

Learning and Skills Council
Business Plan
2001/02

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National



Learning+Skills Council

'The establishment of the Learning and Skills Council has been welcomed in all quarters. There are high expectations of our work and we must rise to the challenges we have been set.'



Section One

Foreword by John Harwood

This is the first business plan for the Learning and Skills Council (LSC). Having been set a challenging remit by the Secretary of State, we are currently consulting on our vision and mission statements, together with the key targets that we should aim for. However, we have a range of tasks that will not wait for the completion of that consultation and this business plan sets out how we will operate over the next year. It is not as complete as we would like; there is still work to do on precise definitions of some of our activities. We have tried to set out the key actions and define some of the key outcomes. The establishment of the Learning and Skills Council has been welcomed in all quarters. There are high expectations of our work and we must rise to the challenges we have been set. Our first year will be transitional. We have inherited many of the programmes of TECs, the FEFC and the DfES, so our immediate challenge is to build on those firm foundations and deliver the programmes effectively.

Along with the programmes themselves, we have inherited many talented staff and we are recruiting many more. We are a new organisation and that gives us the opportunity to define a new way of working and a new organisational culture. I believe that this is fundamental to achieving the transformation we have promised in education, training and lifelong learning.

There is a danger that we use the transition to delay making progress but we cannot allow this to happen. There is much to do and we intend to demonstrate improvements across our programmes right from the start. This business plan can only give a summary of what the whole organisation will achieve. It will be accompanied by business plans for each of the 47 local Councils, which will give greater detail of their activities. Together they will help keep us focused on our mission and drive us in our work.

John Harwood

Section Two

The Learning and Skills Council mission and vision

The Learning and Skills Council is currently consulting on its strategic vision and interim outcome targets. It will agree a set of targets based on the responses to the proposals below.

- Our mission is to raise participation and attainment through high quality education and training which puts learners first.
- Our vision is that, by 2010, young people and adults in England will have knowledge and productive skills matching the best in the world.

Key tasks

Our key tasks as set out in the Secretary of State's remit letter of 9 November 2000 are:

- to raise participation and achievement by young people;
- to increase demand for learning by adults;
- to raise skills for national competitiveness;
- to raise the quality of education and training delivery;

- to equalise opportunities through better access to learning; and
- to improve effectiveness and efficiency.

The business plan will also address those preparatory activities for the increase of the Council's powers in 2002/03, principally preparing for sixth form funding.

Section Three

The planning cycle

Our Corporate Plan sets out a long-term mission and five medium-term targets to 2004. It also sets out a process that brings together the cycles of strategic and business planning, ensuring that budgets are targeted on our strategic requirements.

This business plan is part of this coherent planning process, that started within the Corporate Plan and will last until 2002. Over our first year, in accordance with our remit, we intend to analyse our learning and skills needs from the bottom up. Local Councils, in consultation with their local partners, will identify the needs of employers and learners

Date	Strategic planning	Business planning
March 2001	Corporate Plan consultation	National Council annual budgets and confirms local budgets for 2001/02
May 2001		National Business Plan sets out current performance and budgets for 2001/02
June 2001	Corporate Plan consultation ends	Local Business Plans set out current performance and budgets for 2001/02
July 2001	Council approves first Corporate Plan	
June–December 2001		Local Councils identify learning and skills needs with partners, employers, learners
November 2001	Remit letter	Annual guidance/budget for 2002/03
December 2001	Local Councils issue draft strategic plans for consultation	Local Councils begin 2002/03 business planning process
January 2002	National Council takes over view of emerging local plans; reviews current performance against targets	
February 2002	National Council finalises Corporate Plan 2002/05	National Council sets annual budgets and confirms local budgets for 2002/03 Local Councils submit operating plans setting out priorities and budgets for 2002/03
March 2002	Local Councils finalise local strategic plans for 2002/03	National Business Plan sets out national skills and learning picture, priorities and budgets for 2002/03
Autumn 2002		Annual Report 2001/02

Table 1

in their areas and produce local pictures of learning needs by skill and employment sector, by mode of delivery and by groups of learners. This information will be aggregated and, in March 2002, a national picture of learning and skills needs will be provided for the first time.

Alongside this analysis runs our strategic planning process. Our Corporate Plan provides a national framework in the form of vision and targets to 2004. The local skills and learning analysis will inform local strategic plans. These will feed into our Corporate Plan, ensuring a close alignment between local and national objectives. The national analysis we produce by the end of our first year will form the benchmark against which

we can measure the distance we need to travel to reach our targets.

This business plan is the first stage in that process. It sets out our current performance against each of the targets identified in our Corporate Plan and the plans to which the Learning and Skills Council is committed in its first year. By the end of our first year, this planning process will have brought together the cycle of strategic and business planning. It will provide, for the first time, an analysis of national learning and skills needs that reflect the sum of local needs. (See Table 1.)

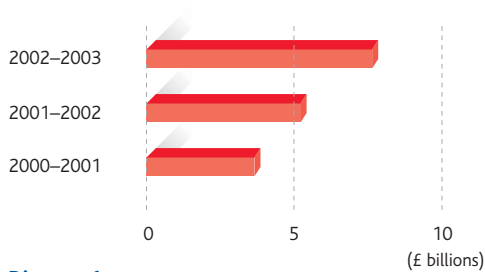


Diagram 1
LSC – investment in learning (Series 1)
Source: Secretary of State’s Grant Letter, December 2000

Funding block	£ million	Purpose
Young people	2,389	To maximize the achievement and participation in learning of 16 to 19-year-olds
Adults	2,436	To increase demand for learning by adults
Infrastructure and Standards	479	To invest in the learning infrastructure and standards over the longer term

Table 2 (Figures refer to financial year April 2001–March 2002)

Section Four

Our resources

The Secretary of State allocates resources to the Learning and Skills Council in an annual grant letter. The Secretary of State’s grant letter for 2001/2002 allocated £5.5 billion for the Council. This money is part of a package which will see an increase in post-16 funding to support our strategic aims. (See Diagram 1.)

The Learning and Skills Council budget is organised in four blocks. There are three blocks that represent existing programme activity. (See Table 2.)

The fourth block of money, Administration, is to support the Council’s running costs. A total of £188 million has been allocated for this purpose. This includes a £50 million saving when compared to our predecessor organisations’ costs last year. We will continue to review our administrative costs and ensure maximum efficiency. Such costs will fall, in real terms, over the medium term. (See Diagram 2.)

Young people

What our task is

Our key task is to raise participation and achievement amongst young people. (See Diagram 3.)

The task is formidable and reflects the significant investment of £2.39 billion being made.

What we will purchase

The primary activity is to purchase high quality learning, leading to relevant and marketable qualifications. This will be provided by colleges of further education, work-based learning providers and sixth form colleges. The precise volumes of learners have yet to be agreed but it is estimated that over 1 million learners will be funded.

NB: This year school sixth forms will be funded by LEAs. An estimated 415,000 young people will be in school sixth forms this year. From 2002–03 the LSC will take responsibility for schools’ sixth form funding. Extensive consultation and preparatory work will be undertaken this year to prepare for this.

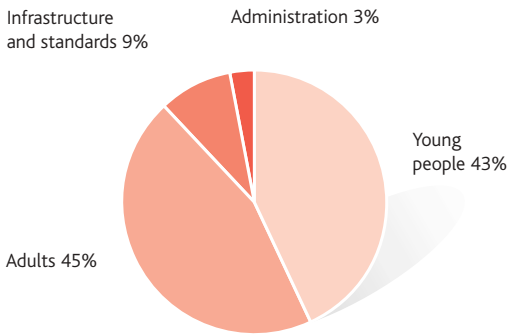


Diagram 2
LSC funding 2001–02
Source: Secretary of State’s Remit Letter, April 2001

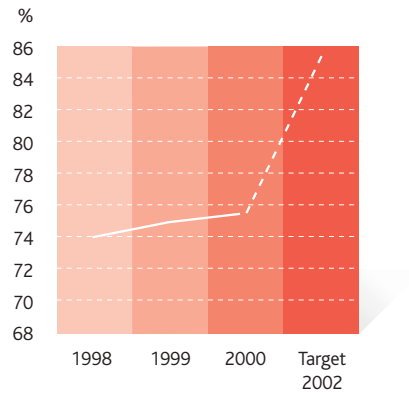


Diagram 3
Percentage of 19-year-olds with Level 2 qualifications
Source: National Targets

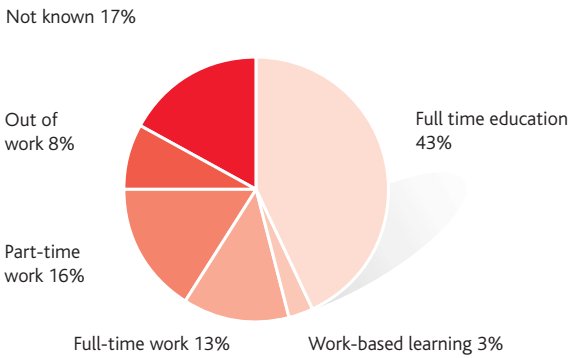


Diagram 4
Activity of 18-year-olds
Source: DFEE statistics: 18 year olds in 2000

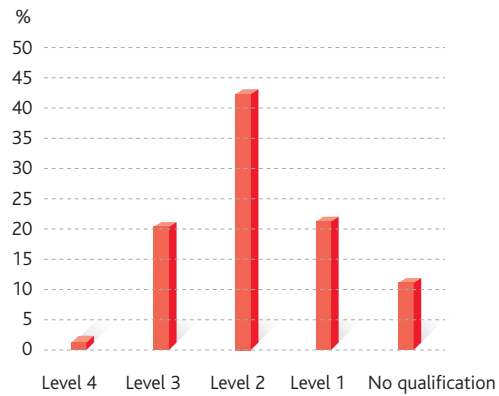


Diagram 5
Levels of achievement 16 to 19-year-olds (by highest level achieved)
Source: Labour Force Survey August 2000

We will also work with specialist providers to increase the levels of young people in learning. Although precise figures are not yet known, we are aware that up to 20% of young people aged 16–19 are not in any form of learning programme. We aim to reduce this by 7% by the end of 2002. (See Diagram 4.)

Outcomes

During 2001/02 in excess of 2.5 million qualifications will be achieved at NVQ Levels 1, 2 and 3, averaging approximately 2.5 qualifications each. (See Diagram 5.)

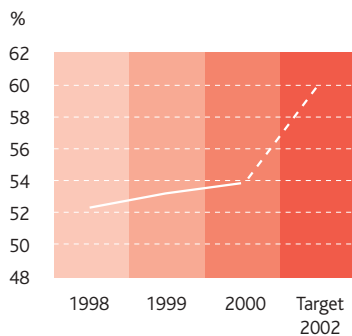


Diagram 6
Percentage of 21-year-olds with Level 3 qualifications
Source: National Targets

This will contribute to the LSC's target to increase the percentage of 19-year-olds achieving a Level 2 qualification and will also contribute to the target to increase the percentage of 21-year-olds with at least a Level 3 qualification. This is seen as the benchmark level for qualifications in many sectors of the workforce and is therefore a key aim for us. (See Diagram 6.)

The longer term

Our longer-term plans will devote even greater resources to achieving improvements in retention and achievement for 16 to 19-year-olds.

Adults

What our task is

We intend to increase demand for learning by adults and raise skills for national competitiveness. Of particular importance will be the work to reduce the proportion of adults lacking basic skills in literacy and numeracy. This will go hand in hand with the need to increase the number of adults with Level 3 qualifications. (See Diagram 7.)

As well as working with learners we will work with employers to increase levels of training and development in the workforce. We will continue

Level 1 and below 31%

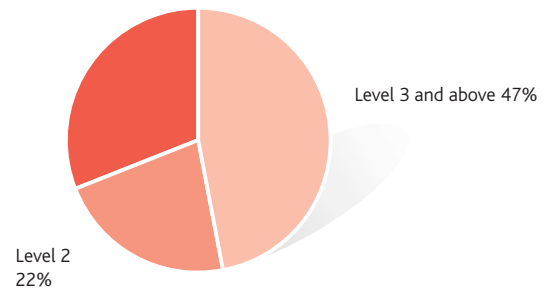


Diagram 7
Adult achievement
Source: Labour Force Survey Autumn 2000

to promote Investors in People as the standard to which well-run organisations should aspire and to help employers devise learning programmes that help them improve the skills of their workforce. (See Diagram 8.)

What we will purchase

Once again, the primary activity is to purchase high quality learning, leading to relevant and marketable qualifications. Nearly 3 million learners will be funded by the Learning and Skills Council. (See Diagram 9.)

Our work with employers will help to improve the proportion of employees receiving training. 76% of employers provided job-related training in 2000 compared to 68% in 1999. We will also seek to improve the training leading to a formal qualification. This rose from 43% in 1999 to 46% in 2000. We aim to maintain these trends. One trend we aim to reverse is the increase in employers reporting that their staff had skills gaps. This increased from 12% in 1999 to 16% in 2000. Local Councils are currently drawing up their skills strategies to tackle these issues.

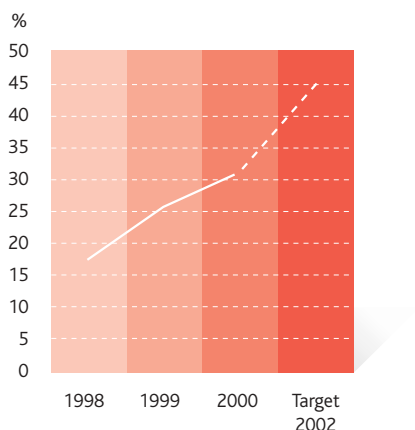


Diagram 8
 Percentage of medium/large organisations recognised as Investors in People
 Source: National Targets

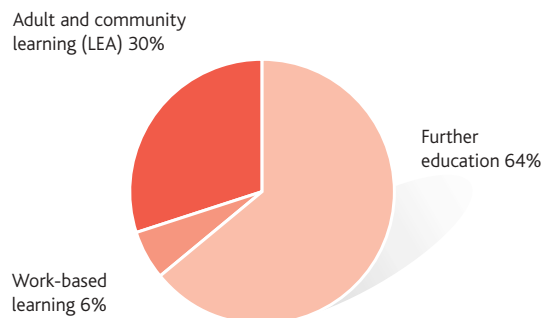


Diagram 9
 Adult learners 2001/02
 Source: LSC Planning Data

Outcomes

Approximately 2.25 million qualifications will be achieved. The average is less than one per adult due to some courses not leading to formal qualifications.

All of this will help to contribute to a number of key targets, including increasing the percentage of 21-year-olds with at least a Level 3 qualification, the proportion of the workforce with at least a Level 3 qualification and reducing the number of adults with poor levels of basic skills.

The longer term

Greater levels of investment will be made in improving participation in learning, the achievement of qualifications and employer commitment to workforce development.

Infrastructure and standards

What our task is

Underpinning the actual funding of learning is the investment we will be making in improving the quality of teaching and learning, equalising opportunities through better access to learning and improving the effectiveness and efficiency of the whole system. Backed by the professional expertise of Quality & Standards teams across

the country, there are Standards Fund budgets to help institutions to improve the quality of their offer. The Learning and Skills Council will support eligible colleges to improve the quality of their Information Technology and building infrastructure through a capital programme. The Learning and Skills Council will also promote learning as part of its mission, encouraging greater participation among adults.

The longer term

Levels of investment will increase, particularly to improve access for disabled learners and the provision of adult and community learning.

Learning and Skills Council national office responsibilities

Chairman: Bryan Sanderson					
Chief Executive: John Harwood					
<ul style="list-style-type: none"> • Overall management of organisation • Target setting and performance monitoring • Strategic planning and co-ordination • Council Secretariat 					
Learning Programmes	Quality & Standards	Operations	Finance	Communications	Human Resources & Corporate Services
Geoff Hall	Avril Willis	Ken Pascoe	Philip Lloyd	Robin Newton-Syms	David Russell
Young People's Programmes Learner support Special needs FE provision 6 th forms Work-based learning Adult & Community Learning Adult Learning Progression Learner support Information, Advice & Guidance Skills/Workforce Development Sector skills development LMI liP Funding Policy & Development Rates & eligibility ESF	Quality Improvement Provider & area inspections Research Equalities & Equal Opportunities Performance Analysis Provider review Performance Evaluation Health & Safety	Infrastructure Capital projects College property advice College mergers Planning and Budgeting FE provision 6 th forms Work-based learning Adult Learning Information, Advice & Guidance ESF Local initiative fund Workforce Development Education Business Links Support & Performance Local office liaison Performance monitoring Statistics Data collection Statistical analysis Support to LLSCs on FE issues National Contracting Service	Financial Policy Financial Control Provider Payments Provider Financial Assurance Financial & Management Accounting Internal Audit & Special Investigations Procurement	External Communications Marketing Youth campaigns Adult campaigns Employer campaigns Publications Press and Public Relations Internal Communications Library and Information Services E-Communications Records Management	National Office Personal Employee Transfers Recruitment & promotions Secondments HR policy Advice & Guidance Employee Relations Performance Merit & Reward Pay & Pensions Performance & Reward Integration & Harmonisation Organisational Development Learning & Development Employee Relations Information Systems Project Development Contract Management Legal Services Council solicitor Property & Facilities Management LLSC Property Management Facilities & asset Control Recruitment

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