

i For information



Leading learning and skills

Learning and Skills Council North West Commissioning Statement 2009/10

November 2008

Of interest to Local Authorities, providers
and partner/stakeholders

Foreword

With the extent of the current economic challenges becoming ever more evident, investment in the skills and training of our young people and adults has never been more important. Government has made it clear that our top priority is to help our businesses and people get through the recession. Now is the time to accelerate our efforts to improve the skills of those preparing for work, those seeking work and those in work so that we emerge from the downturn in a much stronger position. The further education and skills sector is ideally placed to respond to the changing needs of those who are most vulnerable from the effects of the downturn, whether as employers or individuals. Through our provider network, we must ensure that we respond flexibly to the needs of those employers and individuals.

2009/10 is truly a transition year. As we move closer to the date when local authorities take responsibility for planning and allocating funds for 16-18 learning, the Learning and Skills Council (LSC) will work more closely with local authorities to help them build capacity on the full range of issues and processes involved. We have been meeting Directors of Children's Services regionally to share information and discuss transition, and local partnership teams have begun to work with local authority colleagues and 14-19 Partnerships to discuss priorities for commissioning at local level. We have a shadow Regional Planning Group in place and local authorities have all made proposals for the sub regional groupings in which they plan to work. Increasingly we will be working with these new structures in the delivery of our responsibilities for commissioning young peoples learning.

This regional commissioning statement for 2009/10 has incorporated for the first time local authority area Statements of Need for 14-19 learning. These are the product of our discussions with LAs and their 14-19 Partnerships and will add a clear local context for LSC partnership team negotiations with providers during this business cycle. Next year, local authorities will play a more leading role in determining planning priorities and in provider negotiations for 2010/11.

At the same time we are preparing for the changes in adult and employer responsive learning. The Skills Funding Agency (SFA) will underpin delivery of the demand-led system. It will drive up employer demand, take the lead in ensuring skills needs are assessed and will act as the catalyst in areas to bring partners together to be responsive to local need. It will support the evolving landscape, including the sub national review, Local Area Agreements and Multi-Area Agreements, and complement Regional Development Agencies' and new Local Authority powers in relation to economic development and worklessness.

The SFA's primary remit will be to route post-19 funding to FE colleges and other providers swiftly, efficiently and securely in direct response to customer choice. It will ensure that national funding approaches support a demand-led system and that public money is used effectively in delivering the Government's priorities..

While preparing for the coming changes, the day to day work goes on and we saw many significant achievements in learning and skills across the region last year:

- For young people, participation and achievement rates continued to improve. We have closed the participation and achievement gap on England averages. Success rates in FE and Sixth Form Colleges continue to outstrip the national

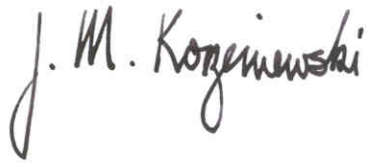
average and Apprenticeship success rates have improved significantly and are now above the national average at Level 2

- For adults, participation and achievement volumes on Train to Gain were the highest of all nine regions

Colleges, school sixth forms and providers in the North West have delivered significant gains in learning and skills in recent years and made an important contribution to the improved economic prosperity the region has enjoyed. The recent economic downturn requires us all to re-double our efforts to support employers, young people and adults through this difficult period and ensure the North West has the skills base it needs to benefit from the economic upturn when it arrives

The re-valuation of the Euro provides significant additional funds for the region, and will enable us to continue to invest in a flexible and responsive way to support employers and learners in a rapidly changing environment

Signed



Regional Director



Regional Chair

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Strategic direction/key areas of focus for the region

- 1 Investment in further education, skills and training for young people and adults has never been more important and the LSC Statement of Priorities¹ sets out how that investment will continue to increase as we respond to the current economic conditions.
- 2 In this Region, the North West Regional Skills and Employment Board (RSEB) Priorities for 2007-10 provide the strategic framework for this Statement as well as for the forward plans of other RSEB members. This enables partners, including the LSC, to demonstrate how national objectives can be delivered to support successful economic development in the regional, sub regional and local context. In this way, LSC investment directly supports delivery of the Regional Economic Strategy
- 3 The current Regional Skills Priorities² for 2007-10 and key future challenges identified by the RSEB as we move forward are annexed to this statement at page 27.
- 4 At a local and sub-regional level the LSC's work is framed by Local Area Agreements (LAAs) and Multi Area Agreements (MAAs).
- 5 More young people will have the opportunity to progress into high-quality education and training, and employers will be able to access the training they need to prepare their businesses to deal with the current economic climate and emerge from it stronger than ever.
- 6 In the North West our priorities are:
 - **To ensure that young people aged 14-19** are given the best choices in education and training that prepare them for success in life, including working life;
 - **To help businesses to grow and prosper** by jointly investing with employers in developing the skills and competences of the workforce;
 - **To ensure that learning in the region meets the needs of adults**, especially those who are furthest from the labour market and need advice, guidance and skills development to get back into work;
 - **To use capital investment as a catalyst for developing the best learning offer in every part of the region**, while supporting economic and community regeneration and contributing to the sustainability agenda.
- 7 We also have a major priority for the way we will work over the coming year:
 - **To prepare for the machinery of government changes and the transfer of LSC responsibilities by working closely with local authorities and other key partners to share expertise and effect a seamless handover to the new arrangements for both young people and adults that minimises impact on learners and delivery partners.**

¹ "Government Investment Strategy 2009–10, LSC Grant Letter and LSC Statement of Priorities Investing in our future through learning and skills" available at:

<http://readingroom.lsc.gov.uk/lsc/National/nat-statementofpriorities200910-nov08.pdf>

² Available at <http://www.nwda.co.uk/publications/skills-and-education/northwest-regional-skills-part.aspx>

Key ambitions/challenges for the region

- 8 During the summer we held a series of summit meetings to review management information and intelligence and determine the regional actions required to deliver our ambitions and goals.
- 9 As a result we have identified the **key challenges** facing the LSC and its partners in delivering our targets and priorities in 2009:

Young People

- We are improving and increasing vocational education choices for young people by supporting the roll out of **Diplomas** at the same time as increasing **Apprenticeship** opportunities. The challenge is to use this improved offer to increase participation and not merely displace one route with the other. Maintaining and strengthening employer engagement will be essential to the success of both of these vocational routes.
- The number of young people entering Apprenticeships has always been high in the North West – with the North East we have shared the distinction of seeing 1 in 10 young people aged 16-18 in Apprenticeships. In the current climate, the challenge will be two fold; to sustain our current apprentices in employment, and also to support employers to provide more apprenticeship places on the road to the **government's target of 1 in 5 young people taking Apprenticeships**
- While there has been a great improvement in the proportion of young people who achieve five good GCSEs, not enough of these achievements include **Maths and English**. As a result, many young people who remain in education at age 16 are not equipped to progress to Level 3 and instead repeat Level 2, albeit through a vocational qualification. Too many of these young people do not then stay in learning at 17.
- Increasing the number of young people who choose to study STEM³ subjects post 16.
- For Level 2, the learning and skills sector added 21.2 percent between 16 and 19 in 2006/07 (51.2 percent achieved Level 2 at age 16 and by age 19, 72.4 percent of the cohort had a Level 2), this was higher than the value added nationally (20.9 percent). However **at Level 3 progress is less good and the gap is widening with national achievements at age 19.**
- Despite significant falls in NEET rates, **there are still almost 19,000 young people in the NEET group** and we need to continue to focus on improved delivery of the September Guarantee for 16 and 17 year olds and to have an appropriate range of provision to both engage these young people and for them to succeed and progress.
- **Young people with learning difficulties and/or disabilities (LDD)** are much more likely to become NEET⁴ at age 16 – regional research uncovered a NEET rate of 20 percent compared with a general rate of 9.7 percent. We need to ensure that this group of learners has an equal

³ Science, Technology, Engineering and Mathematics.

⁴ Not in employment, education or training.

opportunity to participate and achieve by delivering a curriculum and support which meets their needs. For those young people with the most profound or complex disabilities, specialist residential provision may be required, but for most young learners with learning difficulties and/or disabilities, a choice of local opportunities should be available, with additional support provided to meet individual needs.

- **Falling numbers of young people in the region will have implications for planning and funding 14-19 provision**; planning will need to focus more on providing the appropriate mix and balance of provision in each area within a context of a reduced volume of learners in many areas.
- Success rates have been rising year on year, but analysis shows that **young people from disadvantaged areas fare less well than their peers. There is also a performance gap between males and females**, with females in general outperforming males. Closing these gaps is essential if we are to deliver our agenda to all young people.
- There are still large numbers of young people entering **jobs without training**, some at age 16, others at age 17 after taking a 1 year course.
- Although the 16-18 cohort is reducing from the peak in 2008, it is anticipated that between 35,000⁵ and 40,000 **young people aged 16-18 will seek to enter employment in the North West** in the Summer of 2009 and potentially a further 35,000 in the Summer of 2010. Labour market conditions will be far less favourable for new labour market entrants than they have been for the last decade. It is therefore important to ensure that the full range of support mechanisms are in place to help individuals secure successful transition to the world of work.

Employers

- **The Train to Gain plan for growth** requires learner volumes to increase by almost 55 percent between 2007/08 and 2010/11. The North West as a region achieved the highest volume of TtG starts in 2007/08 and will have a challenging trajectory to achieve volume targets by 2010/11, requiring increased employer engagement / market penetration.
- **Delivering targets on 16-18 Apprenticeship** growth requires a major increase in numbers at a time when the economy is facing severe difficulties. Construction, financial services and retail Apprenticeships may be at risk and some Apprentices may face redundancy. We need to work with employers to ensure that the right environment is available to provide continuity of training.
- The introduction of increased flexibilities for SMEs⁶ from 2009 within Train to Gain on the delivery of second Level 2 and Level 3 qualifications and funding for part qualifications in business critical areas, may impact on the **region's ability to meet targets for first Level 2 and 3**.

⁵ Compared with a total of around 93,200 young people who will be aged 18 in Summer 2009 (based on Connexions data). In August 2008, 17.8% of the 16-18 cohort were in employment (32,750), of whom over 18,000 were in jobs without training, and young people become more likely to enter employment over time, as they complete courses.

⁶ Small and Medium Enterprises are those which employ less than 250 people.

Adults

- The qualifications of the region's workforce are a proxy for their skills. Although the North West has improved its qualification profile, in comparative terms it has not managed to close the gap with England.
- Good progress has been made on increasing Level 2 skills (65.8 percent had achieved Level 2 in 2005, by 2007 it had increased to 67.7 percent of working age population), but **at Level 3 the gap is widening between the North West and England** (in 2007, 46.8 percent had Level 3 in the NW, compared with 49 percent).
- Analysis suggests that without any growth, the North West would achieve the Literacy/ ESOL Leitch PSA targets, however without significant growth **the region will be 5,081⁷ achievements short for numeracy Leitch⁸ PSA targets**. We also need to close the gap on success rates, as the region is below the national average for Skills for Life (SfL) qualifications⁹.
- The employment rate in the region has fallen (0.8%) to 71.8 per cent. **Those who are 'workless'¹⁰ in the North West equate to 600,000 individuals**. In the region there is a clear pattern of lower attainment of the economically inactive population compared to the active. The more skills you have, the more you can earn – and the less likely you are to be unemployed. Helping these adults gain skills and sustainable jobs is a formidable challenge, especially now that unemployment is on the rise. It is vital that, with increased flows on to the job seekers register due to redundancies, attention is not diverted from the longer term unemployed group
- The groups who have benefited less from the growth in employment are; older workers, those with no qualifications, people with long term health problems¹¹ and some ethnic groups¹².
- **Based on national data, 50 per cent of offenders are not qualified to Level 1 and over half do not have any qualifications**. 800 offenders are released from prison in the NW every quarter (approximately 75% will be workless on release). In addition 30,000 are serving a community sentence in the region. The challenge is to continue to improve participation on Skills for Life and pre-employment programmes from priority groups (such as offenders and ex-offenders). This becomes even more challenging once the 'easier to reach' learners have been engaged - more innovative and flexible ways of delivering programmes may be required for those 'hardest to reach' but with the most need.

⁷ (Per year), modelling based upon Comprehensive Spending Review (CSR, found at http://www.hm-treasury.gov.uk/pbr_csr07_repindex.htm) & a 14.5% share of the national target.

⁸ Leitch Skills for Life targets are for 95% of working age people to have functional literacy & numeracy skills by 2020. Functional literacy is set at Level 1, functional numeracy at Entry Level 3.

⁹ 53 percent compared with the national average success rate for Skills for Life qualifications of 57 percent, which is still well below the government aspiration of 70 percent.

¹⁰ All unemployed & economically inactive working age adults without a Level 2.

¹¹ Over half of benefit claimants in the region are claiming Incapacity Benefit (54% of the total).

¹² For example, while 2.4 percent of the White working age population in the region was claiming Jobseeker's Allowance between October 2006 & September 2007, the rate for Asian/Asian British people was 9.7 percent & the rate for Black/Black British working age was only 1.4 percent.

Ambitions and Actions

Young people

Help young people to maximise their potential through education and training by:

- Delivering the **September Guarantee** to all young people aged 16 and 17 of a suitable offer of a place in education or training. In delivering the guarantee we will be mindful of the barriers some young people have to participation, such as pregnancy and caring responsibilities, learning difficulties and/or disabilities, young offenders, local authority care leavers, disadvantaged and disaffected young people, and young people who are homeless, or who have drug or alcohol problems, or who are living in abusive situations;
- Providing appropriate support so that **young people stay in learning**, complete their course and either progress into further learning (Level 3+), enter Higher Education or enter skilled employment with training;
- **Increasing the number and range of Diploma and Apprenticeship** opportunities for suitably qualified young people who want them;
- **Targeting the employers of young people in jobs without training** to encourage take-up of Apprenticeships and proposing viable alternatives to provide continuity of training if there is risk of redundancy.

Employers

Help employers to remain productive and competitive in a time of economic turbulence by:

- Increasing the number of employers in the region, including the public sector, who **use Train to Gain and Apprenticeships to recruit and train new workers and to develop the skills** and competence of their existing workforce;
- Responding directly to employers' needs – especially small and medium enterprises (SMEs) by supporting more **qualifications identified as priorities by employers** and sector skills councils and more short courses;
- Using European Social Fund to extend the Train to Gain SME flexibilities to large employers and **support employers who are downsizing or re-structuring**. This will include a range of flexible provision aimed at supporting employers and their staff in **redundancy situations**;
- **Encouraging and supporting more employers to invest** in the skills of their workforce. As the **Skills Brokerage Service** moves to the North West Development Agency, continue to look to this to stimulate employer demand for skills provision and wider business support;
- Ensuring all provision is **responsive and flexible** enough to meet demand.

Adults

Support adults to gain the skills they need to enter and prosper in employment by:

- Working with employers and Jobcentre Plus in Local Employer Partnerships (LEPs) to jointly commission and deliver an effective **integrated employment and skills service** to workless adults. Getting people who have been made redundant back into work quickly is a must.
- Delivering more “**first**” **Level 2 and Level 3 qualifications**, especially to workless adults, including offenders.
- Delivering **employability skills**.
- Delivering qualifications to **those at risk of redundancy or recently made redundant** to enable recognition of prior attainment and experience for those who can remain in their current sector/occupational group and to those who need to retrain to gain future employment.
- Delivering Leitch target **Skills for Life** qualifications to more adults, especially those with poor numeracy skills.
- Targeting public investment in **Adult Safeguarded Learning** on those who have least benefited from learning opportunities in the past, including the workless;
- Encouraging providers to work in consortia in local areas to develop a **Foundation Learning Tier** from which individuals can progress further.
- In support of the Foundation Learning Tier, working with providers to develop **Progression Pathways** targeting learners working at Entry Level and Level 1 to help raise learner achievement and improve progression into further learning and / or employment.
- Preparing for the advent of the new **Adult Advancement and Careers Service**.
- Trialling **Skills Accounts** from September 2009 as a mechanism for encouraging more adults to take a first Level 2.

Commissioning intentions for 2009/10

- 10 For 2009/10, we plan to retain a focus on the key areas of:
 - increasing the participation and achievement of young people while broadening the curriculum and delivering 14-19 reforms,
 - improving adult skills and supporting workless adults into sustained employment, and
 - delivering the skills employers need.
- 11 In doing so, we will take account of the current economic downturn, the priorities established by the Regional Economic Strategy and Regional Skills and Employment Board, and the transition to the new arrangements heralded by the Machinery of Government changes.
- 12 For example, in Employer Responsive provision we recognise the need for a more flexible offer to SMEs – delivering full Level 2 and 3 qualifications may always not be appropriate for employers struggling to stay afloat in the economic storm.
- 13 And as we move closer to the time when local authorities take responsibility for commissioning all education and training for young people aged 16-18 we need to work with LAs to build their capacity to take on this major challenge.
- 14 As of 31st October 2008, the LSC has opened a **Qualified Provider Framework (QPF)** for providers of education and training services. The Qualified Provider Framework is a maintained list of all providers from which the LSC will secure education and training services. This list will incorporate those providers with whom the LSC will negotiate and/or invite to tender.
- 15 Any provider that wishes to be included in the LSC's tendering round for education and training services in January 2009 needs to ensure that they apply to pre-qualify by 10th December 2008. Providers who do not apply to pre-qualify by this date will not be eligible to receive invitations to tender in January 2009. This will not impact on a provider's ability to continue to negotiate with the LSC.

14-19 provision

Young people have four learning routes to choose from to achieve their potential: Apprenticeships, Diplomas, qualifications including GCSEs and A-levels and the Foundation Learning Tier (FLT). Here are set out the intentions for each:

- **Apprenticeships** – the North West has always had strong take-up of Apprenticeship, but more recently there has been a shift from Apprenticeships to full time education. We want to see Apprenticeships grow in 2009/10 from 20,741 participants (2007/08 full year total) to 22,090, an increase of 5.9 percent.
- **Diplomas** – September starts on Diplomas in the North West totalled 1,788 – the highest number of any region and almost 15 percent of the England total. In 2009/10 3,400 places are planned, an increase of 48 percent.
- **General qualifications** – delivered by School Sixth Forms and General Further Education/Sixth Form colleges. The region has a distinctive profile which sees more young people taking qualifications via colleges. In 2007/08 37,639 learners attended School Sixth Forms and 120,908 young people attended colleges (data subject to change as final info becomes available). In 2009/10 we expect 39,000 young people to attend School Sixth Forms and 122,400 to attend colleges.
- **Foundation Learning Tier** – in 2007/08 there were 10,280 starts in **Entry to Employment**, resulting in an average in learning of around 4,700 young people. In 2008 a major commissioning exercise took place to provide match for European Social Fund programmes. This will deliver 4,800 places in 2009/10.
- Regardless of the route chosen, young people will be actively encouraged to pursue **STEM** (Science, Technology, Engineering and Mathematics) subjects as part of the government's strategy to:
 - provide employers with the skills they need in their workforce;
 - help to maintain the UK's global competitiveness;
 - make the UK a world-leader in science-based research and development.

Employer Responsive Provision

- **Train to Gain:** 49,094 starts were recorded in 2007/08 and for 2008/09 108,381 starts are targeted. Train to Gain will continue to be flexible and opportunities for providers will be made available via the Qualified Provider framework. Existing providers that have demonstrated strong performance will be able to expand provision where they can show demand via negotiation through planning and review processes.
- **Apprenticeships** for people aged 19+: 14,656 starts in 2007/08 and around 16,000 allocated for 2008/09. In 2009/10 we expect to see an increase of 4 percent, to about 16,640.
- **In significant redundancy situations** the LSC will identify a manager to work with Jobcentre plus, the relevant Local Authority and other relevant agencies and partnerships to work as part of a multi-agency team to agree and coordinate interventions. LSC funded support will be customised to the needs of the individuals under threat and to the company in question.
- We will continue to address the **regional skills priorities** (see the Annex: North West Skills Priorities 2007-2010) of leadership and management, meeting the full range of employer skills needs from Skills to Life to higher level skills and ensuring that employers in priority sectors are targeted for support.

Adult Learner Responsive Provision

- **Further Education** for people aged 19+: 164,188 learners were allocated for 2008/09. For 2009/10 we expect to see 141,200 learners in line with the budget settlement.
- **Skills for Life:** to achieve the Leitch targets, each year the region requires:
 - 27,860 Literacy/ESOL first Level 1 (or above) achievements
 - and 18,200 first Entry Level 3 (or above) numeracy achievements.
- **Adult Safeguarded Learning (ASL):** 2008/09 planned delivery is for 119,000 learners with increases in learner numbers mainly from PCDL in FE. In 2009/10 we want to see this level maintained
- **Developmental Learning:** this strand includes support for Trades Union Learning, the Prince's Trust programmes, and entitlement learning for learners with learning difficulties and/or disabilities up to age 25. Overall there will be about the same volumes as in 2008/09.
- **Full Level 2:** The region has planned 15,000 full Level 2 in 2008/09. In 2009/10, we expect to see 17,500 learners.

Focus on Skills for Life

- 16 The assumed interim target for Skills for Life Leitch activity for the North West to be achieved between 2008 and 2011 (14% of national interim target) is;
 - 83,580 of the working age population to achieve a first level 1 (or above) in literacy/ESOL qualification. (27,860 per year)
 - 54,600 of the working age population to achieve a first entry level 3 (or above numeracy qualification. (18,200 per year).
- 17 Even if we were to achieve and sustain this level of activity, with no growth, the region would achieve the Literacy/ ESOL PSA target based on the figures given for the CSR, however it would be 5,081 short of achieving the numeracy PSA target.
- 18 Therefore much more numeracy provision is required in the region (approximately 5,000 more achievements each year) to ensure we meet the Leitch PSA targets. As a result there is an expectation that all literacy/ ESOL learners will be assessed for numeracy and appropriate support needs to be provided.
- 19 In addition to the Skills for Life provision delivered through adult learner responsive FE, regionally procured programmes will contribute including:
 - **Train to Gain** - for 2008/09 9,100 Skills for Life starts have been procured (but not broken down by level or by subject). This will require a significant increase in the proportion of SfL starts delivered through the programme.
 - **Employability Skills Programme** – for 2008/09 the region will be looking for at least 154 literacy/ ESOL achievements and 203 numeracy achievements eligible for Leitch targets. (This could increase to 338 literacy/ESOL and 389 numeracy Leitch achievements if we aim towards a 60% achievement rate.)

- **Offender Learning and Skills Service (OLASS)** anticipate supporting the minimum of 2,000 Leitch targets in 09/10.
- **Family literacy, language and numeracy provision through Adult Safeguard Funds.** Provision supported by these funds is not likely to deliver Leitch qualifications, however it is expected that learners will be supported to progress to Leitch programmes.
- ESOL – providers to work with partners in local areas to ensure sufficient range and quantity of ESOL provision including pre- entry provision to support community cohesion.

Focus on the Adult Safeguard

- 20 We will secure this provision locally and ensure it is aligned to Local Area Agreements and Multi-Area Agreements
- 21 2007/08 saw the establishment of PCDL¹³ Partnerships across 22 local authority areas in the NW and these prepared PCDL Plans during 2008/09. Partnerships continue to evolve and will play a key role in planning Adult Safeguarded Learning in 2009/10 at local area level, linked to Local Area Agreement and Multi Area Agreement priorities.
- 22 2008/09 saw an increased alignment of NLDC provision to meet the needs of workless people with 72% of NLDC provision focused on Skills for Jobs activity. In 2009/10 we wish to see an increase in the proportion of NLDC focused on the workless with more emphasis on encouraging and supporting progression into further learning that enhances employability, linked closely to wider pre-employment provision and support programmes through partnership activity.
- 23 There are two priorities for use of the safeguarded adult learning budget, which supports informal learning, Personal and Community Development Learning (PCDL), Family Language, Literacy and Numeracy (FLLN), Wider Family Learning (WFL), Neighbourhood Learning in Deprived Communities (NLDC) and Family Learning Impact Fund (FLIF). These are:
- an increasing concentration of the Adult Safeguard budget on those who need help most
 - an increasing proportion of fees collected from those who can afford to pay
- 24 We recognise that achieving these two priorities simultaneously is not easy and that an acute focus on supporting the most disadvantaged is likely to inhibit fee income. We look to PCDL Partnerships to ensure a broad, high quality curriculum that reflects local needs and where possible, secures fee income from those who can pay in order to support the costs of delivery to those most disadvantaged.
- 25 2008/09 included growth in Family Learning through the Family Learning Impact Fund, with planned provision reaching an additional 2,300 learners. In

¹³ Personal & Community Development Learning, delivered both via Adult & Community Learning Providers & by Further Education Providers.

2009/10 we will look to increase the focus of FLIF provision on numeracy and financial capability programmes which support the achievement of Skills for Life targets either directly or through introductory learning that leads to target bearing progression routes for learners.

Responding to the Economic Downturn: Pre-level 2 Flexibilities in adult learner responsive provision

- 26 The LSC Statement of Priorities¹⁴ introduces new flexibilities in pre-level 2 provision in the adult learner-responsive model, alongside the private sector SME flexibilities in the employer-responsive model.
- 27 They represent a significant change to the way we manage the funding allocation process which must be reflected in dialogues with colleges and providers.
- 28 For pre-level 2 learning each college will have to set out its expected contribution to key targets (SfL literacy and numeracy) and indicative learner numbers in SfL, Foundation Learning Tier (FLT) and developmental learning. Colleges will be expected to deliver their contribution to SfL PSA targets, but beyond that will have flexibility to use their funds for SfL, FLT and developmental learning to respond to local need. Within this flexibility, colleges will be expected to maintain provision in key priority areas such as LLDD and Trade Union learning, but not to meet specific targets.
- 29 The Government is particularly keen to devolve responsibility to colleges to develop programmes that can lead to sustainable employment outcomes – even if these do not lead to recognised qualifications in the first instance. Such programmes would form part of the wider Integrated Employment and Skills strategy, bringing together pre- and post-employment training. This may involve more consortium working between partners to provide accessible and flexible progression pathways from pre employment through to Train to Gain.
- 30 This new approach means that colleges should not be held to account for delivering the precise numbers planned in SfL, FLT and developmental learning categories in the current year 2008/09, provided they have made progress towards their agreed contribution to the SfL PSA targets. This flexibility has already been built into the in-year reconciliation process for 2008/09, where colleges' performance will be assessed against their overall adult learner-responsive volumes of Standard Learner Numbers¹⁵ (SLNs).
- 31 Through these flexibilities the Government expects to see a shift in the relationship between the LSC and colleges and providers. Colleges are to be

¹⁴ The main references to these flexibilities are on pages 9 and 48 of the document.

¹⁵ **Standard Learner Number Rates** The [National Rates](#) are calculated to determine the unit of resource to be assigned to types of provision (e.g. school sixth forms, 16-18 Apprenticeships, other 16-18 Learner Responsive, Adult Learner Responsive and Employer Responsive). They are generated to allow the calculation of each provider's allocation as part of the new 'demand-led funding formula' (Standard Learner Numbers x Provider Factor x National Rate) + Additional Learning Support. National funding rates are calculated from the funding envelope set out in the LSC's annual Grant Letter alongside indicative planning values. The 16-18 rates take account of the Minimum Funding Guarantee.

given greater freedom – and responsibility – to address the local issues arising from the economic downturn.

Open and Competitive Tendering

- 32 In 2008/09 the LSC in the North West commissioned:
- 36,803 School Sixth Form places
 - 36,451 16-18 Apprenticeship places
 - 122,919 16-18 Further Education (includes Sixth Form colleges) places
 - 10,155 Entry to Employment starts
 - 164,278 Adult Learner responsive places in FE
 - 95,664 Train to Gain places
 - 27,296 Adult Apprenticeship places, including for adults aged 25+
 - Careers information and advice services for 67,103 adults through the nextstep face-to-face service.
- 33 During the 2007/08 academic year the LSC procured over £106m of ESF funded provision which has purchased the following provision for the period May 2008 to December 2010:
- **Support for 22,818 unemployed adults** including offenders via our Skills for Jobs framework and Sustainable Employment Programmes.
 - A range of activities to **support 14,115 young people** who are not in education, employment or training or who are **at risk of becoming NEET**.
 - **4 Community Grants programmes** (one each in Cumbria, Cheshire & Warrington including Halton, Greater Manchester and Lancashire) to support small community based organisations to assist people from the hardest to reach communities and individuals experiencing multiple disadvantage access mainstream ESF and domestic employment and skills provision.
 - **Upskilling 63,369 employed people** through a range of activities which support and enhance our Train to Gain provision for example, Pathways to Level 2, Additional Level 2s and 3s, Level 4 and Train the Trainer.
 - In addition, we have also procured activities which support the **Skills Pledge** and which will act as a **rapid response fund for skills development to inward investing, expanding and restructuring companies**.
- 34 Approximately £7m ESF funding will be utilised to procure support for young people who are not in education, employment or training or who are at risk of becoming NEET.
- 35 The additional revaluation ESF funding made available to the LSC via Priority 1 will be utilised to procure rapid responsive programmes which can meet the individual skills needs of the unemployed:
- Major Redundancy Scheme including a LEP for redundancies model
 - Pre-Redundancy/smaller scale redundancy skills scheme
 - TtG SME flexibilities enhancement or added volumes

North West Local Authority Area Statements of Need

15 December 2008



Leading learning and skills

Introduction

This year for the first time the Learning and Skills Council in the North West produced 22 local strategic analyses of education and training provision for young people aged 14-19.

These were subsequently shared by LSC Partnership teams with local authorities and other members of 14-19 partnerships. The aim was to discuss the findings and reach conclusions about the current position in each area, as well as to identify broad commissioning intentions for the 2009/10 academic year.

These discussions led to the production of a Local Authority Area Statement of Need for each area. The Statements analyse resident participation and achievement and also review provider level participation, quality and learner support to identify priorities for the year ahead.

The result is a set of local commissioning priorities for each area which has been agreed by all the organisations concerned with the education and training of young people. All 22 of these have been compiled here.

The key messages from the local statements have been distilled to create the regional commissioning priorities, and annexed here are the commissioning priorities for each area to provide a local perspective.

Please note that these are extracts from Local Area Statements and do not therefore include all the issues covered by Statements. For example, while there may not be a specific commissioning intention¹⁶ on tackling NEET, all the Statements refer to the issue and many set out priorities with regard to NEET.

These extracts have been included here to provide a flavour of local priorities, but those interested in local 14-19 planning should refer to the full Local Authority Area Statements of Need, which will be published to the LSC North West website alongside the regional statement.

The most frequently listed priorities from the local statements have been summarised in the table below to provide an indication of the main messages.

Table 1: Summary of key themes from local statements of need

Area	Commissioning Priorities from Local Area Statements of Need					
	Increasing Apprenticeship	Reducing NEET	Improving Level 2/3 @ 16/19	Targeting vulnerable groups	Reducing jobs without training	Increasing access to FLT opps
Blackburn with Darwen	✓	✓	✓			✓

¹⁶ For example, many areas have already commissioned specific provision, or have existing plans for tackling NEET.

Commissioning Priorities from Local Area Statements of Need						
Area	Increasing Apprenticeship	Reducing NEET	Improving Level 2/3 @ 16/19	Targeting vulnerable groups	Reducing jobs without training	Increasing access to FLT opps
Blackpool	✓	✓	✓	✓		✓
Bolton		✓				
Bury	✓	✓		✓	✓	
Cheshire East		✓		✓		
Cheshire West		✓		✓		
Cumbria	✓	✓		✓	✓	✓
Halton	✓	✓		✓		✓
Knowsley	✓	✓				
Lancashire		✓	✓			
Liverpool	✓	✓		✓		✓
Manchester				✓		
Oldham	✓					✓
Rochdale	✓	✓		✓		
Salford	✓	✓	✓			
Sefton	✓			✓	✓	✓
St Helens	✓	✓		✓		✓
Stockport	✓	✓		✓		
Tameside	✓	✓		✓		
Trafford		✓				
Warrington		✓		✓		
Wigan		✓		✓		
Wirral	✓	✓		✓		

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Local Authority Area: Blackburn with Darwen

Blackburn with Darwen Resident Participation

Priorities:

- Continuing to reduce the percentage of 16-18 years olds who are NEET through sustained partnership activities with mainstream and ESF funding with an emphasis on 17 and 18 year olds and LLDD.
- Engage a greater proportion of BME young people in Apprenticeships through more targeted IAG activities with young people, their parents and employers
- Increasing the availability of Apprenticeship opportunities particularly with public sector employers and in response to sector skills councils priorities in order to meet the challenging national growth targets. Additionally, the current economic climate in which companies are operating may present challenges to the achievement of growth targets and is to be recognised

Resident Learner Support

Priorities:

- Continue to work with the 14-19 transition group to ensure that young people have access to improved and impartial IAG.

Provider Participation

Priorities:

- Development of Diploma opportunities throughout the network in order to have a full suite of provision available across the 13 lines by 2013
- Growth in employer engagement to contribute to curriculum development and support the increase in apprenticeship places
- Continue to maintain levels of participation and increase choice in post-16 provision
- Encourage greater involvement of providers in the Foundation Learning Tier and Functional skills development.

Local Authority Area: Blackpool

Blackpool Commissioning Priorities 2008-09

- Focus on improving participation and achievement
- Continue the work to reduce NEET group
- Improve volume and achievement of L2 programmes
- Improve quality of IAG
- Ensure adequate Apprenticeship and Programme Led Pathway provision in Construction to meet future needs
- Ensure adequate FLT provision
- Should additional funding be available, key activities to target would be those which would enable to following groups to engage more in learning:
 - Teenage parents to engage in learning.
 - Transient learners to engage in learning.
 - LLDD learners to engage in learning.
- Maintaining an appropriate mix of provision including the incorporation and development

Blackpool Commissioning Priorities 2008-09

of Foundation Learning Provision

- Increase the volumes and success rates of Young People in Level 2 and Level 3 programmes.

We will continue to:-

- monitor L2 /3 at 19
- meet the need for additional volumes on Apprenticeships
- Review the appropriateness of provision to respond to the diverse range of needs within NEET and meeting the needs of employers

Local Authority Area: Bolton

Bolton Commissioning Priorities

- Increase provision to attract new learners currently outside of education and training

Local Authority Area: Bury

Bury Commissioning Priorities

- Increase apprenticeships and offer provision to engage those not currently in structured learning as either outside of education and training or in jobs without training
- Number of FE/SFC/Apprenticeship/e2e places in line with forecast school cohort and NEET volumes, travel to learn patterns and meeting learner choice

Local Authority Area: Cheshire East

Cheshire East Commissioning Priorities 2008-09

- Sufficient high quality provision to match the needs of the smaller 2009-10 cohort.
- Support for areas or groups of young people with lower levels of participation with initiatives to increase motivation and raise aspiration.
- Provision which meets the needs of looked after children and other vulnerable learners.

Local Authority Area: Cheshire West and Chester

Cheshire West Commissioning Priorities 2008-09

- Sufficient high quality provision to match the needs of the smaller 2009-10 cohort.
- Support for areas or groups of young people with lower levels of participation with initiatives to increase motivation and raise aspiration.
- Provision which meets the needs of looked after children and other vulnerable learners.

Local Authority Area: Cumbria

Cumbria Commissioning Priorities 2008-09

- Increase the take up and provision of 16-18 year olds on Apprenticeships, including addressing any capacity issues in providers in specific occupational areas
- Ensure that there is a range of opportunities to meet the needs of all young people including LLDD and NEET and ensure that there are clear progression routes in place
- Work with the 14-19 partners to develop strategies for re-engaging the school leavers that go into employment without training
- Ensure there are sufficient opportunities at Level 2 and below for all young people

Local Authority Area: Halton

Halton Commissioning Priorities 2008-09

- Ensure appropriate level 1 provision in place.
- Ensure appropriate apprenticeship programmes in place to meet demand and Government priorities.
- Access to provision in Runcorn at all levels.
- Appropriate mix and balance of provision at all levels particularly at Level 3.
- Develop flexible programmes to encourage NEET young people and those within vulnerable groups (e.g. Teenage Parents, LLDD, Care Leavers, Offenders) to take up provision with clear progression to employment, training and further learning.

Local Authority Area: Knowsley

Knowsley Commissioning Priorities for 2009-10

- Develop L3 offer appropriate to Knowsley residents
- Develop provision to attract those learners currently NEET
- Increase level of apprenticeships within priority sectors
- Ensure learner support funds are deployed effectively to meet needs
- Increase retention in learning or employment opportunities at age 18

Local Authority Area: Lancashire

Lancashire Commissioning Priorities 2008-09

- Focus on improving participation and achievement in Burnley and Preston
- Reducing high volumes of NEET in key geographical areas
- Improve the volume and achievements of Young People in Level 2 programmes
- Improve the volume and quality of IAG
- Improve the participation and achievements of 17 Year Olds.

Local Authority Area: Liverpool

Liverpool Commissioning Priorities 2008-09

- Alignment of post-16 places to take account of the decline in the cohort is critical. This will need to take account of and balance structural changes in School Sixth Form places, targets for the reduction in NEET whilst increasing the provision of apprenticeship places.
- Provide more provision that offers focused and tailored support for learners, particularly those from vulnerable groups, to help them reengage and remain in learning
- Improve the accessibility of E2E and apprenticeships for learners in Speke and Garston through the provision of local points of delivery

Local Authority Area: Manchester

Manchester Commissioning Priorities

- To ensure that the provision is located appropriately and meets with learner / employer need.
- To review existing provision and ensure alignment with local and regional LMI and changing economy
- To continue to develop bespoke provision for those in vulnerable groups.

Local Authority Area: Oldham

Oldham Commissioning Priorities

- Commission provision to fill identified gaps in progression pathways
- Raise level of apprenticeship availability and take up
- Ensure that commissioning plans and volumes compliment BSF strategy
- Deliver and develop commissioning plans that align with and consolidate growth in identified priority sectors

Local Authority Area: Rochdale

Rochdale Commissioning Priorities 2008-09

- Provision which offers appropriate progression from KS4 – particularly via diploma and work-based routes, including E2E
- Provision which gives young people the best opportunities to access HE, including through work-based routes, where appropriate (Advanced diplomas; advanced apprenticeships as well as A levels)
- Provision which supports, engages and offers progression routes into further learning or employment for 'vulnerable groups', particularly those most at risk of becoming NEET/already NEET

Local Authority Area: Salford

Salford Other Issues

Key Conclusions:

- Infrastructure and organisation of the FE sector in Salford no longer optimal to meet key agendas
- Capital developments need to be developed in co-ordinated and coherent manner

Priorities:

- Successful implementation of Salford City College merger from 1 January 2009
- Development of FE Capital Plan to deliver world-class facilities in Salford that is complementary to the existing BSF plans for secondary education in the City.
- Data collection, sharing and mapping at small area level, timely and relevant to inform business planning and commissioning (especially SFL)
- LSC key role working with Council and JCP in strategic commissioning for skills and work programme in Salford

Local Authority Area: Borough of Sefton

Sefton Commissioning Priorities 2008-09

- Analyse predicted learner volumes against current and anticipated provision, ensuring an appropriate mix and balance of provision for pathways to Level 2, Level 3 and employment for all learners
- Increase take up of 16-18 year olds on Apprenticeships
- Ensure the new South Sefton Sixth Form College is launched on time with appropriate learner volumes
- Ensure appropriate provision is available for LLDD
- Review the central capacity to support 14-19 learning, ensuring that the Local Authority has the capacity to work with LSC during the current tracking year
- Analyse the needs of young people in jobs without training and develop an annual plan to support as many as possible into skills training/learning

Local Authority Area: St Helens

St Helen's Commissioning Priorities 2008-09

- Continue KS4 Engagement Programme
- Increase number of Young Apprenticeship places
- Increase overall numbers in learning 16-18 for 2009/2010
- Ensure provision attracts new 16-18 learners currently outside education and training, including care leavers, young offenders, those with learning difficulties and/or disabilities and young parents including the continuation of Progression Pathways and Keep in Touch for Young Mums
- Increase numbers in Entry to Employment programme
- Increase numbers of 16-18 learners in apprenticeships
- Increase numbers of young people with severe learning difficulties and profound and

St Helen's Commissioning Priorities 2008-09

complex needs and young people with severe autism participating in learning locally

Local Authority Area: Stockport

Stockport Commissioning Priorities

- Ensure that the mix and balance of provision is effective and flexible and attracts new learners currently outside of education and training.
- Increase provision and take up of 16-18 year olds on Apprenticeships.
- Provide better, wide-ranging local provision and support for learners with LDD.
- Develop collaborative provision that can demonstrate it will lead to improved viability, success rates and participation
- Prioritise Diploma growth where it clearly does not displace the existing curriculum offer.

Local Authority Area: Tameside

Tameside Commissioning Priorities

- Ensure that the mix and balance of provision is effective and flexible and attracts new learners currently outside of education and training.
- Increase provision and take up of 16-18 year olds on Apprenticeships.
- Provide wide-ranging local provision and support for learners with LDD.
- Develop collaborative provision that can demonstrate it will lead to improved viability, success rates and participation.
 - Prioritise Diploma growth where it clearly does not displace the existing curriculum offer.

Local Authority Area: Trafford

Trafford Commissioning Priorities

- Commission provision to attract new learners currently outside of education and training
- Consolidation of current over and under-delivery whilst aligning the number of SSF/FE/WBL places in line with predicted school cohort volumes

Local Authority Area: Warrington

Warrington Commissioning Priorities 2008-09

- Sufficient high quality provision to match the needs of the smaller 2009-10 cohort, particularly gaps in provision for vulnerable learners.
- Support areas or groups of young people with lower levels of participation with initiatives to increase motivation and raise aspiration.

Warrington Commissioning Priorities 2008-09

- Focus on additional places for young people from Warrington to increase participation rather than expansion in breadth of provision.

Local Authority Area: Wigan**Wigan Commissioning Priorities**

- Increase provision to attract new learners currently outside of education and training
- Review existing provision and ensure alignment with local and regional LMI and changing economy
- Develop bespoke provision for those in vulnerable groups using best practice from the activity agreement pilots and ESF programmes
- Consolidation of current over and under-delivery whilst aligning the number of SSF/FE/SFC/WBL places in line with predicted school cohort volumes
- Develop the Education Plan
- Alignment of ESF NEET funds to working neighbourhoods funds

Local Authority Area: Wirral**Wirral Commissioning Priorities**

- Commission post-16 provision in line with predicted cohort volumes
- Develop provision to attract new learners currently outside education and training including provision with multiple entry points
- Continue to develop provision for the most vulnerable groups of young people
- Commission WBL provision in priority sectors including use of PLP where appropriate

Annex: North West Skills Priorities 2007-2010

The LSC in the North West has signed up to the Regional Skills Priorities. These priorities frame the investment of skills partners in the region and provide the means through which the Skills and Employment elements of the Regional Economic Strategy (RES) are realised. The North West Regional Skills Priorities 2007-10 below were agreed and endorsed by all members of the RSEB¹⁷ in 2006.

- *Tackle worklessness by linking people, jobs and training;*
- *Increase the participation of 16-19 year olds in education and/or work based learning, thereby securing increases in Level 2 and Level 3 attainment and progression into higher education;*
- *Increase the proportion of adults with the skills and qualifications needed for employment, with a focus on Skills for Life and Level 2 attainment;*
- *Support adults to progress beyond Level 2 and to attain skills and qualifications at Level 3 and above, with a focus on key sectors;*
- *Stimulate employers to invest more in workforce development which meets business needs including innovation, management, leadership and intermediate and higher level technical and professional skills;*
- *Stimulate demand for, and investment in entrepreneurial, intermediate and higher level skills from individuals;*
- *Support providers to respond to the needs of individuals and employers through delivery of high quality provision.*

These priorities are underpinned by the requirement for consistently high quality of skills provision, and the need to ensure that all activity addresses issues of equality and diversity.

The North West evidence base and priorities provide the rationale for the LSC Regional Commissioning Plan as well as the forward plans of other RSEB members enabling them to demonstrate how national objectives can be delivered to support successful economic development in the regional, sub regional and local context.

Current action

In preparation for the proposed new Single Integrated Regional Strategy the RSEB has now taken the lead role in preparing and identifying the key issues and principles affecting employment and skills in the short, medium and long term, taking account of political, social, economic and environmental factors.

Further detailed analysis of the evidence from all published sources and consultation with key partners across the region during 2008 has identified a number of key issues to be considered when prioritising employment and skills activity in the North West. Representation of all five sub regional partnerships in the RSEB and close links to the business community has ensured the work is well

¹⁷ The North West RSEB membership: NWDA, LSC, JCP, TASSC, TUC, GONW, HEFCE, Universities, Sub-regional partnerships, 4NW, AoC as well as sub groups to include employers, sectors, & the third sector.

grounded in the specific requirements of employers and place, as well as the generic needs of the economy.

In many cases the future skills requirements and priorities will be driven by PSA target requirements and the recognised needs for a nationally competitive economy. This will be done through the increased acquisition of Skills for Life, Level 2 & 3 qualifications and Apprenticeships through to the higher level skills and leadership and management requirements needed to support a dynamic regional economy. The RSEB work, however, enables these priorities to be interpreted flexibly to reflect specific North West requirements.

Future challenges

The recent work undertaken by the RSEB has highlighted a number of emerging critical challenges which will reshape the North West skills priorities for the future. These build on and refine the existing priorities but also recognise the need for short term responses to reflect the current economic downturn. The draft challenges are:

Shorter Term Critical Challenges

- *Responding to the challenges of economic recession by tackling the economic and social effects of large scale redundancies and lower levels of recruitment*
- *Responding to the challenges of economic recession by helping employers to plan and provide for their current and future skills needs*

Longer Term Critical Challenges

- *Providing the support that the workless need to gain sustainable and rewarding employment, especially those from the groups and communities most adversely affected by unemployment, a lack of work or underemployment*
- *Raising the aspirations and attainment of young people, especially amongst 16-19 year olds*
- *Ensure a commitment amongst adults to the skills and qualification they need for employment, with a focus on Skills for Life and Level 2 attainment, as well as attainment at Level 3 and above*
- *Stimulate employers to invest more in workforce development at all levels, including innovation, leadership and management, and entrepreneurial skills*

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