

London Learning and Skills Plan 2008/09

December 2007

Of interest to everyone involved in improving skills and learning opportunities across London

(Please note that this plan is still in draft form and its content is subject to change)

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Foreword

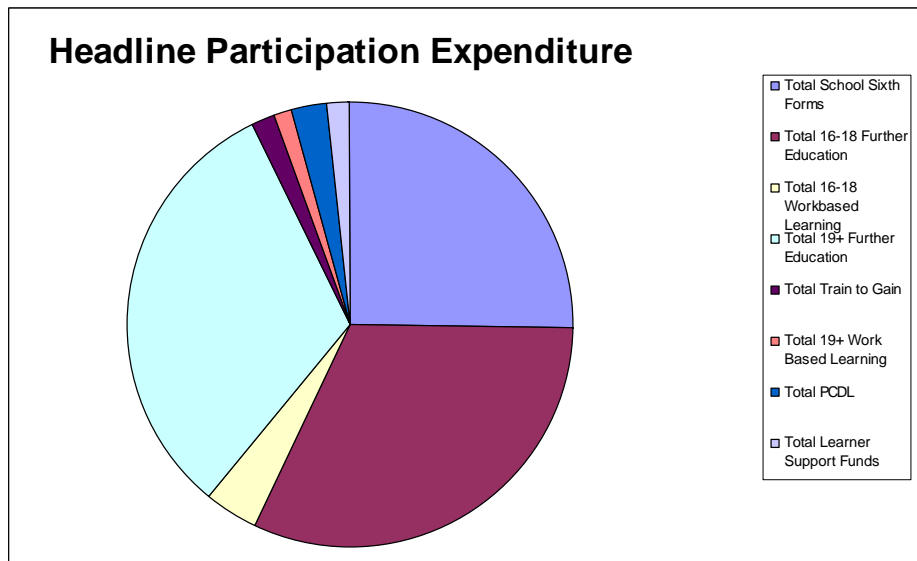
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Investing in London

This year we will invest more than ever before in learning and skills in the capital. We want to buy the best quality provision to meet London's needs, and will withdraw poor-quality provision and invest in providers that can deliver.

LSC Funding (by stream) 2007/08



We continue to deliver more and better provision than in previous years:

- An additional 1,300 places planned in further education (FE) for 16–18-year-olds.
- Over 10,000 young people participating in work-based learning.
- Over 83,000 young people were supported by EMA to remain in learning and achieve. These learners received around £76 million of financial assistance.
- 5,000 more full Level 2 places for adults in FE.
- An extra 3,000 full Level 3 places for adults in FE.
- Over £479 million of capital projects to provide world-class buildings.
- Through Train to Gain, over 18,500 Level 2 starts (including Level 3 jumpers and interim) and over 2,600 Skills for Life starts
- Almost 6,000 workless Londoners on employability skills programmes.

Our Strategic Direction

The priorities for our funding in London are clear. For **young people** we seek to:

- *Raise the educational achievement of all young Londoners; and*
- *Narrow the gap in educational achievement between young people from low income and disadvantaged backgrounds and their peers.*

By

- *Commissioning high quality provision that forms an integral part of local 14-19 entitlements, including wave one Diplomas;*
- *Aligning our 14-19 funding with Children and Young People's Plans in the 32 boroughs; and*
- *Increasing the proportion of young people studying at levels 2 and 3, and improving the quality of outcomes.*

For **adults** and **employers**, we share the ambition of the **London Skills and Employment Board** to:

- *equip Londoners not in work with the skills to get a job;*
- *support those already in work to acquire new skills; and*
- *support London employers to be increasingly competitive by being able to recruit local people with the right skills and by developing their existing workforce.*

The LSC has played a leading role in developing the draft London Skills and Employment Strategy¹, which is currently out for consultation, and we share the five challenges it outlines:

1. *A fundamental change to the employment and skills support available for Londoners making it easier for individuals to access the help they need to move into work, and to help existing employees progress and/or develop new skills.*

2. *An ambitious new Employer Programme for London employers (private and public) that is business focused and demonstrates the clear business benefits of workforce development, of recruiting locally, and helping out-of-work Londoners back into work.*

3. *A new level of responsiveness from London's learning and skills providers to ensure that skills provision is focused on meeting genuine needs.*

4. *An integrated skills and employment infrastructure.*

5. *Public funding for skills and employment in London aligned to the challenges and priorities identified in the draft Strategy.*

While LSC investment alone is not enough to meet these challenges, and it will be critical for other organisations to contribute resources, this commissioning plan sets out what the LSC can contribute to the delivery of the strategy.

¹ <http://www.london.gov.uk/lseb/docs/proposalboardstrategy.pdf>

Delivering on the London Skills and Employment Board Strategy

The London Skills and Employment Board (LSEB) was created in 2006 to provide a voice for London's specific needs, and to increase flexibility over funding in the capital, while still working within national targets and the national Skills Strategy. The Board's primary responsibility is to set the strategic direction of the LSC's adult skills budgets in London (approximately £603million in 08/09).

Since the first Board meeting, work has focussed on firstly establishing a broad evidence base on skills and employment. The main elements are set out in a companion document, *The London Story*, which has informed this commissioning plan and our own strategic analysis.

On 30 October 2007, the Board issued a draft strategy for consultation. The LSC welcomes the strategic direction it provides.

Our focus is clear. We must target more of our investment on:

- workless Londoners, helping them to gain the skills needed to get a job; and
- people in employment, helping them to become more productive by improving their skills.

Our commissioning plan reflects these two aims.

English for Speakers of other Languages

ESOL is a key element of the basic skills offer in London and cuts across all of the challenges set out in the Board's draft Strategy. The Secretariat established a Task and Finish Group drawn from members of the Board's Strategy Committee to look at the adequacy of provision in London. At the November Board meeting, the following was agreed:

- **An expectation of providers that there will be improved quality and outcomes of the ESoL offer.** Funding has been held constant and the Board believe that the onus is now on providers (particularly FE colleges as the largest ESoL providers) to meet this expectation.
- **Demand for ESoL needs to be managed effectively.** Working closely with the LSC, the Board would like to ensure that pricing and other signals allow those furthest from the Labour Market to access ESoL.
- **Provision needs to be made sustainable, given known funding constraints.** This also needs to recognise that many employers which attract migrants are often SMEs and are most likely not to have a strong training base to support individuals with language needs
- **Continuing to develop an understanding of what effective provision looks like.** It is known that 'what works' differs according to the individuals and employers for whom provision is being delivered

In addition, the Board has taken the following decisions which make a real impact on our direction for 2008/09:

Board recommendations to be inserted here

Increasing the offer from the sector

Increasingly, we will focus public investment on priority learning and priority client groups, such as Skills for Life and Level 2 and people in receipt of benefits. However, this does not mean that other learners and skills needs will not be provided for. We expect to see institutions progressively broadening their income base by delivering directly to the market, and becoming less reliant on public funding. We also expect learners and employers to contribute towards the cost of their learning.

The benefits of this are clear - a joined-up service offering real progression for learners, where employers can form relationships with providers in a sustainable and self-reinforcing system.

Fee Collection and full cost provision.

We estimate that fee income in London is currently £73m in 2007/08, rising to £81m in 2008/09. We expect 42.5% of eligible FE income to be derived from fees and this should be 50% by 2010/11. We will set fee collection targets for every institution, recognising their different starting positions. We may also set targets for other income generation, recognising that a mixed economy is necessary to ensure that all learning needs can continue to be met.

Capital

Our capital investment in London will underpin the wider development of the FE infrastructure, bringing benefits to learners, employers and the wider community. We will increasingly focus on both meeting the needs of an area and the renewal of the college estate. Our investment in world class buildings will contribute to the regeneration of local neighbourhoods.

The momentum for capital investment in the region continues to increase. Since April 2006, £612 million of capital expenditure has been approved (contributing 17% to the total capital projects approved nationally), of which the LSC has pledged to contribute £363 million. Approximately 25 per cent of the Region's total floor space has benefited from LSC capital investment and requires no further significant improvement. It is anticipated a further £500m of capital will have been committed by the end of 2009.

In 2008, we will also seek to invest in a series of 2012 legacy buildings across East London, ensuring that local communities are able to benefit directly from the regeneration associated with the Olympics and the Thames Gateway. We want these buildings to be centres of excellence, specialising in the delivery of work-based learning, Train to Gain and other employer funded training and focussed

on key sectors. An open and competitive tender will be launched in the New Year.

National Skills Academies (NSA)

The National Skills Academy network provides a means for direct employer involvement in the design and delivery of learning. It will be a key component of the supply infrastructure to address skills shortages in specific sectors and industries. In 2008/09, we will fund delivery by NSAs in the following sectors:

- Fashion Retail
- Financial Services
- Manufacturing
- Construction

We also provide support to academies in development and those who plan to deliver in London from 2009/10.

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Challenges, key actions and measures of success for London

The LSC has three national priorities, which we share at both regional and local level, as well as an additional priority for the Olympics.

The London Story² provides a shared evidence base, which describes many of the challenges London faces and³ forms the basis of the challenges and actions set out below.

Priority 1- Improve the educational opportunities for all Londoners

Key challenges for London

- At 71.3 per cent, achievement of Level 2 (five GCSEs at grades A* to C or equivalent) by age 19 in London is at the average for England, but we need to accelerate if we are to get to 82 per cent by 2010/11
- Although the proportion of young people not in education, employment or training (NEET) is now below the national average, around 15,000 young people fall into this category. We need to do more for our most disadvantaged groups.
- There is a mismatch between the jobs available in the labour market and the skills levels of residents, with 40 per cent not having a level 2 and 14 per cent having no qualifications.
- Approximately 900,000 residents (19 per cent) have literacy levels below level 1; 2.3m (48 per cent) have numeracy below level 1; and 600,000 have ESoL needs..
- Work-based learning programmes (such as Apprenticeships or Train to Gain) need to be better tailored to meet the needs of Londoners and London employers.

Priority 2 - Raise the effectiveness and performance of the Learning and Skills sector

Key challenges for London

- Only 13 per cent of London employers use an FE college for training. This lags behind the national average of 18 per cent and is the lowest of any region.
- While London has the lowest proportion nationally of employers reporting skills shortage vacancies (13 per cent), this is a 2 per cent increase from 2005.
- The amount of fees collected by London providers has fallen. While London collects more than other regions, this is largely due to high levels of collection by Specially Designated Institutions (SDIs).

² <http://www.london.gov.uk/lseb/docs/thelondonstory.pdf>

³ The LSC's own regional *Strategic Analysis*, which complements The London Story can be accessed at <http://www.lsc.gov.uk/regions/London/Publications/Latestdocuments/Detail.htm?id=7bffc80e-8d13-4d5e-a454-cc38e19cb097>

- London's learner success rates have risen significantly over the last three years in London. However, overall rates often mask under-performance within sector subject areas and between institutions.

Priority 3- Integrate Skills within economic development and employment

Key challenges for London

- At 69 per cent, the capital's employment rate is the lowest in the country and 5 percentage points below the national average
- London has an estimated 1.2million economically inactive working age residents and approximately 750,000 are claiming benefits.
- More than half of London's boroughs (18 out of 33) feature in the top 30 per cent most deprived in the 2004 Indices of Multiple Deprivation.
- For London to achieve the same proportion of its working-age population in employment as the England and Wales average, an additional 250,000 Londoners would have to be in work.
- London has much higher levels of migration than any other part of the UK: 8 per cent of the workforce is renewed annually, with an estimated 180,000 international migrants added each year. This presents both an opportunity and challenge for integrating skills and employment.
- Around 730,000 employees (26 per cent) do not have a level 2.

Priority 4- Equip Londoners with Skills to benefit from investment in the London 2012 Olympic Games and Paralympic Games

Key challenges for London

- The baseline forecasts for the period leading up to the 2012 Games show substantial underlying employment growth in London, with an overall increase of about 240,000 jobs over 2006-12, and a further 440,000 jobs between 2012-21.⁴
- The preparation and construction of the 2012 site and venues will lead to a growth in demand for specialist construction, customer service and audio-visual skills, while the actual staging of the Games will require 70,000 trained volunteers.
- The Olympics also provides us with an opportunity to address the chronic shortage of sports coaches across London, by raising the profile and improving the quality of training.

⁴ SSSA report – 'What skills by when?' (2007)

Priority 1- Improve educational opportunities for all Londoners	
Action	Milestone
1.1 Develop a regional 14-19 vision for 2008-12	<p>Consultation with London partners and practitioners by March 2008.</p> <p>Agreement and publication by May 2008.</p>
1.2 Consider 14-19 transition (and in the case of learners with learning difficulties and/or disabilities up to the age of 25) from the LSC to London boroughs	Approach agreed with London Partners by September 2008
<p>1.3 Commission high quality provision that forms an integral part of local 14-19 entitlements, including:</p> <ul style="list-style-type: none"> • 14-19 learning • Accredited Skills for Life • Numeracy entry level 3 • Full level 2 • Full level 3 • Apprenticeships 	Access to diplomas from September 2008
<p>1.4 Reduce NEET numbers and align provision to meet demand by:</p> <ul style="list-style-type: none"> • Commissioning quality provision to meet the September Guarantee • Through partners, improving the accuracy of NEET data and tracking • Improving access to Impartial Information Advice and Guidance • Deliver the ESF co-financing plan (2008-10) 14-19 objectives, including the launch of tracking programme by April 2008 	<p>Updated e-prospectus with additional functionality launched by April 2008</p> <p>September Guarantee Voucher scheme extended into 2008/09 (subject to evaluation of the pilot and the availability of funds)</p> <p>Targeted take up of EMA (and additional support) among the NEET group</p> <p>ESF programme to deliver approximately 12,000 participants over the three years of the programme, of whom:</p> <ul style="list-style-type: none"> - 7,710 move into Education, Employment or Training - 1,100 enter employment
1.5 Development of Information, Advice and Guidance services as a forerunner to the new universal	Service delivery pilot commences Summer 2008

Advancement and Adult Careers Service (AACS) in Greater London as a means of informing and engaging more adults”	
1.6 Make the national skills campaign a London Skills campaign to stimulate greater demand from employers and learners	London campaign launched by Summer 2008
1.7 Secure the role of learning in the community (including provision for LLDD) by agreeing a clear approach to all leisure and community- related learning	Planning approach agreed and reflected in new partnership arrangements from May 2008

Priority 2 – Raise the effectiveness and performance of the Learning and Skills sector	
Action	Milestone
<p>2.1 Launch a London Train to Gain Plan for Growth, which increases the number of businesses and individuals whom we help to up-skill:</p> <ul style="list-style-type: none"> • Capitalise on the Skills Pledge to engage more employers, especially those larger employers in Train to Gain. • Support the development of a new compact with each SSC – which will tailor Train to Gain to meet the skills needs of employers in each sector. • Roll out the Joint Investment Framework (JIF) to support the take up of TTG by NHS employers in London. • Develop and expand the Local Authority TtG Pilot. • Expand the programme to include volunteers. 	<p>Develop Train to Gain Plan for Growth by February 2008</p> <p>X number of employers engaged</p> <p>X number of top 1200 companies contacted</p> <p>x% increase in the number and quality of skills broker referrals to the leadership and management programme</p> <p>The number of Skills for Life, Level 2 and Level 3 starts</p> <p>The number of Skills for Life, Level 2 and Level 3 achievements</p>
<p>2.2 Raise the quality and relevance of learning in construction, manufacturing, financial services and fashion retail through the National Skills Academies (NSAs).</p> <p>Work with those NSAs in development to launch in 2008.</p>	<p>Learner numbers delivered in line with business plans by July 2009</p> <p>Approved NSA Business plans meet the needs of London employers</p>
<p>2.3 Work with partners and our providers to continue to improve the quality of all provision in London</p>	<p>FE Overall Success rate increased to 79% by 2008/09</p> <p>Apprenticeship success rates</p>

Develop a strategy to support the Third Sector to bid to deliver learning and skills programmes	increased by 5% by 2008/09 E2E positive destinations increased to 55% by the end of 2008/09 Strategy developed by May 2008
2.4 Improve employer responsiveness and vocational excellence through the rollout of the new standard and expansion of specialist networks Invest £5m to build the capacity and responsive of providers to employer need	20 further providers to gain the new standard by March 2009 Capacity building funds invested by August 2008
2.5 With support from SSCs, develop and implement a strategy that will expand the number of employers offering high quality Apprenticeship places to young people and adults including: <ul style="list-style-type: none"> • Young Apprenticeships • Pre- Apprenticeships • Apprenticeships • Advanced Apprenticeships • Adult Apprenticeships 	Apprenticeships to Level 2&3: <ul style="list-style-type: none"> • increase the number of starts by 10% Adult Apprenticeships: <ul style="list-style-type: none"> • increase in the number of adult apprentices starting by at least 13%
2.6 Work with LDA, JCP and other partners to better integrate employment and skills by investing £1m in capacity building	Capacity building plan agreed by summer 2008
2.7 Fast track qualifications within the QCF beginning with the pilot 10 Sector Skills Councils	Impact assessment completed by March 2008 for delivery from September 2008
2.8 Improve the financial health of our providers	Set fees collection targets for all institutions by May 2008 and aim to raise an additional £9m in fees by July 2009
2.9 Invest in capital projects which help improve the quality of delivery	£363m LSC contribution to committed projects

Priority 3- Integrate Skills within economic development and employment

Action	Milestone
3.1 Build a more integrated skills offer in London for adults which: <ul style="list-style-type: none"> • Improves the employability of disadvantaged Londoners • Moves more Londoners into employment • Improves the skills of London employees • Works with JCP through Local Employer Partnerships to support the delivery of sector 	EDP evaluations will be conducted at 3 stages; Dec 07, April 08 and Aug 08 using the Employability Evaluation Framework. Additional £xxm Skills for Jobs allocated by May 2008

<p>employability toolkits</p> <ul style="list-style-type: none"> • Works towards aligning targets in City Strategy Pilots with Local Area Agreements 	Employability Skills programme increased to £11m in 2008/09 (TBC)
3.2 Develop with the LDA, a Transition Plan to merge the Train to Gain skills brokerage service with the IDB service (Business Link)	Merged Skills and business support brokerage operational under Business Link brand, operational from April 2009
3.3 Pilot through The London Accord partnership an integrated employment and skills offer, to medium and large employers	Pilot to commence April 2008
3.4 Remodel the balance of provision in London's providers by <ul style="list-style-type: none"> • Maintaining investment in ESOL, while remodelling the nature and type of provision • Encourage embedding of Literacy and Numeracy basic skills. • Protecting the investment in the FLT, while channelling it into the agreed pathways 	<p>At least 10 providers delivering FLT Priority Progression Pathways by September 2008</p> <p>90% of FLT provision to be on the NQF/ QCF by 2008/09</p>
3.5 Deliver the £30m Adult ESF co-financing programme , which commences in April 2008 and will run for two years.	<p>18,480 people over the three years of the programme, including 7665 who are workless, of whom:</p> <ul style="list-style-type: none"> - 1600 to achieve SfL qualifications - 1150 to achieve Level 1 qualifications - 3,445 to achieve Level 2 - 1080 to achieve Level 3 - 2,103 into employment
3.6 Agree stretching skills indicators with London boroughs as part of their Local Area Agreements	Targets agreed by May 2008
3.7 Agree a Commissioning Plan for the Thames Gateway	Plan agreed by February 2008

Priority 4- Equip Londoners with Skills to benefit from investment in the London 2012 Olympic Games and Paralympic Games	
Action	Milestone
4.1 Increase our investment which directly contributes towards Olympic skills needs by; <ul style="list-style-type: none"> • Allocating £7m on participation (£2m more than 07/08) • Investing in a series of legacy building for 2012 	<ul style="list-style-type: none"> • £7 million allocated for 2008/09 by July 2008 • 500 Apprentices in learning by July 2009 • OCT for legacy buildings launched by summer 2008
4.2 Develop a National Skills Academy for Construction on the Olympic site	<ul style="list-style-type: none"> • High level skills plan agreed by January 2008

	<ul style="list-style-type: none"> Plant Training School established with deliver commenced by Dec 2007
<p>4.3 Implement the London Education Delivery Plan for 2012 on behalf of the Mayor. Facilitate interventions targeted at:</p> <ul style="list-style-type: none"> Schools 14-19 learning Communities 	<ul style="list-style-type: none"> 130 London schools visited by April 2008 – impact evaluated by July 2008 A new pilot programme targeted at NEETs launched by Dec 2007
<p>4.4 Implement the London Employment and Skills Taskforce (LEST) Plan for 2012 by:</p> <ul style="list-style-type: none"> Rolling out the next phase of Personal Best (PVP) Piloting a new Joblink programme within the five boroughs Establishing a Customer Service Gold Standard Increasing the number of employers signed up to public sector apprenticeships Rolling out the next phase of the Employer Accord Establishing an Olympics section on the new Choice Website 	<ul style="list-style-type: none"> 2000 Personal Best graduates by March 2009 165 learners within the 5 Host Boroughs with work placements by March 2009 Customer Service Gold Standard research completed by April 2008 Public sector employer engagement strategy reviewed and evaluated by July 2008 30 employers signed up to the Accord and 1,000 residents participating by March 2009. Olympics weblink launched in Feb 2008

Commissioning Profile

We will continue to measure our success – either directly or by working with regional and local partners – as outlined below.

Measure	2006/07	2007/08 estimated	2008/09 projected
16–18-year-olds			
Number of young people participating in learning	175,119	176,056	177,066
Number of young people participating in Apprenticeships or Advanced Apprenticeships	10,729	10,448	10,866
Percentage of young people reaching Level 2 at age 19	73%	75%	77%
Percentage of young people reaching Level 3 at age 19	51%	52%	53%
Adult responsive			
Total number of adults participating in learning			
Total number of adults participating in Full Level 2 (in FE)			
Total number of adults participating in Full Level 3 (in FE)			
Employers			
Total number of learners			
Of which, number of adults completing an Apprenticeship			
Of which, participating in Full Level 2 (via TTG)			
Number of employers engaged through Train to Gain			
Overall Adults			
Number of Skills for Life achievements overall for adults			
Number of First Level 2 achievements overall for adults			
Number of First Level 3 achievements overall for adults			
Number of adults accessing adult safeguarded learning	94,725	90,936	87,299
Learners with learning difficulties and/or disabilities (LLDD)			

Total number of learners supported by the LLDD safeguard			
Total number of learners in specialist residential colleges			
European Social Funding (ESF)			
Total number of learners supported by ESF			

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Commissioning

The Leitch Review of Skills, *Prosperity for all in the global economy: World-class skills*, published in December 2006, set out new ambitions for developing world-class skills. To achieve the report's vision, we have implemented a demand-led approach to commissioning, coupled with a strong emphasis on quality.

'Commissioning' is the term we use for all of our planning and purchasing activity across the learning and skills sector, including purchases that are negotiated or competitively tendered. All of our commissioning decisions are rooted in a firm commitment to targeting provision of the highest quality, contributing to government targets and priorities, and giving value for money.

Negotiated commissioning

Negotiated commissioning involves us agreeing plans with colleges and providers that currently deliver LSC-funded provision.

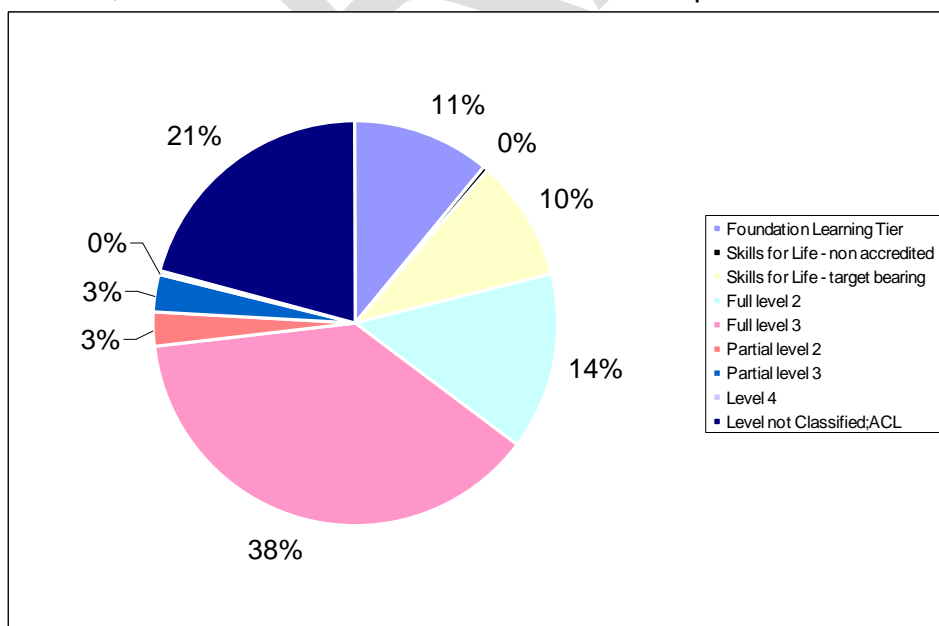
14-19 plans/Children and Young People's Plans

Whilst the LSC does not have an independent 14-19 plan, this plan has been shaped by the general focus and emphasis of Local Authority plans, particularly on 14-19, and aligns with Children and Young People's Plans at a local level.

Our negotiated commissioning plans for 2008/09 include the following.

16-18-year-olds

The LSC's investment in Young People through FE colleges was over £m in 2006/07, the chart below illustrates the balance of provision that was secured.

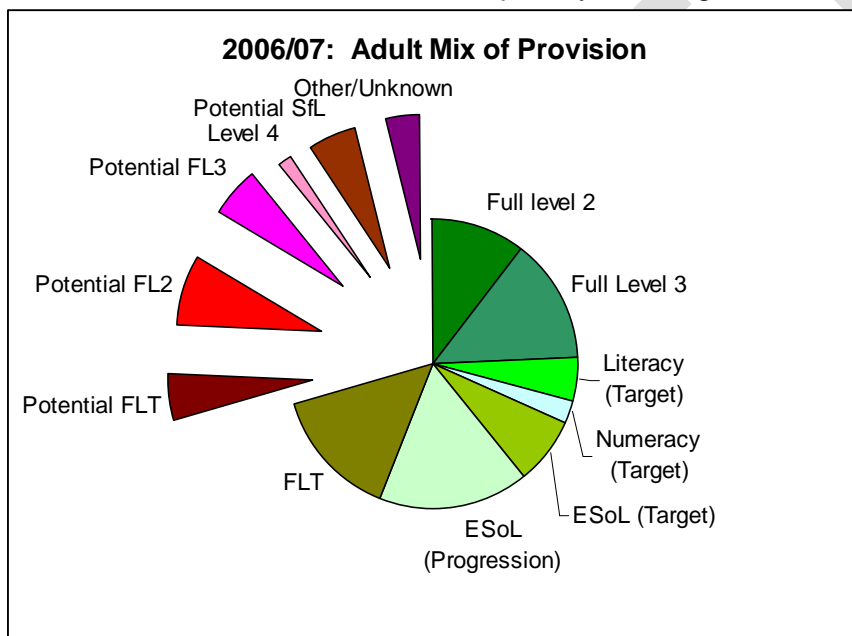


Most provision for young people will be secured through planning dialogues with colleges, providers and schools (via local authorities). These discussions will result in agreed plans to deliver the following.

- 176,056 places for 16–18-year-olds, of which:
 - 10,866 places are for Apprenticeships (includes an additional 500 places); and
 - 7,500 places for Entry to Employment
 - An increase of 600 places delivered by schools and colleges

Adults

The LSC’s investment in Adults through FE colleges was over £400m in 2006/07 and over 70% was directed towards priority learning.



The section below sets out our aspirations for volumes by each of the three funding models, but for a typical FE college we would expect:

- An increase of around 5% in FL2 delivery (including NVQs delivered in the workplace)
- An increase of around 10% in FL3 delivery (including NVQs delivered in the workplace)
- Overall ESoL numbers to stay the same, but a stronger focus on progression to Leitch target levels (Level 1)
- An increase of Numeracy learners of xx%

The following table sets out our expectation for the mix of provision at a typical FE college:

	Typical FE	London Average 2008/09
FL2	10- xx%	xx%

FL3	10-xx%	xx%
FLT	xx- xx%	xx%
Leitch Literacy (incl. ESoL)	xx-xx%	xx%
Leitch Numeracy	xx-xx%	xx%
Progression to Leitch	xx-xx%	xx%

Adult learner responsive provision

As agreed with our partners, we need to deliver the following in 2008/09.

- Full Level 2: xx,xxx places in total.
- Full Level 3: xx,xxx places in total.
- Skills for Life: xxx,xxx places in total.
- Foundation Learning Tier: xx,xxx places in total.
- Skills for Jobs xxxxx places an increase of xxxxx from 07/08
- Offender learning: 4,000 places identified within mainstream and ESF funded community programmes

Employer responsive provision

As agreed with our partners, we need to deliver the following in 2008/09:

- Level 2: xxxxx places in total.
- Level 3: xxxxx places in total.
- Skills for Life: x,xxx places in total.
- Apprenticeships: x,xxx places in total.
- Programme Led Apprenticeships: [insert number] places in total.
- Progression Pathways: [insert number] places in total.

Adult safeguarded learning, including personal and community development learning

We will secure this provision and ensure it is aligned to Local Area Agreements:

- Personal and community development learning (PCDL): 65,614 places in total.
- Family learning, literacy and numeracy: 9,532 places in total.
- Wider family learning: 10,376 places in total.
- Neighbourhood learning in deprived Communities: 3,999 places in total.

The Olympic and Paralympic Games

Priority 4 of the LLSP is to equip Londoners with the skills they need to benefit from investment in the London 2012 Games. In support of this, we are allocating £7 million – representing an increase of just under 50% - during 2008/09 to:

- Roll out the next phase of the Personal Best programme
- Purchase 500 new apprenticeships, through a process of tendered commissioning, in customer service, construction and sport
- Build the capacity of work-based learning providers, through a process of tendered commissioning, to deliver excellent training in customer service, construction, sport and audio-visual skills
- Deliver employer-led construction training through the newly established NSAfC on the Olympic site

Tendered commissioning

Tendered commissioning is a competitive process that is open to any new providers. It is also open to existing colleges or providers wanting to extend their provision or enter new markets or geographical areas.

In order to drive up the quality and responsiveness of the provision that we fund, we will be introducing more competition within our commissioning activity. Key triggers for competition include new investment, restructuring of provision or a new delivery model, significant gaps in provision, and failure to meet minimum levels of performance. In 2008/09, we may tender for the following:

16–18-year-olds

European Social Fund
Entry to Employment

Adult learner responsive provision

European Social Fund
Olympics
Apprenticeships for Adults
Skills for Jobs
Employability Skills Programme
Progression Pathways
Offender Learning and Skills Service (OLASS), including IAG

Employer Responsive provision (TBC)

Apprenticeships for Adults
Apprenticeships
Train to Gain

In London, £xx million of the Employer Responsive budget will be available as a responsiveness fund, which will be commissioned throughout the year in response to employers' needs.

European Social Fund

[TBC]

Equality and Diversity, including Learners with learning difficulties and/or disabilities (LLDD)

We are committed to ensuring that learning and skills play an integral role in tackling disadvantage and exclusion. We will work with our learning providers to ensure that every provider has considered the success rates of various disadvantaged groups and established targets to improve performance on equality measures.

Across London, we aim to:

- make ethnicity less of a predictor of success in the achievement of Apprenticeships;
- reduce the gap in success between women and men at level 3; and
- establish similar levels of achievement in skills for life for learners with and without learning difficulties and disabilities.

We will also maintain the number of learning and skills opportunities for LLDD. We will be encouraging providers to increase the employability content of delivery to this client group. We aim to maintain the overall number of learning places for LLDD, and will seek to establish locally available provision catering for specific needs, subject to the availability of funding.

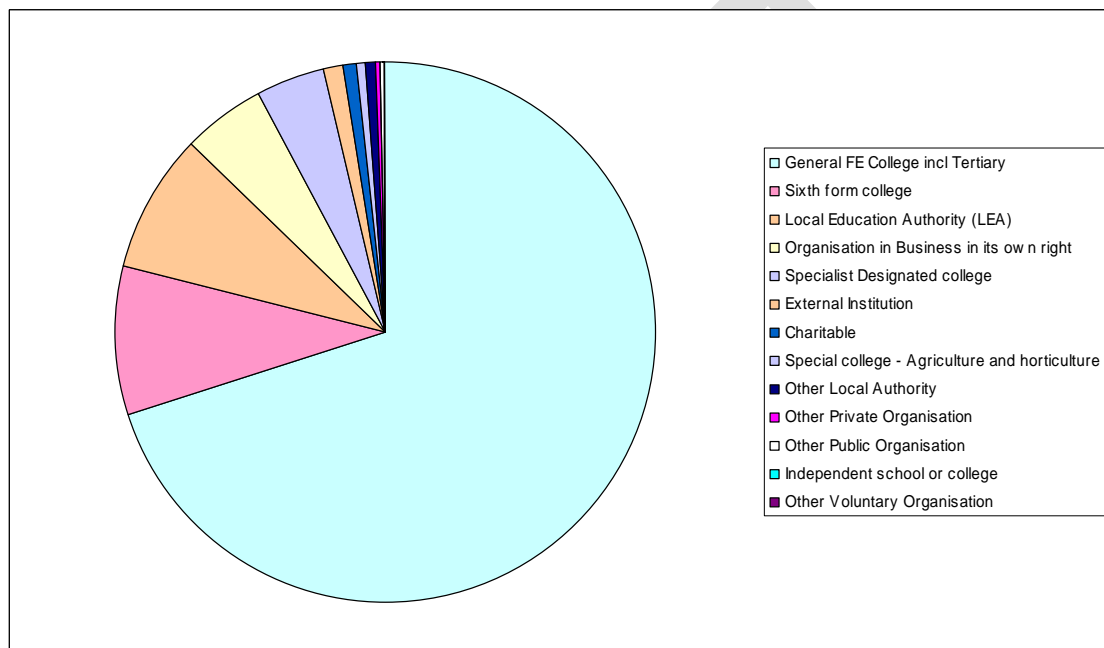
OLASS

We will work collaboratively with OLASS partners to improve opportunities for offenders and ex-offenders through learning and reduce re-offending rates by increasing the skills and qualifications of offenders, improving their employability and helping them move into work.

Infrastructure

Throughout the delivery of our Business Cycle, we take great care to test the market to ensure that our learning and skills provision continues to meet the changing needs of learners and employers.

We take an active interest in the overall volume, pattern and range of learning and skills activity. We also analyse delivery to ensure that equality of opportunity exists throughout our provision in London. The chart below shows the wide range of organisations with whom we contracted in 2006/07.



Building capacity, encouraging new entrants

We want to invest in the capacity of the FE system, so that it is able to respond to future challenges and, where necessary, we want to continue to encourage a diverse provider base to increase choice and quality and stimulate the delivery of innovative provision. One way of achieving may be through the use of open and competitive tendering, where it should result in improved quality or choice for learners and employers. We will help good and excellent providers to grow so that they can continue to offer the breadth and depth of provision we need in London.

Quality

We will support good colleges and providers to perform even better, and will challenge those that are satisfactory but not improving. As part of this more rigorous approach, we will assess performance against minimum levels of performance from the 2006/07 academic year, based on the new measures for calculating success rates

These minimum levels will be used by Ofsted as part of the college and provider performance report. Where a substantial proportion of provision is identified as inadequate or underperforming, a 'Notice to Improve' will be issued. We will address mediocre provision through a regional approach that will focus on areas in danger of slipping below minimum performance levels.

We are committed to continually improving quality by only funding provision that meets our performance benchmarks. Quality improvement will be a key driver of our commissioning decisions to ensure that we secure good quality provision for learners and employers.

The National Improvement Strategy sets out how we intend to improve the support offered to colleges and providers. It also includes the expectation that our contracts and funding agreements ensure that providers have appropriately qualified and trained staff.

Related strategies

- Local Area Statements of Need
- Equality and diversity
- LLDD
- Capital
- RES
- CYP

Glossary

E2E: Entry to Employment
EMA: Education Maintenance Allowance
ESF: European Social Fund
ESOL: English for speakers of other languages
FE: further education
Full Level 2: equates to five GCSEs at grades A* to C
Full Level 3: equates to two GCE A-level passes or equivalent
HE: higher education
JIF: Joint Investment Framework
LAA: Local Area Agreement
LEST: London Employment and Skills Taskforce
Level 5: foundation degree-level learning
Level 6: degree-level learning
NEET: not in education, employment or training
NQF: National Qualifications Framework
NSA: National Skills Academy
NVQ: National Vocational Qualification
OCT: Open and competitive tendering
OLASS: Offender Learning and Skills Service
OSAT: On-Site Assess and Train
PCDL: personal and community development learning
Progression pathways: a high-quality, coherent curriculum offer for entry and Level 1
QCF: Qualifications and Credit Framework
SSC: Sector Skills Council

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National Targets

National targets

Our Statement of Priorities, *Better Skills, Better Jobs, Better Lives* (November 2007) sets out government's key strategic priorities and the contribution the LSC will make to achieving them. The section below summarises the key points.

Over the last decade, Public Service Agreements (PSAs) have played a vital role in driving delivery and increasing outcomes. As part of this Comprehensive Spending Review, four new strategic priorities have been set out by Government:

- Sustainable growth and prosperity
- Fairness and opportunity for all
- Stronger communities and a better quality of life
- A more secure, fair and environmentally sustainable world

Under each of the priorities is a set of PSA delivery agreements, with a number of cross-Government delivery targets for the next three years to 2010-11. The LSC will indirectly support the delivery of a number of these and will directly contribute and lead on the following targets:

Young People

- **Raise the educational achievement of all children and young people**
- **Narrow the gap in educational achievement between children from low income and disadvantaged backgrounds and their peers.**

Our delivery targets will be measured by the proportion of young people achieving Level 2 and Level 3 by the age of 19. In doing so, we will also seek to increase the achievement levels of the most disadvantaged. The target levels are:

- **An increase in the proportion of young people achieving by age 19 Level 2 to 82 per cent and Level 3 to 54 per cent by 2011.**

Currently (2006), in London by age 19, 71% of young people achieve Level 2 and 49% achieve Level 3.

Through increasing the proportion of young people participating in learning, we will support the delivery agreement to **Increase the number of children and young people on the path to success**. The specific delivery target is to reduce the percentage of 16-18 year olds not in education, employment or training (NEET).

This target seeks to reduce the proportion of young people who are NEET, by 2 percentage points by 2010, from a current level of 10%.

Adult Skills

- **Improve the skills of the population, on the way to ensuring a world-class skills base by 2020.**

The delivery targets for 2020 are:

- 95 per cent of adults achieving the basic skills of functional literacy and numeracy
- Exceeding 90 per cent of adults being qualified to at least Level 2, with a commitment to achieve 95 per cent as soon as possible
- 68 per cent of the adult population being qualified to Level 3
- Over 40 per cent of the adult population qualified to Level 4 and above.

We will also work to deliver England's share of the UK ambition for 500,000 Apprentices and improve quality and success rates, in order to increase further the supply of economically valuable skills. Working towards these goals, Government has set interim targets for 2011 as follows:

- **Proportion of people of working age achieving functional literacy and numeracy skills.**

The target is **597,000 people of working age to achieve a first literacy qualification at Level 1 or above, and 390,000 to achieve a first numeracy qualification at Entry Level 3 or above.** These basic skills targets ensure we will continue to meet the target to improve the basic skills of 2.25 million adults between 2001 and 2010.

- **Proportion of working age adults qualified to at least a full Level 2 and 3.** The targets are **79 per cent of working age adults qualified to Level 2 and 56 per cent qualified to Level 3.** These targets ensure that we also remain on track to reduce by 40 per cent the number of adults in the workforce who lack an NVQ Level 2 or equivalent qualifications by 2010. **[dn check definition]**

Currently 60% of working age Londoners is qualified to Level 2 and 46% to Level 3.⁵

- **Proportion of apprentices who complete the full Apprenticeship framework.** The target is **130,000 apprentices to complete the full framework in 2010/11.**

In 2005/06, **xxxx** learners completed an Apprenticeship in London; in 2006/07 we expect this to exceed **xxxx.**

⁵ Note that this is taken from the London Story, Figure 11. The table includes those with 'Other' qualifications, who account for 16% of London residents.