

Train to Gain Update

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Background and introduction

1 Train to Gain is the Government's flagship service to employers with two key elements:

- independent and impartial advice to employers on improving the skills of your employees and sign posting/brokering to appropriate provision (publicly and commercially funded activities);
- access to high quality, flexible and responsive provision delivered at a time and place to suit the employer's needs.

2 Since the inception of Train to Gain in April 2006 the service has:

- Engaged with over 117,000 employers
- Supported over 684,000 learners accessing learning through the service
- Delivered 326,000 achievements
- Currently, 74% of businesses using Train to Gain are considered 'hard to reach' and hadn't trained their staff in the past year
- two-fifths of employers (42%) realise bottom-line benefits in the form of higher productivity, increased profit margins and improved product and service quality

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- Training consequently helped 43% of learners earn a pay rise and a further 30% become promoted
- 82% of employers rated the service '8 out of 10', and 78% of employers said they would recommend Train to Gain to other businesses.

Purpose

3 This paper is to update the Council on Train to Gain, its new status within Government business services and the support available to employers through this service. The paper explains the recent changes to Train to Gain to improve its responsiveness to the needs of employers in the current economic climate.

Recommendation

4 This Council is asked to note the contents of this report and discuss any key issues arising from the document.

Key points/issues

Key Brand status

5 Train to Gain has been designated a “key brand” within a new portfolio of support for business that has been given the backing of Government following a wide range review of Government funded support for business through the Department for Business, Enterprise and Regulatory Reform (BERR). This is highly significant for Train to Gain.

6 The review found that Business considered government support complex and confusing due to the number of overlapping schemes, multiple suppliers and many brands in the market place. Many businesses were put off applying for assistance.

7 In October 2008 Lord Mandelson announced a new, more focussed system of support for business to be in place from March 2009. Consequently, publicly-funded business support is being streamlined to offer help in a way that suits entrepreneurs and enterprises. 30 products will be in place by March 2009, down from 3,000, drawing on the best of existing and new schemes.

8 The products will be brigaded under ‘Solutions for Business – funded by government’ badge for products, offering easy identification and quality. This system will give business a quick, easy, direct route to effective products. The majority of the new products will not be explicitly marketed to employers but will be accessed through the Business Link as the primary gateway to this portfolio of services. However, products and services with key brand status will be able to actively promote and use their brand alongside “solutions for business” Key brand

status has only be accepted for two products, Train to Gain and UK Trade and Industry.

Flexing the Train to Gain offer in response to the economic climate

9 In October 2008, John Denham announced a series of changes to the Train to Gain service to help support small to medium sized enterprises (SMEs) as a top priority, including directing the £350m growth over the next two years towards addressing the needs of SMEs. The package includes:

- For the first time funding will be allowed for stand-alone accredited training modules, and part-qualifications or “thin” qualifications, in business-critical areas to raise productivity. These areas include:
 - business improvement techniques,
 - business systems/processes,
 - team working/communications,
 - customer service,
 - new product design, (accredited units under development)
 - finance and credit,
 - cash flow and profit management, and
 - risk management.

- Relaxing the rules to allow workers to get training up to level 2 even if they already have a previous qualification at this level; and more funding for level 3 training;

- From January 2009, help for groups of SMEs located together in business parks so that they can increase their purchasing power and share resources to support the training of local SME staff;

- From 1 November 2008, extending the successful leadership and management programme so that more SMEs can benefit from it, including in companies with just 5-10 workers.

10 The SME flexibilities were launched on the 2nd January 2009. Significant work has been undertaken in a very short space of time to develop the policy and protocols necessary so that employers can begin accessing the package from that time.

11 Guidance for training providers on eligibility, funding and processes was issued via the Train to Gain Bulletin and website on 10 December 2008, alongside detailed briefings for LSC staff and training providers. Working with the BCC the LSC has 9 regional events with businesses to promote the TTG service and the new SME flexibilities. These will take place during January 2009.

12 Early feedback from employers, employer representative bodies and providers and stakeholders has all been positive in favour of the changes made to the train to Gain service.

Redundancy Response Package

13 An additional £50 million of European Social Funds matched with £50 million of Train to Gain funds has been created to give, over the next three years, much needed help to people who lose their jobs. The funding will be available for people who are currently facing redundancy and those looking for work to help them retrain and develop their skills so that they can quickly move back into sustainable employment, either in their existing sector or a brand new one.

14 The package will come into effect in April 2009. It is expected to help support over 60,000 individuals with customised support to help them back in to sustainable employment. Once back in employment, the individual and employer will be able to access further support under the core Train to Gain offer.

Bureaucracy busting

15 In the past, Train to Gain has been associated with high levels of bureaucracy and burdensome paperwork. Over the last year work has been underway to reduce bureaucracy, in particular looking at the paperwork needed to support the customer journey on Train to Gain. The development of standardised paperwork has been carried out by a focus group of providers and has produced a suite of four documents:

1. A combined ILR/Eligibility/Declaration Form
2. An ILP/ Monitoring Form for adding additional learning activity
3. An additional form for adding additional Learning Aims
4. An achiever/early leaver form.

16 This is a significant improvement on the old system which reportedly could have up to 28 pieces of paper. This work has been widely acclaimed by providers and employers alike. The BCC skills' spokesperson felt "all her Christmases had come at once". This is a significant step forward in making Train to Gain more responsive and customer friendly.

Financial Implications

17 There are no financial implications for the LSC – additional DIUS funds are being made available to support the Redundancy Package.

Legal Implications

18 There are no legal implications arising directly from this paper.