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Leading learning and skills

LSC Essex Annual Statement of Priorities

Sets out our priorities, including key
actions for 2005/06

December 2004

A strategic briefing from Alison Webster,
Executive Director to LSC Essex funded providers
of skills and learning

LSC Essex Annual Statement of Priorities

Earlier this year I wrote to you about the new LSC Business Cycle and the step change in the way we intend to do business. Since then we have launched the Business Cycle and entered the first phase, a key element of which is to brief strategic partners about the present state of learning and skills in Essex and what we need to do in the coming year, 2005/06. This Annual Statement outlines the key national, regional and local priorities and makes clear the direction of travel, giving a sharp strategic focus for everyone working with us.

Grant Letter 2004

As with previous years, the Grant Letter from the Secretary of State, received in November 2004, sets out the Government's learning and skills agenda and its expectations of the LSC. This year it signalled the start of the next important phase of the education and training reform programme - the Five Year Strategy, a challenging new agenda that the LSC has a key role in taking forward through our leadership of the transformation of the learning and skills sector. We must use 2005/06 to plan and build capacity in preparation for the challenges and changes that will step up a gear from 2006/07 onwards, as the Five Year Strategy rolls out.

We are also expected to continue our work with partners to deliver our long-term reform strategy, including driving forward Success for All, the Skills Strategy, including Skills for Life, 14-19 Strategy and the Further Education (FE) Agenda for Change.

We must continue to drive up participation and attainment, tackling basic skills and increasing the number of people with Level 2

qualifications, whilst supporting progression to higher-level skills and qualifications.

As in previous years, the relevant Public Sector Agreement (PSA) targets define the key outcomes that the LSC, working with partners, must deliver at a national level. These are contained in the Grant Letter 2004. (see list of related documents). The key national priorities for 2005-06 are:

- Choice and higher attainment for young people
- Skills and engaging employers
- Future funding reform
- Reshaping of the FE Sector
- Quality and preparing the sector for change
- Promoting equality and diversity

National Annual Statement of Priorities

In direct response to the Grant Letter and following an in depth assessment of what must be done to transform learning and skills in England and deliver the world class learning and skills that our economy needs, a national LSC Statement of Annual Priorities was launched at the beginning of December 2004.

The Statement acknowledges that tough choices must be made and that whilst demand can be limitless, resources are finite. We have to choose where we invest public money to deliver the skills we need, support social inclusion and economic competitiveness and ensure that we derive maximum benefit from our funding.

Our national LSC priorities are to:

1. Make learning truly demand-led so that it better meets the needs of employers, young people and adults.
2. Ensure that all 14-19 year olds have access to high quality, relevant learning opportunities.
3. Transform Further Education so that it attracts and stimulates more business investment in training and skills development.
4. Strengthen the role of the LSC in economic development so that we provide the skills needed to help all individuals into jobs.
5. Strengthen the LSC's capacity to work effectively at a regional level - particularly with Regional Development Agencies and Regional Skills Partnerships.
6. Improve the skills of the workers who are delivering public services.

East of England Regional Statement of Priorities 2005/06

A quick guide to how LSC Essex will contribute to the national priorities is covered on pages 6-8 but I would like first to consider the regional dimension (National Priority 5) and tell you how this is developing in the East of England.

You will be aware that 9 LSC Regional Directors were appointed in 2004 to give greater coherence to LSCs engagement with the regional agenda. In the East of England we have a regional team, led by Mary Conneely our Regional Director, which has already effected significant change at the regional level and has ambitious plans to build on these successes in the coming year through an integrated regional planning approach. This is set out in the East of England Regional Statement of Priorities 2005/06 and is key to the work of LSC Essex in the coming year.

In order to maximise impact and create an alignment of funding and partnership engagement at the regional level, the Regional Statement has been integrated into the Regional Skills and Competitive Partnership (RSCP) Prospectus. The effect is to achieve a wider statement, which incorporates partners' priorities in the context of learning, skills, business and innovation, resulting in reduced duplication and optimum use of resources across the East of England. This integration of regional priorities, which are divided into three key

customer groups: Business, Adults and Young People, represents a major step forward in terms of partnership working and a clear shift from an institutional focus to a learner and employer focus. The regional priorities for 2005/06 are:

Young People

R-YP1 Develop and plan a curriculum offer for 14-19 year olds encouraging collaborative delivery of a broader curriculum that better meets the needs of all young people.

R-YP2 Develop closer collaborative planning networks to ensure provision reflects the key sectors of opportunity in a local area and presents clear progression routes for young people, parents, teachers and advisers alike.

R-YP3 Ensure young people are provided with high quality informed and independent information, advice and guidance, particularly at pivotal decision making points in their education.

Adults

R-AD1 Increase the number of adults with a Level 2 qualification and the number of adults accessing basic skills provision with clear first rung progression opportunities and develop coherent progression routes for adults leading to higher level skills and qualifications.

R-AD2 Ensure an adult curriculum offer that is appropriate for local communities and recognises the wider social benefits of learning including working towards parity of outcomes for minority ethnic customers.

Business

R-B1 Develop provision to better meet employers requirements and make learning demand led in order to address their skills needs and increase employer engagement in skill based activities.

R-B2 Increase business investment in leadership and management and in training and skills development including higher level skills achievements by transforming further education and widening participation and progression in Higher Education.

R-B3 Strengthen partner's engagement in economic development and regeneration priorities to provide the skills and job creation needed to produce a seamless route from welfare to workforce development.

R-B4 Increase the levels of work related learning undertaken by employees including the skills levels of the public services workforce through a skills escalator encompassing health and care, local authorities and education.

R-B5 Increase participation in the key economic sectors by developing priority sectors with specific support to reduce skills shortages and develop a more qualified workforce.

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LSC Essex Situation Analysis

Having painted the national and regional context and policy drivers I can now present my view of the key learning and skills issues in the LSC Essex area, which includes Essex, Southend and Thurrock.

Overview of Market Assessment

Essex is characterised by its diversity of geography, local economy and demographics, with concentrations of population in the largely urban south and a dispersed population in the predominant rural north. The area traditionally lacks a learning culture, with low levels of participation in learning and educational achievement amongst both young people and adults. For example, around 4,000 young people fail to go into some form of structured learning after leaving Essex schools at age 16, many of whom will have failed to achieve a Level 2 qualification while at school. Around half of adults in Essex either have no qualifications or are only qualified to Level 1. There are also widespread skills shortages and gaps in Essex, many of which are to be found in key sectors of the economy.

The 3 Gateways

Essex is experiencing significant economic and social change. The 3 economic regeneration growth areas of the Thames Gateway, the Haven Gateway and London, Stansted, Cambridge and Peterborough Growth Area will provide immense opportunities for individuals, employers and communities. The challenge is to ensure that local people and local businesses benefit from these potential opportunities. This means that we will need to address the enduring low participation and achievement issues that still prevail in many parts of Essex and drive up the level of skills with greater urgency so that businesses, communities and individuals can prosper from the Gateways.

The diversity of Essex is also reflected in the different needs of learners, employers and communities and this has contributed to the wide spectrum of current learning and skills provision. Understanding these differences has enabled us to identify the following priority groups and sectors for targeting resources:

Priority groups of young people:

- disengaged 14-16 year olds;
- young people in employment without structured learning;
- young people not in education, employment or training (NEET);
- young people without a Level 2 qualification; and
- those disadvantaged or in a group under represented in learning.

Priority groups of adults:

- low skilled and unskilled workers;
- people with basic skills needs; and
- those disadvantaged or in a group under represented in learning.

Priority sectors:

- Construction
- Health and Social Care
- Transport and Logistics
- Retail, Wholesale Trade and Hospitality

LSC Essex Strategic Area Review - Key Issues

The LSC Essex Strategic Area Review (StAR) process began in the summer of 2002 and culminated in the publication of the Strategic Area Review Consultation Document Essex 2004, which can be accessed at www.lsc.gov.uk/essex. The StAR consultation will run until the 28 January 2005.

The StAR identified a wide range of learning and skills issues, which were clustered around:

- Access
- Curriculum mix
- Achievement
- Participation and progression pathways
- Support, including information, advice and guidance
- Partnership and collaboration

Key Strategic Issues

Full details of the wide range of issues identified through the StAR are included in the Consultation Document but for the purpose of this strategic briefing I want to focus on the key strategic issues, which are summarised below:

- Provision is not supported by a comprehensive curriculum framework and delivery strategy that fully addresses all the current issues and anticipates future needs, for example, the housing and demographic changes we can expect from the East of England Plan (Regional Spatial Strategy 14) and the ODPM led Sustainable Communities Plan.
- Current initiatives are generally ad-hoc and reliant on arrangements between institutions or an institution's capacity to respond.
- There is a need for greater coherence in the development of partnerships and collaboration to reduce bureaucracy, overlapping partnerships and duplication of effort.
- There is a lack of strategically co-ordinated provider co-operation to ensure a balanced curriculum mix throughout the Essex area and employers are rarely involved in curriculum planning.

- Local economic developments and skills needs should be reflected in the post 16 curriculum offer and a balance between economy led and demand led provision obtained.
- There is a need to ensure that there is a range of high quality provision to address the needs of our four priority skills sectors:
 - Construction
 - Transport and Logistics
 - Retail, Wholesale Trade and Hospitality
 - Health and Social Care
- Provision should target key adult groups that are vulnerable to changes in the labour market, for example, low skilled and unskilled workers, people with basic skills needs and those disadvantaged or under represented in learning and employment.
- Insufficient numbers of adults are taking up and achieving accredited basic skills qualifications.
- There is a need to ensure that people can access ladders of progression at key transition points in their lives and that they can change direction in line with the demand of a dynamic labour market.

Overview of LSC Essex Performance

My situation analysis leaves us in no doubt of the formidable challenges we face. However, you will be aware that effective strategic relationships with the sector have already enabled us to bring about significant transformation and reform, for example in Work Based Learning (WBL). A great deal has been achieved already but the following assessment of LSC Essex target performance also signifies the need for more ambition and greater urgency as we continue to pursue very challenging targets.

Young people - Improving the participation of young people to meet the Level 2 target

- 16-18 participation - performance across the learning and skills sector was mixed in 2003/04, with participation in work based learning falling below planned growth by 1.6% whilst numbers in FE fell short of agreed targets by 3%. Both figures are estimates, with final figures available in February 2005. For the FE sector, we expect that the final figures for 2003/04 will be closer to planned growth. Initial estimates for 2004/05 suggest that both FE and WBL sectors will achieve the planned growth in 16-18 learner numbers.
- Modern Apprenticeship target - The number of young people starting an Apprenticeship exceeded planned growth in 2003/04 by an additional 450 learners (15%).

“There will be a skilled and responsive workforce in the LSC Essex area that will enable individuals, employers and communities to benefit fully from economic regeneration, growth and new business opportunities.”

Adults - Raising the level of skills

- Adult participation - the number of adults taking part in FE and work based learning fell short of planned growth in 2003/04 by an estimated 8%. This figure is an estimate, with final figures available in February 2005.
- Skills for Life - remains a challenging target for us. The number of learners achieving a basic skills qualification was estimated to be 17,600 by July 2004, equivalent to only 75% of our target.

Taking forward the agenda for change

- Success rates - we are awaiting the final achievement data for 2003/04 and will be able to report progress against our target in the Annual Plan 2005/06.
- Employer led provision - findings from the National Employers Skills Survey demonstrate the range of existing skills needs and shortages in local priority and growth sectors in Essex, yet half of employers do not fund or arrange any training for their staff. Employer feedback indicates that employers do not fully utilise FE, Adult Community Learning (ACL) and WBL provision to address their workforce development needs. There is clearly a need for greater employer focus and involvement in curriculum planning to ensure provision reflects our local labour market needs. Greater responsiveness to employer need will enable learning and skills providers to secure increased employer contributions.

LSC Essex Priorities and Key Actions for 2005/06

The LSC National and Regional Priorities bring clarity of purpose and a clear strategic direction to our work and having carefully analysed them in terms of their strategic fit with the LSC Essex position I am satisfied that there are no strategic gaps. The 'localness' that will ensure the needs of Essex are fully met will be achieved through local key actions, which will align to the national and regional priorities. However, in view of the significant distance we still need to travel in terms of 16-18 participation and achievement and the attainment of skills for life qualifications, I intend to set explicit local priorities for these areas. I believe we also need a specific priority relating to our unique Gateways to ensure we realise our 3-year vision:

“There will be a skilled and responsive workforce in the LSC Essex area that will enable individuals, employers and communities to benefit fully from economic regeneration, growth and new business opportunities.”

The 3 LSC Essex priorities to complement the national and regional priorities are:

- Increase 16-18 participation and achievement with a clear focus on priority sectors and client groups.
- Increase the number of learners participating in and achieving recognised Skills for Life qualifications.
- Extend our role in economic development and regeneration to optimise employment and skills opportunities within the 3 Gateways: Thames Gateway; Haven Gateway; and London, Stansted, Cambridge and Peterborough Growth Area.

In April 2005, LSC Essex and other local LSCs will publish their Annual Plans for 2005/06. These business plans will set out the activity we intend to deliver with specific outcomes and resources. You can access these documents at www.lsc.gov.uk/essex from April 2005. The following section provides a quick guide to our priority actions in 2005/06.

LSC Essex Priority Actions 2005/06

Young people

Improve the participation of young people in learning to meet the Level 2 Target

- Widen the choice of strong vocational routes for young people, including the participation and completion of those undertaking apprenticeships.
- Guarantee 16-18 year olds a suitable learning opportunity, including the development of a more coherent phase of learning for 14-19 year olds.
- Encourage closer collaboration between schools, colleges and training providers and closer working with employers to improve choice and ensure clear progression pathways.
- Increase progression to higher education in support of the Public Service Agreement (PSA) target.
- Increase the numbers of young people participating and staying in learning, particularly in areas with high levels of social and economic deprivation.
- Develop 14-19 policy and implementation structures of provision in StAR areas.
- Contribute to “Every Child Matters” Outcome Framework, particularly the ‘Achieve Economic Well-Being’ Aim.
- Work with Connexions, providers and other agencies to improve information, advice and guidance services.
- Work with Connexions to reduce the number of young people not in education, employment or training (NEET).
- Reduce the number of young people in jobs with no recognised training.
- Improve the take up of Education Maintenance Allowance (EMA).
- Increase employer engagement in training through the brokerage of E2E and alternative workforce skills provision.
- Focus Education Business Link activities to enhance work related opportunities for 14-16 year olds.
- Develop and implement new local provision for disabled learners.

LSC Essex Priority Actions 2005/06

Adults

Raising the level of skills

- Implement the initial priorities contained in the Sector Skills Agreements.
- Develop a Level 2 Entitlement and increase the numbers of adults participating on first full Level 2 and targeted Level 3 provision to meet priority skills needs.
- Deliver the Skills for Life Strategy for tackling numeracy and literacy skills, including prioritising basic skills training that leads to a qualification and improve completion rates.
- Increase skills development activities within the public services workforce, particularly those in the health and care sector, local authorities, children's services and schools and colleges.
- Work with Union Learning representatives to boost the demand for learning, especially literacy and numeracy.
- Link skills training and local employment opportunities supported through the harmonisation of local planning and delivery with JobcentrePlus.
- Increase the number of adults achieving an accredited Skills for Life qualification.
- Continue to develop and embed the Employer Training Pilot (ETP), branded in Essex as Profit from Learning, to achieve enhanced success rates and ETP targets and develop a revised employer skills 'offer' to the market.
- Take forward the Skills Strategy by reforming the funding and planning arrangements for First Step and Personal and Community Learning for Adults.
- Work with regional partners to better align skills training with local employment opportunities and skills gaps.
- Develop structures of provision for adults in geographical areas identified in StAR.
- Implement the national LSC Strategy "Working Together" with the Voluntary and Community Sector.

LSC Essex Priority Actions 2005/06

Taking forward the agenda for change

Becoming more demand-led, improving the quality of provision and increasing the responsiveness to the needs of employers

- Align LSC plans and funding with those of other regional partners in support of the Regional Economic Strategy (RES).
- Ensure that colleges and the further education sector improve responsiveness to employers and become more demand-led.
- Tackle the problem of gender stereotyping in apprenticeships.
- Streamline the ways in which employers secure suitable skills training and provide local employers with an integrated offer of business and skills support.
- Provide an impartial information and advice service.
- Produce a capital investment strategy that builds on Centres of Vocational Excellence (CoVEs) and support priority sectors.
- Achieve a step improvement in the quality and standards of all provision.
- Work with strategic partners to ensure the effective implementation of the LSC Business Cycle and Annual Planning Review, including new and 3 Year Development Plans 2005/06 - 2007/08.
- Implement the outcomes of StAR.
- Use the 3-year development plan negotiations with providers to agree the strategy for employer engagement and marketing approach to the FE Agenda for Change.
- Establish the Information Advice and Guidance (IAG) Strategic Board to lead the development and implementation of an IAG 3 Year Development Plan.
- Take forward the Post-Inspection Action Plan for Adult Community Learning.
- Review procurement arrangements for Work Based Learning.
- Direct LSC resources to improve the focus on employer engagement, leading to a more demand led learning and skills 'offer'.
- Work with Strategic Partners to lead the implementation of 14-19 Tomlinson Reforms.
- Develop capital strategies and support bids to achieve substantial improvements to the local infrastructure.

Making it Happen

After four years as LSC Essex Executive Director my resolve to fulfil our leadership role and bring greater drive and ambition to the reform of learning and skills is even greater, due largely to the successful and productive strategic relationships and partnerships that have been developed across the LSC Essex learning and skills sector since 2001. I have always known that we can achieve nothing on our own; our past and future achievements are dependent upon effective joint planning and responsive delivery.

2005/06 promises to be even more stretching but I am confident that our determination and constructive ways of working together will achieve the step change needed to address our major challenges. We will identify the learning solutions we need for Essex and continue to make a real difference to people's lives. I am therefore looking forward to 2005/06 and even greater shared success.

Alison Webster
Executive Director

List of related documents

- **21st Century Realising Our Potential Skills Strategy White Paper**
www.dfes.gov.uk/skillsstrategy
- **Equality and Diversity Strategy**
www.lsc.gov.uk/National/Documents
- **Government's Five-Year Strategy for Children and Learners**
www.dfes.gov.uk/publications/5yearstrategy
- **LSC Business Cycle**
www.lsc.gov.uk/National/Documents
- **LSC Grant Letters**
www.lsc.gov.uk/National/Documents
- **National Employer Skills Survey**
www.lsc.gov.uk/National/Documents
- **Skills for Life Strategy**
www.dfes.gov.uk/readwriteplus
- **Skills in England**
www.lsc.gov.uk/National/Documents
- **Success for All Strategy**
www.successforall.gov.uk
- **Regional Skills Partnership Concordat**
www.lsc.gov.uk/National/Documents
- **Regional Economic Strategy (RES)**
www.eeda.org.uk
- **Working Together Strategy**
www.lsc.gov.uk/National/Documents

