

## Regional Plan Presentations: Emerging Themes

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### Background and introduction

- 1 Each of the nine regions have presented plans to the Chief Executive and local plans have been submitted to Regional Boards for approval on behalf of National Council.

### Purpose

- 2 This paper draws together the emerging themes and issues raised during the plans presentations, suggesting actions and identifying further work needed.
- 3 Council is asked to advise what direction the LSC should take on these issues.

### Overarching Themes

Several overarching themes have emerged from the plan presentations this year, these are:

- our scale of ambition,
- the readiness of the sector in responding to the challenges and opportunities of a demand-led system,
- implications for LSC policy and expertise staff in supporting the development of a demand led system
- the increasing importance of an economic development focus to our work.

### Demand-led system and provider readiness

- The impact of a demand-led system on individual colleges and providers, on the infrastructure and on the role of the LSC were all key features of the discussion.
- The LSC needs a clear view on what a demand-led system looks like and what our (changed) role is within that.

**Proposed Action: *Management Group and Directors Day to focus on working up our views on what a demand-led system looks like and what our role is within that, to be communicated internally and externally.***

- Across the country there were varying degrees of the perceived readiness of existing colleges and providers to adapt to a new way of working, both in their engagement approach and the potential financial impact.
- There will be significant political interest in how we respond to colleges who are at risk of closing/failing because they have not managed to respond adequately or have not been able to flourish in a changed marketplace.

***LSC and DfES need to agree our position on support to colleges and providers in areas such as exceptional funding support and provider financial health. We need to be clear about our relationship with and powers vis a vis Governing Bodies, Boards etc...what is our role in helping the system to succeed in a demand-led system?***

**Proposed Action: *Management Group and Directors Day to develop, as above***

### **Capital and infrastructure**

- Regions highlighted a series of issues in relation to the management of capital within the context of wider infrastructure development (e.g. new builds, expansion, co-locations, mergers, competitions). Each region is committed to the renewal of the FE estate and is putting significant resource into this, however, moving to a more demand-led system challenges many of the assumptions we have made about capital development in the past (e.g. that 'business' would be guaranteed).
- Many Governing Bodies are concerned that, in taking on large scale capital projects, they are potentially taking on high-risk and unsustainable developments. Historically, many capital projects were predicated on growth but in the future there will be an increased burden of risk on colleges. Some colleges are convinced of the need to forge ahead with capital plans to give them the physical infrastructure to compete effectively in the future but some are scaling back or deferring plans.
- Regions discussed the need to diversify the current infrastructure and reflected a range of approaches, often determined by the current infrastructure, geography and demography but also by the intervention of the LSC.
- The ability to attract new providers to an area was viewed as difficult in some regions. We will be testing the market, to a limited extent, this year. We need to consider how we are able to proactively stimulate and/or develop capacity; how do we get providers to work in areas that are remote / 'unpopular'; what tools or incentives do we have at our disposal?

***We need much greater clarity on the role of capital in a demand-led system. This work needs to be undertaken quickly to avoid any further delays in capital proposals coming forward etc.***

**Proposed Action: *Management Group and Directors Day to develop, as above***

***The LSC needs to be clear about its role in helping new providers enter the market. We need a clear 'map' identifying geographic, thematic and programme gaps where there appears to be limited interest in engaging in LSC work. And we need to identify the circumstances or conditions where it would be appropriate to offer capacity building funding to a new or potential provider.***

**Proposed Action: *The Planning and Funding Board should work with the Learning, Planning and Performance Board to develop this approach.***

## Economic development

- Across the country there was significant evidence of our increased focus on economic development. It was recognised that we have a real opportunity to demonstrate impact and leadership here and contribute through Local Area Agreements, Multi-Area Agreements, City Regions etc.
- The Skills for Jobs approach was welcomed and seen as confirmation of our ambition to deliver on the worklessness agenda. There are some concerns about the fitness of our funding approach and budget limitations which may prevent us from responding to the needs of the hardest to reach individuals and communities.
- There are a range of views on the efficiency and effectiveness of local area agreements (this issues is explored in more depth later on in the paper).

**Proposed Action: *Skills for Jobs Task and Finish Group to consider this in their work on how best we integrate employment and skills.***

## General themes

### 14-19

- There were many good examples of collaborative working on 14-19 with a range of complex relationships to manage. The emerging position in relation to Local Authorities is felt to be strong and complementary in most areas with relationships working well. Some area teams had particular experience of working with schools to good effect, developing tool kits and approaches that enabled them to challenge in a supportive manner. The learning and experience from these teams should be shared across the LSC as we move into a new relationship with schools in the next planning cycle.
- The **raising of the leaving age** will be a key issue for us both in ensuring the offer to young people (and the mix of provision) and the cost of providing that offer.
- The numbers of **young people not in education, employment or training** (NEET) has been an issue in each of the last three years of presentations. There is a now a comprehensive understanding of the particular issues and groups of young people affected in local areas and many regions are tendering for specific provision to address these issues.
- Many regions reported that they would benefit from sharing their experiences of running **16-19 competitions** with other regions as there was useful practice and expertise that could be adopted in a consistent way. This could usefully be supported by some analysis of the level of interest we have in competitions (e.g. number and type of applications). Experiences ranged from only receiving bids form local consortia to competitions where interest has been expressed form national, local and providers from other areas. All have a series of benefits that can be learnt from.

**Proposed Action: *Julia Dowd to take forward***

- Variable experiences of Learning Agreement Pilots were reported. There are several 'tools' that can be used to engage those young people in jobs without training. The approach to this group should be considered holistically, factoring in the potential role of skills brokers in identifying young people and engaging employers.
- To make further inroads into the NEET figures and to move towards 90% participation we need to consider whether we have a **broad enough offer for young people** in each locality– one that genuinely caters for all needs. Many regions expressed the view that a

greater range and choice is needed for young people in employment at Level 1. There were examples of where Entry to Employment (E2E) was not providing the right sort of learning opportunities and progression routes for all young people and several regions set out early plans for reconfiguring their E2E programmes. These developments need to inform the practice led policy development of the foundation learning tier.

**Proposed Action: *Julia Dowd to take forward***

- Relationships with the **Connexions** service are mixed. This relationship is critical in supporting our commissioning approach as Connexions will provide advice and guidance to learners who may be affected by the LSC withdrawing Apprenticeship provision that falls below minimum levels of performance. We need to develop an agreed approach to managing the transition for these young people, considering the possible impact on NEET figures.

**Proposed Action: *Julia Dowd to take forward with Learning, Planning and Performance Directors.***

### **Higher Education**

- Each region had examples of areas where there are engaging with and developing relationships with HE. We need to consider how we accelerate some of this work and understand recent developments and implications for the FE system, the LSC and the delivery of higher level skills. Those regions with Higher Level Skills Pilots (as part of Train to Gain) could be well placed to lead some thinking on this issue.

**Proposed Action: *Jaine Clarke/Melanie Hunt/Caroline Neville to consider***

### **Economic Development**

- **Employment and Skills Boards:** the Leitch report is not explicit about the footprint for Employment and Skills Boards but, already, there appears to be a proliferation of Boards emerging outside the core cities. There are a number of policy issues around governance, power and relationships to the Employment and Skills Commission that will be clarified in time. For the LSC, all regions agreed that it is important to be involved in any local developments that represent local people. Further work nationally is needed to understand emerging Boards and ensure practice is shared.

**Proposed Action: *Jaine Clarke to capture emerging architecture and remits of Boards; clarifying LSC contribution etc)***

- **Local Area Agreements (LAAs)/Multi-Area Agreements (MAAs):** there were concerns about the bureaucracy but, that aside, Local and Multi-Area Agreements are perceived to be a great opportunity for the LSC to exert local influence and support the Local Authority 'place-shaping' role. We need to consider how we continue to make these agreements work hard for us in achieving shared objectives and how we manage the integration of LAAs and MAAs alongside City Regions, City Strategies, Employment and Skills Boards, Fair Cities, joint planning with JCP etc as part of our planning and commissioning approach for 2008/09.

### **Skills**

- **Train to Gain** continues to offer a great opportunity for meeting employers' needs and securing progress towards the adult Level 2 target. Regions have general confidence that the service is operating well but there are a number of issues that need to be considered as we develop policy and practice:
  - Conversion of leads to starts
  - The perception of providers that they are receiving limited referrals from brokers
  - The balance between delivering an holistic/employer-focused approach and the need to generate large volumes of target bearing activity – Level 2 and Skills for Life. How do we develop providers to act as 'brokers' and provide a holistic service; what is the correct balance between targets and meeting employer needs?
  - Firstness – can we flex the offer in certain priority sectors to enable employees to access partly or wholly subsidised Level 2 training that may not be for a first Level 2?
  - We need confirmation of national policy on the engagement of public sector employers through Train to Gain
  - The sustainability of the various models of brokerage we currently have in operation.

**Proposed Action: *Jaine Clarke to produce paper for Management Group discussion***

## **Clearance**

This paper has been cleared by the National Director of Strategy and Communications.

## **Legal implications**

There are no legal implications arising directly from this paper.

## **Financial implications**

There are no financial implications arising directly from this paper however some of the proposed actions and areas for further consideration may result in financial implications for the LSC. These will be separately considered as part of any recommendations made as a result of the further work.