

Investing in Skills:

Taking Forward the Skills Strategy



Responses are requested by 17 December

An LSC Consultation Paper on Reforming the Funding and Planning Arrangements for First Steps and Personal and Community Development Learning for Adults



Learning+Skills Council

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Foreword

The Learning and Skills Council (LSC) is committed to ensuring that the funding with which we are entrusted is dedicated to delivering the highest quality and most appropriate range of learning and skills provision, offering the best value for money. This consultation should be seen as part of our programme of action to make a reality of that vision.

Adult learning which does not lead to external accreditation forms a significant part of the provision delivered across the learning and skills sector. These courses are typically part-time and non-vocational. Such learning is a vital part of lifelong learning, including learning for personal development and opportunities for pensioners. These courses are crucial in encouraging those who do not see learning as for them, to get involved, participate, enjoy and progress further. The LSC is responsible for the planning and funding of this learning across the range of providers that deliver it, including Local Education Authorities (LEAs), colleges, Ufi and independent providers. Currently, planning and funding arrangements reflect the type of delivery institution rather than the provision, and this can lead to a lack of consistency and coherence. In addition, the historical basis of funding, reflecting individual LEA spending patterns prior to 2001, means that the courses offered to individuals in different areas can be very varied.

The LSC considers that this type of provision is extremely important and we are committed to maintaining it. We recognise the need to address the current anomalies and inequities in the distribution of funding. Currently many people who would benefit from less formal learning opportunities do not have access to them. We want to reform the planning and funding of this learning, to ensure a coordinated range of learning opportunities, that meets local needs and priorities, is available to everyone.

We are convinced of the benefits of reform. Better use of the public funds available will ensure more low-skilled adults engage in learning, improve their confidence and skills, and perhaps progress to achieving qualifications. We will also be able to help more people, who may not have had access to courses in their local area before, to participate in learning for personal fulfilment and leisure. Reform will remove unnecessary and artificial boundaries between different types of provider and planning and funding arrangements.

In developing the proposals in this consultation, we have worked closely with providers and stakeholders, including the National Institute of Adult and Continuing Education (NIACE).

We recognise that reform will not be easy. There will be winners and losers in working towards a more equitable distribution of resources. The pace of change has to minimise any disruption to learning opportunities and destabilisation of providers. However, we are committed to developing a more effective and equitable approach. We are seeking your comments, views and ideas on how reform can best be achieved. Please take the time to consider the proposals in this document carefully, the likely impact on learners and your organisation, and the potential benefits and drawbacks of reform.

Responses to this document (see Annex F for pro forma) should be sent by email to:
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or by post to:

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Responses are requested by Friday 17 December 2004. In order to keep to required timescales, responses received after this date cannot be taken into account. Please raise any queries you may have on the issues in this document with your local Learning and Skills Council in the first instance.

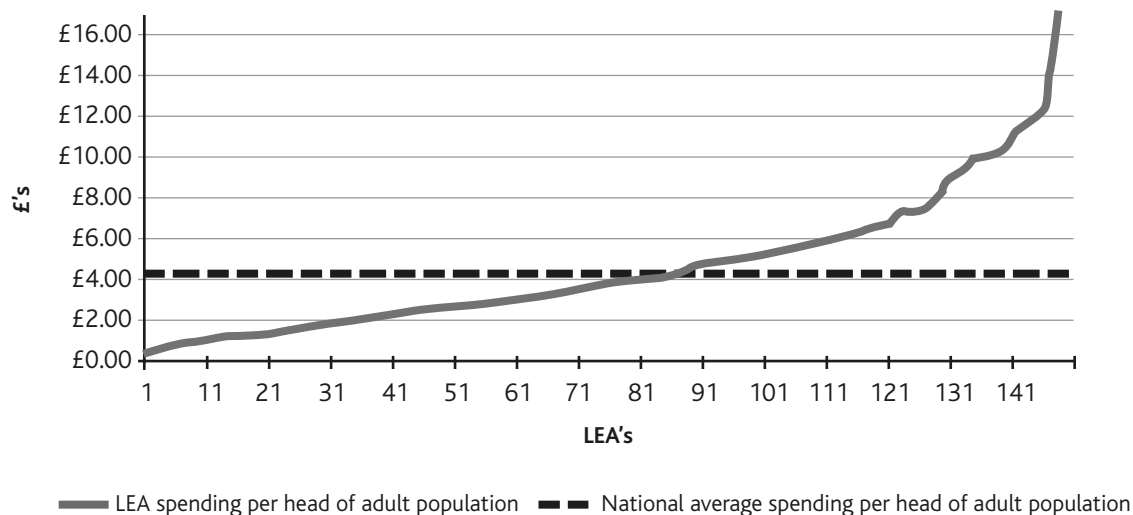
Section 1: Background and Context

The Need for Change

- 1.1 The Government's Skills Strategy, published in 2003, set out a vision to transform our national investment in skills. It outlined the rights and responsibilities of Government, providers and individuals in securing adult learning and established the priorities for public investment. In July we published a consultation, *Fees, Funding and Learner Support* on how to apply these priorities and principles to the further education funding approach.
- 1.2 This consultation is about how we implement a part of that vision. It looks at the whole range of provision for adults which does not lead to formal external qualifications whether that is provided through Further Education (FE) Colleges, former External Institutions, Local Education Authorities (LEAs), University for Industry (Ufi) or Voluntary and Community Sector providers.
- 1.3 Currently there are around 1 million learners per annum on this type of provision. Total LSC funding is over £300 million per annum, taking account of both Adult and Community Learning (ACL) and FE-funded programmes. This accounts for approximately 31 per cent of adult learners funded through the LSC and around 15 per cent of its adult participation budget. Our aim is to establish a clear, objective and coherent framework for its planning and funding; a framework firmly rooted in the priorities and principles for public funding set out in the Skills Strategy.
- 1.4 Historically there has been an increasing emphasis on learning leading to qualifications, learning leading to skills acquisition and learning which is vocational. However alongside this there has rightly been a continuing emphasis on 'first steps' courses designed to encourage people to return to learn, to learning for personal and community development. This learning is predominately part time, an 'average' course might be 20 hours spread over 10 weeks, non vocational and with no external accreditation. It has covered a very wide and eclectic range of courses from sport and recreation, personal development through to IT and literacy, language and numeracy.
- 1.5 However current provision is very variable. It is funded in different ways according to the provider rather than the type of course. There has been no consistent and coherent planning to ensure courses continue to meet local needs and national priorities. The level of provision, the offer to learners and what individuals pay for their courses therefore often differ dramatically between areas; differences which bear no relationship to objective criteria such as the characteristics of the local population. We now have an historic opportunity to put this right.
- 1.6 Our proposed reforms also go back to the creation of the LSC and why funding for adult and community learning (ACL) was included within its remit rather than (as had previously been the case) resting with LEAs. The distribution of ACL across the country had become very uneven. It was dependent on successive decisions by individual LEAs on how much to spend. There was no national overview of priorities or sufficiency of provision and no consistent or objective pattern of provision.

- 1.7 LSC was therefore charged with integrating ACL into the rest of the learning and skills sector to bring greater coherence, removing disparities in the scale, funding and quality of provision. To give one example, ACL spending per head of the adult population across LEA areas varied in 2002-03 from 50p to £17.44. The total public funding allocated through this ACL funding route in 2004-05, including family learning, is over £200 million.
- 1.8 In addition there has to date been no reliable data on the overall level of provision with no external accreditation for each area across the country. In some localities, the LEA elected to significantly reduce its ACL provision. However, in such cases the FE providers, funded through mainstream FE funding routes, may have filled the gap in demand, so that the apparent gap in ACL funded programmes is illusory. In other cases, there will be considerable overlap and instances of unhelpful competition.

Figure 1 2001/02 LEA ACL funding per head of adult population



- 1.9 Many FE providers continue to offer provision with no external accreditation, for which they receive funding through the mainstream further education funding route, rather than through the ACL funding route. This has often been at a considerably higher rate of funding than is available under the ACL route. Work by KPMG for the LSC suggests that this amounts to around £100 million per annum in 2002/03.
- 1.10 Ufi learndirect providers offer programmes, an increasing proportion of which lead to assessment of outcomes. Ufi/learndirect is currently funded through a combination of a direct grant from DfES and LSC FE programme funding. From August 2004, the funding arrangements for Ufi/learndirect are changing, to create one funding stream from the LSC to Ufi.

- 1.11 One purpose of the reform is to ensure a more co-ordinated approach to planning and better integration of learndirect programmes within the range of local training opportunities for adults planned by the LSC in each area, including first step learning. Further reform includes the integration of UK online centres, now supported by Ufi, into a more coherent network of centres. UK Online Centres are designed specifically to provide easy access to first steps learning through its 6000 centres located in community venues including all public libraries. In financial year 2003-04 learndirect catered for half a million learners through the delivery of almost one million courses, a quarter of which were basic skills provision.
- 1.12 Finally there has been some blurring of distinctions between different types of provision for example, in calling some provision 'first steps' because the perception is that the priority is higher or the public funding to the provider is greater.
- 1.13 As a result we currently have considerable variation across the country in what is provided, how it is provided and what the priorities are. This diversity of approach is not, in itself, problematic: the funding, planning and delivery arrangements have developed over time to reflect local circumstances and the network of providers that operate in a local area. However it becomes so if, as is the case, there are differences which cannot be justified on the grounds of local needs or national priorities, and where the differences in local provision are not the result of local choice but the consequence of a national approach to funding which is no longer fit for purpose.
- 1.14 We now need to plan and fund non accredited provision in a way that provides a consistent and coherent offer to learners which meets the priorities and principles for public funding established in the Skills Strategy.
- 1.15 We set out in our July consultation paper *Fees, Funding and Learner Support in Further Education* proposals for reform of fees and income targets within mainstream FE funding for colleges. Many of the same principles apply here as well. We decided nonetheless to consult separately on future funding of first steps and personal and community development learning, because the way we implement those principles will be very different from the method for mainstream FE.

The Skills Strategy Priorities

- 1.16 The Skills Strategy recognised that learning does more than raise skill levels for job-related purposes; it has wider social and personal benefits. A civilised society should ensure that a broad range of learning opportunities is available to all. The strategy therefore established as one priority for the funding of adult learning:
- 'Safeguarding a varied range of learning opportunities for personal fulfilment, community development and active citizenship' (paragraph 1.28)
- 'including a wide range of opportunities for pensioners' (paragraph 4.48).
- 1.17 The White Paper also made clear the continued importance of ensuring that a range of first step and return to learn opportunities are available to encourage people back into learning. We know that many of our providers see this as a vital progression path. Some of the most vulnerable groups are those most in need of adult education services.

- 1.18 This consultation document is about turning these White Paper priorities into reality. It contains proposals which will affect FE Colleges, former External Institutions, Ufi, Local Education Authorities and their sub contractors; both within the private and voluntary and community sectors.
- 1.19 The LSC has developed the proposals contained here in discussion with key external partners including the Association of Colleges, the Local Government Association (LGA), the Local Education Authorities Forum for the Education of Adults (LEAFA), the Adult Learning Inspectorate (ALI), Ufi, the National Open College Network, the National Institute of Adult Continuing Education (NIACE), Local Adult Learning Providers Network (HOLEX) and other stakeholders to open up the dialogue beyond the immediate sectors to all those with an interest or stake in adult learning. We are grateful for their contributions.
- 1.20 The White Paper set out the key requirements in putting together proposals for reform of provision with no external accreditation:
- the pattern of lifelong learning opportunities should be consistent and coherent (paragraph 4.41)
 - the range of opportunities should be suitable to meet local needs (paragraph 4.42a)
 - we should safeguard the continued availability of opportunities for first step and personal development learning, by agreeing an overall indicative budget for the funds that should be used to support non-qualification bearing programmes based on the broad proportion of LSC funds currently spent on this type of learning (paragraph 4.42b)
 - locally devolved budgets should be weighted for socio-economic factors (paragraph 4.42c)
 - the LSC and its local partners should decide the priorities for funding to achieve a coherent range of opportunities, including opportunities for civic and social gain (paragraph 4.42d); and
 - the LSC will specifically consider with its partners what first-step and return-to-learn opportunities are available to encourage people back into learning (paragraph 4.42e).
- 1.21 Our proposals are designed to meet these requirements within a number of underpinning principles.

Underpinning Principles

1.22 This document sets out a package of reforms for the planning and funding of learning grouped separately as 'first steps' and as 'learning for personal and community development'. The proposals have been developed to reflect the following principles:

Fairness – ensuring that we obtain value for money from investing public resources. In particular:

- that we continue to help those most in need by reason of economic disadvantage and the risk of social exclusion; and
- that those who already have a qualification and who are pursuing learning at a lower level or in non accredited learning should pay a greater contribution to the costs of their learning. These were the principles which underpinned our Consultation Paper on *Fees, Funding and Learner Support in Further Education* published in July 2004.

Simplicity and straightforwardness – ensuring that the ways in which we account for public money, quality assure and quality improve courses so they are fit for purpose and proportionate to the level of public funding. In particular:

- by reducing the number of different funding streams for providers
- by funding similar provision in the same way, regardless of the provider; and
- by reducing the paper based quality assurance and accountability requirements on providers, teachers, tutors and learners, especially for programmes of personal development activity and learning for personal fulfilment.

Integration within the learning and skills sector – ensuring that non accredited provision is planned and funded as part of the total and coherent offer to learners in an area. In particular:

- that we implement and manage the reforms as an integral part of the LSC's existing planning and funding mechanisms; and
- we maximise cooperation and collaboration between providers to ensure a coherent range of provision and avoid wasteful competition.

Realism and Practicality – to establish a realistic timescale, to ensure that providers are not destabilised as a result of the changes and to avoid disruption to teachers and learners.

Flexibility and Innovation – the proposals that we set out in this consultation are intended to maximise local planning and decision making. As part of that, we want to enable providers to develop and diversify the provision that they offer as local needs and priorities change, and to keep opportunities for collaboration with others under continual review.

Question 1: Are these the right principles to apply?

Question 2: Are there other principles you would like to propose?

Setting These Reforms in Context

- 1.23 These reforms are an integral part of the LSC's wider work to implement the Skills Strategy.
- 1.24 The LSC has established a new Business Cycle for agreeing programmes with providers. This together with the finalised Strategic Area Reviews and the three-year development plans with individual providers will be the means for implementing the proposed reforms from the 2005/06 Business cycle onwards.
- 1.25 These reforms are central to the ability of local LSCs to implement our Strategies for Widening Adult Participation in learning, in working more effectively with the Voluntary and Community sector and in promoting equality and diversity in learning. For example, a number of LSCs have already identified older people as an under represented group in learning and set targets for improvement.
- 1.26 The proposals on planning, funding and simplifying the administration and paperwork for both teachers and learners have to be viewed alongside the impetus, through the reforms in *Success for All*, to put the learner at the centre of everything we do and to drive up quality. Onerous assessment of learners – even in the name of quality assurance – is inappropriate but ensuring that they have a high standard of tuition must be non negotiable.
- 1.27 In 2003 the LSC commissioned the Learning and Skills Development Agency (LSDA) and NIACE to devise fit for purpose and proportionate methods for recognising and recording achievement in non-accredited learning (RARPA, see Annex C) which could be applied nationally and in a range of contexts. The process is designed to focus on the needs of learners and to enhance providers' quality assurance and improvement practices. The LSC plans to consult on progressively implementing the proposed framework from 2005/06, maintaining and reinforcing the need to reduce paper based requirements on both teachers and learners.
- 1.28 DfES's post-16 Standards Unit is working to deliver curriculum materials to support improved teaching and learning in non-accredited learning. The project commenced September 2004 and the materials and dissemination should be complete by January 2006.

Scope

- 1.29 The proposals set out in this document will apply to:
- LEAs and their sub-contractors, including the Voluntary and Community Sectors in receipt of ACL funding and/or the associated Family Literacy Language and Numeracy (FLLN), Adult Ethnic Minority Achievement Grant (AEMAG) and wider family learning funding
 - FE colleges, providers and their subcontractors including the Voluntary and Community Sectors; and
 - Ufi.
- 1.30 The LSC recognises the particular characteristics of specialist designated institutions with a mixed economy of funding, including the Workers' Educational Association (WEA) and other similar organisations. We will consider how the proposals set out in this document should be implemented for these organisations on an individual basis.

Section 2: Proposed Approach to Reform

Introduction

- 2.1 This section sets out our proposed approach to distinguishing between non accredited provision which is designed by the provider to be 'first steps' leading to progression and ultimately Level 2 and beyond and that which is designed as learning for personal development. We outline the processes involved including how we would involve providers and stakeholders in the discussions and decisions.
- 2.2 Adult learning, whether funded via the ACL or the FE funding routes has many features in common in terms of types and modes of learning and learner and provider interests. The LSC needs to ensure that, in future, an appropriate range and volume of provision is secured in an objective, consistent and coherent manner, taking account of disadvantage and area costs, where those factors apply. The amount of provision secured in each locality needs to take account of both the size and profile of its adult population.

Describing Adult Learning

- 2.3 In December 2003, the LSC commissioned NIACE to lead a group of practitioners in the development of a set of draft descriptors to map the different types of adult learning including programmes with no external accreditation, as well as those programmes which meet the requirements of the national qualifications framework (see table 1 on page 11). The membership of the steering group and its terms of reference are set out in Annexes A and B.
- 2.4 The descriptors, once finalised through this consultation, will provide a consistent framework to be used for planning and funding purposes:
- to assist local LSCs in identifying learning for personal development which they would wish to fund; and
 - to identify types of learning that will meet the aims of the Skills Strategy in supporting first step and return to learning provision as an essential component of skills development.
- 2.5 In developing the descriptors, the project managers were asked to focus on **provider motivation** for offering courses, that is, what the course aims to achieve. We recognise that individuals undertaking any particular course may do so for a variety of reasons, and that learner motivations can change during the period of study. For example, a course started for primarily recreational reasons may inspire an interest to pursue a subject further and achieve qualifications. Equally, some qualification courses may be undertaken with the main aim being to achieve a set of skills rather than to gain certification. So the LSC does not believe that it is practical to develop a funding and planning system for adult learning on the basis of learners' personal aims or motivations. The descriptors have therefore been developed around the main purpose or intention of the provider in offering the course.
- 2.6 The draft descriptors for first step learning and learning for personal development, and for provision that might align with each of the two categories are shown in table 1 overleaf.

Table 1 Learning Category Descriptors

**First Steps and Skills Strategy
Areas of Learning**

Skills For Life

Learning for which, whatever the title of the course, the primary intention is to improve the basic skills of literacy, numeracy and/or English language for speakers of other languages, based on the national standards. This includes family literacy, language and numeracy where these criteria are met.

Skills for Work

Learning which enables people to develop the skills they need for paid or voluntary work and which will enhance their employability.

First Steps

Learning which is offered as an initial entry point into learning and from which learners are actively encouraged and supported to progress to other forms of learning. This could include wider family learning where the learners meet the criteria set out in paragraph 2.8.

Skills for Independent Living

Learning which develops the knowledge, skills and understanding of adults with learning difficulties and disabilities for independent living in the community or which supports adults recovering from mental illness to re-engage in learning.

**Proposed Category of Learning for Personal
and Community Development**

**Learning for Personal Development
and Well Being**

Learning for personal development, cultural enrichment, intellectual or creative stimulation and for enjoyment, and for which there is no requirement that learners must necessarily progress to other learning.

**Learning for Active Citizenship and/or
Community Development**

Community based learning developed with local residents and others to build the skills, knowledge and understanding for community participation and involvement, including those required for social and community action.

First Steps Learning

- 2.7 It is important to be clear that first steps learning within the context of these proposals specifically refers to learners who do not possess a qualification equivalent to a full Level 2. The definition of first steps will not extend to learners with qualifications at a higher level returning to learning after a period of time, or are looking to extend their skills in a new area (for example, it would not apply to an adult with a Level 3 qualification who wanted to develop their IT skills).
- 2.8 Providers will be expected to demonstrate that, when planning provision of this kind, they have a 'first steps' strategy, with clear pathways to progression including appropriate links to other providers, and a mechanism for tracking and evidencing progression. The effectiveness of this provision, specifically in relation to the impact it has upon the Level 2 targets will be an important measure. The LSC will regularly review the success of providers in actively assisting first step learners into accredited provision, and the allocation of funding for first steps provision for the subsequent years will be focused on the most effective provision.

Learning for Personal and Community Development

- 2.9 The descriptors in the Learning for Personal Development column include those programmes of physical and recreational training and related organised leisure time activities which are funded by the LSC as part of its wider legal responsibilities for the provision of further education and training.

Question 3: Are the definitions of learning for personal and community development and first steps clear and comprehensive?

Question 4: Are there additional activities that should be included?

Question 5: Would these definitions assist in planning and funding discussions?

Question 6: What issues will arise when distinguishing between learning for personal and community development and first steps learning on the basis of provider intention in setting up the course?

- 2.10 We recognise that some provision which does lead to external accreditation is primarily studied for recreational reasons, such as Day Skipper courses and some language provision accredited through the Open College Network. Such provision would not fit comfortably within the definitions above, because it does lead to external accreditation. More importantly, while many learners may be undertaking the programme for leisure-related motives, there can be no guarantee that that will be true in all cases, and it is inherently problematic and undesirable to categorise provision according to the motivations of individual learners. So on balance we think it is preferable that all such provision should be included within the mainstream FE funding route. But we would welcome views on this.

Question 7: What is the best way of handling those programmes which are offered by providers on the basis that they are primarily studied for recreational reasons, but which do lead to external accreditation?

Out of Scope Activity

2.11 There are some activities currently supported through the ACL grant that cannot be accommodated through either of the funding approaches described in this document. Examples include grants for voluntary organisations, activity previously funded from DfES Standards Fund 28, community capacity building, and cross area partnership dedicated staff. For activity of this kind, the local LSC will review each example on an individual basis. The intention is to incorporate these activities into the existing arrangements for Local Intervention and Development (LID) funding. Where activity is transferred to LID, appropriate funding to support this work will transfer with it. The LSC will review these activities in the light of local priorities for funding.

Question 8: Is the proposal for the transfer of Out of Scope Activity to LID the best approach, if not, what alternative approach might be adopted?

Establishing Current Volumes of First Steps and Learning for Personal and Community Development Provision

2.12 Having agreed the distinction between first steps and learning for personal development, based on provider intention as the foundation for planning and funding, the first stage will be to establish the relative volumes of first steps learning and learning for personal development currently being delivered through the FE and ACL funding streams. The approach for establishing these volumes for FE and ACL is set out below.

Approach for FE Colleges

2.13 In December 2003, the LSC, together with the Adult Basic Skills Strategy Unit (ABSSU), jointly appointed KPMG to undertake a major review of 'Other Provision' in FE. 'Other Provision' refers to all provision supported through the FE funding stream that is not within the national qualifications framework (NQF). This work is due to be completed in spring 2005.

2.14 Work undertaken to date has involved an analysis of provision currently in the broad category of 'Other Provision' and breaking it down into smaller, more meaningful categories. As part of this process KPMG identified adult provision with no external accreditation. Following the initial analysis, it will be necessary to make an assessment of the relative volumes of learning for personal development and first steps learning within this category. This will be done through a combination of further data analysis, and through discussions with providers about the nature and mix of their provision with no external accreditation.

Approach for Local Education Authorities

2.15 For provision currently delivered through the ACL funding stream, a similar 'segmentation' process will be necessary. In order to explore some of the issues that might arise when undertaking this exercise, a number of local LSCs have already met with some of their LEA ACL providers to consider this task. LEA ACL providers have observed that a split cannot accurately be made on the basis of course title alone.

- 2.16 To ensure that we obtain an accurate segmentation of the current ACL funding stream, we have commissioned NIACE to develop the approach and make the assessment. They will undertake this exercise in conjunction with a large sample of LEAs. Those LEAs not in the sample group will be asked to make their own assessment using a standard approach developed by NIACE. The intention is to adopt a consistent approach nationally to establishing the volume of provision through a process of discussion and agreement which is neither complex nor bureaucratic.
- 2.17 The current review of 'Other Provision' in the FE sector has illustrated the complexities that can arise when carrying out an extensive and detailed assessment of provision. While we wish to ensure that the process is carried out as accurately and consistently as possible, we do not want to make this an excessively detailed task for providers. Our aim is to develop an approach that is as straightforward as possible, based on simple estimating of aggregates by providers.
- 2.18 When complete, these 'one off' exercises will give us the total volume expressed in terms of course hours and numbers of learners of adult provision with no external accreditation and the associated funding.

Funding Approach

- 2.19 The proposals for future funding arrangements for the range of provision with no external accreditation would apply for providers as set out in paragraph 1.29. The intention is to ensure that through the appropriate planning and funding processes there is a range of learning opportunities for adults suitable to meet local needs. This must include 'learning for personal development' and 'first steps' learning.
- 2.20 The Skills Strategy reiterated the Government's commitment to 'learning for personal development'. However the other priorities in the Skills Strategy mean that this type of provision could be at risk without a safeguard for it. This safeguard will take account of the broad proportion of LSC funds currently spent on this type of learning.
- 2.21 The process of establishing the safeguard relates to identifying the aggregate national budget. Once this has been established (through the exercise described in paragraphs 2.13-2.18 above) the LSC will implement a process for allocation to local LSCs, on the basis of adult population, area costs and relative disadvantage, that is consistent and coherent and in line with the commitment in the Skills Strategy. An outline of the approach is set out at Annex F.
- 2.22 The funding that is identified will be the public contribution available to address emerging local priorities identified by the local LSC and their providers for learning for personal development. Providers will be expected to charge fees to those who are able to pay, in order to maximise the volumes of this type of activity that they are able to make available. Unlike mainstream FE funding, no national assumption about fee rates will be applied within the LSC funding method for this category of learning: it will be for each provider to determine its own fee rates.

2.23 The Skills Strategy also recognises the valuable role of first steps learning. First step opportunities will have an important part to play in attracting the low skilled, for whom the Level 2 entitlement offer may, in time, be appropriate as they develop their skills further. Through the Strategic Area Review process and the LSC Business Cycle, local LSCs will continue to work with providers to ensure that an appropriate range of first steps learning opportunities is available, as part of the changes to the pattern of provision towards investment in the Skills Strategy.

2.24 It is proposed that for first steps learning and learning for personal development *different* funding arrangements should apply. The rationale for this, and the different approaches to be applied are considered in the following sections.

Section 3: Funding First Steps Learning

Introduction

3.1 The Skills Strategy recognised the need to ensure that an appropriate range of first steps learning opportunities is available:

'There are some [people] with low skills who would welcome opportunities to improve their skills but would feel daunted by full qualifications. They want a 'first step' on the learning ladder before committing themselves. Reaching such reluctant learners is an important part of achieving our aims' (paragraph 4.39).

3.2 The proposed descriptor for first steps learning is:

'Learning which is offered as an initial entry point into learning and from which learners are actively encouraged to progress to other forms of learning'.

3.3 The definition applies to low skilled learners, it does not extend to learners with qualifications at a higher level who are returning to learning after a period of time, or are looking to extend their skills in a new area (for example, it would not apply to an adult with a Level 3 qualification who wanted to develop their IT skills). The definitions of adult learning referred to this in this document are set out in Annex D.

3.4 The main aim of first step learning is to encourage as many as possible who make that first step to progress to more formal types of learning, and, in time, to obtain a first full Level 2 qualification, and to progress on from there as far as their interests and abilities can take them. To secure funding for first steps learning, providers will be expected to be able to demonstrate the success of their first steps strategy through evidence of progression.

How Would First Steps Learning be Funded?

3.5 For all first steps learning, whether leading to accreditation or not, the FE funding methodology as amended by the proposals in our *Fees, Funding and Learner Support in Further Education* consultation will apply. This will be on the basis that for provision of this kind, the full framework of quality measures, including application of the RARPA process, where appropriate, will be required, with the associated costs covered through the funding rates. Many FE colleges and Ufl/learndirect are delivering provision of this kind currently, and are already funded for this provision through the FE methodology. Our proposals would extend this to all other providers within current budget constraints.

- 3.6 For first steps learning that is currently funded through the existing ACL grant, we will establish the existing volume, and apply the appropriate FE funding rate. This exercise will determine the amount that is required to fund first steps provision.

Question 9: Do you agree with the proposed approach to funding non-accredited first steps provision?

Question 10: What might be the difficulties in extending the FE approach to first steps provision currently funded through the ACL funding stream?

Question 11: Are there ways in which the approach could be simplified?

Volumes

- 3.7 As described above, the funding approach for first steps learning will be the FE approach, and when establishing appropriate patterns of first steps provision, the LSC will look at both accredited and non-accredited first steps provision as a whole. The LSC will not be prescriptive about the need for accreditation for provision of this kind; we expect the provider to make a judgement about which first steps opportunities will be appropriate for a particular learner, or target group, that is most likely to encourage progression to a Level 2 qualification, and beyond.
- 3.8 In 2005/06 each local LSC will continue, through the LSC Business Cycle, to determine how much first steps provision it needs to feed into Level 2 in future years. Strategic Area Reviews should form the basic approach benchmarked against national data on existing Level 2s in local populations.
- 3.9 For 2006/07 the total volume and associated funding for non-accredited first steps learning will have been mapped. We want to ensure that the funding of first steps learning can be fully integrated within the mainstream funding method for further education: there is a significant gain in equity and transparency across providers from so doing. But the LSC is considering how it might develop a more equitable allocation model for first steps learning, that ensures that funds are focused to areas of greatest need, within that integrated method.

Question 12: What factors should the LSC consider when developing a more equitable allocation approach for first steps learning?

Question 13: Is the proposed funding regime for first steps learning appropriate?

Question 14: What issues might arise through funding all first steps provision through the FE approach?

Question 15: What factors should the LSC use when allocating funding for first steps provision?

Section 4: Funding Learning for Personal and Community Development

Introduction

- 4.1 The Skills Strategy recognised the current unevenness of funding and provision in respect of learning for personal and community development. Since assuming responsibility for planning and funding adult and community learning the LSC has looked at a number of ways of integrating such provision into the rest of the learning and skills sector. For example in summer 2003 the LSC explored options with ACL providers to see if it was feasible to extend the FE funding approach to ACL provision, which is based upon an amount of funding per learner. The modelling indicated that this would result in much higher funding levels for courses with large numbers such as yoga and line dancing.
- 4.2 In the context of the wider brief of the whole of non accredited learning we do not think such an approach aligns with the principles of the Skills Strategy. We want a system that both ensures that all adults have access to a wide range of learning opportunities and encourages well qualified adults and adults learning for their own pleasure and recreation to make an appropriate contribution to costs.

Funding Principles for Learning for Personal and Community Development

- 4.3 The principles which underpin our proposed reforms are set out below:
- that the approach is as simple as possible, with a minimum of demands on providers, learners and the LSC, and allows for maximum discretion for providers and local LSCs
 - that the accountability and quality assurance procedures are proportionate and appropriate to the type of provision. This will include ensuring that arrangements for applying the RARPA process are appropriate for the type of learning being delivered. This is set out more fully in Annex C. As stated there, providers will have discretion to judge for themselves what is appropriate and proportionate, given the nature of the programme and the needs and motivations of the participants. For learning of this kind we expect the demands upon teachers and learners to be unobtrusive, with a minimal need for paperwork or form filling
 - that the approach ensures an equitable method of distribution based upon size of adult population with weightings for disadvantage and area costs, plus an additional adjustment to take account of those aged 60 and over

- an approach which supports and encourages quality improvement for this type of provision
- financial accountability will follow existing LSC models of accountability that are familiar to existing public sector ACL providers. Providers outside the public sector may need to consider models of accountability based upon their spending of LSC funds
- that the funding available represents an investment to attract new learners, to encourage participation and to generate demand for larger episodes of learning to support learning, but not to support individual learners; and
- that the funding safeguard ensures continuing access to an appropriate range of subsidised provision for those learners who might otherwise be excluded, including many older learners.

Fee Contributions

- 4.4 A key feature of the Skills Strategy was the recognition that, in order to target funds where they make most difference, learners already well qualified who are seeking further qualifications should pay higher fees. As part of this we expect that such learners who are studying principally for their own pleasure, should also make a greater contribution to the costs of their learning.
- 4.5 We know in many instances that this is already the case. A survey of the fees charged by colleges and LEAs is conducted each year by NIACE. The most recent information about fees relates to the 2002/03 academic year. This survey shows that, on average, ACL funded learners contribute around 40 per cent towards the costs of their learning. When 'first steps' learning currently funded through ACL is excluded from the calculation, the percentage is likely to be higher for learners studying for its own sake.
- 4.6 To understand the existing variation in respect of fee policies, the findings from the survey are illuminating. LEAs had differing policies as to what the fees should be expected to cover, and therefore what subsidy, if any, they should make. Of responding LEAs:
- 2 per cent sought to recover all costs, both direct and indirect
 - 30 per cent sought to cover all direct costs such as tuition and materials
 - 54 per cent subsidised course costs in other ways; and
 - 15 per cent did not set or gather fees. (Source: NIACE Fees Survey 2002-2003)
- 4.7 The Skills Strategy set out a clear principle that the state should target its investment of public funds to meet priority needs, including adults without qualifications to help them gain a full Level 2 and improving adults' basic skills in literacy, language and numeracy. Our proposals for first steps learning are integral to that commitment, ensuring an appropriate rate of funding for adults with low or no skills.

- 4.8 The NIACE survey, while illustrating the current variation in fee collection amongst LEAs, does provide evidence that in many instances, LEAs have been successful in charging higher fees. We want to see that practice extended, and would welcome suggestions as to how a higher fee culture might become the norm for learning for personal development. This consultation takes place alongside the recently published consultation on fees, funding and learner support in further education, and where relevant and appropriate, the findings and recommendations from that consultation will be extended to include learning for personal development.
- 4.9 As part of the simplified approach, we will apply a disadvantage weighting to allocations to recognise the need to remit fees either partially or fully for those learners for whom fees are a barrier to learning. In allocating funding at an aggregate level in this way, the principles of minimal bureaucracy and maximum flexibility are maintained. Given this approach, it will be for each provider to judge how best to use the public funds allocated to it to invest funds to maximum effect to secure the range of personal development programmes it wishes to offer. That includes using those funds to make programmes available at low or zero fees for some categories of learners if it judges that appropriate in meeting their needs. On this basis, we do not think it is necessary to extend the separate learner support funding arrangements so as to cover personal development programmes. To do so would carry a significant administrative overhead in allocating and monitoring a separate stream of funding to providers, for what would in many cases be very small sums.

Additional Learning Support

- 4.10 In April 2003 the LSC asked the LSDA to carry out research to support the Council in the development of a consistent approach to funding additional learning support (ALS) across the four learning sectors. Following this the LSC published a policy statement, which set out the proposed arrangements and next steps.

First Steps Learning

- 4.11 In keeping with the proposals for first steps learning, it is proposed to extend the arrangements for ALS as they operate in the FE funding approach to all first steps learning.

Learning for Personal and Community Development

- 4.12 In November 2003 LSDA published its findings and recommendations, in respect of ACL, which should now be considered in the context of learning for personal and community development.
- 4.13 The key findings in respect of ACL were as follows:
- an explicit statement of entitlement of ACL learners to ALS would be welcomed
 - most LEAs do not currently specify an amount for ALS in allocating/setting budgets
 - providers would welcome a budget that could be used flexibly to build up a support team that could work as required across groups; and
 - there is a strong argument for meeting most ALS costs as part of the indicative allocation.

4.14 It is important to be clear that, as with the development of arrangements in the FE sector for ALS, any change will be introduced from within the identified funds available. The key outcome will be to ensure that ALS requirements are properly considered and addressed by providers of learning for personal and community development. We believe that there are three options in taking this issue forward.

Option One

4.15 Apply a fixed percentage of each allocation to be identified as available for ALS, to be applied across the board. This would be a simple and consistent approach. However, it would be a notional estimate based on very little, or no evidence, and would not be likely to reflect or align with the different patterns of provision or specific, individual provider mission. It would also mean the creation of a separate funding stream and thus an increase in bureaucracy.

Option Two

4.16 Allow a percentage band of, for example, between two and seven per cent of an allocation to be used for ALS, to be agreed locally. Such an approach would be more sensitive to the issue of local circumstances and provider mission, but issues of additional bureaucracy remain.

Option Three

4.17 To allow providers, as self-managing institutions, to ensure that the ALS needs of their learners are addressed from within the funding available without a separately identified ALS element in the allocation. The level of ALS required would be regularly considered in the planning discussions between local LSCs and providers.

4.18 In keeping with our funding principles of simplicity and flexibility for provision of this kind we favour the third option.

4.19 We do however, wish to make it clear that the principle that all learners should be entitled to ALS, regardless of age, mode of study, type of programme or provider type should apply, and we expect providers to meet their obligations under the Disability Discrimination Act, and provide ALS as appropriate for learners studying for personal and community development.

4.20 In order to ensure that best practice is maintained and developed, the LSC has identified 'regional champions' in respect of ALS, to share good practice and develop effective approaches to ALS provision. Learning for personal development will be part of their remit.

Question 16: What are the issues that would arise under the proposed funding approach to learning for personal and community development?

Question 17: How might the approach be refined or simplified?

Question 18: What option do you favour for additional learning support arrangements?

Question 19: What additional factors might the LSC consider in respect of weighting the distribution of funds for ALS?

Ensuring Equity of Provision Between Areas

4.21 The Skills Strategy requires that there should be a consistent geographical distribution of the funds that are available for learning for personal development. So the principal factor for distribution will be the number of adults (19+) in a locality, plus the following weightings:

- disadvantage to recognise the need to remit fees in some instances (using the index of multiple deprivation 2000 or 2004)
- area costs to recognise the higher costs of making provision in London and the South East (the LSC Area Costs determined for the FE formula would be used); and
- recognition of the number of adults not in work, including older learners (Labour Force Survey Data plus Census Data likely to be used). This recognises the fact that of those undertaking adult education courses run through Local Education Authorities 28 per cent are aged 65 or over as compared with only 20 per cent of the total population being aged 16 or over.

4.22 The proposed distribution model is intended as the public contribution to costs to support learning, not to support individual learners. The funding available is not intended to cover a specific proportion of the costs of making the provision. It is the level of public subsidy available to a provider to take into account when making decisions about which provision to offer, alongside expected income from fees and other sources. There will however, be a link between volume of provision and funding, to ensure that the availability of personal and community development opportunities is broadly even and fair across the country. A brief outline of how the proposed funding model would operate is set out at Annex F.

4.23 The Strategic Area Reviews (StARs) will look at the mix and balance of provision and the infrastructure that supports it. Provider self-assessment and the LSC annual planning review with providers will consider issues around delivery.

4.24 Only the minimum number of indicators will be collected to ensure that value for money is being obtained. Issues such as the pattern of provision, particular target groups, target participation rates and priorities for funding will be agreed and reviewed by local LSCs and providers as part of the ongoing funding and planning process.

Question 20: Is the geographical distribution model for learning for personal and community development appropriate?

Question 21: If not what other principles should be adopted?

Section 5: Timings and Next Steps

Phasing in the Reforms

- 5.1 Local LSCs are already working with providers to ensure that there is a shift in the balance of provision towards greater investment in the Skills Strategy priorities. Local LSCs currently have some discretion to move ACL grant between the providers in their area to achieve a fairer distribution of funds that more closely matches local need. Throughout 2005/06 this re-alignment will continue, particularly to ensure that there is a suitable range of first steps learning.
- 5.2 However the aim is that the main reforms will be phased in from the 2006/07 academic year. This includes funding all first steps learning through the further education funding methodology. We believe that by creating a reasonable lead in period providers will have time to understand the implications that the reforms will have for their adult learning offer. It will also give them the opportunity to begin to make necessary changes to the pattern of their provision or fee structure in 2005/06. We will also issue 'shadow allocations' in respect of 2005/06, so that local LSCs and providers can start to consider the specific implications for them.

Question 22: To what extent are the timescales for phasing the reforms realistic and practical?

Question 23: In particular does the 2006/07 start date for phasing in the changes on learning for personal and community development give sufficient time for providers and learners to prepare for the changes?

Next Steps

- 5.3 The LSC will undertake to:
- establish the overall quantum of existing provision and the relative volumes of learning for personal and community development and first steps provision; working with a sample group of providers
 - calculate a participation rate based on the factors set out above
 - establish the socio economic factors to be used to weight the distribution of funding for learning for personal and community development
 - establish benchmarks for progression from first steps learning
 - analyse the scale of change such an approach will require and the impact on individual providers and the different types of provider, FE college, LEA and others and establish an appropriate convergence timescale; and
 - provide further advice on the application of quality assurance processes for each type of adult learning.

- 5.4 The development planning dialogue between local LSCs, colleges and providers should be a key mechanism for securing, through negotiation, a sensible re-alignment that matches public funds with the national priorities set out in Section 1.
- 5.5 This planning dialogue in turn needs to reflect the outcomes of Strategic Area Reviews (StARs). These are identifying the appropriate mix and pattern of provision for each area and the distinctive contribution which each college or provider can make to the range of post-16 provision in its area. Each provider will produce a three-year development plan that should identify the profile of the types of provision for which they will be funded, from 2005/06.
- 5.6 Our intention, subject to the results of this consultation, is that the main implementation will be phased over three years from 2006/07 in order to give sufficient time for providers to manage the impact of these changes.

Question 24: Over how many years should the reforms be phased to avoid disruption to providers and learners?

Question 25: Is the three years proposed sufficient?

Timetable

Date	Action
August to December 2004	Segmentation – trialling the allocation of provision into first steps and learning for personal and community development in ACL.
August to December 2004	Ongoing work by KPMG on disaggregating FE other provision.
September 2004	Consultation document published.
October 2004	Workshops with local LSCs on the implications of the consultation.
December 2004	Consultation period closes.
December 2004	Analysis of ACL and FE provision between first steps and learning for personal and community development finished.
January 2005	Guidance for funding in 2005/06 academic year.
February 2005	Publication of outcomes from consultation process.

Timetable contd.

Date	Action
Spring 2005	Strategic Area Reviews completed which will include analysis of first rung provision.
Spring 2005	Provider development plans reviewed to ensure appropriate provision of first steps learning – by LSCs and providers.
Spring 2005	Shadow allocations of 2005/06 budgets for non-accredited learning issued to providers. Discussions with providers commence on the implications for them of these changes.
Spring 2005	Implementation of further adjustments by local LSCs to allocations to LEA providers within the 10 per cent annual margin of tolerance.
September 2005	Phased rollout of the recommendations for recognising and recording progress and achievement in non-accredited learning (RARPA).
December 2005	LEAs given indicative figures for 2006/07 academic year.
August 2006	New approach to allocation of funding for learning for personal and community development – first phase of changes implemented for 2006/07 academic year. First steps learning funded through the further education funding methodology.

Annex A: Membership of the Safeguard Steering Group

Members

Dr Russell Moseley (Chair)	Director of the Centre for Lifelong Learning	University of Warwick
Christine Troughton	Senior Development Manager	Greater Merseyside LSC
Richard Hooper	County Manager, Adult and Continuing Education Service	LEAFEA representative
Patrick Freestone	Principal	Mary Ward Centre
Alan Birks	Principal	South Birmingham College
Laurence Leader	Acting Director of Services	West of England LSC
Peter Caldwell	District Secretary, West Mercia District	Workers' Educational Association
Carole Stott	Formerly Chief Executive	National Open College Network
Paula Webber	Head of Quality and Funding	Ufi
Jenny Burnette	Director, Curriculum and Quality	Learning and Skills Development Agency
Paula Buck	Executive Manager, Strategic Development and Performance Management, Buckinghamshire County Council	HOLEX Representative

Consultants/advisers

Annie Merton	Senior Development Officer, Local Authorities	NIACE
Colin Flint	Associate Director, Further Education	NIACE

Observers

Sue Yeomans	Group Manager, Widening Adult Participation	National LSC
Chris Lewis	Senior Policy Manager	National LSC

Annex B: Terms of Reference for the Safeguard Steering Group

The purpose of the group was to offer advice to the Learning and Skills Council on:

- developing a new approach to the funding and planning of adult and community type learning which will ultimately cover the whole of post-16 provision which does not lead to a formal external qualification. This will include not just ACL but college 'Other Provision'; Ufl, learndirect and UK Online Centres; and
- a concise series of descriptors to map the different strands of adult learning provision across the learning and skills sector outside the qualifications framework, for planning and funding purposes, and enable the identification of provision that will be subject to the safeguard in the Skills Strategy for wider lifelong learning opportunities.

The group met four times between January and May 2004.

Annex C: Recognising and Recording Progress and Achievement in Non-accredited Learning

Background

During 2001/02 LSDA was asked by the LSC to devise a method for recognising and recording progress and achievement in non-accredited learning (RARPA) which could be applied nationally and in a range of learning contexts. The method was intended to provide a reliable means of recognising and recording achievement in the absence of formal assessment linked to awards or qualifications and to encourage learners to reflect on their own learning processes.

The RARPA staged process was designed to:

- focus on and promote the needs and interests of learners
- allow for negotiation of the content and outcomes of learning programmes
- enable both the achievement of planned learning objectives and learning outcomes not specified at the outset to be recognised and valued; and
- enhance providers' quality assurance and improvement practices.

There are five elements to the process:

Element	Evidence
1. Aim(s) appropriate to an individual learner or groups of learners (CIF ¹ Q1 and Q5).	Clearly stated aim(s) for all programmes.
2. Initial assessment to establish the learner's starting point (CIF Q4, 1 and 2).	Record of outcomes of process of establishing learners' starting points.
3. Identification of appropriately challenging learning objectives: initial, renegotiated and revised (CIF Q2, Q4 and Q5).	Clearly stated suitably challenging objectives for all programmes and, wherever feasible, for each learner.

Contd.

¹Common Inspection Framework

Element	Evidence
<p>4. Recognition and recording of progress and achievement during programme (formative assessment): tutor feedback to learners, learner reflection, progress reviews (CIF Q1 and Q4).</p>	<p>Records of learner self-assessment, group and peer assessment; tutor records of assessment activities and individual/group progress and achievement. Learners' files, journals, diaries, portfolios, artwork; videos, audiotapes, performances, exhibitions and displays; individual or group learner testimony; artefacts, photographs and other forms of evidence.</p>
<p>5. End of programme learner self-assessment; tutor summative assessment; review of overall progress and achievement in relation to appropriately challenging learning objectives identified at the beginning/during the programme. It may include recognition of learning outcomes not specified during the programme (CIF Q1 and Q4).</p>	<p>Records of learner self-assessment, group and peer assessment; tutor records of assessment activities and individual/group progress and achievement. Learners' files, journals, diaries, portfolios, artwork; videos, audiotapes etc.</p>

RARPA and the Skills Strategy

We propose that for first steps learning, the process should be applied and evidence generated which will support the learner to progress to further learning. This evidence is likely to be recorded on paper or by electronic means. In learning for personal development providers will have the discretion to apply their own judgements as to what is sensible and proportionate, recognising the need to ensure that a suitable 'light-touch' application of the process is used. For some leisure and physical recreation programmes such as aerobics, providers may well judge that the RARPA process is inappropriate because there are no identifiable learning objectives and it would not be a sensible response to the motivations and needs of participants to insist on this process. In general, the generation of paper or electronic evidence should be less important in the context of leisure interest programmes but the application of the process, which reflects acknowledged good teaching practice, should be apparent in a way that is proportionate and appropriate for the purposes of the programme. This approach will reflect a simplified accountability structure whilst maintaining an appropriate level of quality assurance.

The LSC proposes to publish guidance on RARPA, alongside context-specific examples of the application of the process across the range of learning which does not lead to external accreditation early in 2005. These examples will be drawn from providers' own experience of developing 'fit for purpose' systems.

The LSC is preparing to undertake a national consultation on the RARPA process.

An evaluation of the RARPA development work has recently been published by NIACE and the LSDA. The evaluation concludes that the RARPA process can be applied across all types of learning which do not lead to external accreditation, providing the application is done in a manner which suits the type of learning being delivered.

Further information about the RARPA project can be found at the RARPA section of the LSC website. Follow the link:

<http://www.lsc.gov.uk/National/Partners/Quality/default.htm>

Annex D: Definitions of Terms Used in this Document

There are four commonly used definitions of types of learning, which have particular reference to the level of accreditation provided:

Term in use	Meaning	LSC Funding Guidance Definition
Learning without accreditation	Learning for which no form of accreditation is offered or sought	'learning aims with attainment but with no certification (for example record of attendance only)' Paragraph 241, point c
Learning with internal accreditation	Learning for which learners are able to achieve some form of institutional accreditation which may not have validity beyond that institution	'learning aims that lead to internal qualifications or internal certificates of attainment (for example college certificated)' Paragraph 241, point b
Learning with external accreditation	Learning for which learners are able to achieve some form of external accreditation	'learning aims that lead to external qualifications or external certificates of attainment not approved by the Secretary of State (for example Quality Assurance Agency for Higher Education (HE) (QAA) – validated Access to HE) Paragraph 241, point b
Qualification bearing programmes	Learning for which learners are able to achieve external accreditation which is nationally recognised that is, accredited by the Qualifications Curriculum Authority (QCA) and approved by the Secretary of State	'learning aims which have been accredited by the Qualifications and Curriculum Authority for inclusion in the national qualifications framework) and approved by the Secretary of State under Section 96 and Section 97 of the Learning and Skills Act 2000 (Paragraph 237, first bullet point)

Adult and Community Learning

The term Adult and Community Learning (ACL) is usually used to denote the LSC funding stream that has supported local authority adult education since 2001. The responsibility for the funding of ACL was transferred to the LSC in April 2001 with a guarantee from the then Secretary of State of a minimum level of funding until the end of July 2003. This was conditional on each local education authority (LEA) developing a satisfactory adult learning plan. Funding provided under the guarantee supported a broad spectrum of provision including:

- first steps learning
- skills for life
- provision for learners with learning difficulties and/or disabilities
- skills for employment
- study for its own sake
- community development
- vocational qualifications; and
- non vocational qualifications.

It is recognised that the types of ACL provision and the curriculum on offer are common to other funding streams, principally FE and the provision within that labelled 'FE other' or 'Other Provision'.

'Other Provision'

The LSC recognises four broad types of learning provision secured through the FE funding stream, which may be categorised by reference to the intended learning achievement or outcome. These are:

- an external qualification² accredited³ by the Qualifications and Curriculum Authority (QCA) and subsequently approved by the Secretary of State
- an external qualification certificated or authenticated by an awarding body or other external (to the provider) agency, body or organisation, but which is neither accredited by the QCA nor approved by the Secretary of State
- an internal certificate of achievement awarded solely by the provider of the learning; and
- achievement not formally recorded by any form of internal or external certification⁴.

Provision identified in the last three categories is described by the LSC using the generic term 'Other Provision'.

² External qualifications are defined in Sections 96 and 97 of the Learning and Skills Act 2000. Section 96 relates to external qualifications for learners under the age of 19 and Section 97 for learners aged 19 and over.

³ Accreditation by the QCA leads to inclusion of the external qualification on the National Qualifications Framework (NQF).

⁴ Provision that certifies learner attendance only is included in this category.

Annex E: Consultation Questions Proforma – for return

The information you send us may need to be passed to colleagues within the LSC and/ or published in a summary of responses received in response to this consultation. We will assume that you are content for us to do this, and if you are replying by email, your consent overrides any confidentiality disclaimer that is generated by your organisation's IT system, unless you specifically include a request to the contrary in the main text of your submission.

Please insert 'X' if you want us to keep your response confidential

Name

Organisation
(if applicable)

Address

If you have a query relating to this consultation please contact your local Learning and Skills Council.

Please insert 'X' in **one** of the following boxes that best describes you as a respondent.

- | | |
|--|--|
| <input type="checkbox"/> Further Education College | <input type="checkbox"/> Further Education Institution |
| <input type="checkbox"/> Local Education Authority | <input type="checkbox"/> Higher Education Institution |
| <input type="checkbox"/> Trade Union | <input type="checkbox"/> Work Based Learning Provider |
| <input type="checkbox"/> Employer | <input type="checkbox"/> Representative Body |
| <input type="checkbox"/> Sectoral Body | <input type="checkbox"/> National Organisation |
| <input type="checkbox"/> Regional Body | <input type="checkbox"/> Voluntary Organisation |
| <input type="checkbox"/> School | <input type="checkbox"/> Individual |

Other (Please specify)

Question 1: Are these the right principles to apply?

Yes No

Comments

Question 2: Are there other principles you would like to propose?

Yes No

Comments

Question 3: Are the definitions of learning for personal and community development and first steps clear and comprehensive?

Yes No

Comments

Question 4: Are there additional activities that should be included?

Yes No

Comments

Question 5: Would these definitions assist in planning and funding discussions?

Yes No

Comments

Question 6: What issues will arise when distinguishing between learning for personal and community development and first steps learning on the basis of provider intention in setting up the course?

Comments

Question 7: What is the best way of handling those programmes which are offered by providers on the basis that they are primarily studied for recreational reasons, but which do lead to external accreditation?

Comments

Question 8: Is the proposal for the transfer of Out of Scope Activity to LID the best approach, if not, what alternative approach might be adopted? Yes No

Comments

Question 9: Do you agree with the proposed approach to funding non-accredited first steps provision? Yes No

Comments

Question 10: What might be the difficulties in extending the FE approach to first steps provision currently funded through the ACL funding stream?

Comments

Question 11: Are there ways in which the approach could be simplified? Yes No

Comments

Question 12: What factors should the LSC consider when developing a more equitable allocation approach for first steps learning?

Comments

Question 13: Is the proposed funding regime for first steps learning appropriate? Yes No

Comments

Question 14: What issues might arise through funding all first steps provision through the FE approach?

Comments

Question 15: What factors should the LSC use when allocating funding for first steps provision?

Comments

Question 16: What are the issues that would arise under the proposed funding approach to learning for personal and community development?

Comments

Question 17: How might the approach be refined or simplified?

Comments

Question 18: What option do you favour for additional learning support arrangements?

Option 1 Option 2 Option 3

Comments

Question 19: What additional factors might the LSC consider in respect of weighting the distribution of funds for ALS?

Comments

Question 20: Is the geographical model for learning for personal and community development appropriate?

Yes No

Comments

Question 21: If not what other principles should be adopted?

Comments

Question 22: To what extent are the timescales for phasing the reforms realistic and practical?

Practical Impractical

Comments

Question 23: In particular does the 2006/07 start date for phasing in the changes on learning for personal and community development give sufficient time for providers and learners to prepare for the changes?

Yes No

Comments

Question 24: Over how many years should the reforms be phased to avoid disruption to providers and learners?

Comments

Question 25: Is the three years proposed sufficient?

Yes No

Comments

Annex F: Proposed Funding Model for Learning for Personal and Community Development

Establishing the funding available for learning for personal and community development

Identify total quantum available from the FE and ACL funding streams for learning for personal development

Establish the total number of course hours

Using LEA data returns and FE ILR data, establish the national total number of course hours delivered for learning for personal and community development

Features of funding approach

Funding will not be attached to individual learners, instead it will be expressed in terms of an amount of funding per course hour

The LSC will establish the total number of course hours to be funded nationally for learning for personal development, and a rate per hour

There will be no programme weightings or uplifts of any kind for specific types of provision

Allocations will be expressed as both a cash amount and the number of course hours this funding should support. These will be calculated at local LSC level using three factors only:

- size of Adult Population
- weighting for Disadvantage; and
- weighting for Area Costs in London and the South East.

Provider funding will comprise of a contribution from the LSC (calculated as above) to support the contribution from learner fees. The LSC contribution will require a minimum number of course hours to be delivered by the provider.

Providers will have discretion to use their combined LSC and Fee income to achieve the optimum pattern of fit to local needs. They will not be required to support individual courses at the indicative course hour rate, which will be used for determining budget allocations only. Providers may choose to use their combined LSC and Fee incomes to cross subsidise individual courses or learners. For example more popular courses may attract a larger fee contribution, which could be used to supplement fee incomes from less popular courses or more disadvantaged learners.

Illustrative Example:

PLEASE NOTE ALL FIGURES QUOTED ARE FOR ILLUSTRATIVE PURPOSES ONLY

Springfield local LSC

Total Adult Population	456,958 (1.3 per cent of total adult population of England)
Disadvantage Factor	1.02
Area Costs Factor	1.00

Indicative allocation for learning for its own sake calculated as follows:

National total number of course hours established as 2,500,000

Allocation of course hours based on adult population = 1.3 per cent of total volume 2.5m hours
= 32,500 course hours

Funded at £40.00 per course hour = £1,300,000

Uplifted for disadvantage 1.02

Total £1,326,000 to deliver a minimum of 32,500 course hours.

Notes

Notes

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