

# **A Framework for Managing the Balance and Mix of Provision (2007/08)**

Any queries on the content of this document should be directed to the appropriate LSC Local Partnership Team.

**February 2007**

# Contents

	Paragraph numbers
<b>Context</b>	<b>1</b>
<b>Introduction</b>	<b>3</b>
<b>The Adult Learning Strategy in Further Education</b>	<b>5</b>
<b>Adult Learning- Key Messages for 2007/08</b>	<b>11</b>
<b>National Funding Priorities for 2007/08</b>	<b>15</b>
<b>Wider Reform, Recent Initiatives and Other Key Policy Areas:</b>	<b>49</b>
Entitlement to fee remission for a first Level 3 for those aged 19-25	50
UK Vocational Qualifications Reform Programme	62
The implementation of Progression Pathways as part of the development of the Foundation Learning Tier	76
Skills for life	80
Higher Education Strategy and Higher Level Skills	105
Strategic Review of the Learning Aim Database	109
Vocational Courses in Colleges	113
Sector Qualification Strategies	118
Sector Qualification Strategies/Sector Learning Strategies	120
Adult and Safeguarded Learning	121
Provision for Learners with Learning Difficulties and/or Disabilities	133
Ufi	137
Offenders Learning and Skills	139
Older learners	147
2012 London Olympics/Paralympics	151
ESF Match Funding	152
Key principles for developing a coherent regional approach to manage the balance and mix of provision	162

## Context

- 1 This document builds on the policy set out in the Policy Requirements for Planning - Managing the Balance and Mix of Provision (2006/07 and 2005/06) and should be used in conjunction with:
  - a [\*Raising our Game – Our Annual Statement of Priorities 2007/08.\*](#)
  - b [\*Our Single Statement of Requirements – Executive Summary.\*](#)
  - c [\*The Grant Letter for 2007-08 which sets out the strategic direction for the post-16 learning and skills sector.\*](#)
  - d 2007/08 Regional Allocations Framework.
  - e [\*Funding Rates Changes for 2007/08.\*](#)
  - f *Funding Guidance for Further Education* in 2007/08 to be published in early April 2007.
  - g The Planning and Modelling system (PaMs) and supporting documentation.
  - h Other policy requirement documents.
- 2 The scope of this document is mainly for further education (FE) funded provision but the principles apply equally across other funding streams, unless otherwise indicated.

## Introduction

- 3 This document is aimed at Learning, Planning and Performance colleagues and partnership teams involved in strategic discussions with providers and the allocation of funds. It provides further clarification and operational details to the policy requirements documents published in the *Single Statement of Requirements* in December 2006. It also focuses on the **priorities** and **challenges** associated with informing and managing the balance and mix of provision in an area.
- 4 This document:
  - sets out the context (adult learning strategy)
  - sets out the key changes for 2007/08, particularly in terms of eligible and non-eligible provision
  - sets out the LSC's policy and key messages on managing the balance and mix of provision and rebalancing adult funding
  - provides further guidance on the specific areas identified in *Raising Our Game*
  - references the wider agenda of reform across the further education system which need to be considered alongside current policy.

## The Adult Learning Strategy in Further Education

- 5 The Adult Skills Strategy clearly articulates the Government's continuing commitment to funding, as a priority, provision designed to improve an adult's literacy, language or numeracy skills, or to support them achieve a first, full Level 2 qualification. Successful completion of these qualifications enables an individual to demonstrate, through the proxy of the qualification(s) achieved, the basic platform of employability skills needed in today's competitive economy.

- 6 In this way the priority status of an adult may be determined simply by reference to whether their learning needs are met by either of these two priority learning programmes, which are themselves also described as entitlement programmes. Similarly, the recent introduction of a new entitlement programme for adults aged between 19 and 25 yet to achieve a first, full Level 3 qualification also identifies this particular cohort of adults as a priority group by reference to their learning programme.
- 7 However, not all adult learners, (some of whom are also a priority for the LSC), will have their learning needs met either in full, or in part by these priority programmes. Neither will it always be possible to determine the priority status of an adult learner simply by reference to the type of learning programme being funded.
- 8 For example, the LSC is committed to maintaining, as a priority, the proportion of learners with learning difficulties and/or disabilities in providers' overall numbers. Some learners from this cohort will be supported on entitlement provision, others on discrete provision (usually below Level 2 and often at Entry and pre-entry Level), while yet more may need support at Level 3 and higher. Similarly, adults from under-represented groups or at risk of exclusion for other identified reasons are a priority, as are offenders, those seeking to retrain and up-skill or progress to higher levels, and people living in the most deprived neighbourhoods, among others. All of these individuals are identified as a priority for access to publicly funded learning by reference to a number of different learner characteristics, not simply through their need to achieve improved basic skills or a first full Level 2.
- 9 For these reasons the LSC is currently developing an *Adult Learning Strategy*, which aligns with and amplifies the Adult Skills Strategy. It sets out the approach the LSC will adopt when prioritising its adult funding to support a wider range of learning objectives that build, not only on those defined by the adult PSA targets and entitlements, but also respond to the wider ambitions of the Leitch Review in terms of promoting increased productivity, economically valuable skills and social inclusion within a demand-led system.
- 10 In advance of its publication, this latest Framework for *Managing the Balance and Mix of Provision* gives practical guidance on how regions, through their strategic dialogue with FE providers, may align publicly funded learning provision both within and outside the entitlement offer to meet its wider regional and local area adult priorities.

## **Adult Learning - Key Messages for 2007/08**

- 11 The steps taken in 2006/07 to redirect adult funding towards government priorities will continue in 2007/08. Public funds will support more Skills for Life, and full Level 2 learning, and the new White Paper entitlement to free tuition for a first full Level 3 for 19-25 year olds as well as supporting our commitment to learners with learning difficulties and/or disabilities.
- 12 With its providers, the LSC will continue to take a strategic view of the full spectrum of provision in a locality. This means ensuring a mix of programmes and balance of provision to ensure a rich, diverse and aspirational learning offer that meets LSC

priorities and targets but does not simply deliver a post-16 'deficit model' of learning and skills. The actual balance and mix will be determined by learner choice.

- 13 A significant proportion of provision funded by the LSC in past years has not contributed directly to targets and/or priorities. We must therefore continue to prioritise our funding to support those who need it most. Ministers' expectations are that the focus of public funds on areas of *market failure* is balanced with ensuring appropriate access and progression opportunities to enable learners to move into and beyond Level 2.
- 14 The continued re-balancing of the profile of a providers' mix of provision will be achieved at least in part through the re-balancing of public and private contributions. This will result in less funding being available for provision and learners of a lower order priority. In addition, LSC will no longer fund some categories of provision. These are detailed below in paragraphs 22-44 and 80 -104.

## National Funding Priorities for 2007/08

- 15 The balance and mix of provision within a provider's profile needs to take into account the full range of provision available within an area and within individual institutions. To achieve this balance we need to continue to:
  - a **Direct a higher proportion** of available funding to priority learners and highest priority provision.
  - b **Safeguard a range of opportunities** for personal and community development learning.
  - c **Manage the commitment** from the public purse (or from waived tuition fees) for lower priority provision and for learners who can afford to pay more.
  - d **Stop funding** for certain types of provision.

### **DIRECT more funding towards higher priorities - What needs to be done?**

- 16 The white papers and grant letter set out clearly the Government's priorities for public funding for adult learning and skills. The LSC will therefore continue to focus and use its resources for the following priority learners and high quality priority provision.
  - First Full Level 2 (an entitlement to free learning for adults undertaking a first, full Level 2 qualification) that is a platform for employability.
  - Skills for Life nationally approved qualifications for identified priority groups. (see paragraphs 80-104)
  - First Full Level 3 for 19-25 year olds (from 1 August 2007).
  - Progression to Level 3 and above, particularly focussing on higher level skills.
  - Appropriate and relevant progression opportunities in anticipation of the introduction of Progression Pathways from August 2007 – (see also paragraphs 76-79).
  - Specific provision for learners with learning difficulties and/or disabilities, for example provision which will support independent living skills.

- 17 In addition, the LSC needs to ensure appropriate provision is available for learners with learning difficulties and/or disabilities in line with its statutory duty. We also need to at least maintain the volume of provision for offenders secured by the transferred offenders' learning and skills budget. Further details are set out in paragraphs 139-146.

## **What will be covered by the SAFEGUARD?**

- 18 The LSC will safeguard a budget of £210 million to support a wide range of appropriate adult learning opportunities for personal development, cultural enrichment, intellectual or creative stimulation and enjoyment and community development learning. This budget is allocated for four specific areas:
- £153 million **only** for leisure and community-related learning for personal and community development
  - £20 million for neighbourhood learning in deprived communities
  - £25 million for family, literacy, language and numeracy
  - £12 million for wider family learning.

See also section on *Adult Safeguarded Learning*, (paragraphs 121-132).

## **Managing the commitment towards lower order priorities**

- 19 The LSC currently invests approximately half of the adult FE budget on activity that does not directly contribute to PSA targets, and a significant amount of this activity is aimed at priorities below Level 2. This activity includes.
- internally certificated provision including provision coded as Z9OP/C9OP used to describe non-externally certificated other provision.
  - externally certificated provision not within the current National Qualifications Framework (NQF)
  - externally certificated provision not within the NQF and in particular provision that was previously on Schedule 2 to the former Further and Higher and Education Act 1992.
- 20 Some of the activity within these categories will be ineligible from 2007/08 (see paragraphs 22-44), but the remainder will continue to be eligible. However, not only must the total amount of public funding invested in this type of provision reduce (in order to fund higher priorities) but the LSC should also be clear, during their strategic dialogue with providers how this provision is supporting directly or indirectly government priorities.

## Managing Priorities within any Reduction

- 21 Any reductions in provision from these course types will need to be carefully managed by the LSC (especially below Level 2). This will ensure that the mix of programmes and balance of provision continues to secure a breadth of provision that will deliver, as appropriate.
- a Second phase trials of the Qualifications and Credit Framework (QCF) – and in anticipation of the QCF being operational from 2008.
  - b The introduction of Progression Pathways for adults as part of the phased implementation of the Foundation Learning Tier (FLT).
  - c Provision that demonstrably supports return to learning (particularly at Entry and Level 1) and progression to *Skills for Life* and Level 2 and 3 provision.
  - d Provision which continues to support the re-engagement of learners within the context of social inclusion.
  - e Progression and upskilling to Level 3 and 4 (and above) in accordance with regional and local priorities, in line with Sector Skills Agreements and sector qualification strategies (SQS), and other sector priorities while taking into account the need to ensure provision of higher Level skills.
  - f Provision to support learners to re-skill for new careers and those returning to the labour market.
  - g Access to Higher Education provision as it provides an alternative progression route into HE for adult learners and counts towards the LSC's Level 3 entitlement.
  - h Trade Union Congress (TUC) provision for union learning representatives.
  - i Languages provision to support the [Languages for All: Languages for Life, National Languages Strategy](#) by recognition of the importance of modern foreign language skills to employers to improve their competitiveness in the global economy.
  - j The reform of the FE system's workforce so that teachers and support staff will meet the necessary standards through the achievement of approved qualifications. In particular, the development of a unit and credit based qualification framework by Lifelong Learning UK as part of the implementation of the FE reforms.
  - k The qualification of employed and volunteer coaches and in particular the prioritising of funding for sports coaching qualifications that have been accredited by QCA and approved under Sections 96 and 97 of the Learning and Skills Act 2000 and have UK Coaching Certificate endorsement.
  - l Commitment to continue working with the public sector to improve its skills base so that it delivers public services more efficiently and plays an active role in upskilling the wider workforce, and working with partners on a joint approach to funding to maximise the impact of public funds. LSC regions should develop and implement a strategy applying the principles of the Public Services Framework (developed and agreed in 2006).

## What will we STOP funding?

- 22 The Annual Statement of Priorities signalled the need to realign £51.5 million away from adult learning that contributes less directly to priorities. This will be achieved by further refocusing. In particular this will include:
- changes to funding for Skills for Life qualifications
  - limiting public funding to support the minimum number of units required to complete/achieve the qualification learning aim
  - removing funding for specific stand-alone learning aims which should be paid for by employers or individuals.

The following categories of provision will be ineligible for LSC funding from 2007/08<sup>1</sup>.

### Units delivered as additionality

- 23 The Annual Statement of Priorities signalled that we would review the funding for additional units and establishes the expectation that providers will no longer claim funding for units beyond the minimum required to achieve the qualification (as set by the awarding body).
- 24 From 2007/08 the LSC will cease to fund additional or optional units beyond the minimum required to achieve a qualification (as set by the awarding body). This includes funding of optional units in order to achieve a second pathway within a suite of qualifications.
- 25 As a consequence, individuals or employers will be expected to fund all such additional or optional units. This principle also applies to the funding for optional units in order to achieve a second pathway within a suite of qualifications. Public funding will fund only the first pathway. If an adult learner wishes to undertake an additional pathway then, in future, that should be funded by either the learner or their employer.

### Funding for large incoherent unitised programmes

- 26 In 1999/00 the former Further Education Funding Council introduced funding for unit(s) to support not only the widening participation agenda (by providing funding for single units which could be used to engage disengaged/disaffected learners) but also in response to the demand from employers to fund a unit or a group of units to support their needs.
- 27 Funding for units was intended for adults not intending to achieve, or not able to commit to, the whole qualification at the point of signing their learning agreement. Learners who subsequently registered for the whole qualification within a complete funding year should therefore have their learning agreements amended to reflect the qualification learning aim. The LSC does not expect providers to enrol learners who intend to complete whole qualifications on a unit-by-unit basis.

---

<sup>1</sup> See also the ineligible provision section within the Funding Guidance for *Further Education in 2007/08*.



- 28 Over the last five years the LSC has seen a growth in the funding of units both within and outside the NQF. There has also been a large increase in the size of learning programmes made up of individual units, with some learners on programmes of more than ten units. It is no longer clear how the current delivery of units continues to meet these original aims or whether the programmes themselves are coherent with a clearly stated rationale.
- 29 As part of the Demand Led system consultation the LSC has signalled that it will consider how we can support credit accumulation and achievement within the QCF. For 2007/08 we will review the appropriateness of continuing to fund units identified by the use of generic class codes outside the QCF and FLT trials. As the QCF becomes operational there will be further guidance concerning supporting credit accumulation and unit achievement.
- 30 This means that in future, as the programme of vocational qualification reform is implemented, public funding will be clearly aligned to units within the QCF. In the interim providers are expected to ensure that learners are enrolled on to coherent unitised programmes.
- 31 The LSC believes it is inappropriate for providers to offer large, incoherent unitised programmes and is revising the existing guidance<sup>2</sup> to reflect this. From 2007/08, providers should normally seek prior approval from the LSC to deliver programmes comprising 5 units or more where this lies outside QCF trials or Progression Pathways at Entry and Level 1 developed as part of the FLT. Providers should note that this is a change from previous policy. To be clear, this requirement applies only to learning programmes comprising individual units that do not, of themselves, lead to a whole qualification outcome.

### Provision to meet employer responsibilities

- 32 In *Priorities for Success* we established the principle that employers should bear the full cost of specific and stand-alone training for staff to meet their statutory or other responsibilities.
- 33 For 2006/07 the LSC:
- ceased funding first aid at work learning aims
  - ceased funding learning aims in health and safety, first aid and food safety that are not accredited by the Qualifications and Curriculum Authority (QCA) for inclusion in the NQF (and approved by the secretary of state under Sections 96 and/or 97) or without endorsement or regulation by the relevant, independent body
  - ceased funding health and safety, first aid and food safety learning aims within the NQF taught as stand-alone learning aims
  - continued to fund health and safety, first aid and food safety learning aims within the NQF as additionality **with prior agreement** from the LSC where the provider demonstrated that the curriculum offer had coherence and a clearly stated rationale for an identified learner or learner group

---

<sup>2</sup> Existing guidance is set out in paragraphs 260-268 of the *Funding Guidance for Further Education in 2006/07*

- continued to fund limited volumes of health and safety and food safety learning aims within the NQF for micro-businesses depending on assessment of need.

34 The key changes for 2007/08 are the removal of:

- the limited flexibility available to micro-businesses for health and safety, first aid and food safety learning aims
- funding for notional Entry Level and Level 1 first aid outside the NQF
- funding for other specific health and safety related learning aims delivered as stand-alone provision for employers. Some examples of the types of learning aims this may include are:
  - manual handling
  - health and safety at work or in the workplace
  - safety passport schemes
  - risk assessment or management
  - conflict management
  - environmental awareness/management
  - control of substances hazardous to health (COSHH)
  - conflict resolution
  - personal safety
- funding for the updating of qualifications to comply with health and safety regulations – for example CORGI registration *renewal* within the NVQ
- funding for specific stand-alone forklift truck training and acquisition of heavy goods vehicles (HGV) and public service vehicle (PSV) licenses.

35 Considerations:

- a The removal of funding for health and safety provision outside the NQF does not include health and safety training for trade union representatives as the focus of these courses is on their role as representatives of the safety and health of their members, workplace and the union. In addition, whilst many safety issues are covered within the programmes offered by the TUC, this is within the context of developing the representative's role rather than the role of safety managers.
- b Skills for Health has responsibility for 'endorsing' first aid qualifications that are for Entry to the NQF and have been appropriately mapped to their National Occupational Standards, the H&S (First Aid) Regulations 1981 and the European and UK Resuscitation Council's guidelines. All other First Aid provision is 'quality controlled' by the Health and Safety Executive. The implication of this is that first aid delivered at notional Level one is unregulated by a recognised regulatory body nationally outside of First Aid at Work and should not be funded from FE funding.

36 The absence of first aid learning aims at Level 1 in the NQF is because the competencies required to deliver first aid appropriately are at least at Level 2. First Aid learning below Level 1 therefore should **not** be funded exceptionally on the basis that there is a gap in the NQF at this level. This gap exists in NQF provision at lower levels because the National Occupational Standards relating to First Aid and Basic Life Support are in NVQs at Level 2 & 3. This would suggest that the knowledge and

understanding or the competence in any First Aid qualification would be at least at Level 2.

- 37 Providers should not be using generic class codes, for example Z9OP (used for externally certificated FE other provision) to code any ineligible provision such as *First Aid at Work* or Level one First Aid.
- 38 Changes to food safety awards – changes in legislation have placed a greater onus/responsibility on anyone in the food business with supervisory responsibility. Level 2 awards in *Food Safety in Catering*, for Manufacturing and for Retail have replaced the one-day Foundation Certificate in Food Hygiene/Food Safety. The intermediate and advanced certificates in food safety have been replaced by new Level 3 awards in Food Safety Supervision and Level 4 awards in Food Safety Management in Catering, for Manufacturing and for Retail respectively. These new qualifications are also not eligible for funding as specific stand-alone learning or where they are being delivered in response to employers' needs.
- 39 The LSC will continue to measure the impact of this policy and enrolment and funding trends for provision in this area through the Data Self-assessment Toolkit (DSAT) reports. LSC Regions will be asked to provide feedback<sup>3</sup> on the outcomes of discussions with providers and to monitor any impact of this policy area.

### **Higher level provision**

- 40 From 2007/08 funding for higher level provision should be clearly targeted at regional and sector priorities in line with the aspirations of the Leitch Review which highlighted the need for an increased focus on higher level skills and as part of the implementation of the LSC's own Higher Education Strategy. As part of the wider implementation of vocational qualification reform, Sector Skills Councils' (SSCs) priorities will be identified within reformed SQS and these will inform what will be eligible for funding in the future.
- 41 Funding for internally certificated provision above Level 3 became ineligible in 2006/07. In addition to this, public funding should not be used to fund the costs relating to obtaining membership of professional bodies. Many professional bodies have devised their own 'professional qualifications'. In some, but certainly not all areas, membership is a pre-requisite to study for the professional bodies own qualifications and to enable progression to the next grade of membership (for example with Accountancy Professional Bodies). The LSC would expect individuals or employers to pay for the cost of membership.

### **Provision that was previously approved under Schedule 2 of the former *Further and Higher Education Act 1992***

- 42 Provision that was previously approved under Schedule 2 (a) and (b) to the former *Further and Higher Education Act 1992* became ineligible for new learners from 2006/07. This policy reflects that this provision is likely to be out-of-date and not meeting current standards. There is also likely to be more appropriate provision

---

<sup>3</sup> Feedback to be provided to Kully Jones at National Office

available that has been accredited for inclusion in the NQF and approved by the secretary of state under Sections 96 and/or 97.

- 43 Exceptionally, Access to HE courses recognised by the Quality Assurance Agency and previously listed under Schedule 2 (c) continue to be eligible. The LSC is committed to supporting the HE sector to meet its PSA targets and recognises the important role of Access provision in supporting progression to HE– see also *HE Strategy* section at paragraphs 105-108.
- 44 In 2007/08 all learning aims previously categorised within the former Schedule 2 (d) – (j) that have remained eligible for funding will be considered as part of the strategic review and rationalisation of the Learning Aim Database (LAD) within the context of the vocational qualifications reform. Further details of this review are provided at paragraphs 109-112.

## **Impact of proposals and risk management**

- 45 Providers can and should continue to offer provision outside our priority areas or to recruit non-priority learners at full cost. As the grant letter re-iterates the judgement is not about the value of the learning or the merits of the education programme but about how the learner or learning relates to priorities and, therefore, who should pay.
- 46 The LSC does not expect providers to cut courses purely because the provision is disproportionately more expensive to deliver, and without taking into consideration individual learner needs - particularly where such provision equips learners with a range of skills they need for employability and further progression to higher levels of training. One example of this may be learning programmes leading to qualifications in *British Sign Language*.
- 47 The LSC also needs to be mindful of the potential for unintended consequences. For example the impact of reducing out-of-area provision and also lower priority provision may result in the reduction of sports coaching courses. While they may not directly contribute to LSC targets withdrawal of such provision may adversely impact on regional arrangements and the commitment set out in the Annual Statement of Priorities.

## **Equality and diversity**

- 48 The LSC will need to ensure that any significant shifts in provision at either provider, local or regional level do not adversely and disproportionately impact on the needs of specific groups of learners including but not restricted to, those from ethnic minorities, offenders and ex-offenders, older people, and people with disabilities.

## Wider reform, recent initiatives and other key policy areas

- 49 This section supports the strategic dialogue with providers by identifying and explaining the emerging qualification and curriculum reforms and initiatives that need to be considered as part of managing the balance and mix of provision in an area. It also updates information set out in the Annual Statement of Priorities and provides more detailed guidance.

- [A Entitlement to fee remission for a first Level 3 for those aged 19 to 25.](#)
- [B UK Vocational Qualifications Reform Programme \(UKVQRP\), including tests and trials of the Qualifications and Credit Framework \(QCF\).](#)
- [C The implementation of Progression Pathways as part of the development of the Foundation Learning Tier.](#)
- [D Skills for Life.](#)
- [E Higher Education Strategy and Higher Level Skills.](#)
- [F Strategic Review of the Learning Aim Database.](#)
- [G Vocational Courses in Colleges.](#)
- [H Sector Qualification Strategies.](#)
- [I Sector Qualification Strategies/Sector Learning Strategies.](#)
- [J Adult Safeguarded Learning \(section J\).](#)
- [K Provision for Learners with Learning Difficulties and/or Disabilities.](#)
- [L Ufi](#)
- [M Offenders' Learning and Skills.](#)
- [N Older learners.](#)
- [O 2012 London Olympics/Paralympics.](#)
- [P ESF Match Funding.](#)
- [Q Key principles for developing a coherent regional approach to manage the balance and mix of provision.](#)

### **A Entitlement to fee remission for a first Level 3 for those aged 19 to 25**

- 50 The White Paper '*Further Education: Raising Skills, Improving Life Chances*' (March, 2006) made a commitment to a new entitlement for a first full Level 3 qualification for those aged 19 to 25, supported by an expanded Adult Learning Grant (ALG), new funding for both of which was announced in the Budget on 23 March 2006. The new 19-25 entitlement and national roll-out of ALG will both be implemented from 2007/08, creating a new integrated package of support for young adults continuing their initial education to Level 3.
- 51 This section outlines the arrangements for implementing the first Level 3 entitlement for those aged 19-25 studying through the FE funding route. There are separate arrangements for funding Advanced Apprenticeships: those will continue to be free to the young person, though the employer will be expected to contribute to costs, as at present. Full details can be found in *Funding Rates-Changes for 2007/08*, which can be found at [Learning and Skills Council - Providers - Funding Policy - Further education - Funding Rates - Changes for 2007/08](#)

- 52 The entitlement is being introduced to encourage young adults, particularly those from disadvantaged backgrounds, to continue studying until they achieve a first full Level 3. This will increase the number of adults with a full Level 3 qualification, therefore, improving their life chances, social mobility and contribution to the economy through productive employment, and the acquisition of economically valuable skills.
- 53 The key aims of the entitlement are to:
- provide free full Level 3 tuition for learners aged 19- 25, across England
  - reduce the discontinuity within the funding arrangements that exist for young adults post-19
  - provide seamless progression to a full Level 3 from age 14 through to age 25
  - create a new integrated package of support for young adults continuing their initial education to Level 3; and
  - give young adults, particularly disadvantaged young people an opportunity to prepare themselves for success in life through the education and training system.
- 54 The objectives of the entitlement are to increase the:
- numbers of 19 to 25 year olds entering full Level 3 learning
  - numbers of disadvantaged young adults entering full Level 3 learning
  - number of young people progressing to higher level learning after completing a full Level 3.
- 55 It is worth noting that an eligible adult learner (aged over 25) who does not already have a full Level 2 qualification and who commits to a full Level 3 course would qualify for the entitlement to free tuition through the Level 2 entitlement offer. Should a learner who is under 25, and has not already achieved a Level 2 be commencing a Level 3 programme then they will do so under this entitlement not the Level 2 entitlement.
- 56 This entitlement does not guarantee the availability of a learning place in a chosen subject at any one FE College, or provider, but it is a general exclusion from paying tuition fees. The entitlement protects young adults seeking to achieve their first full Level 3 qualification from the increase in fees to 50 per cent by 2010 that they would otherwise have to pay.

### **Eligible learners**

- 57 The entitlement applies to learners who:
- are aged 19 but not yet 25 when they start the learning programme; and
  - meet the standard LSC eligibility criteria<sup>4</sup>; and
  - have not yet achieved a full Level 3 qualification (for clarity it is not necessary to have already achieved a Level 2); and
  - are assessed by the college/provider as having the ability and aptitude to complete a full Level 3 programme; or
  - meet the criteria above and are part way through a relevant qualification and are commencing a new phase of the qualification in Autumn 2007.

---

<sup>4</sup> See also the [LSC Learner Eligibility Guidance 2007/08](#)

## Eligible qualifications

- 58 To be eligible for the entitlement an eligible learner must be working towards one of the following qualifications identified as eligible for funding by the LSC on the LAD.
- A full Level 3 qualification that is equivalent in size and breadth to 2 GCE A Levels, or an NVQ at Level 3.
  - A Level 3 qualification that if achieved would mean the learner has reached the *full* Level 3 status.
  - A Level 3 qualification that forms part of a full Level 3 qualification programme and would contribute to the achievement of full Level 3 status.
  - A full Level 3 qualification studied as part of the second phase Qualification and Credit Framework trials which meets the agreed Level 3 design principles.
- 59 Level 3 qualifications that do not directly contribute to the achievement of a first full Level 3 are specifically excluded from the entitlement. To enhance the contribution FE makes to productivity and the economy. SSCs will identify the qualifications employers judge will enhance productivity best, so that learners can be advised accordingly. Increasingly only these qualifications will be funded by the LSC and therefore the entitlement will progressively cover only these qualifications.
- 60 It should be noted that 4 AS Level qualifications are not regarded as equivalent to a full Level 3 and that AS Level qualifications are eligible within the entitlement only where they form steps towards the achievement of 2 or more GCE A Levels. Should a learner be taking a qualification that is not a full Level 3 then they must clearly indicate their intention to achieve a full Level 3 qualification; this could be done effectively through a self-declaration statement.

## Balance and mix of provision

- 61 Allocations to regions and to FE institutions have taken into account the need to allocate more funds to cover this entitlement. The LSC expects the volume of first full Level 3s to rise and have allowed for growth each year. Institutions should consider the effect on the balance and mix of their provision of the increased requirement for fee remission and the growth in full Level 3s.

## **B UK Vocational Qualifications Reform Programme (UKVQRP), including tests and trials of the Qualifications and Credit Framework (QCF)**

- 62 The UKVQRP was established by the Skills Minister Phil Hope in November 2005. The aim is to radically reform and rationalise vocational qualifications for adults through five interdependent Sub Programmes, namely.
- Sector Qualification Reform (led by the Sector Skills Development Agency).
  - Framework Development (led by the QCA).
  - Planning, Funding and Delivery of Provision (led by the LSC).
  - Rationalisation of Qualifications (led by the Federation of Awarding Bodies/Joint Council for Qualifications).

- Communications (led by the Department for Education and Skills (DfES)).
- 63 Ministers have recently requested accelerated timescales for the UKVQRP which should now result in significant sector qualification reform achieved by January 2009 and a unit based qualification system, underpinned by credit with credit accumulation and transfer being almost fully complete by 2010 with the NQF gradually being closed down. Sector qualification reform will be delivered through:
- Sector Qualification Strategies as the planning tool with which to review and identify future plans for qualifications and other learning provision in a sector
  - Qualifications and Credit Framework which will be the organising regulatory structure for qualifications
- 64 It is intended that, from August 2008, SQS and the QCF will form the framework which prioritises the provision the LSC will support (mediated through targets and priorities). This means that provision outside of a SQS (or other agreed and appropriate strategies) and not meeting the specifications of the QCF will not be eligible for public funding.
- 65 Because there is likely to be a 'mixed economy' of NQF and QCF (certainly until 2010), the LSC will need to work closely with SSCs to focus funding leverage on moving priority qualifications into the QCF and developing qualifications within the QCF where the SQS identifies a need for new provision.
- 66 The LSC will be working closely with SSCs and other partners with regard to the transition of funding from NQF to QCF qualifications and the implications for a funding approach for a unit-based credit system.
- 67 Currently the QCF is in a test and trial phase. There are two phases of tests and trials, one in 2006/07 and the second in 2007/08. QCA has led the establishment of a range of projects, some of which the LSC has approved in principle for public funding in England. The LSC has agreed a process for recognising trial provision as target bearing where this is appropriate.
- 68 The LSC aims to fund 25,000 learners on QCF trial provision by July 2008. Some learners will start in 2006/07 but the expectation is that the majority will be funded in 2007/08.
- 69 The LSC identified a number of high level priorities for the QCF trials, these are:
- provision using the proposed design principles for full Level 2 qualifications to support the Level 2 entitlement (this will be target bearing and count towards the PSA target)
  - provision that tests whether the design principles approach can be used to develop the Level 3 entitlement (including progression to HE) (again this will be target bearing)
  - apprenticeships within a unit and credit based framework
  - level 4 provision which can support the achievement of higher-level skills (a key part of the LSC response to the Letich Review)
  - provision that would support offender learning and skills
  - in-company training in the context of Train to Gain, where the provision is articulated or aligned as a full Level 2 or 3 (target bearing provision)



- provision to support the Olympics, including the development of coaching qualifications.

- 70 As part of the second phase tests and trials LSC regions have confirmed that QCF provision will be supported in 2007/08 through their [Regional Commissioning Plans](#). This could be through continuing support for a first phase QCF project. Alternatively, it could be a commitment to fund new learners on a trial in line with one or more of the high level priorities.
- 71 The agreement of funding of trial provision in 2007/08 will be confirmed through the regional commissioning process. QCA have confirmed second phase trials and the LSC has confirmed which provision within the trials will be eligible for public funding. The LSC will establish any demand for trial provision in discussions with providers and agree any allocations by early May 2007.
- 72 Feedback from provider discussions will inform national office of agreement to fund trial provision as well as any emerging gaps in funding for the trial programmes as a whole. This will enable an assessment of how likely we are to reach the 25,000 learner target.
- 73 Learners on trial provision will be recorded as usual on the Individualised Learner Record (ILR). Each QCF qualification will have a specific Learning Aim Reference on the LAD and this is the one that must be used. Valid entry 69 in field A46 in the ILR should also be used to confirm the learner is a QCF trial learner. Data management changes in response to the UKVQRP and the QCF in particular will happen through the major changes timetabled for 2008/09. Substantive changes to LSC systems, and those that support them, are not possible until the QCF model is confirmed.
- 74 The LSC is exploring how the LSC might fund a credit and qualifications framework initially through the demand-led funding consultation. This confirms that there will be no significant changes to the current funding approach before 2008/09. A separate funding methodology is not being developed for the QCF independent of the work on a Demand Led system. It is also important to note that we cannot change our systems significantly until we are assured that a stable credit system is in place. There is therefore no unit-based funding methodology for the QCF trials.
- 75 The LSC is seeking to use all available opportunities to raise awareness of the UKVQRP and the QCF particularly amongst providers not directly involved in the trials. The LSC internet site will be developed to include an area which will provide briefing material and updated information.

## **C The Foundation Learning Tier (FLT)**

- 76 Ministers and the DfES see the development of the FLT as a priority for the LSC. Allocations for Level 1 and Entry Level provision which will evolve into FLT must therefore be treated as a priority in 2007/08 with a focus on Entry and Progression Pathways at Level 1. This should allow FE providers to maintain their teaching infrastructure for this area of work and thereby assist with the development of the FLT

- 77 The FLT embraces all high quality provision for learners aged 14 upwards who are working below Level 2 in the NQF/proposed QCF and non-accredited provision (if agreed and appropriate). The programme of work to develop new and existing provision into a coherent offer will be achieved through developments in units and qualifications (drawn from the QCF) and the identification and validation of Progression Pathways.
- 78 Trial sites for the FLT, using existing provision have been confirmed for 2006/07. From 2007 there will be phased implementation of the FLT and for adults this will focus on building a comprehensive set of Progression Pathways that will support learners towards Level 2 (and other significant destinations). Over time, and as resources allow, the LSC will focus public funding on a 19-25 entitlement to Progression Pathways.
- 79 The LSC will publish further guidance during summer 2007 concerning the transition of existing appropriate provision at Entry and Level 1 into the FLT.

## **D Skills for Life (SfL)**

- 80 The LSC's Annual Statement of Priorities, and the *Single Statement of Requirements*, drew attention to the:
- good progress made towards the national SFL target
  - intention to refocus resource on meeting the skills needs of those most at risk and the priority groups identified in the original strategy
  - growth in demand for English for Speakers of Other Languages (ESOL) and the subsequent review of funding arrangements for this provision, including the development of new ESOL qualifications, and
  - need to promote the take-up of numeracy provision.

## **Background**

- 81 The LSC's intention to increase the take-up of approved Skills for Life qualifications was first reflected in the policy statement on the Balance and Mix of Skills for Life provision in 2004/05. The aspiration to achieve an 80:20 ratio between approved SFL qualifications and non-approved SfL provision continues to be a priority in order to:
- improve the quality of teaching and learning
  - ensure we achieve the aims of the Skills for Life strategy and the 2010 PSA target
  - reflect the link made in the Leitch Review between gaining transferable qualifications and sustainable employment.

## **Current position**

- 82 The response to date has been variable across regions. The latest SfL data shows that nationally, the proportion of enrolments onto non-approved learning aims remains high, with only 55 per cent currently leading to an approved qualification. Non-approved courses do not offer learners the national, transferable qualifications needed for life, work and progression to a first full Level 2 and higher qualifications.

In addition to the issue of quality (which the introduction of approved qualifications sought to address), the LSC believes that high levels of continued expenditure on provision that does not lead to transferable qualifications for learners, does not represent best use of public funds. The following policy changes are therefore designed to support further the re-balancing of provision.

### **Policy changes for 2007/08**

- 83 At Levels 1 and 2, only the nationally approved Certificates in Adult Literacy, Numeracy and ESOL Sfl will be eligible for funding as basic skills provision, that is at the enhanced programme weighting of 1.4, with automatic disadvantage uplift. Non-approved learning aims at these two levels will therefore no longer be eligible for funding as basic skills; neither will they be seen as a priority for adult funding. From 2007/08, providers will be expected to change their existing non-approved Sfl provision at Levels 1 and 2 to nationally approved qualifications.
- 84 Discussions with providers will determine exactly what, and how much, non-approved provision overall the LSC will fund, however, the LSC will not expect to fund any lower priority non-approved literacy, language or numeracy provision no longer eligible for basic skills funding.
- 85 At Entry and pre-entry levels the position regarding eligibility for funding is unchanged. This is because the LSC recognises the need to provide more flexible routes into learning for those with the greatest distance to travel in terms of basic skills improvement. That is why the LSC will continue to fund, as basic skills, both nationally approved Entry Certificates and non-approved learning aims at Entry level (provided the latter are based on the national standards for adult literacy and numeracy), and pre-entry provision based on the pre-entry curriculum framework. There are no approved qualifications at pre-entry level.

### **Managing the balance and mix of Skills for Life provision**

- 86 The above changes mean that from 2007/08, providers will be able to continue to offer:
- non-approved basic skills provision at pre-entry level
  - either approved basic skills qualifications or non-approved provision at Entry Level, but only
  - approved basic skills qualifications in literacy, language and numeracy at NQF levels 1 and 2.
- 87 Data analysis shows that compared with Levels 1 and 2, a significantly lower proportion of enrolments at Entry Level are onto approved qualification aims. While this is not surprising, it does indicate that more needs to be done to ensure that learners at Entry Level get the opportunity to achieve nationally approved qualifications, where this is in their best interests.
- 88 The LSC will expect provider discussions to consider an appropriate balance at Entry Level that meets local needs but also encourages greater participation in approved qualifications. The LSC will be working towards a position where 80 per cent of

all enrolments across an LSC region at Entry Level are onto nationally approved qualifications and only 20 per cent are onto non-approved aims, in line with our national aspiration.

- 89 For clarity all enrolments onto nationally approved qualifications (at Entry Levels 1, 2 and 3), will form part of the 80 per cent approved provision aspiration. It is also important to understand that while learners who achieve approved basic skills qualifications at Entry Level 1 and Entry level 2 do not count towards the national target, enrolments onto approved provision at these sub-levels provide learners with a crucial progression route.
- 90 Similarly, enrolments onto units of approved qualifications at Entry Level (indicated by the use of ZUNA codes) also form part of the 80 per cent enrolment aspiration. However providers should ensure that learners following a unitised programme have the opportunity to achieve the full qualification, and should indicate as part of their strategic dialogue with the LSC, the extent to which unitised provision will contribute to the national target.
- 91 In summary the 80 per cent aspiration includes enrolments (at Entry Levels 1, 2 or 3) onto.
- a Nationally approved Entry Certificates in Adult Literacy, Numeracy and ESOL SfL.
  - b Nationally approved ESOL SfL Speaking and Listening only qualifications (although learners following these learning aims should be encouraged to achieve the other units that comprise the full ESOL SfL certificate, and therefore contributes towards the PSA target.
  - c Units of nationally approved Certificates (using ZUNA codes). Similarly, learners following units of nationally approved certificates should be encouraged to achieve the whole SfL qualification.
- 92 This approach will mean that we continue to address, at Entry Level, issues of quality and the aim of the SfL Strategy to up-skill adults through the achievement of nationally recognised transferable qualifications. The LSC would not expect to see any significant changes in the volumes of Entry Level provision, but rather a shift in the type of provision (from non-approved learning aims to approved SfL qualifications) offered to learners.
- 93 The expectation remains that the overall 80:20 balance in the mix of provision is sought and managed *across* regions; actual proportions applied will vary according to local and regional needs and the type of provider.
- 94 Where the current balance being delivered is not supporting the policy aim, regions may want to undertake specific commissioning to ensure there is an appropriate range of provision on offer.

### **Pre-entry provision**

- 95 The LSC will continue to support pre-entry SfL provision to encourage learner engagement and progression, but would expect all providers to encourage learners who are capable of studying at Entry Level to do so. Providers should also ensure

that sufficient good quality provision is available to meet the needs of pre-entry learners, especially those with learning difficulties and/or disabilities. In this respect, the volumes of provision at pre-entry are expected to remain fairly stable, with no reduction or increase without an understanding of the reasons for this through prior discussion with the LSC. Both Entry Level and pre-entry provision will, in future, form part of the FLT as it is developed.

## **English for Speakers of Other Languages (ESOL)**

- 96 From 2007/08 ESOL provision (both approved qualification and non-approved learning aims) will no longer attract automatic fee remission. Free tuition will be available only to individuals eligible for fee-remission through the existing fee-remission policy, for example, those who are unemployed or otherwise in receipt of an income-based benefit such as Working Tax Credit.
- 97 In addition, we will expect employers who actively recruit employees from outside the UK, to bear the full cost of any necessary English language training. Providers and brokers should make employers aware of this expectation as soon as possible in any discussions with them about meeting the needs of their employees.

## **New ESOL qualifications**

- 98 The following section expands the position set out in our Annual Statement of Priorities. In order to extend learner choice and provide suitable qualifications for people studying language mainly for work, the QCA is currently working with awarding bodies to develop and accredit a range of new ESOL qualifications.
- 99 In previous publications we referred generically to these as 'International ESOL'. Further discussion with DfES and QCA has now clarified that these new ESOL for Work qualifications will be a group of qualifications separate to the International ESOL qualifications. International ESOL qualifications are also in the process of being accredited by QCA.
- 100 The new ESOL for Work qualifications will focus on providing relevant skills for those who want to improve their English language skills but who do not need the more extensive Skills for Life ESOL courses. These qualifications will be eligible for public funding at programme weighting 1.0, and are likely to have a listed rate.
- 101 The International ESOL qualifications are intended primarily for the overseas market and for those who want or need an internationally recognised qualification. They will be ineligible for public funding.
- 102 Providers are expected to ensure that learners enrol onto learning aims that best suit their needs, taking into account their previous achievements and experiences, and the extent to which they are already literate in their first language.
- 103 Further detail on funding arrangements will be provided in the *Funding Guidance for Further Education for 2007/08* to be published at the beginning of April 2007.

## Numeracy provision

- 104 As in previous years, SfL strategic discussions should continue to differentiate between literacy, numeracy and ESOL provision to ensure the different needs of individuals, communities and employers are addressed. In 2006 the Skills for Life Strategic Forum Review identified numeracy as a particular area of concern and future focus. Regional action plans should ensure that the overall mix of provision takes account of the level of numeracy need in the region. Providers should be encouraged to promote take-up and give much greater emphasis to numeracy when planning their SfL provision. They should also be encouraged, where appropriate, to assess the numeracy needs of learners who are enrolled onto literacy and language courses to ensure their needs are fully met.

## E Higher Education Strategy and Higher Level Skills

- 105 The LSC has produced a [strategy](#) for higher education. It is intended that the strategy will establish the LSC as an active and influential strategic partner across the HE landscape. The strategy is built around four key themes:
- partnership
  - provision
  - participation
  - progression.
- 106 In addition, the recent White Paper *Raising Skills: Improving Life Chances* restates a commitment to the delivery of higher education in the learning and skills sector through continuing development of Lifelong Learning Networks (LLNs) and Foundation Degrees. The Leitch Review has also identified the importance of higher level skills and the LSC is presently taking forward work on developing a higher level skills strategy. The strategy will form both part of the LSC's response to Leitch as well addressing progression to Level 3 and higher level skills. It is critical in delivering the LSC's priorities and the continuing commitment to support the HE PSA participation target.
- 107 In the context of the balance and mix of provision Access to HE provision is identified within the strategy as a critical and important component of progression and it remains an expectation that this provision, where quality assured by QAA, should be secured and consolidated. It is also recognised as a full Level 3 qualification in the Labour Force Survey and is an eligible qualification within the LSC's Level 3 entitlement.
- 108 In addition, the Annual Statement of Priorities contains a commitment to supporting the expansion of higher level skills. It is therefore important, through the balance and mix of provision, to ensure the availability of appropriate vocational provision at Level 3 for adults and also higher levels skills at Level 4 and above. Ensuring the availability of appropriate progression routes from Level 3 and of higher level skills provision which is responsive to employer's needs will involve.

- Ensuring the availability of appropriate vocational provision at Level 3 for adults, alongside the availability of Access to HE, in order to support higher level skills and further progression.
- Working with Regional Skills Partnerships to ensure they take account of HE and higher level skills and learning.
- Developing links and working with HEFCE Regional Consultants to ensure that colleges and the LSC are proactively engaged with and support the consolidation and ongoing development of Lifelong Learning Networks (LLNs), particularly in priority areas and where provision is most sparse.
- Developing links with the Higher Level Skills Pathfinders (where appropriate).
- Developing links with Foundation Degree Forward (FDF) Regional Managers to support the continuing expansion of Foundation Degrees in identified priority areas.

## **F Strategic review and rationalisation of Learning Aim Database within Context of the VQRP**

- 109 As part of sub programme 3 of the UKVQRP the Qualifications and Framework Development and Data Systems and Analysis Teams have jointly commissioned a piece of work to undertake a strategic review of the current systems and processes for maintaining the LAD.
- 110 Currently, the LAD contains details of all learning aims delivered by LSC funded providers, including those available for public funding, ineligible learning aims and those delivered at full cost. The review will look at how the LAD can be developed to align more closely with future policy and will focus on seven broad types of provision.
- Learning aims that lead to external qualifications or certificates of attainment outside the NQF.
  - Learning aims that lead to internal qualifications or internal certificates for attainment (for example college certificated provision).
  - Learning aims with attainment but with no certification (for example certificate for completion) and which have assigned a generic learning aim codes.
  - Learning aims above Level 3 that link to membership of a professional body.
  - Learning aims that were previously approved under Schedule 2 to the former *Further and Higher Education Act 1992*.
  - Learning aims that are available on the LAD but are not eligible for funding.
  - Learning aims that relate to customised awarding body provision.
- 111 The aims of the project will be to look at the following aspects of the LAD in preparation of the introduction of the QCF from August 2008.
- Criteria for making changes to the LAD in line with national policy.
  - Scale of growth of learning aims on LAD.
  - Consider what rationalisation of the provision outside the NQF.
  - Relationship between the Sector qualification strategies and the LAD.
  - Eligibility (in the funding status fields) is linked to priorities.
- 112 Recommendations from the project will help to inform changes to the LAD for 2007/08 and 2008/09.

## **G Vocational Courses in Colleges**

### **Full time courses for learners aged 16-25**

- 113 A significant number of young people currently choose a vocational course at college as a route to employment. For some this may be because they are unable to find an apprenticeship in their chosen sector and geographic area, others may prefer college study before seeking employment. The purpose of full time vocational courses designed for such young people should therefore be to enable the young person to progress to employment. This means organising courses only where there is a realistic possibility of those who complete them gaining employment and ensuring that the qualifications they achieve equip them to gain employment.
- 114 The LSC wishes to see such courses identified as Programme-Led Apprenticeships and has, with the assistance of a range of representative bodies including the Association of Learning Providers and the Association of Colleges, developed a Strategy for these courses. This is the Programme Led Apprenticeships Strategy.

Key features of the Strategy are:

- matching employer demand for skills with courses offered
  - designing the curriculum in accordance with the content of the relevant apprenticeship framework, in particular addressing key skills needs and technical certificates during the full time course
  - developing real links with employers to maximise progression to employment
  - measuring success by progression as well as qualifications achieved.
- 115 LSC staff should give particular attention to progression into employment as a measure of success for such courses and be questioning where large numbers of learners are recruited without the development of employer links.

### **NVQ Provision Delivered in Colleges**

- 116 In accordance with the wishes of SSCs, the LSC is seeking to ensure that assessment of NVQ competence takes place only in work based situations. Whilst skills may be developed in an off the job setting, assessment of competence requires demonstration of competence in a working environment. The LSC will be working with SSCs and awarding bodies to move to a position where no NVQ assessment takes place in simulated working environments.
- 117 For further guidance on the design of full time vocational programmes for young people see the [Programme led Apprenticeship Strategy](#).

## **H Sector Qualification Strategies**

- 118 Sector Skills Agreements (SSAs) are fundamentally altering the way skills are demanded, delivered and developed throughout the UK. SSAs are facilitated by the network of employer-led Sector Skills Councils (SSCs) but are signed up to by everyone who supplies, funds and plans education and training. They map out exactly what skills employers need their workforce to have and how these skills will



be supplied – both now and in the future, they are about getting the right people with the right skills in the right place at the right time. SSAs are driving and reshaping LSC investment in skills. SSAs will reference the Sector qualification strategies /Sector Learning Strategies (SLS) as an action.

- 119 The timetable for SSA production and implementation can be found on [SSDAs website](#).

## **I Sector Qualification Strategies/Sector Learning Strategies.**

- 120 Emerging SQS/SLS will identify the range, type and level of provision which a sector needs and will be driven by employers. Since SQS are demand led, they will increasingly inform the LSC in terms of appropriate and fit for purpose qualifications, which should be supported by the LSC. They will also be developed within the context of the developing QCF.

## **J Adult Safeguarded Learning**

### **Personal and Community Development Learning for adults (PCDL) or provision identified as “learning for its own sake”**

- 121 The White paper *Further Education: Raising Skills, Improving Life Chances* restated the Government’s commitment to Personal and Community Development Learning: ‘Alongside the core economic mission, we remain strongly committed to learning for personal fulfilment, civic participation and community development, and are taking steps to strengthen the range and quality of such provision’.
- 122 PCDL is learning for personal development, cultural enrichment, intellectual or creative stimulation and for enjoyment. It is also learning developed with local residents and other learners to build the skills, knowledge and understanding for social and community action.
- 123 Ministers agreed last year that there should be a reform package for the planning and funding of PCDL to meet the changing needs of local communities and to ensure a good range and quality of opportunities in each area.
- 124 The principles underpinning our vision are that:
- access should be universal with most learners contributing some or all of the cost of their learning. There is no intention to reduce the amount of provision to more affluent or well-qualified learners so long as they are willing to meet the costs of their learning
  - those who have benefited least from the education system and are in most financial need should have greatest access to *public funding* for PCDL provision
  - access to PCDL programmes will not be based on prior educational attainment
  - LSC-established Partnerships at local level are the foundation of the reform of PCDL. Such partnerships (built from public, private, voluntary, community and faith organisations) should lever in other sources of funding or services and identify providers who can reach under-represented groups of learners

- there should be a wide range of PCDL programmes which are high quality, challenging and above all, inspiring
- overall levels of provision for personal and community development learning are maintained and are of high quality.

125 The term 'LSC-established partnerships' does not mean that the LSC is responsible for the administration or membership of the partnerships. As a funding body however, it should mean that the LSC agrees the parameters for the provision it is funding and ensures PCDL is not established in isolation from the rest of adult learning.

## Family Learning

126 Family programmes aim to encourage family members to learn together and often reach learners who will not attend an adult only programme. They are learning as or within a family. They should include opportunities for intergenerational learning and, wherever possible, lead both adults and children to pursue further learning; 'Family' is purposely not defined to enable adults and children with a range of relationships to participate together.

127 There are two clear strands of family programmes:

- a Family literacy, language and numeracy (FLLN) programmes designed for those with SfL needs and aim to improve;
  - the literacy, language and numeracy skills of parents
  - parents' ability to help their children and
  - children's acquisition of literacy, language and numeracy.
- b Wider family learning programmes specifically designed to enable adults and children to learn together or those programmes that enable parents/carers to learn how to support their children's learning. They aim to:
  - develop the skills or knowledge of both the adult and child participants; and
  - help parents/carers to be more active in the support of their children's learning and development and to understand the impact of that support.

128 Family programmes form part of the Safeguard for Adult Learning. They are not funded by the FE formula although indicative rates for FLLN programmes are set out in the **Family Programmes 2007/08** annual guidance. For 2006/07 and 2007/08 there will be £25 million for FLLN programmes and £12 million for WFL.

## Neighbourhood Learning in Deprived Communities (NLDC)

129 NLDC programmes should target groups of learners, some according to levels of prior achievement, to widen participation and encourage progression, especially to Skills for Life, Working Together, Change for Children, Regeneration and Community Cohesion and Citizenship.

130 The purpose of the fund is to:

*“support local voluntary and community sector organisations to develop*

*their capacity to deliver learning opportunities for residents of disadvantaged neighbourhoods". (Programme Guidance - DfES (2002-03))*

131 This is achieved through:

- enabling local LSCs to make a full contribution to the National Strategy for Neighbourhood Renewal and Civil Renewal through community based often informal learning and to build capacity of communities to respond to these agendas either through local Voluntary and Community Sector Learning and Skills Consortia or other mechanisms that can be maintained
- improving the quality of the learning provider base, including the development of small and community and voluntary community organisations
- through the provision of learning through neighbourhood, civil renewal and active citizenship skills and knowledge.

132 Further guidance will be published in late spring 2007.

## **K Provision for Learners with Learning Difficulties and/or Disabilities**

133 [\*Through Inclusion to Excellence\*](#), published in November 2005, is the report resulting from the national strategic review, across the post-16 sector, of the LSC's planning and funding of provision for learners with learning difficulties and/or disabilities. The review's overarching recommendation to take forward the vision of systemic transformation of the FE system was that the:

*"LSC should develop a national strategy for the regional/local delivery, through collaboration with partners, of provision for learners with learning difficulties and /or disabilities across the post-16 learning and skills sector that is high-quality, learner-centred and cost-effective."*

134 Following a public consultation on the recommendations made in *Through Inclusion to Excellence*, the LSC published its first ever strategy for provision for learners with learning difficulties and/or disabilities, [\*Learning for Living and Work\*](#), in October 2006.

135 The strategy will enable the LSC to fund provision for this group of learners which is learner centred and cost-effective in the use of LSC funds. It is envisaged that the provision will be developed through partnerships with other key agencies (such as health and social care) and learning providers to build flexible packages of provision (including appropriate progression and transition routes) that meet the learning aspirations and needs of this cohort of learners.

136 In its Annual Statement of Priorities for 2007/08 the LSC has made a public commitment to provision for learners with learning difficulties being a priority. This is particularly significant for FE which is the largest supplier of provision for learners with learning difficulties and/or disabilities. In 2004/05, 641,000 people self-declared as having a learning difficulty and/or disability (of which over three quarters were aged 19 or older). Locally and regionally there is a need to consider the report in funding provision. This will include an understanding of:

- a How this cohort of learners can effectively contribute to current and future targets.
- b How the LSC's funding of provision for learners with learning difficulties and/or disabilities can incorporate and acknowledge realistic timescales for progression as appropriate into employment, supported employment, or further education and training.
- c The need to ensure that appropriate provision for learners with learning difficulties and/or disabilities remains a priority in planning and funding discussions and meets the requirements of the funding agreements that the LSC has with its providers.
- d The provision for adults with learning difficulties and/or disabilities needs to be understood in a collaborative local context including the possible options for co-funding, and sensitivity to existing arrangements with local authorities including social services and other agencies.
- e Provision can be used to enable progression to employment and the acquisition of skills that enable people with learning difficulties and/or disabilities to play a full and active part in their communities.
- f Provision for learners with high support requirements may need to be planned regionally and/or on a sub-regional basis.
- g Quality improvement of discrete provision for learners with learning difficulties and/or disabilities can and should be embedded within provider general quality improvement plans etc.

## **L Ufi**

- 137 The LSC is working closely with Ufi to develop its learning offer through *learndirect* in order to fulfil their key role in supporting the adult learning and skills agenda. Ufi has already demonstrated a firm commitment towards prioritising provision that meets LSC's priorities (including offenders) and targets. Ufi's main contribution will be around the delivery of SfL provision and full Level 2 qualifications.
- 138 Regional LSC leads will want to work with area partnership teams to ensure that the provision funded in *learndirect* centres actually compliments and supports other learning activity in the area. Ufi's regional plans will need to be agreed and signed off by LSC regions.

## **M Offenders' Learning and Skills Service (OLASS)**

- 139 Offenders' learning and skills continues to be a key priority for the LSC in 2007/08. The LSC now has responsibility for planning and funding the Offenders' Learning and Skills Service (OLASS) across England. This provision encompasses learning for offenders in both custodial and community settings.

- 140 A specific budget for offenders in custody has transferred to the LSC. The LSC regional and local teams will commission existing LSC providers to make learning and skills available for offenders who are under the supervision of the National Probation Service (NPS) or Youth Offending Teams (YOTs).
- 141 Since 2004 the LSC and NPS have worked in partnership to ensure that appropriate Skills for Life provision was available to offenders in the community. OLASS will maintain the levels of provision delivered through those partnerships. The learning and skills offer must now be broadened to allow (within the constraints of the criminal justice system) offenders access to the entire range of provision which would be available to any other member of the community.
- 142 The LSC will continue to build upon the successful roll out of OLASS. At regional and local levels the LSC will need to meet the needs of offenders in their locality. Providers who are commissioned to deliver provision to this group in the community will need to demonstrate, through agreed plans, their intentions to make provision available to this group. It is also very important that lead providers in custody work closely with commissioned providers in the community.
- 143 A great deal of the inherited custodial provision does not directly contribute to our PSA targets. We will address the mix and balance of provision during the coming months.
- 144 Alongside this, offenders in the community will now be accessing mainstream provision, and therefore, the appropriate guidance relating to the appropriateness of mainstream provision should apply. A proposal is currently under consideration to increase the skills for life rates paid to mainstream providers who engage offenders in the community on SfL provision in 2007/08. This is to recognise the additional barriers that both offenders and mainstream providers face in accessing and delivering such provision. Details on implementing this change will follow in a separate communication.
- 145 Due to the nature of this client group, there will be a need for some additional bespoke provision to be secured, which is unlikely to contribute directly to PSA targets.
- 146 This provision will be funded through ESF and/or the funds (£9.4million) nationally available to support SfL provision for offenders in the community.

## **N Older Learners**

- 147 Older learners represent a key group of adult learners that providers should actively consider as part of their annual dialogue with the LSC.
- 148 Older learners in this context are usually regarded as those aged 50 or older. They are an important cohort in both the achievement of LSC targets and in achieving the aims set out in the Skills Strategy and the Leitch report. Consideration should be given to those older learners without a full Level 2 or Level 3 qualification and to those who require basic numeracy and literacy provision to help them to progress to, and achieve, the basic level of employability. This is particularly important in terms of

the changing demography and the growing need for older workers to help meet the skills shortages in our economy over the next 20 years.

- 149 Against the background of the Age Regulations which became law on 1 October this year, the LSC will want to ensure that funded provision will not discriminate against people on the grounds of age. In this respect, care must also be taken to ensure that in choosing to fund or not fund particular programmes, indirect discrimination against particular groups or other minorities does not occur.
- 150 The LSC will continue to encourage older learners and workers to enter and remain in learning as long as they wish and to derive the benefits that can flow from it. These include improved health, community cohesion, social inclusion and increased levels of skills and employability.

## **O 2012 London Olympics/Paralympics**

- 151 Staging the Games in 2012 will be an exciting and once-in-a-lifetime experience that will benefit both young people and adults throughout the UK and internationally, and that there is so much more to the Games than might already be imagined. The LSC is already working on many projects, and providers and regions need to be aware of the following:
- a The continued development of the 'Advanced Apprenticeship in Sporting Excellence', for elite 16-18 year old athletes. To date there are 5 sports participating and a further 9 sports expected to start the programme in 2007/08.
  - b Roll-out of the new volunteer and employed sports coaching qualifications in conjunction with the Department for Culture, Media and Sports and the lead governing sports bodies.
  - c The Pre-Volunteer Programme (PVP), a new Level 1 qualification focusing on those people most disadvantaged and furthest from the labour market. Although reducing the number of people identified within the category of worklessness is not a target for the LSC, the PVP constitutes one of the major strands of work that is demonstrating the aligned activity between the LSC and Jobcentre Plus.
  - d The national planning phase for London 2012 is coming to an end. This means that there will soon be national plans which regions will be expected to take account of and respond to. This is in addition to the plans being written by each Nations and Regions groups<sup>5</sup> led by Regional Skills Partnerships.
  - e Many thousands of contracts will be released by the Olympic Games and Paralympic Games delivery bodies over the coming months and years. The LSC is working with the delivery partners to ensure learning and skills are embedded

---

<sup>5</sup> The Nations and Regions Steering Groups were set up by the London Organising Committee for the Olympics Games (LOCOG). The groups are led by Regional Development Agencies and include a range of organisations. The groups are responsible for the development of plans which will outline how work to support the Olympics will be undertaken in the regions.

within the contracting procedures; some of these contracts will be with companies in regions other than London.

## **P ESF Match Funding**

- 152 The European Structural Funds, including the European Social Fund (ESF) operates in 7 year time frame programmes. The current programme, originally 2000-2006, has been extended and will continue delivering until July 2008 in most regions. The new programme, 2007-2013, is still being developed, and delivery is expected to start in January 2008.
- 153 Co-financing is the process by which a public body combines mainstream public resources and the ESF to commission strategically for the benefit of the ESF target groups.
- 154 Match funding is the descriptor given to the mainstream public funding used to co-finance ESF in the strategic commissioning of a co-financing plan (the planned delivery to ESF target groups). The ESF funding is used wholly to fund the additional tendered ESF element of the provision.
- 155 Currently the LSC uses a wide range of its mainstream funding (including FE, WBL and Train to Gain) to match ESF funding. This is likely to continue in 2007/08.
- 156 The LSC will match fund the new programme using mainstream funds which have been tendered, for example Train to Gain; Apprenticeships; E2E and other programmes to be confirmed later. Any provider, delivering any approved match funding programme, could be used to match fund activities in the new programme. It is unlikely that the LSC would consider using FE or Schools Sixth Form funding as match in the new programme.
- 157 Under the current match funding arrangements ESF match learners require the completion of additional data sets compared with other mainstream learners. The proposal for the new programme (subject to EC approval) is that the LSC would collate only one set of data for both ESF and mainstream learners. This will result in a net reduction of administration and bureaucracy associated with the matching process.
- 158 Match funding in the new programme will be eligible from January 2007, although the LSC is unlikely to wish to capture any match funding until April 2007 at the earliest. The LSC will also be collecting match funding for the current programme during calendar years 2007 and 2008. Any provider delivering provision to be used as match funding for either programme will be notified by the LSC.
- 159 The LSC intends to tender for delivery of ESF provision in the new programme from Autumn 2007.
- 160 The LSC expects to be able to make approved reductions to the data required of match funded provision in ILR requirements for the new programme, for the 2008/09 academic year, after the current programme has closed.

161 If you require additional information on the impact of ESF in your region, please contact your partnership advisor in the first instance.

**Q Key principles for developing a coherent regional approach to manage the balance and mix of provision**

162 A consistent approach to managing the balance and mix of provision across regions is needed to:

- a Maintain a rich and diverse learning offer.
- b Assess the extent to which the portfolio of provision directly contributes to LSC targets and priorities and to understand the rationale and need for provision where the relationship to targets and priorities is less clear.
- c Develop a coherent and consistent regional approach to decisions regarding the funding of a range of provision (both within and outside the NQF) that meets the needs of learners, employers and communities.
- d Develop consistent and coherent strategies and approaches on how changes to the mix, level and range of provision are identified and their impact assessed in respect of equality and diversity issues, learner need, local and regional priorities, national targets and funding.
- e Improve the quality of provision - (relevance, effectiveness and efficiency).
- f Avoid a simplistic 'quota' approach to reducing lower priority provision without determining the potential for contribution to LSC targets, and importantly priority learners outside immediate PSA target areas.