

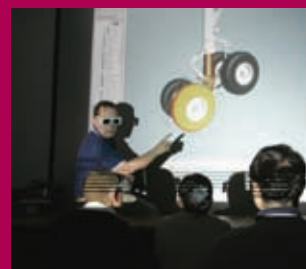
# Further Education: Raising Skills, Improving Life Chances



Update: July 2007

department for  
**children, schools and families**

Department for  
**Innovation,  
Universities &  
Skills**



# Contents

<b>Foreword</b>	<b>2</b>
<b>Section 1 Introduction</b>	<b>4</b>
<b>Section 2 Commentary on progress against White Paper chapters</b>	<b>6</b>
2.1 Overview	6
2.2 A specialised system focused on employability	7
2.3 A system meeting the needs of learners and employers	9
2.4 A national strategy for teaching and learning in Further Education	12
2.5 A framework which spreads success and eliminates failure	16
2.6 Funding which supports our objectives	19
2.7 A new relationship with colleges and providers	22
2.8 Impact and outcomes	25
<b>Annexes</b>	
<b>Annex 1 Ministerial Standing Group on FE Membership and Terms of Reference</b>	<b>26</b>
<b>Annex 2 External Advisory Groups Membership and Terms of Reference</b>	<b>28</b>
1. Quality Stakeholder Group	28
2. LSC <i>agenda for change</i> Advisory Group	29

**Timeline of key dates – [Click here](#)**

# FOREWORD

It is now over a year since the Government published the White Paper *Further Education: Raising Skills, Improving Life Chances* in response to Sir Andrew Foster's review of the future role of FE colleges<sup>1</sup>. The Ministerial Standing Group on FE of national partners and FE providers has been supporting the development and implementation of the reforms and this report, published on their behalf, demonstrates how far we have all come in one year.

There is much to consider and much to celebrate. The Further Education sector has delivered another year of rising success rates. We have some excellent colleges and training providers and the proportion is increasing steadily. This is a tribute to the dedication and professionalism of staff throughout the sector. The whole system, including our national partners, has demonstrated great flexibility in continuing to adapt to new challenges, to reflect and respond to the diversity of its local communities, and has a strong track record in tackling inequality and reducing achievement gaps.

The Government is playing its part and is fully committed to developing a world leading FE system. We have increased investment in the FE sector by a record 48% in real terms between 1997-98 and 2005-06. In the March 2007 Budget, the Chancellor also announced that education spending in England will rise from £63.7 billion in 2007-08 to £74.4 billion in 2010-11. The earmarked Government expenditure of FE capital spend, which was nil in 1996-97 will be £750 million by 2010-11. Extra investment will be directed to the FE sector in order to address a wide range of crucial national objectives. The sector continues to be at the heart of our national priorities for the economy and society, and our record investment and continuing reforms reflect this importance.

In December Lord Leitch delivered his final report<sup>2</sup> to Government on the UK's skills needs to 2020, and FE has a massive role to play in achieving his and our ambitions for the future. The Government has also published a Green Paper outlining plans to raise the education leaving age and to guarantee that all young adults remain in education or training until they are 18.

<sup>1</sup> Realising the Potential: A review of the future role of further education colleges Sir Andrew Foster; DfES, November 2005

<sup>2</sup> Leitch Review of Skills Final Report; Prosperity for all in the global economy – world class skills, HM-Treasury, December 2006

We all know that the Further Education sector will play a crucial role in achieving so many of our ambitions. From adult basic skills to the delivery of Foundation Degrees and postgraduate programmes, the sector will be at the forefront of the UK's attempts to transform its skills profile. To do so, the broader FE system has to help meet two strategic challenges: the transformation of the 14-19 phase in order to deliver significantly higher participation and improved skills outcomes and progression, and the simultaneous upskilling of the adult workforce.

We strongly believe that this should be done through a more demand-led system with the needs of both individuals and employers at its heart, and achieving this will be challenging for us all.

These are truly exciting times. The skills agenda will allow the FE sector to grow and prosper and enable the economy and society to do likewise. Colleges and providers are at the very heart of our success. We must all continue to do our very best to meet the challenges before us.

A handwritten signature in black ink that reads "Bill Rammell". The signature is written in a cursive, slightly informal style.

**Bill Rammell**

**Minister of State for Lifelong Learning, Further and Higher Education on behalf of the Ministerial Standing Group on FE**



## Section 1: Introduction

Last year's White Paper *Further Education: Raising Skills, Improving Life Chances* set out a programme of change in the FE system needed to realise the potential of Further Education as the powerhouse of a high skills economy and to deliver our skills ambition. This update sets out progress made in delivering these changes and taking forward the recommendations from the Foster Review.

Together we have already made significant progress in a busy and challenging year. Many initiatives and policies described at that time are now in place and others soon will be. The FE Bill is putting in place necessary legislation changes. The Department for Education and Skills (DfES), Learning and Skills Council (LSC), partner organisations and practitioners have worked closely and constructively in taking forward reform. The Department for Innovation, Universities and Skills (DIUS) will build on this approach in taking work forward in future involving the Department for Children, Schools and Families (DCSF) as appropriate.

Success rates in the Further Education sector have continued to increase. In 2005/06, the success rate target for FE colleges increased by 2 percentage points to 77%, exceeding the LSC's target of achieving a 76% success rate by 2007/08. This means that for every 100 courses started, 77 result in a qualification being achieved. In the past 6 years, success rates in colleges have risen by over 20% and now over three-quarters of students are achieving qualifications.

Success rates for full Apprenticeship programmes have increased by 13 percentage points in just one year from 40% in 2004/05 to 53% for 2005/06. Work Based Learning success rates are now close to 59%, the 2007/08 target. Full Level 2 success rates for 16-18 year olds are up by 5 percentage points to 66% and for adults by 6 percentage points to 65%. This represents great and sustained progress.

The ambitious targets recommended by Lord Leitch require an efficient system that responds to market needs supported by more investment in skills from Government, employers and individuals. Through the FE White Paper reforms we have already started to build an FE system for the future and the next phase of reforms to address Lord Leitch's ambition are set out in *'World Class Skills: Implementing the Leitch Review of Skills in England'* published in July 2007.

We should not underestimate the changes the White Paper reforms and the Leitch ambition represent for all colleges and providers and the strategic challenge facing leaders in particular. Within the new Government structure, maintaining the momentum already created, DIUS, DCSF and their agencies are committed to helping the sector adapt to these changes and to supporting providers in engaging employers and individuals.

The next section takes each of the White Paper chapters in turn and sets out progress made and next steps.



## Section 2: Commentary on Progress against White Paper Chapters

### 2.1 Overview

This section sets out progress on implementing the proposals and commitments contained in each of the chapters of the FE White Paper.

There have already been significant shifts in the system with colleges and providers refocusing their priorities and specialising in key skills areas. Good progress has been made towards achieving the Government's target of having 12 National Skills Academies by 2008 and these organisations are expected to play a leading role in driving the development of specialist networks.

The first national Improvement Strategy *Pursuing Excellence: the National Improvement Strategy for the further education system* has been published and a tough approach to both inadequate and coasting providers is being taken. Minimum levels of performance are in place and good progress has been made towards the Framework for Excellence. New standards, qualifications and development programmes for those working in the FE system are well advanced.

Through the National Learner Panel and other mechanisms, learners are starting to have greater influence on the organisation and delivery of learning. Train to Gain is gathering momentum and Sector Skills Councils are tackling the challenges of driving up skills. Proposals for creating a demand-led system were published for consultation in *Delivering World-class Skills in a Demand-led System* and the LSC has set out how capital funding will focus on the priorities set out in the White Paper.

Progress has also been made in simplifying the FE system and developing a new relationship between Government, its agencies and colleges and providers. DfES and LSC have already restructured and the FE Bill, introduced in Parliament on 20 November 2006, will further streamline the LSC and change the way it works with colleges and providers.

The Practitioner Panel (Communications Gateway) and the Information Authority are now in place and will help streamline communications and data flows.



The sector is developing proposals for self-regulation and the Self-regulation Implementation Group chaired by Sir George Sweeney is preparing an action plan to bring about the first stages of self-regulation by autumn 2007.

## 2.2 A specialised system focused on employability

The White Paper proposed a clear mission for the FE System focused on helping people gain the skills and qualifications for employability. All colleges and providers should have at least one specialism and be part of new national sector-based networks led by Skills Academies.

- a New Standard for Employer Responsiveness to replace CoVE and other quality programmes
- new specialist networks
- new 'Centre of Excellence' standard for 16-19 provision
- increase HE in FE
- expand the sixth form college sector

### What will be different?

Colleges and providers will deepen their links with business and work to industry-set standards, develop expertise and a reputation for excellence in their specialist areas working through specialist networks. Learners will be better informed of employer needs and will have increased opportunity to base learning in their chosen employment sector. Businesses will have access to a wider range of industry-specific skills development for employees, present and future.

Many colleges and providers are already refocusing their organisations around the new mission. With National Skills Academies coming on stream, the development of new specialist networks and the New Standard for Employer Responsiveness, and the Framework for Excellence, due to be piloted from autumn 2007, colleges and providers will need to continue to specialise and build even better links with employers.

### What has happened so far?

- In addition to the pathfinder Fashion Retail Academy, three **National Skills Academies** (Round 1) have been launched: in Construction, Manufacturing and Financial Services, with Food and Drink Manufacture to follow this summer. Four more (Round 2) are in business planning development and a further four expressions of interest (Round 3) have been approved by ministers. Each has the full support or is being directly led by a Sector Skills Council. Employers have invested over £30 million.
- 70 providers have helped test the **New Standard for Employer Responsiveness** which has been developed with employers through their Sector Skills Councils: a good score on the Employer Responsiveness indicator in the Framework for Excellence will be a prerequisite for accreditation to the New Standard.



- New overarching **professional standards for teachers, tutors and trainers** are now in place to ensure staff will have the skills to be more responsive to employers' and learners' needs.
- The Further Education and Training Bill includes proposals to allow further education institutions in England to apply for the power to award **Foundation Degrees**.
- HEFCE has consulted the sector on developing **HE centres of excellence in FE** focusing on employability and widening participation.
- The **New Standard for Employer Responsiveness** is now available.

#### What will happen next?

July – Sept 2007	Guidance and advice on <b>reviewing their mission</b> available to support FE college governing bodies.	CEL
	Four more <b>National Skills Academies</b> approved (Round 2) and a further four in Business Planning (Round 3).	LSC
Oct – Dec 2007	<b>Working with Employers good practice guide</b> published.	LSC
Jan – March 2008	4 more <b>National Skills Academies</b> approved (Round 3).	LSC
Oct – Dec 2008	12 <b>National Skills Academies</b> in place by end 2008.	LSC
	<b>New Centre of Excellence Standard for 16-19</b> linked to the New Standard for Employer Responsiveness and Framework for Excellence piloted during 2008/09.	LSC
2009	<b>New Centre of Excellence Standard for 16-19</b> roll-out.	LSC
By 2010	Existing CoVEs replaced by a network of providers that have achieved the <b>New Standard for Employer Responsiveness</b> , also available to private providers.	LSC

## 2.3 A system meeting the needs of learners and employers

The White Paper proposed an FE system with learners and employers in the driving seat to determine what provision is funded and how services are delivered.

- expand and widen Train to Gain
- Sector Skills Agreements help shape provision to meet employers' needs and qualification reform
- support colleges to work more effectively with employers
- a new entitlement for a first full Level 3 for 19-25 year olds
- learner accounts (and links to Skills Accounts)
- a National Learner Panel and strengthened learner feedback mechanisms
- a qualification system which better serves learners and employers, including a new Apprenticeship qualification, the Foundation Learning Tier for qualifications below Level 2 and simplified qualifications for adults.

### What will be different?

Providers will be flexible and able to respond quickly to the learning requirements of employers and learners. Qualifications will be simpler and more relevant to employment. Learners will have more input to the development of provision and businesses will find it easier to build in time for employee development to their regular day-to-day activities.

Over 300 colleges and providers are now involved in Train to Gain and this will continue to expand as the FE system becomes more demand-led. Guidance and support for providers is now available.

The FE and Training Bill will introduce a duty on the LSC and colleges to have regard to guidance about consulting with learners, potential learners and employers, and all FE providers will be expected to have a learner involvement strategy in place by September 2007 and to have at least two student governors.

Autumn 2007 will see the introduction of the first 5 diplomas, the Foundation Learning Tier and new Apprenticeships pilots.

Providers will need to ensure the availability of the entitlement to free tuition for those eligible is reflected in their 2007/08 prospectuses.

## What has happened so far?

- **Train to Gain** was launched nationally in September 2006. By March 2007 over 36,000 employers had been engaged, exceeding the 33,000 profile. Of these 69% do not have liP status and had not trained to qualification level within the past year. 89% of employers are satisfied or very satisfied with the skills broker service. Over 107,000 employees were in learning and over 26,000 had achieved a first full Level 2 qualification.
- Train to Gain trials are testing out how best to encourage employers to engage at Level 3 and contribute to the cost of learning, and to encourage learning at Level 3 among women at a disadvantage. Three **Higher Level Skills Pathfinders** are working with Train to Gain to encourage and support employers to engage with higher education institutions.
- A Quality Improvement Agency (QIA) led **Train to Gain Development Programme** is in place to support providers develop the new flexible ways of working required to meet employer needs. Over 2000 individuals from the sector have participated. The LSC has published a handbook to support providers.
- Fourteen **Sector Skills Agreements (SSAs)** have been produced for England. Each Agreement contains an action plan with employers and key public sector partners across the UK, detailing work needed to meet the challenges identified. SSAs help shape the supply of education and training to meet employer needs
- The first FE **National Learner Panel** was established in November 2006 to advise Ministers and policy makers on how policy changes impact on learners. The Panel contributed to key policy developments such as the Leitch Review of Skills, Learner Involvement Strategies, and to Ofsted's inspection proposals. The LSC is piloting a **regional learner panel** in Yorkshire and Humberside to consider what special contribution can be made at regional level.
- Guidance on how the Level 3 **19-25 entitlement** will operate from September 2007 was issued in February and the entitlement is now fully operational. Funding to meet the cost of the entitlement has been allocated to LSC regions.
- The Diploma Development Partnerships, led by employers through their Sector Skills Councils, published the content for the first five **Diploma** lines at the end of November and subsequently endorsed the qualifications developed by awarding bodies for accreditation.
- Qualifications and Curriculum Authority (QCA) has consulted on a draft qualifications strategy for the **Foundation Learning Tier (FLT)** and trials of units and qualifications are under way in all LSC regions, supported by QIA. As part of the consultation, *Delivering world-class skills in a demand-led system*, the LSC is exploring the way in which progression pathways are funded.
- QCA is developing and trialling the new **Qualifications and Credit Framework (QCF)** – previously called the Framework for Achievement.

## What will happen next?

July – Sept 2007	<b>Adult learner accounts</b> trials start in parts of the South East and East Midlands for full Level 3 adult learners. Over the next two to three years the scale and scope of the trials will expand to test fully the concept of learner accounts.	LSC
	All FE providers have a <b>learner involvement strategy</b> in place. A handbook to support providers containing examples of good practice in involving learners in the whole learning experience will be published.	LSC
	Courses and toolkits to help <b>support and train Learner Representatives</b> available.	CEL
	Further support for <b>Student Liaison Officers</b> available.	CEL/LLUK
	First 5 <b>Diplomas</b> introduced. Each will be piloted for three academic years following their introduction: from 2008/11, 2009/12 and 2010/13.	QCA/ awarding bodies
	<b>Pilots for Apprenticeship</b> completion award as a recognised qualification start in selected occupational areas running for two years.	QCA
	Following initial trials, national <b>Functional Skills</b> pilots start from September 2007. QIA is leading work to design and develop a programme of support for the introduction of functional skills.	QCA/ awarding bodies/ QIA
	<b>Support programme for the 14-19 Diplomas</b> available including support materials and a practitioner virtual learning environment.	QIA
Oct – Dec 2007	Guidance on the <b>Foundation Learning Tier (FLT)</b> issued including timescales for the transition of existing publicly-funded provision at Entry and Level 1 into the FLT.	LSC
	LSC guidance in relation to setting questions in <b>learner satisfaction surveys</b> tested in order to provide a consistent and coherent view.	LSC
	Next revision of the Instrument and Articles of Government published to include a requirement for FE colleges to have at least <b>two student governors</b> .	DIUS
	Training for staff delivering 14–19 diplomas in place.	QIA
	Phase 1 <b>Sector Qualifications Strategies</b> produced.	SSDA
	<b>Train to Gain</b> delivery plan published	LSC

Jan – March 2008	All Sector Skills Councils expected to complete a <b>Sector Skills Agreement</b> by March 2008.	SSDA
	New good practice framework available to support providers in developing <b>strategies for working with employers</b> – part of the Train to Gain Development Programme.	QIA
	Good practice guide for governors available which will include a section on employer engagement. The <b>working with employers framework</b> will be available online.	CEL working with QIA
	Impact Review (on FE staff) of all <b>Sector Skills Agreements</b> available.	LLUK
July – Sept 2008	First 14-19 <b>Diplomas</b> begin.	
	The first reformed <b>Qualifications</b> will be available to learners.	QCA
2010 and beyond	Support programme available for teaching the three <b>Functional Skills</b> , which begins nationally within GCSEs, Diplomas and Apprenticeships as well as in stand-alone qualification form in September 2010.	QIA
	<b>QCF</b> fully functional (September 2010)	QCA
	All 14 <b>Diplomas</b> being delivered (2010).	
	In terms of <b>demand-led funding</b> we estimate that by 2010/11, around £1.3 billion will be spent through employer focused routes. We intend to roll out Skills Accounts over the same period which respond to individual learner choice.	LSC

## 2.4 A national strategy for teaching and learning in Further Education

The White Paper proposed measures to support colleges and providers to drive up quality in their organisations.

- a national Improvement Strategy
- new support materials for teaching staff in FE
- increased personalisation in the design and delivery of programmes
- new measures to support workforce development.

## What will be different?

Those teaching in the FE System will have or be working towards up-to-the-minute qualifications and will be regularly updating their knowledge and skills. Learners and employers will benefit from FE teaching of the highest standards, relevant to their future needs. Learning programmes will be more personalised.

Holding a relevant qualification will increasingly become a requirement for people working in the FE system, including its leaders. A whole range of support and development programmes are now in place or due to be launched during 2007.

## What has happened so far?

- The first national **Improvement Strategy** for quality improvement was launched by the Quality Improvement Agency (QIA) in January 2007 following extensive consultation [[www.qia.org.uk/pursuingexcellence](http://www.qia.org.uk/pursuingexcellence)]. Progress will be regularly reviewed through the newly established **National Improvement Partnership Board**.
- To help practitioners and providers make use of the good practice that already exists, QIA has established an **Excellence Gateway**. It will bring together a comprehensive range of online information, materials, effective practice, discussion forums and communities of practices.
- QIA is developing better **tailored teaching and learning** through the expansion of the National Teaching and Learning Change Programme. This includes support for subject learning coaches, developed multimedia teaching resources and establishing subject networks to encourage discussion of best practice. They will publish resource materials that help practitioners develop a better understanding of the 'expert learner' and provide the basis to identify teaching and learning practices that foster expert learning.
- Through **pastoral support** pilots, QIA is testing effective ways to support individual learners. It is particularly looking at work with groups that can face multiple problems and currently do not succeed and thrive in FE, including Learners with learning difficulties and/or disabilities (LLDD).
- Following extensive consultation, LLUK has published **new professional standards for FE teachers**, (including tutors, trainers and lecturers) to inform new teacher training programmes and qualifications. The 'Preparing to Teach in the Lifelong Learning Sector' award has been piloted for introduction in September 2007 as a requirement for all newly appointed teachers in FE. Over 700 teachers, tutors and trainers are going through, or have completed, trials of award within the new **Teacher Qualification Framework**.
- Eleven new **Centres for Excellence in Teacher Training** have been announced, which will provide coordinated programmes for all FE teachers.
- To support strong leadership and management, LLUK published the **Role Specifications for FE Principals** in November 2006.

- Response to consultation on a vision for **Personalising FE** published setting out an action plan for taking this work forward.
- The recruitment phase of a pilot of the **Give Something Back programme** ran in December 2006 in the construction sector and attracted 4,751 requests for further information, leading to 1098 expressions of interest. Work is under way to help these people become teachers in FE. These developments are being led by LLUK, with support from the Centre for Excellence in Leadership (CEL) and a wide range of FE partners and stakeholders including the relevant Sector Skills Councils.
- DfES has consulted widely on proposals for designing, developing and launching a range of **new recruitment routes** to attract people to the FE sector, which will be led by LLUK.
- CEL has developed a **new leadership programme**, Principal Qualifying Programme. The programme is also suitable for other leaders across FE.
- Following consultation on introducing a requirement for FE teachers to maintain their professional standing through an appropriate period of **Continuous Professional Development** (CPD), the Institute for Learning has developed and piloted ways to register teachers and record CPD professionally, leading to award of a '**licence to practise**' teaching in FE.
- Work is under way to develop a new universal **adult careers service** in England to enable people to make informed choices about improving their skills and encourage progression in their learning, work and careers.
- **A single inspectorate** for the sector is operational. DIUS and partners are looking at how the quality landscape might be further simplified.
- To help ensure policy delivery reflects the needs of **learners with learning difficulties and/or disabilities**, the LSC, working with the National Institute of Adult Continuing Education (NIACE), is planning to establish a panel to capture their views.
- NIACE, with the support of Lifelong Learning UK (LLUK) and the LSC, has established a **Commission for Disabled Staff** which will advise on increasing the number of disabled staff being recruited and progressing through the sector.



## What will happen next?

July – Sept 2007	Consultation on a <b>Workforce Development Strategy</b> for the FE Sector.	LLUK
	<b>New teacher training programmes</b> launched in September 2007 based on the new standards and leading to the award of the new Qualified Teacher Learning and Skills (QTLS) award, which will become the standard for teachers, tutors, trainers and lecturers across FE.	LLUK
	Four <b>new recruitment and development schemes</b> launched: Give Something Back – attracting technical and vocational specialists to FE teaching; Make a Difference – a graduate entry programme; Business Talent – attracting business people to FE management positions; and Business Interchange – providing CPD opportunities for FE teachers and business people.	LLUK
	A <b>professional registrations portal</b> launched. This will be used to track professional qualifications and record CPD leading to award of the licence to practise.	Institute for Learning
	From September 2007, newly appointed FE college principals required to complete the <b>Principal's Qualifying Programme</b> . Teachers, tutors, trainers and lecturers across the FE system will not be allowed to teach unless they hold or are working towards a relevant qualification and maintain their professional standing through CPD.	
	From September 2007, all newly appointed FE teachers required to hold or be working towards <b>Qualified Teaching, Learning and Skills status</b> .	

Oct – Dec 2007	Revised national <b>Improvement Strategy</b> available taking account of Leitch Report implementation plans.	QIA
	<b>Workforce Development Strategy</b> for the FE sector in place.	LLUK
	CPD available for those delivering 14–19 Diplomas.	LLUK
	New qualifications in place for Skills for Life professionals.	LLUK
	New process in place for gathering data on the workforce across FE.	LLUK
	<b>Centres for Excellence in Teacher Training</b> (CETTs) operational.	LLUK
	Trials of new <b>adult careers service</b> underway.	DIUS
By April 2008	Following evaluation of pilots currently underway, a toolkit for all providers published to help improve <b>Pastoral Support</b> .	QIA
Sept 2009	Expanded <b>recruitment and exchange schemes</b> and incentives for FE workforce in place.	LLUK
By 2010	All FE teachers, tutors, trainers and lecturers should hold or be working towards a relevant <b>qualification to teach</b> in FE.	

## 2.5 A framework which spreads success and eliminates failure

The White Paper proposed measures to ensure that all provision funded from the public purse is good or improving.

- a new balanced scorecard to provide better performance information
- immediate and targeted support for colleges and providers to address areas of weakness
- decisive measures such as open competition, for persistent areas of weakness
- easier for the best providers to share practice and extend their influence and provision, e.g. through collaboration.

### What will be different?

Only high quality provision will be funded and all providers will take responsibility for standards and continuous improvement. Employers and learners will have confidence in the standards and relevance of learning offered leading to an improved reputation of the FE sector. New, high quality providers will be encouraged to enter the provider market and existing ones to expand.

The Framework for Excellence will be piloted from September and first details of the prototype were published in March 2007. It is planned to be operational in all colleges and work-based providers from August 2008. Minimum levels of performance have been published for FE long courses and will be extended to all courses by 2009/10. LSC has issued the first Notices to Improve.

### What has happened so far?

- The LSC published a consultation paper: **Framework for Excellence: A Comprehensive Performance Assessment Framework for the Further Education System** in July 2006 and, with QIA, held a series of consultation events. The outcomes were published in December 2006 and the Framework was extensively tested and trialled with providers and stakeholders.
- **Framework for Excellence: Raising Standards and Informing Choice** was published in March 2007, sets out the Framework and announces prototype pilot arrangements due to begin in summer 2007. It includes a description of how the four components of the programme for achieving excellence in FE fit together – the Framework for Excellence, the LSC intervention programme, the national Improvement Strategy, and the self-regulation project. In the future it is envisaged that the Framework for Excellence and the Common Inspection Framework will converge into a single approach to performance, quality assessment and quality improvement in the FE system, supporting moves towards self-regulation.
- In January 2007, the LSC published **Identifying and Managing Underperformance** setting out its approach to eliminating inadequate and unsatisfactory performance, including minimum levels for FE long course and Apprenticeship provision. LSC has integrated this approach into its commissioning and procurement systems.
- The first **Notices to Improve** were issued in April 2007 and will apply in the 2007/08 academic year. If providers fail to meet the conditions in the Notice this could lead to the withdrawal of funding or the consideration of more strategic options, such as holding competitions, adding new members to the governing body etc. The LSC is already opening up some provision to **competitive tendering** to replace poor provision and to address gaps (see section 2.6).
- A strategy for **Shared Services** in the FE sector, developed with the LSC was published in January. The LSC is working with the sector to build the business case for shared services in FE which will be further developed to reflect the impact of the Leitch Review. The FE and Training Bill includes a clause enabling the LSC to provide support services, or purchase them on behalf of others within the sector.
- So far in 2006/07 the new QIA **Improvement Adviser Service** (IAS) supported 66 providers who had been identified as unsatisfactory either through inspection or by the LSC to implement an improvement programme. Of the five providers re-inspected, all have achieved satisfactory grades and three have been exemplary.
- The **FE Bill** includes provision to transfer from the Secretary of State to the LSC the powers to change governing bodies and to direct a governing body to bring proceedings to dismiss a principal.

- Ofsted began the second cycle of inspections operating under the **new lighter touch inspection regime** in September 2005 so colleges could make their own assessment of areas of strengths and weaknesses. The **new Ofsted**, established in April 2007, brings inspection of education, skills and lifelong learning together into a single organisation.
- Ofsted and the Quality Assurance Agency for Higher Education (QAA) are working to **align their inspection processes**. Both organisations are signatories to the Higher Education Concordat.

#### What will happen next?

July – Sept 2007	An overview of the range of <b>collaborative models</b> (e.g. outsourcing, federations, trusts) currently being used by colleges and their partners to develop innovative solutions and tackle barriers published. This will help Governing Bodies consider what options best suit their strategic plans and provide a good source of information on shared services and establishing more efficient processes.	DIUS and LSC
	In August 2007, new <b>Support for Excellence</b> programme launched. This new programme will help colleges and providers improve their self-assessment processes, support them to work in groups to peer review their activities, develop their capacity for self-improvement and self-regulation, and implement the LSC's new Framework for Excellence when it is fully rolled out.	QIA
	Scope of the <b>Improvement Adviser Service</b> extended to include moderate and good providers and those which have been identified by Ofsted as satisfactory but not improving.	QIA
2008	The <b>Framework for Excellence</b> operational in all colleges and providers of work-based learning from June 2008.	LSC
	All failing provision eliminated.	

## 2.6 Funding which supports our objectives

The White Paper proposed that public funding for FE should be targeted on priority areas to meet the needs of learners and employers.

- a new 14-19 funding approach to support the new 14-19 entitlement
- increase amount of funding for adults flowing through demand-led mechanisms
- move towards 50% fee contribution for adults not entitled to free tuition
- extend the entitlement to a first full Level 3 qualification for those under 26, supported by national roll-out of the Adult Learning Grant
- improve local and regional planning and targeted capital investment.

### What will be different?

Providers will need to review how they operate and manage resources to enable them to respond to market need and new funding arrangements. They will have access to funding to develop first-class facilities to offer specialist provision to meet priority needs and will be able to compete for provision to address gaps or replace poor provision. Also, they will need to continue to increase the fee contribution for adults not entitled to free tuition.

Adult learning will increasingly be funded through demand-led mechanisms and plans for delivering this are set out in the Government's response to Lord Leitch's report, *"World Class Skills: Implementing the Leitch Review of Skills in England"* published in July 2007.

Subject to consultation on details and timing, to ensure there is no disruption to schools, colleges and training providers and the introduction of new diplomas, and the need to pass the necessary legislation, funding for school sixth forms, sixth form colleges and the contribution of FE colleges to the 14-19 phase will transfer to local authorities' ring fenced education budgets. Our estimation is that we will make the necessary transition in the 2010/11 academic year.

### What has happened so far?

- DfES and LSC consulted widely on proposals for developing a more **demand-led system** through *Delivering World-class Skills in a Demand-led System*. The proposals aim to create a common 16-18 approach and address FE White Paper commitments and Lord Leitch's recommendations for funding to follow demand in order to give customers more power to choose.
- LSC issued guidance in February 2007 to FE colleges and providers on how **19-25 Level 3 entitlement** will operate from September 2007. Funding to meet the costs of the entitlement and expected growth in take-up has been allocated to LSC regions.

- The LSC published its **capital prospectus** in February 2007 setting out how capital investment will support the FE White Paper's strategic themes.
- To ensure funding supports the needs and choices of learners and employers, the LSC has committed to **improving quality and choice** by opening the market to new providers. Eligibility for capital support is being extended to a wider range of providers to enable this to happen.
- As a result of the LSC's **Annual Statement of Priorities** for 2007/08 published in October 2006 resources have been realigned to support more adults in gaining basic and Level 2 skills for employment and progression. The interim Skills for Life target and the adult Level 2 interim target have both been met, with 1.6 million learners achieving their first Skills for Life qualification in literacy, language or numeracy since 2001 and over 1 million more adults in the workforce with the essential skills for employability.
- The LSC published **9 regional commissioning plans** in January 2007, setting out clearly the priorities for investment in each region and the proportion of provision that would be secured through open and competitive tendering. It is also part way through an **open and competitive tendering** round to secure new and innovative provision to replace poor provision and address gaps in the offer. This includes Apprenticeships, Levels 2 and 3, Train to Gain provision, basic skills and Entry to Employment (E2E).
- The LSC has developed a national marketing strategy for the **Adult Learning Grant** and, with DIUS, is considering how to integrate Lord Leitch's recommendations on **learner support** into the new adult careers service. Options for changes to Career Development Loans will be tested in a pilot later this year to support progression to Level 3 and higher skills.
- DfES and LSC have taken measures to reduce the **funding gap** by 5% by 2006/07. These measures include increasing 16-18 funding rates for colleges relative to school sixth forms and removing the in-year funding adjustment for school sixth forms.
- Progress has been made towards a target of 50% **fee contribution** for adults not entitled to free tuition by 2010/11. DfES and LSC have increased the fee contribution annually from 25% in 2004/05 and in 2007/08 it will stand at 37.5%. Work is underway to raise individual awareness of the value of learning, and to help the FE sector develop business strategies to engage with and respond to their fee paying and full cost markets.

## What will happen next?

July – Sept 2007	Plans to achieve <b>Demand-led funding</b> published in the Leitch Implementation Plan taking into account responses to the earlier consultation, and next steps on learner support for adults.	DIUS
	Details of the funding arrangements for 2008/09 set out in line with the Leitch Implementation Plan (July).	LSC
Oct – Dec 2007	LSC <b>Statement of Priorities</b> published in October, setting out the forthcoming investment strategy.	LSC
	<b>Regional commissioning plans</b> for 2008/09 published in December setting out priorities for investment and the provision to be open to tender in January 2008.	LSC
	<b>Regional capital strategies</b> developed during 2007 reflecting regional and local plans to improve choice, quality and diversity and drive the approval criteria for individual capital proposals.	LSC
	Planning process simplified by removing the requirement for colleges and providers to produce <b>development plans</b> . Colleges and providers will share their own business/corporate plans with the LSC. Agreed volumes and funding will still be required but the emphasis will be on dialogue and strategic partnership rather than process.	LSC



## 2.7 A new relationship with colleges and providers

The White Paper proposed the development of a relationship with providers based on mutual respect and trust with reduced bureaucracy that releases more of providers' energy to innovate and to focus on improvement and meeting the needs of learners and employers.

- simplify the FE system
- a single LSC strategic partner for each college and provider
- improve communications including a single gateway process
- lighter touch monitoring and assurance through a streamlined DfES and LSC
- more autonomy for the system moving towards self-regulation
- improve data collection and use of data within the system including matching supply and demand for skills and better use of learner data.

### What will be different?

High performing providers will be freed from over-regulation. College Governing Bodies will be supported to develop their strategic leadership better to serve their communities. The LSC's relationship with colleges and providers will be led by the nominated strategic partner who will negotiate providers' responses to national and local priorities and help build the capacity of providers. Roles and responsibilities of partners at local, regional and national level will be clear and there will be greater coherence and streamlining at national level.

The sector's self-regulation proposals are taking shape and will significantly change the relationship between providers and regulators. The DfES and LSC have both restructured and reduced their staffing, and LSC has made proposals for further streamlining which require legislation and these are included in the FE and Training Bill. All DIUS and LSC publications will in future be considered by the new publications Practitioner Panel.

### What has happened so far?

- The **FE Ministerial Standing Group**, chaired by the Minister of State for Lifelong Learning, Further and Higher Education, is involving partners in overseeing implementation of the FE reforms.
- The independent **Bureaucracy Reduction Group** has been established to strengthen the FE system's ability to progress the simplification agenda.
- An independently chaired **FE Information Authority** is in place to set standards for how FE information in England is collected and disseminated. The Authority and a new information service will organise the collection, management and dissemination of learning and skills data.

- A new **publications Practitioner Panel**, managed by the sector, has been established to set standards and influence the content and timing of publications. Work is underway on a **communications gateway** for the FE system modelled on the existing arrangements for schools. The LSC has reduced by over 60% the number of its publications between January and March this year compared with the same time last year.
- The sector has established an Implementation Group following an invitation from DfES to develop proposals for **self-regulation**. The group is developing an action plan for phase one of its proposals.
- The DfES published a **Simplification** Plan in December 2006 setting out key areas which need to be tackled. The plan can be viewed at [www.dfes.gov.uk/reducingbureaucracy/pdfs/DfES\\_SimplificationPlan\\_2006-07final.pdf](http://www.dfes.gov.uk/reducingbureaucracy/pdfs/DfES_SimplificationPlan_2006-07final.pdf). The Department has worked closely with QCA to take forward six areas to **reduce the administration of qualifications** as outlined in the DfES Simplification Plan.
- The first stage of the web-based **Governance Good Practice Guide** was launched in March 2007. It covers developments in FE, roles and responsibilities and self-assessment. Further case studies and good practice will be added over time.
- The LSC is building its network of **nominated strategic partners**. This role requires a more strategic relationship with FE providers in order to commission provision that best meets learner and employer needs.
- **Funding priority statements** have been published early to give providers more time to plan activity.
- LSC and DfES have led work to improve how **information and data** is managed across the system through the Managing Information Across Partners (MIAP) programme. This includes improving how data is shared across the whole post-14 education sector with a UK Register of Learning Providers now firmly established.
- Both the **DfES and LSC have restructured** and reduced staff numbers. Organisational structures will continue to be reviewed to ensure they deliver the strategic leadership and support while allowing the FE system to become increasingly autonomous.
- The recommendations of the LSC National Chair for a new **streamlined accountability structure** are being taken forward through the FE and Training Bill. Subject to the passage of this legislation, the abolition of the local learning and skills councils, and the creation of 9 new Regional Councils, will simplify the LSC's accountability structures by consolidating the work of the non-executive at the regional level, in line with the LSC's regional management tier, and also strengthen the LSC's relationships with regional partners.

## What will happen next?

Oct – Dec 2007	Following consultation with the sector, revised <b>Instrument and Articles of Government for FE colleges</b> will be introduced which will support the move to greater autonomy, initiative and responsiveness. They will be published as soon as possible after the passage of the FE and Training Bill.	DIUS
	Pilot <b>Information Service</b> operational.	DIUS
	MIAP <b>Learner Registration Service</b> , incorporating the Unique Learner Number, launched.	LSC
	A review of the <b>supply and demand for skills</b> , now and in future, published drawing on a wide range of research and analysis, including local and regional perspectives. It will provide a national picture of supply and demand to aid identification of funding priorities.	LSC
	The sector will develop the next phases of its proposals for <b>self-regulation</b> . The FE system will increasingly own and manage gatekeeper groups and other mechanisms which directly affect colleges and providers as part of the move towards self-regulation.	The FE System
Sept 2008	MIAP <b>Learner Record</b> of participation and achievement available to first group of learners	
2012	<b>Self-regulation</b> operational	

## 2.8 Impact and outcomes

The White Paper set out the vision of: A high profile FE system that is seen as responsive to employers' and learners' needs and delivering flexible, high quality provision.

### What has been achieved?

- A Further Education **Reputation** Steering Group comprising key organisations and individuals from across the system was established in December 2006. The Group is developing a strategy and plan to raise the profile of the FE system. Activities include developing shared messages and a network of FE ambassadors. Responsibility for developing and maintaining a consistently high profile for further education will pass to the sector itself as self-regulation is taken forward.
- In November 2006 DfES published a comprehensive **Race Equality Impact Assessment** (REIA) covering many of the policy proposals outlined in the White Paper. This demonstrated the potential of policies to help reduce and remove inequalities. A further REIA document was produced in respect of proposals within the FE and Training Bill laid before Parliament at the end of November 2006. DIUS plans to update the combined REIA in 2007.
- Several aspects of the FE Reforms were included, as examples of actions being taken to address inequalities, within the DfES's Race Equality Scheme (May 2006), Disability Equality Scheme (Dec 2006) and Gender Equality Scheme (May 2007). These documents will be periodically updated.

### What will happen next?

July – Sept 2007	Members of the <b>Reputation</b> Steering Group will agree a statement and communications plan for improving the reputation of FE and will commit to a series of activities to support and build it over time.	The FE System
Oct – Dec 2007	A comprehensive <b>Disability and Gender Equality Impact Assessment</b> of the FE White Paper proposals will be undertaken during 2007.	DIUS and LSC



# Annex 1: Ministerial Standing Group on FE

## Terms of Reference

To support the further development and implementation of FE reforms, and particularly the proposals set out in *Further Education: Raising Skills, Improving Life Chances* by providing:

- a forum to review and comment on progress on implementation and test out new policy proposals, especially in relation to the scope for further action to streamline the national and local administration of FE and set free high performing providers;
- a sounding board for Ministers to gain stakeholder views on emerging implementation plans and issues;
- a forum to test new policy proposals;
- a channel of communication with key stakeholder groups, and an opportunity for stakeholders to communicate issues and concerns to Ministers;
- input into the planning and dissemination of ongoing communication of progress in implementation with stakeholder groups and more widely.

The Standing Group will focus on a strategic view of policy implementation.

## Membership

Chair: Bill Rammell	Minister of State for Lifelong Learning, Further and Higher Education
Phil Hope	Formerly Parliamentary Under Secretary of State for Skills
Susan Anderson	Director of Human Resources Policy, CBI
Ken Boston	Chief Executive, QCA
Deborah Cooper	Learning and Skills Manager, Milton Keynes Council, NIACE
Martin Dunford	Chair, Association of Learning Providers
Mark Fisher	Chief Executive, SSDA
Godfrey Glyn	Principal, Barton Peveril Sixth Form College
Mark Haysom	Chief Executive, LSC
David Hinchliffe	Deputy Director of Education, Ofsted
David Hunter	Chief Executive, LLUK
Nick Lewis	Principal, Castle College Nottingham/Vice Chair, Association of Colleges
Sally Hunt	General Secretary, UCU
Fiona McMillan	Principal, Bridgwater College / Tertiary Colleges Group
Ioan Morgan	Chair, 157 Group
Jack Morris	Chair of Governors, City and Islington College
Lynne Sedgmore	Chief Executive, CEL
Andrew Thomson	Chief Executive, Quality Improvement Agency
Gemma Tumelty	President, National Union of Students



# Annex 2: External Advisory Groups

## 1. Quality Stakeholder Group

### Terms of Reference

To advise on the quality aspects of the FE system reform work, as part of the governance arrangements for the implementation of the White Paper *Further Education: Raising Skills, Improving Life Chances*. The Stakeholder Group has a key role in advising on the development and implementation of quality across the programme, securing stakeholder input and in communicating progress to stakeholders.

The Group will focus on a strategic view of policy implementation, and provide advice where appropriate to the Quality Sub-Programme Board which is responsible for the delivery of the quality commitments contained in the White Paper. The group will meet twice a year. The Group's responsibilities will be to:

- promote understanding of strategic direction and quality improvement priorities from the White Paper
- act as a sounding board and advise the Quality Sub-Programme Board on policy developments
- promote interaction between main partners and other partners
- develop DIUS knowledge of the sector
- discuss issues and risks to delivery and agree a way forward
- monitor perception of the quality sub-programme in the sector
- advise on communications with the sector



## Membership

Chair: Haf Merrifield	DIUS, Director of Improvement Group
Kate Anderson	Quality Improvement Agency (QIA)
Brandon Ashworth	Sector Skills Development Agency (SSDA)
Ken Boston	Qualifications and Curriculum Authority (QCA)
Nadine Cartner	Association for College Management (ACM)
Sue Dutton	Association of Colleges (AoC)
Graham Hoyle	Association of Learning Providers (ALP)
David Hunter	Lifelong Learning UK (LLUK)
Nick Juba	Qualifications and Curriculum Authority (QCA)
John Landeryou	Ofsted/HMCI
Peter Lavender	National Institute of Adult Continuing Education (NIACE)
Christine Lewis	Unison
Roger Marriott	Learning and Skills Council (LSC)
Robert Newman	Youth Justice Board
Bob Powell	Holox
Tony Richardson	British Educational Communications and Technology Agency (Becta)
Lynne Sedgmore	Centre for Excellence in Leadership (CEL)
Dan Taubman	University and College Union (UCU)
Dereth Wood	University for Industry (Ufi/Learndirect)
Deputy Directors	DIUS Improvement Group.

## 2. LSC *agenda for change* Advisory Group

### Terms of Reference

The *agenda for change* Advisory Group was created as a result of the LSC's commitment to engage with representatives from the sector, working in partnership in a spirit of openness and transparency. The group is an external consultative forum.

Members will be change champions, communicating the benefit of change to the sector where possible.

Its purpose is to:

- provide advice to the LSC's Management Group, through the *agenda for change* Programme Board, on the LSC's change programme and ensure that any arrangements affecting the post-16 education sector are discussed with the group;
- ensure the most is made of available funds to support the sector's priorities with the minimum of complexity and bureaucracy;
- develop a risk assessment approach to support the LSC's management group in its decisions and targeted action with providers;
- examine issues relevant to the LSC, which impact on the *agenda for change* programme, for example, Foster and the Leitch Review;
- consider all other issues that the *agenda for change* Programme Board or LSC Management Group deem appropriate.

## Membership

Chair: David Hughes	LSC Regional Director, London
David Collins	South Cheshire College
Di Dale	Wiltshire College
Jackie Fisher	Newcastle College
Carol Gibson	Waltham Forest College
Steve Gray	Training 2000 Ltd
John Guy	Sixth Form College, Farnborough
Geoff Hall	New College Nottingham
Adrian Holmes	Sheffield Trainers Ltd
David Lawrence	Easton College
Nick Lewis	Castle College Nottingham
Elaine McMahon	Hull College
Kevin O'Brien	National Star College/NATSPEC
Marion Plant	North Warwickshire and Hinckley College
Ian Pryce	Bedford College
Donald Rae	Derbyshire Education Authority
Sue Rimmer	South Thames College
Juliette Sargent	University of the Arts
Malcolm Trobe	Malmesbury School
Tim Ward	The Learning Curve

## Sector Representatives

Bob Powell	Holox
Julian Gravatt	Association of Colleges
Graham Hoyle	Association of Learning Providers
Sue Meyer	NIACE
Susan Pember	DIUS
Stewart Segal	Association of Learning Providers
Lindsey Wharmby	ASCL Funding Consultant

## LSC Representatives

Verity Bullough	Regional Director, East Midlands
Judi Douglas	Director of Business Performance and Development

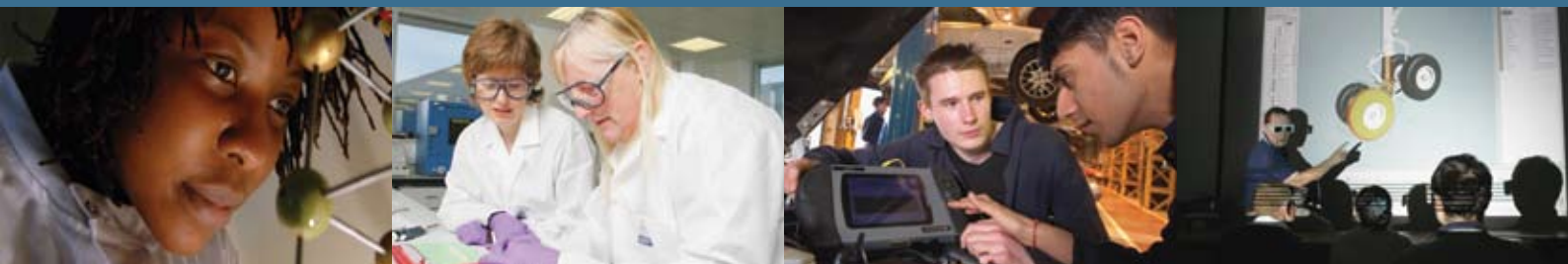


# Raising Skills, Improving Life Chances

REFORMING THE FURTHER EDUCATION SYSTEM 2007 – 2009

## KEY DATES

	Jul – Sept 2007	Oct – Dec 2007	Jan – Mar 2008	Apr – Jun 2008	Jul – Sept 2008	Oct – Dec 2008	2009
FOCUSING ON EMPLOYABILITY	Guidance for colleges on reviewing their mission available	Working with Employers good practice published	3rd round of National Skills Academies approved			12 National Skills Academies in place	New Centre of Excellence standard for 16-19 roll-out begins
	2nd round of National Skills Academies approved						
MEETING THE NEEDS OF LEARNERS AND EMPLOYERS	Providers have learner engagement strategies in place	Guidance on Foundation Learning Tier issued	All Sector Skills Agreements in place				First reformed qualifications available
	Learner Account trials begin	Train to Gain delivery plan published	Employer engagement guidance for governors available				
	First 5 Diplomas introduced. Support programme available						
IMPROVING TEACHING AND LEARNING	Consultation on FE Workforce Strategy	Revised national Improvement Strategy available		Improved pastoral support guidance published			Expanded FE workforce recruitment and incentive schemes in place
	New recruitment and development programmes introduced	Workforce Development Strategy published					
	New leadership qualification for new college principals introduced						
	Next 7 subjects (Phase 4) in the National Teaching and Learning Programme launched						
	National Mandatory CPD framework published						
SPREADING SUCCESS AND ELIMINATING FAILURE				First full version of Framework for Excellence published		Framework for Excellence operational	Framework for Excellence (Version 2) published
	Overview of collaborative models available						
FUNDING WHICH SUPPORTS OUR OBJECTIVES	Demand-led funding methodology published	LSC Annual Statement of Priorities published			Post 16 demand-led funding system implemented		
			Regional commissioning plans published setting out provision that will be open to tendering				
			Regional capital strategies available				
A NEW RELATIONSHIP WITH COLLEGES AND PROVIDERS	Single Communications Gateway in place	Revised Instruments and Articles for FE colleges published			2nd set of case studies on Federations and Trusts published		3rd set of case studies on Federations and Trusts published
		2nd phase of self-regulation proposals published					
IMPACT AND OUTCOMES	Reputation statement and communications plan agreed						



You can download this publication at:

**[www.dius.gov.uk/publications](http://www.dius.gov.uk/publications)**

Please search using reference: 00563-2007BKT-EN

Copies of this publication can also be obtained from:

Department for Innovation, Universities and Skills  
FE System Programme Team  
Floor 1A  
Castle View House  
Runcorn  
Cheshire  
WA7 2GJ

ISBN: 978-1-84478-972-6

© Crown Copyright 2007

Published by the Department for Innovation, Universities and Skills  
and Department for Children, Schools and Families.

Extracts from this document may be reproduced for non-commercial research, education or training purposes on the condition that the source is acknowledged. For any other use please contact **[HMSOlicensing@cabinet-office.x.gsi.gov.uk](mailto:HMSOlicensing@cabinet-office.x.gsi.gov.uk)**

**75% recycled**

This leaflet is printed  
on 75% recycled paper



When you have finished with  
this leaflet please recycle it