

Delivering the skills agenda and meeting the needs of employers

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Welcome

Skills: *Getting on in business, getting on at work*



Leading learning and skills

- Principles remain the same:
 - Skills are just one contributor to productivity
 - Cross-Government agenda
 - Tackle demand and supply
- Aims remain same as the first White Paper:
 - To ensure that employers have the skills for successful businesses, and individuals have the skills to be employable and personally fulfilled
- Coherent lifelong learning vision alongside the 14-19 White Paper, *14-19: Education and Skills* (February 2005)

Skills challenges



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- **Weaknesses in national performance**
 - **5m adults with literacy skills and 15m adults with numeracy skills below L1**
 - **6.7m economically active adults without L2 qualifications**
- **International competitiveness**
 - **productivity is lower than France, Germany and US**
 - **boost productivity to compete with ever growing economies of India and China**
- **Demographic trends**
 - **rising age of workforce**

Principles being applied



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- Skills are only one contributor to productivity
- Must be a cross-Government agenda
- Must tackle both demand and supply
- Can't leave it to market forces to sort out
- Must be clear about our priorities, and use public funds where most needed
- This is a social as well as an economic agenda

Key themes



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- Putting employers' needs centre stage: “demand-led” not “supply-driven”
- Acting on demand side to help employers use skills to achieve more ambitious business strategies
- Motivating and supporting learners to continue in, and return to, learning
- Enabling colleges and training providers to be more responsive to employers' and learners' needs
- Working with partners at national and regional levels

agenda for change



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Shaping the future

The LSC ***agenda for change*** is a dynamic programme of fundamental transformation for the whole learning and skills sector, to enable us all to meet forthcoming challenges and successfully deliver the vision for the future

Seven work streams



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- Skills for Employers
- Quality
- Funding
- Data
- Business Excellence
- Reputation
- Transformational change within LSC

Skills for Employers



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We will work together to create colleges and independent providers valued by **employers** as the partner of choice for developing the **skills** they need

Skills for Employers



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The LSC will:

- Create a nationwide network of colleges and other training providers who are focused on the needs of employers and their workforce
- Ensure they are all externally accredited and quality marked
- Increasingly, make employers aware of the benefits of working with these quality-marked colleges and providers, so funding flows accordingly in line with employer choice

Individuals



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- Strengthen Skills for Life programme
- Free training to Level 2 extended nationally by 2006-07
- Adult Learning Grant
- Opportunities for progression to Level 3
- Reform of information and guidance services
- New Deal for Skills
- Ongoing commitment to equal opportunities

Providers



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- Prepare sector and workforce for National Employer Training Programmes
- Budget 2005: £1.5 billion over 5 years to support long-term transformation of FE sector
- Skills Alliance to continue to lead national agenda
- Building role of 9 Regional Skills Partnerships, including in business support

NETP is:

a new way of working with employers which offers them access to a full range of solutions to their skill needs through an independent and impartial brokerage system

The core NETP offer will comprise:

- support from a broker working to national standards and linked to a reformed business support service
- access to LSC funded programmes: Skills for Life, NVQ level 2 qualifications, and Apprenticeships
- information and advice to employees

Flexible elements of the NETP service could include:

- support for leadership and management training
- support for higher level training and other training packages
- bespoke training packages paid for by employers
- Investors in People

How will it work?

- time, pace and place to suit employer
- assess – train - assess
- integrated Skills for Life and Vocational skills

Flexible and responsive approaches ...

National Infrastructure Investment funding available to:

- develop provider capacity and delivery standards
- encourage sector involvement
- develop a national brokerage framework
- develop coherent information management systems
- develop an 'offer' for large employers

In a couple of years time I want everyone to be talking about skills'

'Business and learners need to recognise that their future success depends on the investment they make in their skills'

Quotes from Phil Hope MP, Parliamentary Under Secretary of State for Skills – May 2005

Skills for Life – progress



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- 2004 target exceeded: 862,000 learners achieved at least one nationally approved literacy, numeracy or language (ESOL) qualification that counted towards the target
- To July 2005 – 1,130,000 learners
- Between 2001 and 2005, 3.7 million learners took up 7.8 million learning opportunities
- Currently, 56% of enrolments are onto provision that counts towards the target (balance shifted)

Issues



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- Funding: increased demand = increased cost
- ESOL demand and costs
- Managing the mix and balance of provision
- Improving quality and capacity
- Employer engagement
- Maintaining momentum