



DERBY CITY COUNCIL

Review of the Impact of Learning and Skills Council's Agenda for Change on Adult Learning

Education Commission

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Review of the Impact of Learning and Skills Council's Agenda for Change on Adult Learning

1. Executive Summary

1. Members of the Education Commission learned that Derby College was reducing its adult learning provision in the city which could potentially affect thousands of learners. Members suspected that this may be in response to the Learning and Skills Council's (LSC) national Agenda for Change Programme and resolved at their 19 September meeting to review the likely impact of the Learning and Skills Council's Agenda for Change Programme to deliver post-16 education on adult learning in Derby.
2. The Commission received evidence from a number of learning providers to assess their understanding of the agenda for change and to consider the impact on adult learning in the city. The commission also received evidence from principal of Derby College and the Acting Director of the LSC.
3. The LSC's Agenda for Change proposes a programme of fundamental changes to the learning and skills sector which apply to the whole post-16 sector. The LSC has identified seven key areas:
 - Skills for employers
 - Quality
 - Funding
 - Data
 - Business excellence
 - Reputation
 - Transformation
4. The skills for employers programme seeks to increase the skill levels in the adult population to enable our businesses to compete with international competitors and bridge the productivity gap. Under the quality objective, it aims to support improvements in quality among all providers and all subject areas by developing a culture of self-improvement and peer- referencing where colleges can learn from one another. The LSC proposes to make a radical shift in the funding system to focus on the delivery of training and achieving outputs rather than on qualifications. This will move away from the current situation which is considered to be complex and bureaucratic and causing difficulties for the providers as well as the LSC.
5. The LSC will also seek to reduce the bureaucracy attached to current data collection procedures, focus on value for money and benchmarking against comparable organisations and provide a clear vision for providers which will

enhance the reputation of the sector. There will also be changes to the LSC itself. It aims to reduce its staffing levels from 4700 to 3400 nationally and save £40m on management and running costs which it expects to benefit more than 80,000 adults.

6. The evidence from the learning providers states that developing the learning courses and engaging people in the learning process is quite complicated. Providers have to identify and meet the needs of the learners whilst maximising their income through contracts with the LSC. For the Adult Learning Service the provision of English for Speakers of Other Languages, ESOL, courses is its largest single subject area with approximately a third of its budget allocated to this. Concessions are paid by the City Council to certain groups to access their courses. The Lees Brook Community Sports College uses innovative methods to attract and retain learners on its courses.
7. All funding streams will be changing in 2006/07 under the Agenda for Change Programme. The evidence from by Acting Director of the LSC confirms that LSC's can no longer afford to fund everything that everyone wants to do and therefore decisions need to be made on accessing funding for certain types of courses. The LSC considers that the best answer to this problem is for employers, and where appropriate, for individuals to contribute to the cost of their own education and training.
8. The LSC has the responsibility for co-ordinating adult learning in the city, however, some elements of this are carried out informally by providers through the Derbyshire Learning Partnership. Co-ordinating provision by providing information on the type of courses offered and consistency of fees would be useful for the learners.
9. The Commission identified links between adult learning and health particularly for older people which need to be explored with the health sector.
10. The Commission was informed that the biggest impact of the change agenda for the Adult Learning Service will be to maintain courses at affordable rates and grow workforce training.
11. A key impact of the changes for colleges under the Agenda for Change will be to shift the identification of strategic priorities away from the Governing Bodies towards the LSC. It also provides a new policy for raising fees for further education.

2. Recommendations

12. The Commission has made a number of recommendations to take adult learning forward in Derby.

Recommendation 1

13. A major proposal of the Agenda for Change is to centralise the administrative services to regional level and potentially making Derby one of five areas to be covered by Leicester LSC. This proposal could adversely affect local focus and delivery. The Commission recommends that Derby City Council is formally consulted on changes to administrative structures. The Commission further recommends that each LEA is represented on the new LSC Board to ensure local needs are identified and taken into account when developing strategic policies.

Recommendation 2

14. Evidence suggests that there is currently no local strategic body to develop and deliver adult learning in the city. The Strategic Area Review recommends setting up an Adult Skills Board. Derby is large unitary authority with varied needs. The Commission recommends that a local strategic body be established that is responsible for the development and delivery of adult learning in the city.

Recommendation 3

15. The level of funding to the Council's Adult Education Service has been split evenly between FE and ACL provision; but the current focus on attainment to level 2, level 3 and provision for 16 – 19 year olds may be expected to divert resources away from ACL provision. The Commission recommends no reduction in the budget for Adult Learning Service. Further more, the Commission is of the view that the Council should use the funding to best advantage potential learners who would be worst affected by the LSC changes, and to minimise the affect of the changes on people who may have been away from and / or disaffected by the learning environment, but who want or need to re-enter it (not necessarily beginning with a qualification course), and / or who would otherwise benefit from the stimulation of learning alongside others, and to offer support to people who cannot afford the cost of attending the courses, such as those on low income and / or having no transport.

Recommendation 4

16. The Commission learnt that the current provision is haphazard with little information on the type of courses being offered in the city which can be

confusing for learners. Having access to relevant information would be very useful for learners. The Commission recommends that the LSC should provide better co-ordination of provision in the city. It should collect data on where students come from and encourage providers to deliver courses in local communities. It should develop a strategic overview of the geographic distribution of courses in the city to improve co-ordination, ensure courses are run at capacity and reduce unnecessary duplication. The providers could be signposted towards regeneration monies where appropriate to help them provide courses in neighbourhoods and put innovative learning into practice.

Recommendation 5

17. The LSC should also investigate the possibility of producing a brochure or directory that provides information on all the courses in the city, effectively a one stop information point on all the courses in the city. It is also recommended that Derby City Council (DCC) investigate the possibility of maintaining and displaying in all appropriate Council outlets such as Adult Learning Centres, libraries and museums, leisure centres, community centres etc, a comprehensive range of updated learning opportunities information, provided by:
 - Learning and Skills Council
 - Derby City Partnership - Local Learning Guide
 - Derby City Council departments – up-to-date booklets and leaflets from: the Adult Learning Service, libraries and museums, and leisure centres (whose physical education courses on yoga, exercise, aerobics etc., are similar to those offered by ALS).
 - other providers who wish to take part
18. It is also recommended that the DCC investigate the possibility of displaying the same information on a single, one stop website; and making it available on a single, one stop telephone helpline.

Recommendation 6

19. It was also stated that providers often charge different rates for the same type of course. Although it is important to introduce healthy competition, the LSC should establish appropriate unit costs and encourage providers to deliver value for money on the courses.

Recommendation 7

20. The government seeks to increase literacy and numeracy. Teenagers leaving school with low levels of basic skills are unlikely to go back into

education immediately after leaving school unless they are given some incentives or have had positive experiences during their schooling years. It is therefore necessary to improve the confidence of the learners by providing types of courses they need. Evidence from Derby College states that all courses contain a high proportion of basic skills. It is therefore suggested that the LSC should provide for different routes into learning as no one size fits all and that non vocational courses should be protected where ever possible. The Commission does not wish to see a loss in all leisure courses as they provide a valuable service to vulnerable people in the city, particularly older people to keep them active and reduces their isolation.

Recommendation 8

21. The learning providers stated that information on funding is often announced late in the summer making it difficult for them to prepare their programmes. It is recommended that funding arrangements by the LSC should be completed as early as practical to enable providers to develop their training and publish their prospectuses well before the Autumn Term.

Recommendation 9

22. The Commission was informed that the LSC Board minutes are available to the public. However, experience suggests that it is not very easy to access them. The Commission therefore recommends that the LSC makes its decision making process more open to the public to improve confidence and accountability.

Recommendation10

23. The LSC should review the impact of the changes on provision of learning in the city and present its finding about courses that are likely to be affected as a result of the changes in funding to the Commission at a future date.

Review of the Impact of Learning and Skills Council's Agenda for Change on Adult Learning

3. Introduction

24. Evidence from the House of Commons Committee of Public Accounts shows that millions of adults lack basic skills in reading and writing whilst thousands of young people leave school with fewer than five GCSEs.
25. The Further Education Act 1992 made significant changes to the provision of post -16 education. Colleges were taken out of local authority control and were incorporated to effectively operate along the lines of private companies within the state sector. Governing bodies and colleges owned the capital assets and organisations were in effect managing the resources.

Terms of Reference

26. Adult learning courses are delivered by range of providers from the private, voluntary and statutory sector to more than 20,000 part-time adult learners in the city. Derby College has supported the provision of adult learning over a number of years through franchises with local providers. Members of the Education Commission learnt through the local press that Derby College was reducing its adult learning provision potentially affecting thousands of learners. Members suspected that this may have occurred in response to the Learning and Skills Council's (LSC) national Agenda for Change Programme. Members therefore resolved to review the likely impact of the Learning and Skills Council's Agenda for Change Programme to deliver post-16 education on adult learning in Derby as part of its annual work programme setting at its 19 September 2005 meeting.

4. Methodology

27. The Commission sought views from a selection of learning providers to assess their understanding of the agenda for change, what they consider to be the impact on their organisation and on adult learning in the city and how learning providers were seeking to respond to the changes.
28. The first set of meetings were on Monday 24 October at Middleton House, St Mary's Gate and included a representative from the Adult Education Service of the Council and from Lees Brook Community Sports College. Representatives from the Derby Asian Women's Training Association were also invited but due to staff shortages, were unable to contribute to the review.
29. The second meeting was held with the Principle of Derby College at the new Joseph Wright Centre. This provided members the opportunity to

appreciate the new building whilst understanding the role of the College in adult learning .

30. The Commission finally heard from the Acting Director of Derbyshire LSC to explain the Agenda for Change Programme and how it was being delivered locally.

5. Learning and Skills Council - LSC

31. Learning and Skills Council is a statutory organisation with the responsibility for planning and funding post-16 education. Its main role is to identify local skills needs and develop learning that meets the needs of employers and the community. It was formed from the merger of Further Education Funding Councils and Training and Enterprise Councils. Local LSC's are based around county council boundaries and have representation from a range of people including employers, education leaders, voluntary sector and unions. It invests approximately £155m in post 16 education in Derby.
32. The LSC has a central planning role similar to that played by the Manpower Services Commission in the 50's and 60's which is linked into local responsiveness. The current key priorities from the Government's skills strategy focuses on policies for 16-19 year olds, basic skills, level 2 entitlement and employer responsiveness. There is a rank order for priorities requiring the college to stop providing certain courses whilst others are increased. There is also an element of competition by having to tender against private organisations. There is pressure on the budget as it arrives in the institution. Although the budget has been increasing, it comes with certain priorities set by the Government often with very little notice of change.

Level of qualification	Equivalent to
2	GCSE grades A*–C
1	GCSE grades D–G/11 years
Entry level 3	9 to 11 years
Entry level 2	7 to 9 years
Entry level 1	5 to 7 years

6. Agenda for Change

33. The LSC's Agenda for Change proposes a programme of fundamental changes to the learning and skills sector. Although the LSC has worked with Further Education (FE) college principals in developing the

proposals, it believes that the principles apply across the whole post-16 sector. The LSC has identified seven key areas:

- Skills for employers
- Quality
- Funding
- Data
- Business excellence
- Reputation
- Transformation

Skills for Employers

34. The skills programme seeks to increase the skills of the adult population and equip the businesses to compete with our international competitors and bridge the productivity gap. It proposes to create a nationwide network of Colleges and other providers to work with employers to design training tailored to their particular needs. The network members will be quality marked and conform to a new national standard. It will also develop the National Employer Training Programme (NETP) as a powerful tool for demand led training, with skills brokers working with employers to identify the most appropriate providers who can meet their identified training.

Quality

35. The aim is to support improvements in quality among all providers and all subject areas. To achieve this it will develop a culture of self-improvement and peer- referencing where colleges can learn from one another. It will seek to ensure more effective measures of performance and strategically link quality assurance to development planning. The LSC will only fund priority led high quality provision. Quality improvement measures will be built into the assessment of development plans. Failure to improve satisfactorily will determine the funding that the provider receives.
36. The Measures for Success initiative will develop measures that will provide for comparability across the sector. These will include value for money, responsiveness to employers and how well the provision meets the needs of learners. The measures of success for each provider should align with their mission statement. The LSC will expect Leaders and Managers to address issues of under performance in staff to bring about improved quality in the management of provision.

Funding

37. The current funding is considered to be complex and bureaucratic which causes difficulties for all providers as well as the LSC. It therefore proposes a radical shift in funding system and focuses on the delivery of

training and achieving outputs rather than on qualifications funding. Although these proposals were developed in consultation with Colleges they will be extended across the full range of providers. Plan led funding is already being implemented. This will take account of the individual strengths of providers.

38. The LSC will support providers in the delivery of their plans, monitor their performance against the plan and agree changes to both the plan and the funding in the following year. It will introduce a common funding method which will enable it to allocate funds to whichever provider is best suited to deliver their priorities.
39. A standard learner numbers concept will be introduced which will take account of the size of each learners programme but which does not require each element of the programme to be funded separately. It may prove possible to measure standard learner numbers in terms of the volume of credits assigned to units which will form the building blocks of learner's programmes.
40. A provider factor will be calculated to take account of each mix of programme disadvantage, and the need for additional learning support. This will be derived from the data which a provider collects for itself.
41. Funding rates will be dependant upon whether the provision is fully funded or co-funded. Fully funded provision would include skills for life and first full level 2. Co-funded activity would be reduced to reflect the assumption that a fee is being paid equivalent to 27.5% of the course funding in 05-06. This is expected to rise to 37.5% in subsequent years.
42. A new allocations system will be introduced which guarantees core funding of 90-95% of the previous years allocation. The remaining funding plus any growth will be a commissioned element which the LSC will use to meet it's priorities. This will give the LSC leverage to ensure that the whole of a provider's plan addresses LSC priorities.

Data

43. The focus of this element will be on reducing the bureaucracy attached to current data collection procedures. A revision to the funding methodology and standard electronic data exchange with awarding bodies is expected to lead to substantial financial savings attached to the collection of data. Changes will also need to be made to both the learning aims data base and the individual learner record in order to reduce data collection costs.

Business excellence

44. The key focus here will be on value for money and benchmarking against comparable organisations. Providers will be expected to follow the best procurement practices.

Reputation

45. The LSC will provide a clear vision for providers which will enhance the reputation of the sector. A new marketing and communications strategy will serve to build the reputation of the sector. A culture of transparency will be developed to enable all stakeholders to look at the performance of both providers and the LSC itself. Learner satisfaction surveys and the national employer skills survey will be built on to regularly monitor shifts in public perception.

Transformation

46. This relates to the transformation of the LSC itself. It aims to reduce its staffing levels from 4700 to 3400 nationally and save £40m on management and running costs. It states that the savings would benefit more than 80,000 adults.

7. Key points arising from the interviews with witnesses to the review

7.1 Adult Learning Service and Lees Brook Sports College

47. The Commission received evidence from the Deputy Head of the Council's Adult Learning Service and the Assistant Head and Director of Lifelong Learning at Lees Brook Community Sports College at a joint session.
48. The Adult Learning Service is part of the Derby City Council's Education Service and provides accredited and non-accredited provision from approximately 70 venues in the city throughout the year. The venues range from free standing centres such as the Rycote Centre, local community centres and schools. There are approximately 10,000 enrolments every year taken up by 7000 learners. Some learners enrol on more than one course.
49. Funding for adult learning courses is obtained equally from the Derbyshire Learning and Skills Council for the two types of provision - Further Education (FE) and Adult Community Learning (ACL).
50. The Commission was informed that identifying the types of courses and engaging people in the learning process are quite complicated. Learning providers carry out complicated data manipulation exercises to maximise income and reach their FE targets. The LSC establishes the level of post 16 provision and enters into contract with the providers to deliver against set targets. The providers try not to exceed their targets as they don't get funding for the additional outcomes. They also don't want to fall short as they would lose a proportion of their funding on shortfalls. It was stated that some popular courses often have the same learners each year.

51. There is an element of risk involved in setting up and running the courses. It is not possible or viable to run every course. It also inappropriate to set up a course that nobody actually wants even though the funding may be available from the LSC. The Service can provide courses to meet specific needs of organisations.
52. The Adult Learning Service runs English for Speakers of Other Languages (ESOL) courses. This is its largest single subject area with approximately a third of its budget allocated to this provision. However, it is still considered to be insufficient to meet the needs of the city. The Adult Learning Service has therefore established links with other providers in the city, including the voluntary community sector.
53. The LSC provides funding to assist people with additional needs to access Further Education courses but makes no contribution to the non FE course remissions.
54. It was stated that all funding streams will be changing in 2006/07. The LSC's Agenda for Change Programme will not support Adult and Community Learning provision at the current level and the cost of these courses will need to be met from elsewhere. Although providers have the options to pass on full cost to learners this is often not feasible as it can have an adverse affect on participation. It is anticipated that the learners' contribution towards the cost of the course will be approximately 37% of the total cost in 2006/07.
55. There is a strong link between leisure courses and the health of older people. Leisure courses can help to keep older people more active, reduce isolation and maintain a healthy mind and body. It is therefore important that these needs are not lost.
56. Innovative methods are used by Lees Brook to attract and retain learners on its courses. It has linked with organisations such as Derby County Football Association, Badminton England and Netball England to provide quality sports coaching. The trained coaches then go back into the community to train others.
57. It was stated that national priorities and local needs don't always go together. The Agenda for Change focuses on the achievement to level 2, which is not always what people want or are able to achieve within the timescale. It can take some people a number of years to achieve GCSE's.
58. Lees Brook conducts regular surveys of parents, learners and other organisations to determine learner interests and needs. According to the Lees Brook College, the Agenda for Change mainly focuses on:
 - Post 16 Colleges and Skills for Employers
 - Quality and Self Improvement

- Linking Funding to College Plans and LSC priorities
 - Data, Business Excellence and Reputation
59. The change agenda will have a significant affect on learning. It was stated that the modest increases in 16 to 19 learning will be at an expense of a reduction of £55 million in adult investment. According to the National Institute of Adult Continuing Education - NIACE, there will be approximately 1.5 million less adults taking part in learning if current funding position is maintained. The increase in fees together with fewer concessions will result in lower uptake on courses. It will also reduce opportunities to return to learn.
60. The LSC has the responsibility for co-ordinating adult learning in the city, however, some elements of this are carried out informally by providers through the Derby City Partnership City of Learning networks and Derbyshire Learning Partnership. For example the Derby City Partnership's Skills for Life Network runs an annual conference to bring tutors together.
61. The approach to adult learning provision is haphazard with little information on the level and type of courses offered by many providers in the city. There is little dialogue between the providers and no consistency of fees being charged for the courses. This can be very confusing for the learner and is often noticed in August and September. It would be useful for the learners to have details of the courses being offered in their area and who was delivering them. This would also assist the providers to reduce duplication. It was suggested that the LSC should produce a prospectus and publicise the information on courses being delivered in the city.
62. There are links between adult learning and health particularly for older people. It is important to explore opportunities for joint working and mutual benefit.
63. The LSC is much better at addressing the skills agenda which is Training and Enterprise Council - TEC model than understanding the demand for learning for pleasure. There is limited acceptance of the fact that a recreational course can lead to other types of courses.
64. The biggest impact of the change agenda for the Adult Learning Service will be to:
- Maintain courses at affordable rates
 - Grow workforce training
 - Balance neighbourhood wide agenda and community strategy as it doesn't want to lose the neighbourhood renewal perspective.
65. It was also mentioned that providers often have little time to prepare their curriculum programme due to late budget announcements by the LSC. Derby College for example didn't know their budget early in April for this

year which placed further pressure on Lees Brook in preparing its programme. Ideally it would help providers if the budgets were announced a year in advance of the curriculum year.

7.2 Principal and Chief Executive of Derby College

66. There are currently 30,000 students enrolled with the Derby College. It has 900 full-time equivalent staff and an annual turnover of approximately £40m. The College was based on three main campuses Wilmorton, Mackworth and Broomfield. The Wilmorton site has now been sold to a developer and the 16 – 19 adult provision being met with the development of the Joseph Wright Centre which cost £12m and caters for 1500 students.
67. The College receives £30m (83% of its funding from LSC. The remainder of its budget is made up from fees and other revenue sources. The College is driven by economic needs. If some courses are not cost effective, then the college can viro money across from another budget area although this cannot be maintained over long periods. It has to follow the market to remain viable organisation and if it doesn't move quickly, it will fail.
68. There are arguments for and against charging fees. There are now pressures on students to pay fees. The college is told to raise their fees by a few percentage points. Depending upon the course, the target is for the individual to pay up to 50% and the state paying 50% of the costs. The Government is moving towards 50% over a relatively short space of time. Those colleges that have moved to 50% too quickly have suffered with reduction in student numbers.
69. A number of highly successful equivalent colleges in the USA charge substantial fees and people are prepared to pay for them. They believe that this is good investment and could lead them to better jobs. The culture of this country is different, although this has not always been the case as people were paying for training some 30 years ago.
70. A key impact of the changes in funding under the Agenda for Change is that there is a shift away from the Governing Bodies towards the LSC for the identification of strategic priorities.
71. The Agenda for Change Programme provides a new policy for raising fees for further education. Historically colleges were left to decide themselves whether to charge fees which created certain types of pressure. A lot of provision by the college has low fees or is free. There is now government pressure to change and bring it in line with the higher education process.
72. There is continuous year on year squeeze on traditional lifelong learning provision. Funding for the leisure, recreational and language courses that don't lead to qualification are being cut.

73. The money is not sufficient to meet all the demands and therefore the college needs to make strategic decisions. Courses are run if the individuals still want the courses and are prepared to pay for them.
74. There are three regional priorities on skills needs - Construction, Social Care and Engineering. The funding attached to these areas limits the college's ability to offer non priority courses. However, there are dangers of placing people in very narrow areas at the expense of other provision. This may restrict the number of people participating in education as well as increasing skilled workers in these areas. It is considered 90% of courses are similar in providing literacy and numeracy skills with the remainder in specialist area. It is important to continue to provide other types of courses such as beauty and care as students may well one day go on to become future entrepreneurs.
75. The College is of the view that we should be widening participation by providing generalist courses and give tasters in hair, beauty, arts, marketing and organising events etc. Training should be market driven and without too much planning and control.
76. There are direct relationships between people being socially active and health. The Optimum Centre currently attracts a large number of older people, in the Silver Surfers scheme. The College is actively encouraged to close this provision in place of employer defined skills or basic skills. This will have a negative impact on health. Training for older people not only meets some of their needs but also reduces isolation, and keeps them mentally active. There is anecdotal evidence that it reduces the healthcare cost such as those spent on drugs. The changes mean that learning in art type courses will become courses for the privileged.

7.3 Acting Director of Derbyshire Learning and Skills Council

77. The Acting Director of LSC briefly introduced the role and responsibility of the LSC. He stated that the LSC is an organisation that is involved in planning and funding post-16 education. It has a key aim of influencing 14-19 year olds as it considers it important to reach younger people with information about their education and career options at an earlier age rather than waiting until the pivotal age of 16.
78. Its priority goes beyond the 14 -16 age and includes work undertaken by the Education Business Partnership run through Connexions which fosters better links between businesses and schools.
79. It aims to make sure learning provision meets the needs of employers and communities as well as those of individuals.
80. The Agenda for Change Prospectus produced to explain the proposals talks about the UK lagging behind its peers in economic productivity. It states that 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 the need to do things better and more effectively.

81. It proposes to make a radical simplification of what is currently a very complex funding system and seeks focus on delivery and outputs rather than funding qualifications.
82. FE 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.
83. A Strategic Area Review was a fundamental review of post-16 provision which also looked at provision regarding 14-16 year olds. Out of this review a strategy emerged for both young people and adults as to how the LSC takes provision forward.
84. 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.
85. There are policy drivers and key priority funding for the next few years. These have been around in Derby and providers 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 to keep people in education and training.
86. It was stated that 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 therefore been decided that the best answer to this problem is for employers, and where appropriate, for individuals to contribute to the cost of their own education and training.
87. Although more attention is given to cuts, there have been positive improvement:
 - 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

88. The LSC delivers best at a local level and wants to increase this capacity. There is the hope that by centralising the administrative service to regional level and making Derby one of five areas covered by the Leicester LSC will free up money to be put back into learning. It is anticipated that it will reduce and redistribute staff. This means the LSC will provide more, if not better, service with less staff.
89. 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 this will be improving through the changes it is now implementing. The Neighbourhood Learning in Deprived Communities Fund already invests about £0.5m 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.
90. 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.
91. There have been immense changes in 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.

8. Conclusion

92. The Learning and Skills Council's Agenda for Change Programme proposes to make significant changes in the post -16 learning sector. This will undoubtedly have an effect on adult learning in the city. The proposal to increase attainment to at least level 2 and develop a world class workforce that is able to compete in the global market is commendable. LSC's aims are great for people who are wanting to achieve qualifications leading to jobs and / or Higher Education, whether on leaving school or at a later stage if they have missed out on those opportunities previously. However, the evidence received by the Commission suggests that not everyone participating in learning seeks to gain a qualification. Indeed, some people are known to be put off by courses that require exams.
93. The proposals will affect the funding for Adult Community Learning. Reduction in ACL funding will force some providers to cut provision of some courses or charge higher fees, or both, if they are to continue to provide certain courses. This could have a significant effect on learning in the city. It could reduce the level of participation particularly amongst people with low incomes and no personal or convenient public transport as well as for older people who are recognised to benefit physically and mentally from ACL provision.

