

Review of the Impact of LSC's Agenda for Change on Adult Learning

**Notes of meeting with Peter Brammall, Acting Chief Executive Derbyshire Learning and Skills Council
21 November 2005**

PRESENT:

Commission Members

Councillor Anne Macdonald (AM)	Chair of Education Commission
Councillor Les Allen (LA)	Vice Chair of Education Commission
Councillor Pauline Latham (PL)	Member of Education Commission
Councillor Shiraz Khan (SK)	Member of Education Commission

Co-opted Members

Tony Walsh (TW)	Derby Racial Equality Council
David Edwards (DE)	Diocese of Derby
Dr Keerthi Devendra (KD)	Member of Education Commission

Witness

Peter Brammall (PB)	Learning and Skills Council
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Also Present

Councillor Chris Wynn (CW)	Cabinet Member for Children's and Education Services
Andrew Flack (AF)	Director of Education
Mahroof Hussain (MH)	Overview and Scrutiny Coordinating Officer

APOLOGIES:

Councillor Liversedge	Member of Education Commission
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INTRODUCTION:

1. Chair welcomed Peter Brammall from the Learning and Skills Council (LSC) and invited him to give a presentation and answer questions focusing on the LSC changes and the effects they will have in Derby on Adult Learning.
2. The Commission will meet at a later date to discuss the outcomes of this meeting and meetings with the Learning Providers.

PB's PRESENTATION:

- Overview of Learning Skills Council
- Agenda for Change
- Funding Issues and Changes in the LSC

Overview of Learning Skills Council

3. LSC is an organisation that is involved in planning and funding post-16 education. It was formed from a merger of Further Education Funding Council and Training and Enterprise Council. LSC is national organisation with local and regional representation where local representation is based around county boundaries. PB heads up Derbyshire LSC.

Priority 1 - Ensure all 14-19 year olds have access to high quality, relevant learning opportunities

4. Key aim of influencing 14-19 year olds as it is important to reach younger people with information about education and career options rather than waiting until the pivotal age of 16. At this age people often opt out of training rather than staying and gaining the skills they will need for their career. LSC has been involved with partners such as the Local Education Authority (LEA) in raising awareness on this to keep more people in education.
5. LSC have also been behind the Derbyshire Skills Festival promoting vocational options for young people.
6. LSC undertake funding and planning for school sixth forms, for apprenticeship programmes and workforce development more generally and of course further education (FE) in colleges in Derby.
7. This priority goes beyond the 14 -16 and includes work undertaken by the Education Business Partnership run through Connexions which fosters better links between businesses and schools.
8. LSC also fund programmes such as the Increased Flexibility programme and Young Apprenticeships in order to widen the choice of vocational subjects available. There has been a direct correlation between these sorts of programmes and the success we are now seeing in the uptake of apprenticeships. Indeed apprenticeships in Derby are up 34% this last year compared to the year before.

Priority 2- Make learning truly demand led so that it better meets the needs of employers, young people and adults

9. Aim to make sure learning provision meets the needs of employers and communities as well as those of individuals.
10. Focusing on the employer; Employer Training Activities have been piloted across the country, including in Derbyshire, over the last few years and are now about to be rolled out nationwide. These provide flexible learning provisions, typically within employers' premises rather than in FE colleges as had been the case.

11. The LSC uses the Sector Skills Agreement, developed by the Sector Skills Council, which articulates the needs of employers and individuals in a particular sector to make sure the provision delivered from a vast range of providers is in line with those sector's needs and the needs of the local economy.

Priority 3 Transform the learning & skills sector through agenda for change

12. The Agenda for Change is covered in more detail below.

Priority 4 - Strengthen the LSC's role in economic development so that we provide the skills needed to help all individuals into jobs and lifelong employability

13. To strengthen the LSC's role in economic development the LSC has undertaken working with partners who are party to Local Area Agreements in a whole range of economic development activities. Working together in this way ensures that funding and planning is aligned with that of the partners and stakeholders, where possible pooling resources, so there is no duplication and to make sure that collective resources are productive for Derby and the local area.

Priority 5 Improve the skills of the workers who are delivering public services

14. By working with other partners the LSC is not only improving the skills of workers in public services but is also endeavouring to make sure that other parts of the public service are more radical and flexible like the LSC to get more people in apprenticeships.

Priority 6 Strengthen the capacity of the LSC to lead change nationally, regionally & locally

15. Aim to make sure we have the right people and roles to lead change in the above services at a local, regional and national level.

LSC Council

There are a range of people on the Council including employers, education leaders, voluntary sector and union representatives who help steer the investment of approximately £155m in Derby. All have keen interest and influence in steering the LSC.

Agenda For Change

There are six themes,

16. Excerpt from introduction to Agenda for Change Prospectus launched recently, written by Bill Rammell (Minister for Higher Education & Lifelong Learning).
17. Further Education as the engine room for skills and social justice in the country, equipping businesses with the skills they need to compete. It goes on to reflect on the successes sectors have had and those the LSC and its partners have had and what more there is that can be done, which is what the Agenda for Change hopes to introduce.

18. It talks about UK lagging behind its peers in economic productivity; 300,000 young people leave school with fewer than five GCSEs and there are millions of adults who cannot read or write. These are the imperatives for change and need to do things better and more effectively.

Themes of Agenda for Change

19. The sense of the need for change was borne out of the LSC Chief executive Mark Hayson talking to people across the country of the need for change.
20. Funding – radical simplification of what is currently a very complex funding system. It seeks to ensure the focus is on delivery and outputs rather than funding qualifications.

Skills & Employers – FE and LSC provision needs to be in place where employers value and have confidence in it. Increasingly the LSC will fund only accredited providers and colleges to ensure this. The accreditation will be vetted and endorsed by business rather than by the education system itself. This is to ensure that businesses will buy into and value the provisions the LSC puts on through the Employee Training Programme.

Quality – The LSC will only buy high quality provisions and only commission high quality services. This has been the approach in Derby and Derbyshire over the last five years and have eradicated significant portion of poor quality provision. All the providers are now rated at least satisfactory and some are excellent.

Data – collect what the colleges need to run their own business and the aim to pull away from bureaucracy and focus on the delivery

Business Excellence – typified by Capital Investment Strategies which will help the sector as a whole and to assist the providers to focus on the learners and the community.

Reputation – higher profile and accredited based reputation developed particularly with business if LSC is to deliver.

Funding Issues and Changes to the LSC

21. The funding issues were raised. There have been funding changes and cuts that came about five or six months ago and we now need to determine how the LSC will develop a new funding strategy across the board.
22. A Strategic Area Review was undertaken. This was a fundamental review of post-16 provision but also looked at provision regarding 14-16 year olds for the reasons mentioned earlier. Out of this review a strategy emerged for both young people and adults as to how the LSC takes provision forward. The recommendations, which were gained at a series of events held over 18 months to garner views from all corners of Derbyshire, are available on the website.

23. In terms of adults in particular, one of the recommendations is to set up an Adult Skills Board, which will invite representatives from all of the key players including; providers, funders, employer representative groups and local authorities.
24. There are a range of providers and a vast range of provision funded by the LSC which can be put under the heading of Adult Activity:
- FE – Further Education College
 - ACL – Adult and Community Learning also funded through the LEA
 - VCS – Voluntary Community Sector, the LSC funds a wide range of voluntary groups
 - WBL – Work-Based Learning and Apprenticeships programmes mentioned earlier
25. In addition to the above, a lot of funding also goes into co-funded ESF programmes.
26. There are policy drivers and key priority funding for the next few years. These have been around in Derby and providers here have been aware of these as local points for investment. It is increasingly the case that much more of the LSC's money will be targeted towards these key priority areas, particularly in 16-18 activity, keeping people in education and training.
27. There will also be a commitment to a free education for adults who have as yet to reach the basic employability standard of Level 2 qualifications, which many employers regard as the entry point for employability.
28. Skills for Life and Apprenticeships will also not cease to be priorities.
29. The above are the drivers that determine the bulk of LSC investment ensuring that the LSC can hit the key policy imperatives set by the Government.
30. In order to assist with funding, there has been a debate over relative contributions from the state, the individual and the employer. The overall money that has gone into education and training in Derbyshire has increased year on year but due to the success of the improved provisions, with more people staying in education and the apprenticeships programme taking off, the LSC can no longer afford to fund everything that everyone wants to do. Inevitably this means that decisions must be made as to where the remainder of the required funding comes from. It has been decided that the best answer to this is that individuals and employers, where appropriate, contribute to the cost of their own education and training.
31. The headlines have been about cuts but this has not been the case but rather has been down to the reprioritisation mentioned earlier. Indeed the actual figures are much more positive:

Nationally, FE funding is up 29% on previous years with average increases of 4.4%.

90% of colleges in the country received more money this year than last year.

In Derbyshire, there has been 20% uplift in 16-18 year old participation in FE.
Apprenticeships are up by 34%
It is easy to see how the massive growth in these areas inevitably puts pressure on fixed budgets.

32. The LSC delivers best at a local level and wants to increase the capacity at this level. There is the hope that by centralising the administrative service to regional level, making Derby one of five areas covered by the Leicester LSC in bureaucratic matters, this will free up money from the local administrative functions making it available to be put back into learning.
33. Funding changes will also enable the LSC to work more effectively with partnerships than has previously been the case with relationships with partners been at a strategic rather than a micro-managing level.

QUESTIONS:

PL's questions

1. Concerned that funding decisions will be made at meetings that are not public and that the minutes are not published either.
2. Employing new senior people to spend the funds which are increasingly more stretched appears a false economy. Seems to PL that learners will never see this money as it will be paying those who decide how to spend it.
3. Concerned that LSC is restricting funds to specific groups of learners e.g. by only funding accredited qualification courses may have a detrimental impact on health of population as removing funding from non-qualification courses which provide interest and social activity for some groups such as the elderly or those who need a confidence boost to help them get back to work.
4. Concerned about PB's opinion on the importance of the reputation of the LSC

PB's responses

3. Seen people described above benefit from these courses and the LSC is not talking about eradicating them altogether but rather creating a balance between competing budgetary pressures. About fulfilling needs of all learners and making decisions between different learners and their needs.
2. Rather than employing more people, there is actually going to be a reduction of staff but also a redistribution of staff. This will mean that the LSC can provide a better service with less staff.
1. Agree that the LSC is not publicly accountable for spending in the same way that a local authority is accountable but independent inspectors have praised the level of partnership working and collaboration, with particular reference to the openness and transparency with which the LSC and its partners conducted their business. LSC members are also elected to their positions and come from, and represent, the entire local community. Minutes of the aforementioned meetings are also published.
4. PB is proud of the LSC's reputation but when talking about reputation was referring to the sector as a whole and that a good reputation was needed to encourage use of the provision by business.

KD's questions

1. What steps are being taken to ensure that courses provided by different organisations reach the same level of quality and standards?
2. Are there any plans to introduce courses which would be beneficial to small businesses?

PB's responses

2. There are already programmes such as the Leadership & Management Programme that are specifically targeted at small micro businesses. This will also be strengthened by the Employee Training Programme which provides broader and more flexible training. A pilot in Derbyshire known as Valuable Skills was also very successful with small businesses. There are also programme reforms working to better this area further.
1. In terms of quality control, there are Sector Skills Agreements which help to determine the quality required of qualifications in the sector. In addition, independent inspectorates have a role to police quality standards in courses from all providers.

SK's question

1. Concerned about making learning demand led – what happens to courses which are not necessarily the most popular but are necessary, will they suffer because there is a demand for other courses and so funding is diverted to them instead?

PB's response

1. There is a problem of, on the one hand, meeting Government targets e.g. increased uptake of apprenticeships, and on the other hand providing what is more suitable locally, which is discerned from advice from local partners. Sometimes there may be a conflict here.

AF's questions

1. Suggestion that we use the demand-led system to advantage by leading demand ourselves and encouraging areas that are important locally to stimulate demand.
2. What levers do we have to make sure there is a strong network of providers rather than a list of individual ones?
3. Is there a distinctive role for ACL services or are they left to be locally determined?

PB's responses

1. Agree that stimulating demand is at the heart of what the LSC and Local Authorities are working together on.

2. People who are involved in providing these services and who have an influence on decisions are signed up to a principle of collaboration.
3. There have been immense changes on ACL in the last couple of years, with more detail coming in the next six months. It is thought to be aiming at a mix of national policy imperatives and a very strong overview of the local flavour and local fitness for purpose.

LA's questions

1. Will this commission be invited to contribute to the discussions about ACL?
2. Concerned about possible demise of elderly take up of courses following redistribution of funds.

PB's responses

1. Discussions on ACL will be subject to national consultation exercises and there is an intention that the LSC engage with local partners, this commission included, to determine how best to implement ACL policy in Derby and Derbyshire. Indeed there is an expectation that the local authority will be part of the Adult Skills Board mentioned earlier. It is this Board that determines how we utilise funding and not just in ACL.
2. Rather than funds being redistributed away from courses likely to appeal to the elderly, the split of adult funding is actually in favour of the leisure learning group mentioned above.

TW's questions

1. Which sectors have the increases of apprenticeships been in, and is there any information on the demographics e.g. age, ethnic group, gender &c, who are taking up these apprenticeships?
2. Does the LSC have any input in making sure that providers meet equality targets, or if not, do you think it ought to be in your remit?

PB's responses

1. Will find out the exact figures and report back but confident that the LSC has achieved better than the set equality targets.
2. Believes that it is very much the LSC's role to ensure this and Derbyshire has been at the forefront of working for this. The LSC sets targets for all of its providers, called EDIMS (Equality & Diversity Impact Measures) ensuring that the population they are targeting is reflected in the population which take up the services offered.

CW's question

1. LSC has done a good job in rolling out Adult Learning to areas of social deprivation around the city. How does the LSC fit in with the Neighbourhood Working Agenda?

PB's response

1. The LSC is changing in order to increase its capacity for working at the neighbourhood level. 'Localness' is where it delivers and where it has the greatest impact and will be improving through the changes it is now implementing. The Neighbourhood Learning in Deprived Communities Fund already invests about ½ million in interested bids. The LSC would like to commit to the Local Area Agreement (LAA) to benefit this area without duplicating what is already funded to ensure maximum value.

AF's question

1. Are there any other LSC funds that will be made available to the LAA?

PB's response

1. There is a desire to be more involved in this area and this will be examined and budgets aligned wherever possible.