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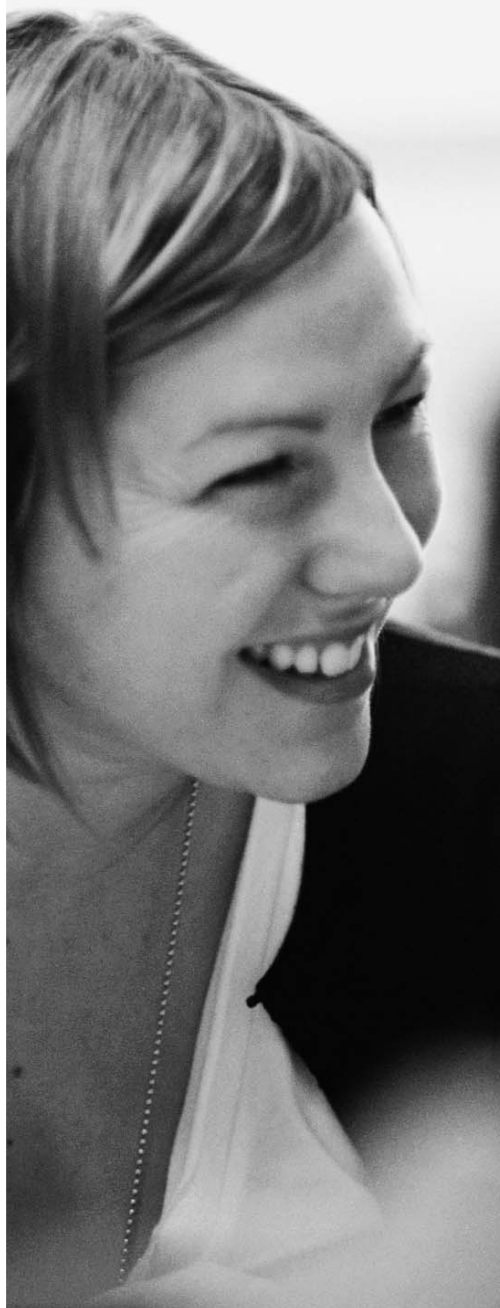
Leading learning and skills

# Regional Statement of Priorities

## South East Region

# 2006-07

Of interest to everyone involved in improving skills  
and learning opportunities in the South East





**Henry Ball**  
Regional Director

## Introduction

This statement has been developed from a comprehensive assessment of regional learning and skills needs, a detailed performance review and a summary of current strategic priorities. It complements the LSC's national Annual Statement of Priorities and sets out our regional priorities for the year ahead.

**i For information**

LSC South East Regional Statement of Priorities 2006-07

# Foreword by Regional Director

**Our five year vision is of a well planned and highly responsive system of learning and skills provision.**

This annual statement of the LSC's priorities for the South East describes how we intend to implement the LSC's national priorities in the region and to respond to our own regional needs analysis and to broader perspectives, most notably the consultation document on the next Regional Economic Strategy. It provides a framework for our future activities at both regional and local levels.

Although we review and revise our priorities at annual intervals, most of what we are aiming to achieve has a much longer lifespan than a single year. The statement should therefore not be read simply in terms of our plans for 2006-07 but, rather, as a restatement of our longer term goals.

Our **five year vision** is of a well planned and highly responsive system of learning and skills provision. This will support the sustainable prosperity of the region and fulfil the needs of learners, employers and communities which are at present not being adequately met. Young people will have more access to high quality vocational provision. Adults will be encouraged and supported by their employers to develop their skills. They will also have a range of opportunities to engage and re-engage in learning within their communities. Employers will have high quality training services to improve the skills of their workforce. The LSC will have a major role to play in funding this system but we will be far from the only source of funding. Employers and individuals will increasingly be prepared to invest to meet their learning and skills needs. Providers will draw upon their own assets and borrowing capacity to help develop an infrastructure fit for the 21st Century.

To achieve this vision we need to work closely with providers of different kinds: colleges, schools, training companies, voluntary and community organisations and others. We also need to work closely

and effectively with a range of partners at national, regional and local level: the South East England Development Agency, Jobcentre Plus and other regional organisations within the Regional Skills for Productivity Alliance; local authorities and other partners through Children's Trusts, Local Area Agreements and other local mechanisms. We need to develop our ability to work effectively with employers, whether directly or through intermediaries.

And we need continually to hone our understanding of learners' and employers' needs through the intelligent interpretation and application of research and data analysis.

The South East has a strong economy and generally high levels of prosperity. But the future strength of its economy is subject to major global forces and its overall level of prosperity masks great variations between and within different communities. We need to address these twin challenges. We need to meet the skills needs of our manufacturing and knowledge-based industries and of our extensive private and public service sectors. We need to work towards re-engagement of the 250,000 economically inactive people in the South East who wish to work and we need to help people who have not fulfilled their potential to do so, whether at work or in the community. We see these contributions to social inclusion as helping develop both successful local economies and vibrant local communities.

As a reading of this statement of priorities will illustrate, our agendas are complex and multi-faceted. Our list of priorities is extensive. It is important, however, to state a small number of key priorities which, although not necessarily more important than others, will form the cornerstones of our regional approach.

**Henry Ball**  
Regional Director

**Our four key priorities for 2006-07 and beyond are:**

1. To develop the number, range and quality of **Apprenticeships and other vocational opportunities** - in skill centres and elsewhere - to increase the number of young people reaching Level 2 qualifications and above by the age of 19.
2. To build a **network of 30 accredited Action for Business Colleges** as the core network of high quality, flexible providers of choice for delivering 'Train to Gain' and meeting employers' needs.
3. To implement a **£1.4 billion capital improvement strategy** to ensure that further education takes place in buildings fit for the 21st century and to improve quality and levels of participation and achievement.
4. With a view to 2007-08 and beyond, to develop an **Action for Communities model** with providers and other partners to ensure that there is a wide range of accessible learning provision in the community and that LSC funding reaches those most in need, including economically inactive people who wish to work.



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## Background: South East Region

**Continued high economic productivity in the South East of England is recognised as critical to the nation's prosperity. Higher quality and more responsive learning and skills provision that meets employer and individual needs is fundamental to driving up productivity. In moving forward, the learning and skills sector needs to take account of the characteristics of the region, in particular:**

**Rising economic productivity** - the region scores highly on many economic measures including employment and earnings levels and gross value added per job. Yet there are indications that improvement rates are not as high as in neighbouring regions - it ranks

21 out of the 23 more competitive regional European economies. Sustained economic growth is core to the revised Regional Economic Strategy (RES) being developed by South East England Development Agency (SEEDA). In the draft RES skills, significantly, are identified as one of the top drivers for raising productivity in the region, supporting the development of a world class region, based on strong sustainable productivity.

**High levels of growth and development** - of particular relevance to the LSC is the South East England Regional Assembly's (SEERA) draft plan, which proposes high levels of housing growth to 2026 (currently 28,900 houses per annum). This will heavily impact on the demand for skills. The importance of developing the region's infrastructure, including learning and skills, has increasingly been recognised as critical to supporting such growth. Much of the growth will be in designated areas (Thames Gateway, Ashford, Milton Keynes/Aylesbury Vale and South Hampshire).

**Significant diversity** - the South East is by no means homogenous. Throughout the region, and especially in some coastal and urban locations, including Southampton, Portsmouth, Hastings, the Isle of Wight, east Kent, Thanet and Reading/Slough there are areas of real disadvantage. In such areas, significant proportions of adults have basic skill needs or low levels of qualifications and high numbers of young people are outside education and training. Also of concern is that analysis of gross value added per worker statistics reveals that the prosperity gap in the South East is widening.

## National Targets

The LSC has responsibility for the following national targets, the first three of which are Public Service Agreement (PSA) targets.

- Increase the **proportion of 19 year olds who achieve at least Level 2** by three percentage points between 2004 and 2006, a further two percentage points between 2006 and 2008 and improve attainment at Level 3.
- Reduce by at least 40 per cent the **number of adults in the workforce who lack an NVQ Level 2** or equivalent qualifications by 2010.
- **Improve the basic skills** of 2.25 million adults between 2001 and 2010, with a milestone of 1.5 million in 2007.
- By 2007/08 increase by three quarters the **number of people who complete their Apprenticeships** compared to 2002/03.

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# Regional Responses to National Priorities

## National Priority:

Ensure that all 14-19 year olds have access to high quality, relevant learning opportunities

### Regional Context

- Over the past four years, the LSC and partners have successfully improved rates of participation of 16-18 year olds in learning in the South East, exceeding the rate of increase in the cohort. There has been particularly strong growth in colleges in the past two years (9%) and the 2005 Apprenticeship starts target was achieved at 103%. The 16-18 cohort will grow slowly to 2010 and then will decline, by nearly 5%, by 2015.
- Further increases are needed – 75% of all 17 year olds were participating in learning in 2003 in the region against the national target of 90%, and 6% (12,000) of 16-18 year olds were Not in Education, Employment or Training (NEET) in July 2005.
- Young people's achievement overall is well above the national average. In the South East, 58% of young people had achieved a Level 2 by age 16 and 72% had done so by age 19 in 2004.

Achievement of Level 3 by age 19 was 49%. But it is recognised that improved performance across the provider network is needed to achieve the Level 2 target, especially in retaining young people in learning and in the added value they achieve. Also, the significant variation in performance between providers must be addressed.

- Completion rates on Apprenticeships have markedly improved recently and in 2005 37% of leavers (5,760) achieved their full frameworks. Further sustained work is needed to deliver the national target, with a milestone of 6,780 completions in the South East in 2005/06.
- Across the region significant progress has been made with partners in establishing 14-19 strategies. These focus on: implementing learner entitlements; improving choice and access, in particular at Levels 1 and 2, and in vocational opportunities; and improving progression pathways, to Level 3 and beyond.

- Supporting Learners with Learning Difficulties and/or Disabilities to develop skills which help them progress to further learning and employment remains key – significantly about 14% of 16-18 learners in colleges are declared as having such needs and 3% of young people have a Statement of Education Need.
- Across the region activities to build employability skills and to motivate young people to stay in learning post-16 have been highly successful, attracting growing interest. Programmes, such as Increased Flexibility, also inform the further development of local 14-19 strategies.



## LSC South East Region Priorities:

### Boost performance against the national PSA target to increase the proportion of 19 year olds with Level 2 qualifications:

- Implement local action plans to improve retention, achievement and added value of Level 2 learning
- Further develop Entry 2 Employment (E2E), especially improving progression rates
- Develop foundation learning and flexible mainstream provision for those who are NEET and who are not eligible/suited to E2E
- Improve capacity, quality and breadth of provision at Levels 1 and 2, providing progression and bridges to further learning and employment

### Ensure appropriate and accessible learning provision for all 14-19 year olds, which provides progression opportunities:

- Work closely with partners, especially local authorities, to encourage 14-19 curriculum development including: specialist diplomas, supported by a collaborative learning infrastructure; suitable progression pathways; and learning entitlements that respond to the diversity of learners
- Engage strongly with employers, involving them more in curriculum development and ensuring appropriate work experience opportunities
- Increase the range of high quality learning available for those with Learning Difficulties and/or Disabilities by embedding inclusive learning in mainstream provision, building local provider capacity and improving support for their transition and progression
- Extend the range and improve access to vocational opportunities including Apprenticeships

### Increase the completion rates on Apprenticeships:

- Focus provider activity on increasing completion rates, especially in colleges
- Work with providers to review and improve techniques to raise rates of retention
- Encourage providers to improve employer support for Apprentices
- Further increase participation rates, working with Connexions and employers
- Introduce regional processes to improve effectiveness and raise performance through:
  - regional contracts
  - regional approaches to risk assessing providers
  - benchmarking completions at occupational level

### Key Partners

- Support Connexions Partnerships to improve the range, accessibility and quality of impartial advice and guidance
  - Run 16-19 competitions where there is a need for new and substantial provision
- Working with Children's Trusts and Connexions to ensure regional and local priorities are embedded within Children and Young People's Plans, Local Area Agreements and other local strategies and plans will be critical. Other key partners in delivering the 14-19 agenda include agencies supporting disadvantaged young people and those helping to develop skills and employability, such as education business link organisations and the Regional Skills for Productivity Alliance (RSPA).

## National Priority:

Making learning truly demand led so that it better meets the needs of employers, young people and adults

### Regional Context

- Learning and skills provision needs to respond better to regional economic drivers and skill needs. Rates of economic growth in the South East remain above national averages and employment continues to shift towards more high skill professional, technical and knowledge based jobs. An increasing proportion of jobs in the region require skills at Level 3 and above, both vocational and generic. As the interim report of the Leitch review has identified, more attention is now urgent. A better supply of higher levels skills is critical to the UK's long term prosperity and to enable the UK to be internationally competitive.
- Providers in the region are making good progress to become more business orientated and to develop provision appropriate to employers' needs. By spring 2006 the region will have achieved its target of 60 Centres of Vocational Excellence (CoVEs) and the first 20 of the region's colleges will have undertaken accreditation of the Action for Business standard.
- Also, provision across the region is increasingly focussed on meeting the needs of priority sectors and on maximising contribution to national targets, with a third of adult provision contributing to a national target and a third being in high priority skill sectors. Significant increases in these proportions are needed, however, to meet regional skill needs.
- The areas of strongest anticipated employment growth continue to be in particular sectors (especially health and social care, business activities and retail) and occupations (especially managerial and professional, personal services and sales and customer services). In response to skills needs and forecasts, partners have agreed five priority regional skills sectors - business services, health/care, construction, manufacturing/engineering and wholesale/retail.
- Providers increasingly need to support employers in addressing skills issues. A quarter of firms in the region have skill gaps, over a third state that job applicants lack technical and practical skills and high levels of skill shortage vacancies impact occupations such as skilled trades and associate professionals. In addition there are regional skills shortages in a number of generic skills, including management/leadership and ICT.
- Although the region is relatively highly qualified, there are insufficient skilled people to meet future demands. Significantly, 9% of those who are in or seeking work have no qualifications and 41% do not have a full Level 2.
- There is evidence of an emerging "hourglass economy", characterised by increasing labour market polarisation, with more managerial and professional work on one hand, and more service focussed work on the other. This has implications for businesses currently reliant on intermediate skills and also for opportunities for progression.



## LSC South East Region Priorities:

### Transform skills training and support to better meet employer needs through Action for Business networks and employer focussed missions:

- Further develop the regional Action for Business networks, including their lead in rolling out the National Employer Training Programme (NETP) "Train to Gain", CoVEs, Skills Academies and other key initiatives
- Work with providers to ensure that training and learning in priority skill areas and which contribute to targets are at the forefront of LSC funded delivery
- Support colleges and other providers to generate significant business income streams by satisfying employer needs, for example with higher level and management development programmes

### Further develop brokerage arrangements focussed on information, advice and guidance for employers and individuals:

- Establish an impartial regional employer skills advice and brokerage service, linked to regional business support, which stimulates demand for, and an understanding of, skills training services
- Focus adult information, advice and guidance on those who do not have a full Level 2, ensuring it facilitates progression to further learning and employment, and that it is better embedded across learning provision

### Target priority workforce skills sectors through implementing sector specific initiatives:

- Support providers in realigning adult provision towards regional skills sector priorities, especially at Level 2 and Level 3
- Enable adults without a full Level 2 the opportunity to train at Level 3, where appropriate
- Respond to emerging Sector Skills Agreements, and the priority qualifications and activities which they identify, within the RSPA

### Key Partners

Maximising joint planning, prioritising key skills sectors and coordinating skills activities are key themes of the RSPA. The Alliance works with the network of Local Skills for Productivity Alliances, Business Link, Jobcentre Plus, Sector Skills Councils and the emerging Action for Business networks.

## National Priority:

Transform the learning and skills sector through agenda for change

### Regional Context

- The LSC is committed to a radical transformation of the post-16 sector as set out in the agenda for change prospectus. Central to this is a provider network whose membership understands their strengths, specialities and unique contribution to meeting LSC targets and priorities.
- Overall success rates and inspection measures are comparable with most national averages and there is a trend of steady improvement. Nearly a quarter of the region's provision has been graded as excellent. There is, however, substantial variation across the region in both the performance of individual providers and between different types

of providers. Addressing equality and diversity is fundamental to improving success rates and comprehensive equality schemes are being developed to support those at risk of exclusion.

- These improvements have been achieved despite large and complex property challenges across the region. Nearly 70% of college buildings need to be replaced or undergo substantial refurbishment to overcome space and energy inefficiencies. Through coordination of curriculum and capital planning some will need to relocate provision to serve their learners better. This will result in substantial efficiency savings and improved results against targets.

- The importance of improving collaborative arrangements has also been recognised, especially through the Strategic Area Reviews, across the region. Where capital investment and collaborative actions are not enough to improve provision, structural change/reorganisation will be considered.



## LSC South East Region Priorities:

### Continue to improve success rates and the quality and credibility of the provider network:

- Further improve learner success rates across all provision
- Support providers to develop self sustaining quality improvement processes
- Forge strong links with Quality Improvement Agency (QIA) and contribute to defining the respective roles of the LSC, QIA and inspectorates at regional level
- Focus intervention where providers fall below minimum performance levels
- Challenge, and if necessary withdraw, funding from poor quality provision
- With partners, develop stronger and higher quality leadership skills across all learning providers

### Transform the provider infrastructure through review, collaboration, improved organisation and capital investment:

- Implement the five year £1.4 billion Regional Capital Strategy to deliver:
  - the right facilities in the right place
  - efficiency through coordinated planning of capital and curriculum
  - inclusivity
  - balanced economic, social and environmental sustainability
- Ensure that provision is developed, through collaboration or structural changes, so that all young people can access a broad and varied curriculum, delivered in a range of settings, that offers dynamic, flexible and high quality learning and pathways to progression
- Improve the reputation of colleges with employers by providing high quality facilities, business style environments and expertise, and flexible workplace learning. Vocational investments will be led by Action for Business, CoVEs, Further Education (FE) Skills Academies and collaborative arrangements with Higher Education (HE) institutions

### Improve the effectiveness of business processes of the LSC, providers and partners:

- Fund provision that is priority led and delivers choice, high quality and value for money
- Improve efficiency through embedding business excellence, sustainable development principles and simplified funding mechanisms

### Key Partners

These elements of the transformation agenda depend on highly effective joint planning and coordination, involving national, regional and local partners such as SEERA, SEEDA, Government Office for the South East (GOSE), colleges, schools, HE, other providers, local authorities and quality improvement organisations.

## National Priority:

**Strengthen the role of the LSC in economic development to provide the skills needed to help individuals into jobs and lifelong employability**

### Regional Context

- Despite high levels of economic activity rate and low levels of unemployment around 900,000 people are economically inactive in the South East, many with limited opportunities to improve their employability. Their skills must be harnessed if the aim set out in the RES of supporting up to 250,000 economically active who wish to work into employment is to be realised.
- There are significant areas where targeted support is needed. 1.6 million people in the South East region live in the most deprived 20% of areas in England when measured by education, skills and training deprivation. Improvements are especially needed in

skills and learning provision to improve economic inclusivity and to address social inequalities. In particular, some of black or minority ethnic heritage and many who are disabled are on low incomes and are poorly qualified.

- LSC is working with partners on initiatives to support those in more disadvantaged areas and groups to gain skills and employment. Of particular importance are the 10 Area Investment Frameworks covering the majority of the coastal areas in the region.
- LSC and partners are also making increasingly good progress in tackling the region's basic skill needs. Over 98,000 qualifications were achieved during 2001-04 and there are

indications that the 2007 PSA target will be achieved. Particular challenges continue – to meet the extensive numeracy needs within the region, where currently almost half the population have skills at or below Entry Level 3, and in meeting the basic skill needs of Apprentices and of adults and young people without a full Level 2.

- In addition, with an aging population, the economic activity rate of 77% of those between 50 and retirement age needs to be increased to support further productivity growth.



## LSC South East Region Priorities:

### Implement a coherent package of learning programmes, advice and financial support for the low skilled and disadvantaged:

- Prioritise the allocation of public funding for adult learners to provide people without a Level 2 qualification with a platform of employability skills, in particular improving their basic skills and equipping them with a full Level 2 (the Level 2 Entitlement)
- Improve the outcomes for Skills for Life learners to ensure more recognised qualifications are achieved and there is better progression to further learning or employment. More attention will be focussed on target groups: offenders; the unemployed; older workers needing to re-skill; people with Learning Difficulties and/or Disabilities and disadvantaged ESOL (English for Speakers of Other Languages). In addition strategies will be developed to deliver high quality workplace provision, to increase the proportion of numeracy achievements and to ensure sufficient supply of qualified Skills for Life teachers

### Increase numbers participating in learning and improve employability through targeted support for those excluded or at the margins of the workforce, in particular:

- During 2006-07 develop an Action for Communities model with providers and other partners to ensure that there is a wide range of accessible learning provision in the community and that

LSC funding reaches those most in need, including economically inactive people who wish to work. This will, in particular, provide:

- opportunities for adults to learn outside the employment context
- well planned and coordinated provision which fills identified gaps, particularly for the economically and socially disengaged
- learning brokerage arrangements supporting this provision

- Safeguard funding for personal and community development and learning (PCDL), recognising the wider benefits of learning that support economic and social agendas
- Develop a network of specialist and mainstream providers (Action for Inclusion network) to improve access and choice for young people and adults with Learning Difficulties and/or Disabilities, focussed on developing skills for independence and employability, in partnership with other agencies and in response to the recommendations in 'Through Inclusion to Excellence'

- Introduce an integrated learning and skills service for offenders aged 15 and over which responds to their needs and links with other support agencies
- Focus ESOL provision on supporting social integration and significantly increasing the proportion taking the new national qualifications
- Pilot curriculum opportunities for older workers needing to change their occupations or extend their careers

### Align more closely LSC's priorities and targets with those of regional and local partners:

- Through the RSPA take forward the skills elements of the RES, especially to integrate skills activities with those related to innovation and enterprise
- Ensure LSC priorities and targets are embedded within Local Area Agreements and are core to the activities of Children's Trusts
- With Jobcentre Plus, especially through New Deal for Skills, better identify and respond to individuals' learning needs, matched to employment opportunities
- Implement the LSC South East region/Regional Action and Involvement South East (RAISE) Compact to secure the sustainable involvement of the voluntary and community sector as a provider of learning and support activity

### Key Partners

Establishing learner orientated partnerships to actively implement these priorities is key, especially through strong links with National Institute of Adult Continuing Education (NIACE), other national organisations and Action for Communities regional networks. These partnerships will include colleges, other providers, Jobcentre Plus, the voluntary and community sector and local authorities.

## National Priority:

### Improve the skills of the workers who are delivering public services

#### Regional Context

- The public sector is a major employer – there are 27,000 public sector organisations in the South East and forecasts indicate significant employment increases, especially in education and health and social care. Together with public administration and defence, these three sectors will account for almost one million employees by 2014 (just under a quarter of all employment).

- LSCs in the region have established, with public sector partners, a wide range of initiatives to improve skills levels including:
  - supporting care sector training in CoVE network developments and in the approach to prioritising funding for adult learning
  - developing qualifications of high numbers of school support staff
  - providing brokerage services to public sector organisations to support training and development



## LSC South East Region Priorities:

### Improve the skills of those working in, or wanting to enter, public services:

- Work with the South East Employers' Group to develop a Public Sector Academy and on other workforce development issues at a regional level
- Ensure that funding is prioritised to meet the needs of those who do not have a full Level 2 qualification within the public sector or who have basic skills needs
- Work with colleges and providers to ensure they develop a more demand led approach to the needs of public sector employers, including through NETP and brokerage services

- Work with public sector employers to increase the numbers of Apprentices that are recruited and supported
- Embed training provision for school support staff delivery, especially at Levels 2 and 3, within mainstream provision
- Actively involve community and voluntary sector organisations in delivering learning and support, such as in the care sector
- Work with Trade Unions and Trade Union Learning Representatives to promote the benefits of learning to lower skilled workers within the public sector

#### Key Partners

It will be important for the LSC to work through local frameworks, including Local Area Agreements, to develop partnership approaches. Key partners include major employers (such as local authorities and the NHS) and both employer and employee representative bodies.

## National Priority:

### Strengthen the capacity of the LSC to lead nationally, regionally and locally

#### Regional Context

- The LSC in the South East is introducing a number of changes to its current working arrangements as part of a national transformation agenda. These will:
  - enhance the LSC's expertise in post-16 education and training
  - develop ambitious objectives that will help the LSC achieve its goals
  - bring urgency to the delivery of these objectives
  - develop and strengthen a reputation for working with partners in a spirit of trust and openness

- The South East LSC is well placed for the changes. Over the past few years it has responded to complex delivery needs by developing networks and matrix working which are now a strong base for the changes. In particular they:
  - inform and support local implementation through sharing best practice
  - ensure consistent responses to national policies and programmes
  - share understanding to strengthen external relationships
  - bring greater consistency in understanding policy whilst ensuring application and accountability at local level

- support effective links with the LSC National Office, Government Departments and other national organisations
- There is a strong Regional Board in the South East, made up of the Chairs of the local Councils and the Regional Director. The Board has been actively involved with the changes within the LSC and in steering the LSC's priorities and strategies. It ensures that regional expertise and local delivery work together to enhance learning and skills across the region.

## LSC South East Region Priorities:

### Develop the capacity to lead the transformation and improvement of education and training across the region through a network of area offices and local partnership teams, supported by expert regional teams:

- Establish an efficient process to effectively implement and continuously improve the business cycle and associated processes

- Develop the LSC in the South East to support providers to deliver first class leadership and governance
- Improve the LSC's ability in the region to provide a strong and visible lead with providers and partners, based on strong relationship management, enabling the sector to deliver high quality provision and promote social inclusion
- Through professional and coordinated research and review, align plans in the South East to resources to ensure LSC delivers its strategic objectives, priorities and targets, continually improving the quality of provision



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