform the <b>DfEE</b> and <b>NTOs</b> who could then analyse and disseminate the findings.)		✓	✓
Work closely with the <b>QCA</b> to ensure that the present proliferation of vocational qualifications is reduced to an offer that is relevant to employers and learners. The relevant offer should include unitised programmes. This would enable individuals to achieve the necessary qualifications for work, or up-skill where already employed.		✓	✓
Promote the concept of 'lifelong learning' through reviews and features (that is similar to those on holidays and restaurants) on education and training courses and the perceptions of learners.	✓	✓	✓
Recommendations 7 & 8			
Ensure that new initiatives support the current qualifications framework and where they are either short-term initiatives or do not apply to all constituent parts of the Learning and Skills Council's provider network are extended as appropriate.	✓	✓	✓
Develop strategies with partners that differentiate between the needs of pre-16 learners, 16–19 learners and post-19 learners.	✓	✓	✓
Encourage <b>providers</b> to bring forward qualifications that reflect employer needs for accreditation by the <b>QCA</b> and placed in the national qualifications framework. This will ensure that the learner has a transferable, national recognised qualification.		✓	✓
Develop a model of 'validated learning' for funding programmes that have not been accredited by the <b>QCA</b> , for consideration and implementation at a local Learning and Skills Council level.			✓
Recommendation 9			
Target resources to ensure that all funded <b>providers</b> have an identified staff <b>support</b> mechanism, to enable the development of teaching and learning materials for the delivery of basic skills specifically ensuring that:	✓	✓	✓
<ul style="list-style-type: none"> <li>• new initiatives complement existing support mechanisms and undertake to extend the life span of current programmes, where appropriate</li> <li>• basic skills issues are addressed in all the sector groups</li> <li>• with learning partnerships and other interested parties/ organisations, to monitor developments in supporting numeracy and literacy profiles and how these relate to local skills needs.</li> </ul>			



Provide support to enable the development of ICT as a means of delivering learning. This would support institutions in determining where and how ICT can be best used to enhance curriculum delivery.



This could include support for:

- update hardware and software
  - develop the capability of teachers to deliver programmes
  - develop students' capabilities.
-



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## Annex A

### Membership

<b>Name</b>	<b>Nominated by/representing</b>
Michael Frye, CBE (Chair)	Past Chairman CBI, London Region, Director of the LDA, Chair LSC London Group and Chair LSC West London
Tom Bewick	National Training Organisation National Council
Eleanor Bale	Qualifications and Curriculum Authority
Susan Bickerton	University for Industry
Bert Clough	Trades Union Congress
Mary Curnock-Cook, OBE	British Institute of Innkeeping and FEFC Council member
James Harris	South West of England Regional Development Agency
Gordon Hopkins	Dudley College
Maria Hughes	Further Education Development Agency
Gay Lobleby	The Basic Skills Agency
Jeremy Long	GB Railways Group plc Vice Chair CBI, London
Chris Mee	Department of Trade and Industry
Gareth Osbourne	London Business Innovation Centre Ltd.
Elisa Pruvost	Confederation of British Industry
Yvonne Thompson	ASAP Communications Ltd.
Alwyn Welch	Brainspark plc

### FEFC officers

Liz Adcocks, executive assistant

Kate Anderson, director education and institutions, secretary to group

Louise Butcher, education policy officer

Greg Cejer, education policy manager

Catherine Christie, regional director south west

Richard Jewkes, education policy officer



# Annex B

## Terms of Reference

### Objectives

To advise the Further Education Funding Council (FEFC) on:

- 1 How the needs of employers can best be taken into account, at both a local and national level, in formulating the future skills assessments of the national and local Learning and Skills Council;
- 2 How the FEFC's collection of supply-side information, that is student number projections, might be revised to improve the ease with which this can be 'matched' to dynamic demand-side information (to include the consideration of new programme areas for the Learning and Skills Council).

### Scope

The group will need to take into account:

- a. the recommendations of the National Skills Task Force in this area, such as the establishment of an integrated jobs, education and training information website and the call for fewer and better surveys on labour market and skills information;
- b. the work already being done by the skills unit of the Department for Education and Employment and Local Labour Market Information Liaison Group (for example, in developing a 'core data requirement'), plus that of regional development agencies, regional observatories, national training organisations;
- c. the contribution of, and collaboration between, all of the above agencies ensuring that the benefit of historic relationships, intelligence and data is not lost in transition, that is optimise on the existing platform;
- d. the workforce development plans currently being developed by training and enterprise councils and local partners, and the proposed framework for sector-based workforce development plans being formulated by the department for education and employment and national training organisations;
- e. the implementation of the recommendations of the FEFC's Skills Working Group, particularly those under the themes '*Working with industry sectors*' and '*Working with regional and local partners*'.

## Reporting Arrangements

The group will report to the FEFC in the first instance.



## Annex C

### Background and Context

The Skills Agenda – National Skills Developments – FEFC Skills Activities

1 A skilled and qualified workforce is not only vital to economic regeneration and the competitiveness of the nation, it is the key to economic and social inclusiveness enabling individuals to lead fulfilling lives.

2 Employers need a skilled and qualified workforce of sufficient size to deliver their business objectives. The ability of employers to capitalise on the skills and intellectual capacity of their workforce is increasingly important in a world facing globalisation. Human resources are employers' biggest single investment and in a rapidly changing world their employees' skills need to be rapidly updated.

3 At the same time and in an ideal world, every individual should be able to choose the direction of their career: identify the job they want, the skills or qualifications they need to perform it, and, the means of acquiring these through the education and training system. In reality, this is not a smooth process and it is something individuals will increasingly need to undertake throughout their working lives.

### National Skills Task Force Recommendations

4 The government's National Skills Task Force (NSTF) (including representatives of all the key partners with an interest in education and training from both supply and demand sides) published its final report *Skills for All: Proposals for a National Skills Agenda* and its accompanying research in June 2000. This set out an agenda to meet the priority skill needs of the country's leading industries and to equip people to contribute fully at work and in society.

5 The NSTF set out 12 key recommendations in their report and identified three main priority areas:

- improving the skills of adults – particularly those currently holding qualifications below level 2 – including those with low levels of basic skills
- building an excellent foundation learning system – including high quality vocational education and training options and an entitlement to learning for young people up to their first level 3 qualification
- support for small employers – to widen the availability of learning for the adult workforce and to help small firms adopt and develop the practices they require for success.

### Recommendations of the FEFC's Skills Working Group

6 In October 1999, the FEFC established the Skills Working Group which published its report in July 2000. The Group's aim was to identify changes that would enhance the ability of further education (FE) to contribute to the government's skills agenda and to complement the work being undertaken, at that time, by the NSTF.

7 The Group's report *Working in Partnership – FE Taking Forward the Skills Agenda* made 10 recommendations under five main themes:

- a. the FEFC should work closely with a range of NTOs to identify key sector qualifications that are funded through colleges and other institutions, and provide an analysis of patterns of provision by NTO sector;



- b. the transition team working on the post-16 funding and allocation system should review existing practice in the delivery of work-based national vocational qualifications (NVQs) and use this review to inform the development of an effective and fair funding system that supports this form of delivery;
  - c. the FEFC should work closely with a range of NTOs to support, through information sharing and other means, the developing sector-based knowledge networks;
  - d. the transition planning teams should liaise with regional development agencies (RDAs) and learning partnerships to identify best practice and emerging models and frameworks to inform the development of a planning model for local LSCs. This could lead to a series of pilot projects in planned LSC areas to test and develop the planning models;
  - e. the transition planning teams should work with regional observatories and training and enterprise councils (TECs) on the development of data models and structures for data collection and access. RDAs might consider the use of the skills development funds to initiate and support regional data modelling and analysis;
  - f. the FEFC should make extracts of the individual student record (ISR) data available to external bodies including RDAs. The FEFC should also provide initial support on awareness of the data structure and field content of the system to enable RDAs and others to carry out the detailed analysis that will support regional and local planning making use of supply-side data;
  - g. the Qualifications and Curriculum Authority (QCA) should identify existing qualifications likely to fit into the category 'related vocational qualification' (rvq). The FEFC should analyse the extent of 'rvq' provision by NTO sector and QCA to undertake research with employers (TEC National Council/NTOs etc) in particular, in sector areas and localities, on the potential usefulness of 'rvqs' in the workplace. This could be gauged in terms of skills required by employers and student progression onto NVQs and into higher education;
  - h. the FEFC and the LSC should consider using the FE standards fund (2001-02), to fund a significant national staff development initiative to raise the skills of all staff involved in training and learning – particularly in relation to key skills, basic skills development and ICT/IT;
  - i. the FEFC and the LSC should consider ways to utilise the FE standards fund to ensure that a high quality information, advice and guidance service is provided by strengthening the skills of all staff involved in:
    - delivering advice and guidance and careers education in the post-16 education and training system
    - developing learning contracts with individual learners
    - interpreting labour market information;
  - j. the LSC should promote as examples of good practice institutions with sound student tracking strategies and with low percentages of 'destination unknown' on their ISR returns. Also, consider the relevance of the existing destination fields on the ISR, with a view to introducing more detailed fields (for example, employer postcode, location of training).
- 8 In addition to these recommendations, the report also mapped the contribution that FE makes towards establishing a skilled and qualified workforce and highlighted examples of good practice in colleges' responsiveness to employment needs.



## Partnership Review Groups

9 Five partnership review groups (PRGs) were established to carry forward these 10 recommendations. Each PRG has been led by an agency represented on the group along with involvement from the Council. The lead agencies were:

- working with industry sectors – NTO National Council
- working with local and regional partners – RDAs
- qualifications – QCA
- staff and organisational development – FENTO
- information, advice and guidance – CSNA

10 Since July 2000, the recommendations of the skills working group have been taken forward by PRGs. The PRGs themselves have taken on differing forms – some entirely new and some simply the extension of an existing group. In all cases they nevertheless represent the strengthening of existing relationships between partner agencies with a common interest in delivering the skills agenda.

11 Each PRG has met at least once during autumn 2000 and have produced subsequent recommendations that can be found on the FEFC's website [www.fefc.ac.uk](http://www.fefc.ac.uk) at *New to the site*.

## Transition to the Learning and Skills Council

12 The LSC will be responsible for ensuring the delivery of the national skills agenda. It will assess skills and learning needs and be expected to develop national and local performance measures covering:

- the match between student demand and course provision
- the consistency between changes in provision and labour market trends
- the match between courses learners have undertaken and their subsequent employment.

13 The recommendations of the skills working group and demand-side group reports are being directed at the LSC and other successor bodies.





# Annex D

## Abbreviations

CSNA	Careers Service National Association
DfEE	Department for Education and Employment
FE	further education
FEFC	Further Education Funding Council
FENTO	Further Education National Training Organisation
GCSE	general certificate of secondary education
GNVQ	general national vocational qualification
HE	higher education
IBT	information business technology
ICT	information and communications technology
liP	Investors in People
ILR	individualised learning record
ISR	individualised student record
JETI	Jobs Education and Training Information
LEA	local education authority
LSC	Learning and Skills Council
LSDA	Learning and Skills Development Agency
NIACE	National Institute of Adult and Community Education
NSTF	National Skills Task Force
NTO	national training organisations
NTONC	National Training Organisation National Council
NVQ	national vocational qualifications
PRG	partnership review group
QCA	qualifications and curriculum authority
RDA	regional development agencies
RVQ	related vocational qualification
SBS	Small Business Service
SDG	skills dialogue groups
SME	small and medium sized enterprises
TEC	training and enterprise council
TUC	Trades Union Congress
Ufi	University for Industry



## Annex E

### Data Collection and Matching Issues

1 In order to fulfil its statutory duty under the *Further and Higher Education Act 1992*, each year the Further Education Funding Council (the FEFC) considers sufficiency and adequacy of further education provision in England. The FEFC's supply-side system enables all qualifications that take place in FEFC-funded institutions to be categorised into ten broad programme areas. The FEFC's current system includes matching the aggregated assessment of institutions' student numbers data with RDAs' skills action plans. Nine regional committees carry out this exercise at regional level. When the FEFC considers the national data, it seeks advice on sufficiency and adequacy from the regional committees.

2 The FEFC also receives detailed retrospective supply-side information from institutions on the individualised student record (ISR). The ISR contains information based on enrolments. The new individualised learning record (ILR) will supersede the ISR.

3 When the FEFC considered sufficiency and adequacy of facilities for further education provision in January 2000, it commented on the requirement for new and imaginative measures building on local labour market information and the report of the national skills tasks force.

4 In August 2000, the FEFC established the Demand-side Group (the Group) to investigate how the needs of employers can best be taken into account, at both a local and national level, in formulating the future skills assessments of the national and local Learning and Skills Council. The Group's remit was also to look at how the FEFC's collection of supply-side information, that is, student number projections (see paragraph 1 above), might be revised to improve the ease with which this can be 'matched' to dynamic demand-side information.

5 At its November 2000 meeting, the Group considered a paper which provided a comparison between the FEFC programme areas and the recent groupings of the NTOs into 15 cross-sector skills dialogue groups (SDG). Figure 1 shows the Council's current programme areas mapped against NTO skills dialogue groups and illustrates a mismatch between the two. During the meeting the Group recognised the importance of other demand-side information. For example, data from RDAs, SBS, ConneXions etc, should also be taken into account.

6 From April 2000, the Learning and Skills Council will have a statutory duty under the *Learning and Skills Act 2000* to secure the provision of 'proper' and 'reasonable' facilities for education and training at providers that it funds. That is to say, the facilities need to be of a quantity sufficient to meet the reasonable needs of individuals, and of a quality adequate to meet those needs and should be of a quality and quantity that the Learning and Skills Council can reasonably be expected to secure.



**Figure 1: Mapping Supply and Demand-side Information**

<i>FEFC Programme Areas</i>	<i>NTO Skills Dialogues Groups</i>
1 Sciences	1 All sector 2 Chemicals/process materials
2 Agriculture	3 Land-based industries
3 Construction	4 Construction/Extractives
4 Engineering	5 Engineering 6 Public utilities 7 Information technology
5 Business	8 Financial services
6 Hotel & Catering	9 Media, culture and hospitality 10 Food and drink
7 Health & Community Care	11 Care 12 Public & support services
8 Art & Design	13 Textiles/footwear
9 Humanities	
10 Basic Education	
	14 Distributive sector 15 Transport

### Issues

7 When the Learning and Skills Council makes its annual consideration of proper and reasonable facilities it will need to identify easily the match between skills demand of partners to supply-side information from its education and training providers. The Group agreed that the Learning and Skills Council may wish to consider:

- a. what dimensions of demand-side information should be included for matching to the supply-side during the annual assessment of 'proper' and 'reasonable' facilities in education and training provision, under the Learning and Skills Council?
- b. whether Learning and Skills Council programme areas should directly encompass the dimensions of demand-side information in order to facilitate the supply and demand matching process (for example, from NTOs, RDAs, SBS etc.).

8 The Learning and Skills Council may wish to explore these issues further and develop mechanisms to engage the organisations listed above.