

# Learning and Skills Council

First Year Review

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May 2002

# *The Learning and Skills Council was launched in the quality and scope of education and training them with world-class skills and knowledge.*

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In our first 12 months, a year of intense activity and planning, we have made great strides in building an effective, new nationwide organisation capable of delivering our wide-ranging agenda at national and local levels.

We have blended the diverse cultures of our predecessors – the Further Education Funding Council and 72 Training and Enterprise Councils – and created an organisation comprising a national Council and 47 local Councils today employing around 4,800 staff.

Together with the functions we inherited from our predecessors, we took on the significant additional responsibilities for adult and community learning, Modern Apprenticeships, the Union Learning Fund and sixth form funding.

Our corporate plan last year set out our strategies to raise participation and achievement in education, learning and training.

The LSC's 47 local Councils, too, have completed their own strategies for matching local learning and skills training to the specific needs of their local communities during the next three years.

Since the launch of the LSC, our performance against our core targets has produced good progress in crucial areas of the massive agenda set for us by the Government. In others, we must drive progress forward to meet the specific goals for our first three years. We are taking a wide range of action, detailed elsewhere in this report, to improve learning opportunities for young people and adults.

One of our key goals is to raise participation in learning among young people aged 16-18, which stood at an estimated 75% in 2000. Our target is 80% by 2004.

We are working to boost the number of 19-year-olds achieving level 2 qualifications. Data shows 74.8% attained this level by last autumn against our target of 85% by 2004. Level 3 attainment is currently at 50.4%. Our target is 55%.

We have made strong progress towards our goal of raising the basic skills of 750,000 adults. By last July, 90,000 adults had improved their literacy and numeracy, putting the Council on course to achieve its overall target by 2004.

The £100 million programme for Centres of Vocational Excellence (CoVE), designed to foster high quality specialisms, produced 16 'pathfinder' CoVE colleges last year, with a further 69 selected for the programme's next phase. Our objective is for half of England's general FE colleges to have CoVE status by 2004.

We are launching the country's biggest survey of its kind to discover what our learners think about provision for their needs. Over 100,000 learners will be questioned, providing invaluable information for us to carry out our remit. A new LSC taskforce, charged with reducing the burden of bureaucracy in the further education sector by 25%, is identifying where significant cuts in red tape are necessary.

We have made the first steps towards the convergence of post-16 funding and boosted

# April 2001 with the challenging remit to transform for young people and adults in England and equip

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college funding by a larger amount than expected. Colleges' basic rates have increased by 2.5%, matching the Treasury assumption of inflation for the first time since incorporation in 1993.

We are supporting successful colleges and other further education institutions with extra cash for growth and will fully fund all additional provision for 16-18 year olds and for basic skills learners.

Sixth forms are getting a £1.35 billion package that ensures two thirds of schools will receive more than the guaranteed funding levels. There is also a substantial boost in rates for work based learning and additional funding for technical certificates, which are part of the new Modern Apprenticeship frameworks.

We are aiming for a 25% increase over three years in new entrants to the Modern Apprenticeships programme, which is being revamped and improved. A national apprenticeships promotion campaign in March generated 50,000 calls, 40,000 e-mails and over nine million 'hits' on its website in just four weeks.

Our first 'Bite Size' campaign to encourage adults back into learning was a huge success, with an estimated 70,000 adults taking part. It is being repeated this summer and promises to be bigger and better.

The Council plans to expand workplace learning and increase the engagement of employers through a draft Workforce Development Strategy, the implementation of which this year will enhance the skills of thousands of working adults.

In his budget statement this April, Gordon Brown, the Chancellor of the Exchequer, outlined two projects totalling £70 million in which the LSC will play a major part to boost workforce skills. In the first, six of our local Councils will pilot a £40 million project to raise the basic skills of 16,000 low skilled workers. Under the scheme, employees will be given paid time off work to improve their literacy and numeracy. Another project, worth £30 million over two years, aims to give a big boost to the number of small firms achieving the Investors in People standard.

We have forged strong relationships with our strategic partners, including the Department for Education and Skills, Employment Service, local authorities, regional development agencies, colleges, training providers and organisations such as the Basic Skills Agency and Connexions. Their support is vital to our mission.

Major administrative savings have also been made, making the LSC more than £80 million cheaper to run than our predecessors.

We are proud of these achievements, yet we realise expectations remain high and that one year into our strategy, much remains to be done.

Our targets are not an easy option; they are there to stretch and challenge us to greater efforts to fulfil our long-term vision . . . that by 2010, young people and adults in England will have knowledge and productive skills matching the best in the world.



## Planning for the Future

Our first Corporate Plan last year set out key targets to raise participation and achievement and improve the quality of education and training by 2004.

### Our goals for 2004 are:

- 80% of 16-18 year olds in structured learning (75% in 2000).
- 85% of young people at level 2 by age 19 (2000: 75%)
- 55% at level 3 by age 19 (2000: 51%)
- Raising the literacy and numeracy skills of 750,000 adults
- Increasing the engagement of employers in workforce development

The new Corporate Plan for 2002-05, due to be published later this year, will reflect progress in 2001-02, including progress towards existing and new targets

## 47 Local Strategic Plans

Strategic plans completed by our 47 local Councils are vital to ensure education and training meets the economic and social needs of their areas.

Over the next months local strategies will be translated into action plans through consultation with key local partners and stakeholders.

The plans roll through to 2005 and aim to ensure the skills and workforce development needs of local employers are met.

They will focus on boosting participation and attainment among new and returning learners - especially under-represented groups - and on the basic skills of adults.

## Our Performance

### 16-18 participation:

We are taking a range of actions to boost participation among 16-18 year olds. The latest estimated participation, 76.5% in 2001 against a target of 80%, represents an increase of 0.7%. We are working hard with our partners to regain this ground.

Local Councils are concentrating on reaching young people who are hardest to access and retaining those most likely to drop out. Learner support initiatives, incentives, intensive marketing, improved tracking, funding flexibility and closer work with our key partners are among the efforts being planned.

The 14-19 Green Paper proposals, especially the introduction of vocational GCSEs, plus the implementation of reformed Modern Apprenticeships (MAs), will also drive up participation.

### Attainment at 19:

We have a challenging target for 85% of 19-year-olds to attain level 2 qualifications. Recent Labour Force Survey data shows 74.8% attainment for this group in autumn 2001.

Local plans costing £39 million are scheduled to add a further 30,000 learners achieving level 2, boosting attainment to over 76% in 2002. The LSC will also seek to ensure that revised Modern Apprenticeships – which will include a new technical certificate qualification – will support increased participation and achievement in this age group. MAs offer an enhanced learning experience designed to make sure young people are better suited to the needs of industry.

Against our target for 55% of 19-year-olds to achieve level 3, evidence shows 50.4% attainment in the autumn of 2001. The enhanced work-based MA programme is designed to increase both participation and achievement.

### Basic Skills:

Latest data shows 90,000 adults improved their literacy and numeracy through LSC-funded schemes. We are on target to have 240,000 adults with better basic skills by this October and our goal for 750,000 adults to improve their basic skills by 2004 is achievable.

### Working adults:

Our target is for 52% of economically active adults to be at or above level 3 by 2004. Data reveals 47.8% were qualified at this level in autumn 2001 and shows that we are on course to meet this target.

Further improvements will come through the implementation of our Workforce Development Strategy and local Council plans.

### Investors in People:

We have inherited a target that by this December 10,000 small businesses and 45% of medium to large organisations should achieve Investors in People status.

Research shows we are on target to achieve this goal. Data produced this January shows almost 9,000 small firms and 37.5% of medium to large organisations had achieved iIP recognition.

## Learner Survey

The country's biggest-ever survey among post-16 learners was launched in March to enable us to take informed decisions about our policy and change practice where necessary.

It will question learners three times a year for the next five years to measure satisfaction with provision in the post-16 education and training sector. In all, 110,000 learners will be interviewed in the years to 2006.

Preparations for the first survey started in March, with results available in Autumn 2002.

Focus groups will look at underlying issues for specific learner groups and examine the

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reasons for particularly low or high satisfaction ratings.

We have taken data protection fully into account in this important survey

## Bureaucracy

We pledged to cut red tape in the further education sector by 25% and appointed a Task Force to take on this important task.

Chaired by Sir George Sweeney, a member of the National Council and a college Principal, the group held nine regional workshops to identify areas of bureaucracy needing action.

### Action we have taken already includes:

- Removing financial clawback from colleges for shortfalls in student numbers,
- Streamlining our £185 million Standards Fund
- Announcing a common and simple method of collecting data about learners
- Refining our Performance Review process for colleges and providers

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## College Funding

We announced a larger than expected 2.5% boost in funding rates for further education colleges, worth an extra £100 million. We also earmarked £50 million more to support successful colleges and other FE institutions that become oversubscribed in the next academic year and another £42 million for planned growth. The two amounts are part of a £247 million package that will allow colleges to expand academic activity by around 5% in the next academic year.

## Standards Fund

Our £185 million Standards Fund for improving quality and standards in post-16 education is to undergo major improvements to reduce bureaucracy and abolish ring fencing.

**It is being streamlined from 17 categories to three for the year 2002/03:**

- A local standards fund allocated by each local Council
- An investment fund for allocations by local Councils
- A national priorities fund for our national LSC and Government priorities

## Centres of Vocational Excellence (CoVEs)

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The three-year £100 million CoVE programme is designed to recognise colleges with high quality technical and vocational specialisms.

It was launched last summer with an initial 16 'pathfinder' colleges awarded CoVE status. The second phase completed this February produced 372 proposals and 69 colleges were selected to advance to the next stage.

The aim is to have half of all general FE colleges in England having at least one CoVE specialism by 2004. That would mean around 175 colleges acknowledged for at least one area of excellence.

## Quality Improvement

We have launched a new strategy setting out our overall approach to performance improvement and how we will work with and support colleges and providers to improve their quality as well as addressing issues that cause concern. Our policy covers the circumstances in which major intervention is needed and rapid improvements in the quality of provision are necessary.

In the majority of cases, early identification of potential concerns, action by colleges and providers and support from the Council should bring about necessary improvements. In our first year there have been examples of significant improvements being made in the quality of provision for learners.

## Sixth Form Funding

We took over responsibility for funding sixth forms from local education authorities (LEAs) this April. We have worked closely with the DfES, local education authorities and schools to ensure a smooth transition.

The Council produced a new funding formula to reflect individual learners' programmes. We have formula-funded two-thirds of schools in the new financial year and given them more than they might otherwise have expected. Schools not formula-funded had their funding maintained under the real terms guarantee.

We announced sixth forms would receive £1.35 billion in 2002-03.

## Modern Apprenticeships (MAs)

We have prepared an implementation plan to drive forward a new generation of improved MAs following last year's report of the Modern Apprenticeships Advisory Committee under Sir John Cassels.

The Government set up the committee to advise Ministers and the LSC on the delivery and promotion of MAs over the next three years.

We have responsibility for promoting MAs and our implementation plan to take forward the recommendations of the advisory committee has been agreed with Ministers.

Our aim is to increase the take-up of the two types of MAs that are available, foundation and advanced, from 140,000 a year for 16-21 year olds to around 175,000 a year by 2004, a rise of about 25%.

Also in 2004, it is intended there should be a basic entitlement to a Modern Apprenticeship place for young people aged 16-17 who have five GCSEs at grades A-G, including maths and English.



## Parity of Esteem

One of our main ambitions is to remove the stigma too often associated with vocational education, which is why we welcome the 14-19

Green Paper. It removes the distinction at GCSE and A-level between general academic courses and those including a vocational element.

## Bite Size

Our nationwide campaign to attract adults back into learning – many for the first time since leaving school – was a big inaugural

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success in 2001. Thousands of adults took part in a wide variety of free, short 'Intros', giving them a no-commitment taste of learning.

Research showed people taking part in a sample of the 18,500 courses that were available believed Bite Size made a positive difference to their attitude to learning and training – over 40% of those questioned had gone on to further learning.

A second Bite Size campaign takes place between May 20 and June 21 when thousands of introductory Bite Size 'Intros' will be available in scores of accessible locations to encourage many more adults back into learning. The headline objective is to attract 50,000 adult learners, with 25% being 'new learners' who have done little or no learning since leaving school. This year the campaign celebrity is TV personality Carol Smillie.

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## Performance Review

Last year we introduced a system for working with colleges and training providers to review performance and to improve quality and raise standards.

The Performance Review process identifies both effective providers and those with weaknesses that need swift intervention and support to bring about improvements.

We have now reviewed this system and proposals for refining, improving and streamlining it have now been published.

## Administration and Staffing

The £223 million a year we spend on running costs is a saving of £83 million compared with the FEFC and the TECs system. The LSC is about 25% cheaper to run than our predecessors.

Our savings, which take account of our additional functions, are also well ahead of the Government's target for savings of £50 million.

We employ 4,800 staff in 52 offices compared with over 7,000 staff and over 400 offices under the TECs and FEFC.

## Estelle Morris, MP, Secretary of State for Education and Skills

'The Council has worked hard over the last 12 months to lay the foundations for improved quality and standards and to build on many examples of excellent practice which can already be found across the post-16 sector.

The agenda for the next 12 months is indeed challenging.

We now have the right framework and structure in place to deliver demonstrable improvements in participation, achievement and the quality of learning. My Ministerial team and I will also continue to play our part, and the LSC can be assured of the continuing support of the Department in helping to make the next 12 months even more successful.'

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