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Leading learning and skills

The London Learning and Skills Plan

April 2006 to March 2007

March 2006

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



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Foreword



The challenge of meeting the skills needs of the capital's employers and their workforce is what drives the LSC in London. Over the last year we invested £1.7 billion in upskilling Londoners, with over three quarters of a million people benefiting from our education and training.

We ensured that more than 45,000 people achieved a recognised basic skills qualification and thousands of employers saw the skills of their employees increase through programmes such as Apprenticeships, the Employer Training Pilot and Skills for Life.

We are proud of our world-class colleges, with 41 rated outstanding or good. The first flagship Skills Academy in the country opened in London in September, raising the standard for the Fashion Retail sector. A second academy (in Finance) will open in September 2006. We now have 58 Centres of Vocational Excellence, leading the way in responding to the needs of London's businesses.

However, we need to do more. This first London Learning and Skills Plan sets out a clear statement of how we will continue to raise our game across London, for London. In return, we expect employers to play their part, with Sector Skills Councils, in shaping skills training to better meet their needs.

Rod Kenyon
Chair of the Regional Board



This year we will spend an extra £50 million on skills and education in London. Maximising the return on this additional investment is vital, as a quarter of inner London's working age population is not in work. While many factors play a part, the right skills are essential to move people into work.

London's employers demand employees with high-level skills (at Level 3 or above), yet half the workforce does not have basic numeracy. This must change. This plan illustrates how we will support the Mayor's Economic Development Strategy by making a real investment in people. Over the next year we will increase our investment in Level 3 skills for adults by over £15 million.

There are many opportunities ahead, the most prominent being the London 2012 Olympic Games and Paralympic Games. We are already working with the key agencies to identify and provide the skills needed to host the Games and to maximise the legacy benefits. That's why, following consultation with our key partners at the Greater London Authority and London Development Agency, we are prioritising our resources on Level 3 and worklessness to bridge the gap to where the future opportunities will be.

We are also changing the shape of our organisation to meet these challenges. Our *agenda for change* programme will deliver an LSC for London that operates more effectively and consistently, both regionally and locally.

David Hughes
Regional Director

London in context

London is a world city, playing a leading role in the UK and international economy. The capital's skills needs are as diverse as its population. The LSC has identified seven priorities for London which set out where the greatest change needs to occur.

Priority 1: Improve educational opportunities for all young people

Why?

We cannot afford to waste the talent of any young person by failing to provide the opportunities and support they need to fulfil their potential.

- While the proportion of young people not in education, employment or training (NEET) in London has fallen by 1 per cent over the last year to 7.7 per cent, this is still higher than the rest of the country.
- At 68 per cent, achievement of Level 2 (five GCSEs at grades A* to C) or equivalent by age 19 in London is below the average for England (70 per cent).
- The completion rate for Apprenticeships in London is 32 per cent, compared to 40 per cent nationally.

Priority 2: Tackle London's skills gap

Why?

By 2010, the majority of jobs will require at least a Level 3 qualification if London is to remain competitive.

- While London has a higher proportion (31 per cent) of residents qualified to degree level than the national average, a quarter of all Londoners of working age are not qualified to Level 2 or equivalent, with 14 per cent having no qualifications at all.
- 50 per cent of the London workforce has numeracy skills at Level 1 or below and 25 per cent has literacy skills at Level 1 or below.
- 46 per cent of jobs by 2010 will require Level 4 or above.
- This skills gap impacts most acutely on women, as highlighted in *Shaping a fairer future*.

Priority 3: Integrate skills with regeneration

Why?

Previous regeneration projects, like Docklands, have failed to deliver enough benefits to local communities. We now need to ensure that regeneration is sustainable, by providing more skills for local people.

- Unemployment in London is high (7.5 per cent) and the employment rate is 5 per cent below the rest of the country.
- Over half of London's boroughs (18 out of 33) are in the top 30 per cent most deprived in England as measured by the 2004 Indices of Multiple Deprivation.
- 16.5 per cent of the London working age population is not in work; this rises to over one in four for inner London residents.

Priority 4: Equip Londoners with the skills they need to benefit from investment in the London 2012 Olympic Games and Paralympic Games

Why?

The Games are a once in a generation opportunity to raise aspirations and skills for east London and the rest of the capital.

- The opportunities can only be realised if we actively plan for the Games and their needs.

- The potential legacy for east London and beyond is huge, but these benefits will not be automatic.
- New jobs will be created and 70,000 trained volunteers will be needed, offering opportunities for local people.

Priority 5: Upskill the public sector workforce

Why?

Public services have a big impact on Londoners' quality of life and their growing expectations demand a more skilled workforce.

- Over 25 per cent of London's workforce is in the public sector.

- A skills gap has opened up between graduate-level opportunities and entry-level jobs, creating a 'glass ceiling' for many Londoners.
- There have been changes in structure, with modernisation of service delivery and an ageing workforce.

Priority 6: Transform the learning and skills sector through *agenda for change*

Why?

We want to support colleges and providers to be more responsive and effective in meeting employers' and learners' needs.

- Around 13 per cent of London employers reported skills gaps, representing nearly 219,000 workers.

- Our 58 Centres of Vocational Excellence lead the way in meeting skills needs, but only 21 per cent of employers train their staff at a further education college. This is the lowest percentage of any LSC region.

Priority 7: Improve our effectiveness at a regional and local level

Why?

We want to be a more efficient and effective organisation to lead learning and skills in the region.

- The LSC in London has demonstrated strong local partnership working, yet this has not always translated to regional level.

- To improve Londoners' life chances, we need to change the way we work, acting consistently across London, while still delivering local solutions.
- We need to focus our efforts at borough level, while acting within a coherent London framework.

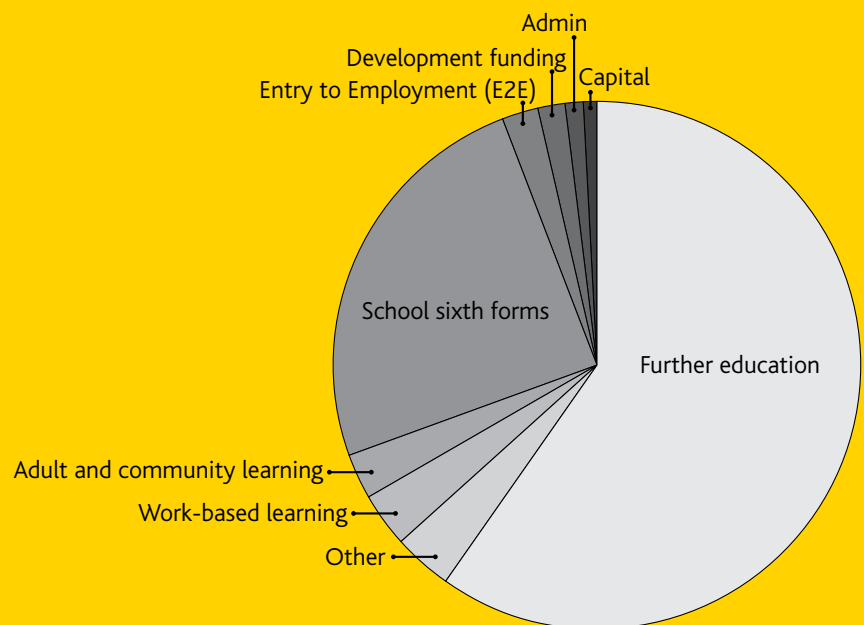
Investing in Londoners

The LSC in London has a budget of £1.75 billion, including an additional £50 million for 2006-07.

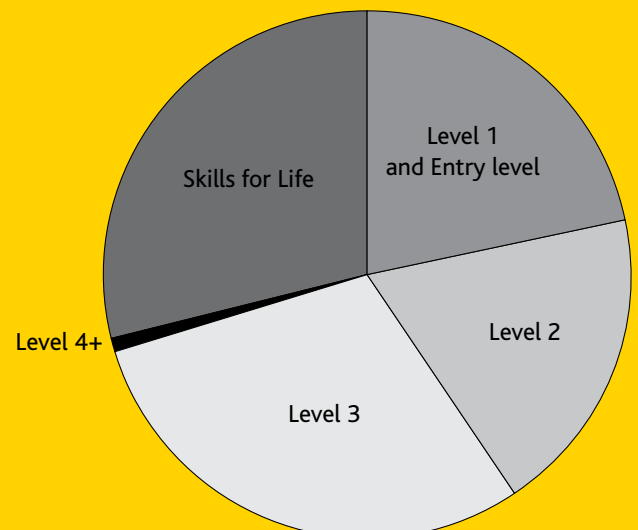
We have shifted our resources into high-priority provision to better meet London's needs and we have also made substantial efficiency gains. The result of these changes means we can now pay for the following.

- An additional 2,400 places in further education for 16 to 18-year-olds, to achieve a participation rate of 81 per cent. This is two percentage points higher than the national average.
- An extra 5,000 young people to achieve Level 2 by the age of 19, and an extra 3,000 places for adults on Level 2 courses.
- An extra 2,200 young people to achieve Level 3 by the age of 19, and an extra 500 places for adults on Level 3 courses.
- An extra 350 young Londoners to complete an Apprenticeship by the end of 2006, with a focus on increasing opportunities for those from a Black, Asian and Minority Ethnic background and/or the public sector.
- A further 31,000 Londoners to achieve a first Skills for Life qualification and the proportion of nationally recognised Skills for Life qualifications to increase from 56 per cent in 2005/06 to 80 per cent in 2006/07.
- An additional 17,000 employees at over 5,000 employers achieving qualifications through the new Train to Gain programme.
- World-class buildings for London's learners by supporting over £250 million in capital projects.

Where the money goes



Funding by qualification level (FE)



Measures of success

This is how we will measure our success against our seven priorities.

Measure	2004/05	2005/06 estimated	2006/07 projected	Current status
Number of young people participating in learning	164,470	164,471	165,729	Exceeding target/ Achieved target
Percentage of young people reaching Level 2 at 19 (in 03/04 65% reached Level 2)	68%	72%	73%	Exceeding target/ Achieved target
Percentage of young people reaching Level 3 at 19	46%	48%	49%	Exceeding target/ Achieved target
Number of people completing Apprenticeships	2,984	3,333	3,682	Exceeding target/ Achieved target
Number of public sector Apprenticeships	N/A	100	600	Exceeding target/ Achieved target
Number of learners gaining a first Skills for Life qualification (cumulative)	102,732	144,919	176,553	Exceeding target/ Achieved target
Number of adult Level 2 places in further education	17,350	18,800	21,800	Exceeding target/ Achieved target
Number of adult Level 3 places in further education	14,275	18,500	19,000	Exceeding target/ Achieved target
Further education success rate (in 03/04 this was 56%)	71%	72%	73%	On track
Number of Centres of Vocational Excellence	47	58	60	Exceeding target/ Achieved target
Percentage of young people who are not in education, employment or training (NEET)	8.7%	7.7%	6.7%	On track
Percentage of Londoners progressing to higher education	Latest available data shows an increased participation rate of six percentage points from 2001/02 to 2002/03			On track
Unemployment rate (claimant count)	7.0%	7.5%	N/A	N/A

Sectors

We need to deliver the skills that all employers need, but we must focus our resources.

We will use sectors to help us to do this. It is too simplistic to set a single list of priorities at the expense of others. Instead, we have decided to take a differentiated approach that recognises the unique structure of the capital's economy, as virtually all of the 25 Sector Skills Councils identify London as a priority region.

We will develop sectoral action plans for London with partners. These will develop more quickly as the Sector Skills Agreements emerge. Meanwhile, our intelligence and work with Sector Skills Councils has led us to the starting point for focusing our resources.

Sector	Scope of response
Construction	Large regeneration initiatives across London causing skills shortages. Low levels of basic skills in existing workforce and need for Level 3 site management
Retail	Large and growing employment sector, low level of basic skills. Retail Academy offers a tremendous opportunity
Hospitality and tourism	Large employment sector, low level of basic skills, Level 1, Level 2
Manufacturing	Shortage of high-level skills at Level 3, Level 4 and above
Creative industries (especially media)	One in seven London jobs is in this sector, concentrated at Level 3 or above. Key component of London economy
Public services	25% of London jobs. Skills gap between graduate and entry level. Ageing workforce
Financial services	Largest employment sector and demanding higher level skills. Financial Services Academy offers a fantastic opportunity
Health and social care	Large employment sector that is growing, low level of basic skills, Level 1, Level 2
Crosscutting these are the following subjects: <ul style="list-style-type: none"> • ICT • Business Administration • Business Improvement Techniques • Customer Care 	London is a world centre for financial and business services. ICT and Business Administration underpin this sector. Need for intermediate skills levels (Level 2/Level 3)

We recognise this is not an exhaustive list, but rather an initial approach that we will develop over the next 12 months, working closely with the London Skills Commission.



Action Plan for 2006/07

What we will deliver with our key partners.

Priority 1: Improve educational opportunities for all young people		
Action	Milestones	Key partners
1.1 Expand educational opportunities in London, including broadening the curriculum	All 14-19 prospectuses from September 2006 link to the London Learner Offer and are available across borough boundaries	Local Authorities Connexions Further education colleges
1.2 Guarantee all London Year 11 school leavers the offer of a place in learning by September 2006	1,000 additional young people supported into learning by September 2006	Sixth form colleges
1.3 Raise the achievement of 14 to 19-year-olds by supporting colleges, work-based learning providers and schools, with emphasis on narrowing the achievement gap of Black Caribbean young males	London's GCE/VE Level 3 average points score per student to increase by five points in 2006	Work-based learning providers Schools
1.4 Pilot vocational pathways from Key Stage 4 onwards in key sectors	Vocational provision is available for 7.5% of Years 10 and 11 by September 2006	Children's Trusts Aim Higher Partnerships
1.5 Improve the range of Apprenticeships , focusing on sectors that are important for London	All young Londoners have access to Level 2 and Level 3 Apprenticeships in at least seven occupational areas from September 2006	Employers Sector Skills Councils Youth Justice Board Lifelong learning networks

Priority 2: Tackle London's skills gaps		
Action	Milestones	Key partners
2.1 Launch Train to Gain , our new offer to employers, targeting resources at key sectors in London	5,190 employers signed up by March 2007 17,820 employees to start first Level 2 or Skills for Life qualifications	Employers London Development Agency (LDA)
2.2 Identify qualifications demanded by employers through Sector Skills Agreements and work with Sector Skills Councils to prioritise their delivery	Increased level of On Site Assess and Train (OSAT) Construction learners delivered in the region by July 2007 Increased percentage of activity currently delivered through Performing Management Operations (PMO) to be replaced by Business Improvement Techniques (BIT) by July 2007 Increased percentage of total IT qualifications will be delivered to new industry standards (ITQ) at Level 2	Sector Skills Councils Business Link 4 London Local Authorities Further education colleges Work-based learning providers Lifelong learning networks
2.3 Increase our investment in specialisation to meet London's Level 3 needs, building on the success of our Airport Centre of Vocational Excellence, by: <ul style="list-style-type: none"> developing our Skills Academies (Fashion Retail, Finance and Construction) launching three sector networks of CoVEs reaccrediting the CoVE network working with the Sector Skills Councils 	Three CoVE sector networks established by March 2007 'Entrepreneurship' CoVE established by March 2007 60 CoVEs in London to be accredited by March 2007	Voluntary and Community Sector Specialist providers
2.4 Protect the role of learning in the community by agreeing a structured approach to Personal Community Development Learning (PCDL)	Delivery framework implemented from 2006-07	
2.5 Increase and improve the quality of provision for learners with learning difficulties and/or disabilities	Draft strategy published July 2006	

Action Plan for 2006/07 (continued)

Priority 3: Integrate skills with regeneration		
Action	Milestones	Key partners
3.1 Deliver more accredited Skills for Life (SfL) qualifications Increase literacy and numeracy support for learners	80% of SfL provision to be within the National Qualifications Framework, by September 2006 Learners to demonstrate an increase in literacy and numeracy by 2007	LDA Regeneration agencies Local Authorities
3.2 Launch a new £35 million package of European Social Funding to support a reduction in worklessness Launch a £15 million prospectus focused specifically on the Olympics (with the South East, East of England Regional LSCs and Regional Development Agencies)	Delivery to commence September 2006 leading to outcomes by 2008 of: <ul style="list-style-type: none"> • 2,025 Level 2 qualifications • 3,030 Level 3 qualifications • 4,670 SfL qualifications • 2,170 people into employment 	Jobcentre Plus Further education colleges Work-based learning providers
3.3 Develop with local partners actions and measures to raise adult skills levels and to support a reduction in worklessness Ensure local recruitment and provision of skills is at the heart of local regeneration planning	'Round 3' Local Area Agreements (LAAs) reflect LSC priorities, targets and funding by March 2007 Section 106 agreements influenced to include the employability agenda	Employers Lifelong learning networks Probation Service
3.4 Create a consistent Information Advice and Guidance (IAG) offer for adults in London	IAG Board for London convened and linked with Regional Skills Partnership by September 2006	Prison Service National Offender Management Service
3.5 Launch a new integrated offender learning and skills service for offenders in custody and commission education and training for offenders in the community	New service operational from 31 July 2006	Voluntary and Community Sector
Priority 4: Equip Londoners with the skills they need to benefit from investment in the London 2012 Olympic Games and Paralympic Games		
Action	Milestones	Key partners
4.1 Identify the additional skills implications for the LSC (and partners) arising from the Games	Joint LSC/LDA research completed by June 2006	Olympic Delivery Authority (ODA)
4.2 Invest additional £2 million budget as first phase of addressing the Olympic Skills needs	Allocated for 2006/07	London Organising Committee for the Olympic Games (LOCOG)
4.3 Develop an Olympic Project Plan to identify key interventions	Production of Project Plan by September 2006	Olympic Skills and Employment Task Force Local Authorities LDA Voluntary and Community Sector

Priority 5: Upskill the public sector workforce		
Action	Milestones	Key partners
5.1 Expand the number of Apprenticeships in the public sector to meet high demand	600 apprentices in the public sector by the end of March 2007	Public sector employers
5.2 Share good practice that builds on the NHS skills escalator model	Whipps Cross (NHS) model expanded by March 2007	South East Regional Trade Union Congress (SERTUC)
5.3 Encourage employees to improve their skills, by supporting Union Learning Representatives (ULRs) to promote learning	Contract agreed with SERTUC to deliver: <ul style="list-style-type: none"> • 300 ULRs • 300 referrals for SfL • 40 new employer relationships 	Public sector supply chain
5.4 Develop an approach to public sector procurement for 2006-07 and beyond	Action plan developed by September 2006	
Priority 6: Transform the learning and skills sector through <i>agenda for change</i>		
Action	Milestones	Key partners
6.1 Support colleges and providers to achieve stretching quality improvement targets	In 2006/07: <ul style="list-style-type: none"> • 73% overall FE success rate • 50% Apprenticeship completions • 66% positive destinations in Entry to Employment 	Association of Colleges Association of Learning Providers
6.2 Fund more 16-18 learning, accredited SfL and first full Level 2s for adults (this is set out in more detail in our publication, <i>Priorities for Success</i>)	Priorities reflected in providers' plans by May 2006	Further education colleges Work-based learning providers
6.3 Increase the volume of full Level 2 learning for key sectors of the London economy	16% increase in Level 2 provision for adults from 18,800 in 05/06	Quality Improvement Agency
6.4 Agree a Capital Strategy for London to provide world-class facilities by 2013	Strategy developed by January 2007	
Priority 7: Improve our effectiveness at a regional and local level		
Action	Milestones	Key partners
7.1 Establish a London Regional Board with a focus on business experience	Board established by March 2006	Commission for Racial Equality
7.2 Implement the Race Equality Scheme (RES) action plan, including: <ul style="list-style-type: none"> • supporting providers to implement effective race equality strategies • improving the monitoring data which informs action 	RES actions implemented in 2006-07	Employers Further education colleges
7.3 Create new Partnership Teams to deliver first-class leadership and management supported by new business processes through <i>agenda for change Theme 7</i>	New enhanced regional office and 32 Partnership Teams created by summer 2006	Work-based learning providers LSC staff

Partnership working

As a strategic funding and planning body, the LSC can only succeed by working effectively with partners to achieve better outcomes for Londoners.

The partnerships that we have forged with learning providers and colleges are central to achieving our ambitions. We will reward success, by operating a 'lighter touch' for those with a successful track record. This philosophy will also extend to the way we allocate our resources. Through our *agenda for change* programme, we will actively engage college governors and local LSC council members in developing the leadership of the further education sector.

Across London, we will build on the regional partnerships developed over the last five years. Our work with the London Skills Commission has led to a co-ordinated approach to ESOL for London, which we will extend to cover Skills for Life as a whole.

Worklessness is a shared priority with the London Development Agency and Jobcentre Plus, and we will work closely with our regional partners to align funds and tackle this challenge through the regeneration of the capital.

Major projects like the Games, Thames Gateway, Heathrow Terminal 5, Kings Cross, Battersea Power Station and Brent Cross/Cricklewood offer great opportunities to address this issue, leaving a legacy of real improvement in the success and wealth of local communities.

Our local focus is our strength

The local knowledge and influence that are a real strength of the LSC in London are most clearly illustrated by our local Councils. These bodies are vital because they reflect London's diverse population and play a clear leadership role in setting our direction. Local Council chairs are members of the London Regional Board ensuring local interests play an integral role in leading the LSC in London, and can influence key regional partners.

This first London Learning and Skills Plan is underpinned by five local plans, each of which sets out clearly how the local offices will play their part. These can be downloaded from:

www.lsclondon.gov.uk



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2006/07 data is correct at the time of publication,
but is subject to change.