

This is the text of the letter sent by the Secretary of State for Education and Employment to the Learning and Skills Council on 9th November 2000.

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Dear Bryan

THE LEARNING AND SKILLS COUNCIL : STRATEGIC PRIORITIES

1. This letter, and the associated Annex, set out my vision for the Learning and Skills Council, its statutory framework and the priorities for its first Corporate Plan.

My vision

2. The creation of the Learning and Skills Council is the most significant and far reaching reform ever enacted to post-16 learning in this country. For the first time, the planning and funding of all post-compulsory learning below higher education will be integrated. All too often in the last century, reforms to learning and the provision of skills development for school leavers and adults were piecemeal in scope or limited in their long-term impact. With the establishment of the Learning and Skills Council, we have the opportunity to ensure that change in the new century is both radical and enduring.
3. In my foreword to our *Learning Age* Green Paper, published in 1998, I said, 'Learning is the key to prosperity, for each of us as individuals as well as for the nation as a whole. Investment in human capital will be the foundation of success in the knowledge-based global economy of this new millennium.' Where once we could succeed on the basis of an abundance of natural resources, today our prosperity, and the vitality and cohesion of our communities, depends on our biggest single asset - the skills and abilities of our people. Our vision is of a learning society in which everyone has the opportunity to go as far as their talents and efforts will take them. The Learning and Skills Council will be a leading agent of change in realising this vision.
4. We have a great tradition of learning in this country, including the great heritage of adult and community education which developed in the 19th century, when the pioneering efforts of the community movements helped many men and women to improve their lives through the power of learning. We must build on this tradition to restore a culture of commitment to learning. Such a culture cannot be created by organisational change, but it can be fostered and supported by working in partnership with others.

5. Learning has a major contribution to play in sustaining a civilised and cohesive society, and underpins the Government's objectives for the renewal of deprived neighbourhoods. Learning encourages people to develop as active citizens and to play a full part in their local community. It strengthens families, builds stronger neighbourhoods, helps older people to stay healthy and active, and encourages independence for all by opening up new opportunities - including the chance to explore art, music and literature. And what was available only to the few can, in this new millennium, be enjoyed and taken advantage of by the many.
6. As you know, although there has been some success in delivery, the previous organisational arrangements for post-16 learning have not worked well. There have been three separate systems, each working differently, for the purpose of planning, funding, audit and inspection. Interaction between these systems has resulted in incoherence and complexity, and insufficient focus on quality. Unhelpful competition and large overheads meant that too little of the allocated funding reached individual learners and employers. The Council will provide a new mechanism to drive forward the agenda on learning and skills, building on the good practice which currently exists. It will overcome duplication and overlap of provision, and it will provide effective co-ordination and strategic planning, with a real focus on skill and employer needs at national, regional, sectoral and local level.
7. The creation of a learning society requires radical reform and modernisation of the delivery arrangements for post-16 learning, and the Learning and Skills Council is the realisation of the vision we set out in our Green Paper. The Council will have the key responsibility to plan, fund, monitor and improve the quality of post-16 learning up to Higher Education - building on the close links which are now developing between the post-16 and Higher Education sectors. The Council's remit, ranging from basic skills to higher level skills, will enable it to bring a much sharper strategic perspective to arrangements for lifelong learning. It is also the first time that a public body has had a statutory duty placed upon it to encourage participation in learning, and I look to the Council to keep this sense of purpose at the heart of all its work and to aim to make a real difference to people's lives.

Building partnerships

8. The success of the Council will depend upon strong partnerships and effective linkages with a wide range of organisations.
9. I want the Council to engage employers in new ways, and for Council members, at both national and sub-regional level, to make strong links with employers, their representative bodies, and their sector-based National Training Organisations. This new engagement will help ensure that we have more employers who are better informed about, and more actively engaged in shaping, our education and training system. It will also help to strike a better balance between local, regional and sectoral training needs, including by networking like-minded employers, particularly in small firms, so that they are able to address skills issues. Close links with the new Small Business Service will also be important in delivering these improvements. The Council will also need to take account of the work of the Council for Excellence in Management and Leadership.

- 10.** You will also want to ensure that local Learning and Skills Councils have effective mechanisms for consulting and working with partners at the regional and sub-regional level.¹ This will be important for joining up learning and skills with other services and with other government policies so as to maximise their impact. The new Local Strategic Partnerships will also have an important role to play in developing shared community strategies, particularly around addressing the needs of deprived areas.
- 11.** Learning Partnerships are already pulling together these different strands across learning for young people and adults – and are working to improve the co-ordination of local planning and delivery. The Council will need to draw on their in-depth local knowledge, to support their drive for better co-ordination, and to work with them in promoting local innovation. I also expect local Learning and Skills Councils to consult the Learning Partnerships on their plans, and to work with them to develop mechanisms for taking account of the views of learners and potential learners.
- 12.** You will also want to ensure that the national equality organisations and local equality networks are included in the partnership and networking arrangements, so that best practice on equal opportunities can underpin the work of the Council, and to ensure that realistic pathways can be created for even the most disadvantaged.
- 13.** Trades unions also play an important role in facilitating and promoting learning. I expect the Council to work closely with them to build on existing initiatives and partnerships, including taking forward the Union Learning Fund, and to stimulate increased employee demand for learning. The Employment Service will also be a key partner, playing a vital role in promoting learning amongst people without work, as part of the support to help them find and keep rewarding jobs. Neighbouring local Learning and Skills Councils will also want to work together, within frameworks that are supportive of their Regional Development Agencies' strategies, the development of the rural economy, and the promotion of sustainable development.
- 14.** The Council must also work very closely at national and local level with the Connexions Service, which is the Government's radical new service, now being developed, to guide and support all young people through their teenage years and in their transition to adulthood, citizenship and working life. There is a particular need to build, from the start, close working between the Council and the Connexions Service to help achieve joint targets, and ensure that the range of opportunities for young people reflects feedback from young people themselves.
- 15.** Schools, colleges and private training providers are responsible for the future learning of millions of young people and adults, and I expect the Council to work closely with them to improve participation, attainment, and standards. I will spell out in due course my strategic vision for the future of Further Education colleges within the new post-16 arrangements, but I want every college to be a beacon for its local community, and to actively seek and engage in partnerships and collaboration, which result in more diverse and better quality education and training.

¹ Partners will include the Learning and Skills Development Agency, Local Authorities, Local Education Authorities, Regional Development Agencies, Ufi Regional Offices, existing sub-regional partnerships, and community and voluntary organisations.

16. Good progress has been made to drive up standards and performance, but there is still much more to do. I want all colleges and training providers to raise standards still further, including through the innovative use of information and communication technology, working closely with the Ufl through the learndirect network. The Council must work closely with its providers to improve and develop high standard learning opportunities, and to develop and build on their distinctive strengths and capabilities, including encouraging more ethnic minority and other specialist training providers to enter the market. In this area of work, the Council will need to take account of the findings and advice from the Office for Standards in Education (OFSTED) and the Adult Learning Inspectorate (ALI) about the quality of provision, and evidence of both good and poor practice of individual providers. At the local level, the Council must work with Learning Partnerships to encourage collaboration between providers and to promote good practice.
17. It is also vital that there is a strong and productive relationship between the Council and the Higher Education sector. I am pleased that the appointments we have been able to announce have, at both national and local level, included individuals with a strong interest in and experience of Higher Education. There has already been important collaborative work between Further Education and Higher Education at the delivery level, and further development is a priority, as I set out more fully below.

Funding learning

18. Funding learning is a key task for the Council. By integrating the planning and funding of Further Education, work-based provision, adult and community learning and, from April 2002, school sixth form provision, into a single system, the Council will increase transparency and simplicity, and reduce the bureaucracy that has led to inefficiency. To achieve this, the Council will work with providers and others who want to see real improvements in the way learning is funded. It is also important to get the balance right with local flexibility and discretion. Our aim is to secure from the start much greater diversity, underpinned by a coherent national framework.
19. The Council will work with a range of partners² to inform the assessment of national, regional, sector and local priorities. The planning and funding system must respond to the customers of education and training. It must be driven by need, not by central design or existing routes, and it must promote equality of opportunity for all to learn and acquire recognised skills and qualifications. Plans should also take account of feedback from individual learners, findings from area inspections, and provider inspection reports about standards of provision.
20. The Council will establish mechanisms to ensure that large national organisations and employers are able to liaise with the Council at a single national point, whilst ensuring flexibility at local level to respond to local needs. And for all providers, there will be common nation-wide arrangements for funding agreements, payments, audit, monitoring, management information, and health and safety.

² Key partners will include the Small Business Service, the National Training Organisations, the Learning and Skills Development Agency, the Regional Development Agencies, Ufl regional offices, and other relevant regional bodies, the Connexions Service, the Employment Service and Learning Partnerships.

- 21.** The Council will fund most provision through a national funding system. Rates will be determined nationally, and will include an element for disadvantage, but volumes of learning will mostly be allocated locally. The Council will therefore allocate the majority of its budget each year to local Learning and Skills Councils for them to determine, within this national framework, how resources can best be used to raise participation, attainment, and learning and skill levels in the areas they serve.
- 22.** School sixth forms will play a vital part in the drive to increase the attainment levels of young people. From April 2002, local Learning and Skills Councils will allocate resources to the Local Education Authorities for provision delivered in school sixth forms, and in the LEA-maintained 16-19 institutions that may be set up under the new powers in the Learning and Skills Act. We have been working closely with local authorities and schools to ensure a smooth transition to the new funding arrangements, and I expect the Council to continue this dialogue. The involvement of the Council in the funding and planning of school sixth forms will ensure a genuinely coherent approach to post-16 provision, while taking full account of the guarantees we have given for the future funding of sixth form provision provided numbers do not fall.
- 23.** Each local Learning and Skills Council will also have available a significant Local Initiatives Fund, which they should look to use flexibly and in new ways to address the remaining barriers to learning. The Fund will be used to support the Council's role in local economic development, including regeneration and inward investment, and to support collaboration on the development of intermediate labour markets, through its learning and skills activities and by working in partnership with others. Local Learning and Skills Councils will need to ensure that their activities in this area support and draw on existing regeneration initiatives, including the New Deal for Communities and activities supported through European funding.
- 24.** I also expect local Learning and Skills Councils to play an active role in building the capacity of people living in deprived neighbourhoods, and to promote equality and social inclusion. Local Learning and Skills Councils should look to use the Local Initiatives Fund to support the development of stronger communities who are better able to maintain momentum in neighbourhood renewal, and to facilitate the development of a wider range of learning opportunities, including skills development for individuals. A broader range of support can enable individuals and groups to become more actively involved in self-help activity, neighbourhood management, asset building and community enterprise. There is also value in training courses for community leaders. Local Learning and Skills Councils must also take account of activity under the Community Champions Fund, and the development of resident consultancy initiatives, which support skills development and help for the residents' own communities and others through the spread of good practice. I therefore expect local Learning and Skills Councils to take a holistic view of how their contribution fits within the National Strategy for Neighbourhood Renewal, and to work with partners - particularly from the voluntary and community sectors - to target help where it is needed most. The Council will also take forward the New Entrepreneur Scholarship to promote business skills.
- 25.** We will be introducing new co-financing arrangements for the European Social Fund, which will enable local Learning and Skills Councils to support European Social Fund projects and providers more effectively. The Council should also seek to ensure that its aims and strategic goals are reflected in the allocation of Single Regeneration Budget funding, in part through the involvement of local Learning and Skills Councils in Single Regeneration Budget partnerships.

- 26.** In developing the range of provision, you will need to manage carefully the balance between learning which leads to qualifications and learning which does not, but which still offers value and progression. In achieving this balance the Council will need to ensure that proper account is taken of what people want and need; that qualification routes are available to adults as well as to young people; and that more first rung provision is made available to help the more disadvantaged. I expect the Council to fund courses leading to qualifications accredited by the Qualifications and Curriculum Authority (QCA) and to ensure that all young people are steered towards programmes of study leading to worthwhile combinations of such qualifications. However, whilst providers should be encouraged to offer appropriate accredited qualifications or part-qualifications to adults, not all learning should lead to awards. Encouraging adults back into learning and helping the more disadvantaged through relevant provision will also be important. Such first rung provision should, wherever practicable, act as a stepping stone into further learning leading to qualifications or units of qualifications, but many adults, including large numbers of older and retired learners will want to pursue high quality and rigorous study for its own sake, and I expect provision to be made available to meet their needs.
- 27.** I expect the Council to support the QCA in its efforts to rationalise qualifications, for example in the important area of information and communication technology. As the current accreditation programme being carried out by the QCA nears completion, I would expect the qualifications funded by the Council to increasingly equate to those accredited by the QCA. There will also need to be close working between the Council and the QCA, involving the National Training Organisations, to identify those areas of education and training which are not covered by accredited qualifications, but which could, with benefit and external recognition, lead to one. Similarly, you should assist the QCA in reviewing those areas where accredited qualifications exist, but lack use or credibility, and should be reformulated or dropped.
- 28.** Under the Learning and Skills Act, the Council has a specific responsibility to help young people and adults with learning difficulties and/or disabilities. This has been widely welcomed and the broad remit of the Council will enable it to fund a wide range of provision when considering their particular needs.
- 29.** Clear and robust arrangements must be put in place to ensure that this disadvantaged group of learners have access to suitable provision which meets their needs and, where appropriate, to the additional support they require to undertake it. The Council's arrangements must also be implemented with sensitivity. Some learners may need to start their education or training later; take longer to complete it than their peers; or may find the applications and admissions processes particularly demanding. I look to the Council to address the needs of this group of learners in a flexible and innovative way. Full account must also be taken of the new assessments for people with learning difficulties introduced in the Learning and Skills Act, and which will be led by the Connexions Service.
- 30.** The Council also has responsibility to secure the provision of boarding accommodation, where facilities provided would otherwise not be proper or reasonable. This may apply where learning needs are more complex or specialised, or where an element of care is also necessary, and will in the main relate to placement at specialist colleges. I expect the Council to work with other local agencies, including social services departments, where packages of care and

learning appear the best approach. The Council should develop arrangements for processing applications for boarding provision, in consultation with my Department and others, building on those already in place.

31. Adult Residential Colleges have made a significant contribution to the further education of thousands of individuals over many years. They hold a proud and distinguished place in the history of adult learning in this country. It is vital that they have a secure and thriving place in the new post-16 landscape. I expect the Council to ensure that there are appropriate funding arrangements for these colleges which recognise their unique contribution, and also that there is a proper focus within the Council that recognises the national as well as the more local contribution made by these colleges and similar adult education providers.

The Council as an organisation

32. I expect the Council to strive to be an exemplary public service organisation, committing early to achieving the Investors in People standard, and at the forefront of the Modernising Government agenda. You will want to build the Council and its 47 local arms as a single organisation with a cohesive structure, a common culture, and common goals and objectives. The Council will be dynamic and outward facing, and determined to offer equality of opportunity, widen access and promote diversity. And it will be customer-focused, with an emphasis on the needs of individuals and the business community, and a commitment to continuous improvement. It will also be a leader in the use of information technology, working closely with the Ufl, to support the widest take-up and use of information and communication technology by individuals, employers and within communities.
33. I expect the Council to build equality of opportunity into all its policies, programmes and actions, in accordance with its statutory duties, and working with the Equal Opportunities Commission, the Commission for Racial Equality, and the Disability Rights Commission, and other key equality organisations. The Council will also need to promote age diversity and tackle age discrimination when translating this commitment to equality of opportunity into effective strategies and actions. I expect the Council to have a senior team member with responsibility for Equal Opportunities; an induction programme covering equal opportunities for the Board, the Chief Executive and staff members; and an advisory group to agree and implement an internal equal opportunities policy and action plan.
34. The Council will wish to draw on the particular strengths of its two statutory committees, making full use of the expertise available. The Young People's Learning Committee will advise the Council on all aspects of its responsibilities for young people's learning, including the potential of family learning, and the need to foster the skills required for a successful transition into work and active participation in society. Similarly, the Adult Learning Committee will advise the Council on its responsibilities for adult learning, including increasing demand for learning and skills - including basic skills - from individuals and employers. It will also advise on the learning provision needed for effective participation in the labour market and economic success, for individual fulfilment, and for social inclusion and community development.

35. The Council has a duty to make the best use of its resources. It must secure high quality, high standard provision and value for money from all its providers. It is vital that the systems and procedures of the Council promote excellence and high quality delivery of services; ensure the removal of unnecessary bureaucracy; and secure maximum effectiveness and value for money. The Council will need to take account of findings from individual and area inspection reports, and the assessments of the Inspectorates about whether the financial resources made available to providers are managed effectively and used in ways which provide value for money. The Council will also need to ensure that any capital investment it supports is sufficient, effective and offers value for money.
36. I also look to you to ensure that the Council is rigorous in preventing fraud and the improper and inappropriate use of public funds, and prompt and thorough in tackling problems when they arise. Given the need for public accountability, I will expect the Council to demand the highest standards from all providers. The Council must also promote efficiency and the value of learning by ensuring an appropriate balance of funding, with individuals, employers and Government on behalf of the broader community, all playing a part.
37. The Council will need to work with my Department to develop an information base which meets our joint needs and those of our key partners. To support this, we are looking to develop a fully coherent and shared information base, with appropriate access by key stakeholders such as the Department. The Council will also need to work with my Department to ensure effective appraisal and evaluation of its activity, so that as an organisation it is aware of how it can make the greatest impact where it is most needed.

Objectives for the Council's First Corporate Plan

38. The Council has a very challenging task ahead of it. There are high expectations among the wide range of key partners. The Council must include at its heart strategies and plans to achieve the post-16 National Learning Targets, and ensure that the learning which it funds enhances equality of opportunity. I expect the Council to draw up an equal opportunities strategy and action plan (at national and local level), with equal opportunities targets and performance indicators to tackle under-representation and under-achievement. The Council must consult widely on this strategy, including with ethnic minority communities and groups representing gender, disability and age diversity interests. It should also draw on existing good practice, including TECs' equal opportunity strategies.
39. There are also four wider objectives to which I attach particular importance.

Encouraging young people to stay on in learning

40. First, I look to the Council to secure a major step forward in encouraging more young people to stay on in learning until age 19 and to achieve at least a level 2 qualification. The Council already has a duty to secure the entitlement of all 16-19 year olds to stay in learning, developing the key skills and knowledge they need to participate actively both as citizens and at work. My challenge to the Council is to go further, working with the new Connexions Service to drive up participation and achievement. There also needs to be close working with my Department on

arrangements to improve learner support, and in particular to encourage colleges and schools with sixth forms to promote the effective use of Education Maintenance Allowances and the forthcoming Connexions Card.

- 41.** We need, in particular, to target those young people who will be 16 in 2001 if we are to achieve our target for 2004.³ It is vital that these young people can more readily choose education and training that will meet their needs, and which will allow them to achieve at least a level 2 qualification. We have introduced legislation giving employees aged 16 or 17 who are not yet qualified to level 2 the right to reasonable paid time off to study or train for an approved qualification with the support of their employer. I expect the Council to ensure that young people and employers are aware of their rights and obligations under this legislation, and to encourage and support the provision of suitable opportunities.
- 42.** I also expect the Council and its local Learning and Skills Councils to work with partners⁴ to create clear and stimulating transition pathways for young people up to and beyond the age of 19, beginning with the Modern Apprenticeship Framework and leading on to Foundation Degrees. The new apprenticeship route will offer structured vocational learning, at work and off-the-job, within frameworks agreed with employment sectors, and leading to the award of Apprenticeship Diplomas. We are consulting on the best way forward, and I will look to the Council to play a lead role in implementing these changes, working closely with employers, to raise both the profile and quality of work-based learning, so that young people can be assured of high standards, recognised levels of achievement and value for their qualifications. Area inspections of 16-19 provision also have a key role to play here.
- 43.** Developing links between secondary education and post-16 provision, and between schools, post-16 providers and employers, will be crucial to achieving high levels of participation and preventing young people leaving learning too early. The Council must build on the work already done to promote progression for all 14-19 year olds, particularly those who have previously been turned off by learning, and to develop opportunities for work-related learning, including working with the Connexions Service on the Learning Gateway and related arrangements to address individual young people's basic skill needs.
- 44.** It will also be important to continue, in the varied patterns of 16-19 education and training, the development of citizenship amongst young people. I want the Council to take forward the aim of establishing an entitlement to develop active citizenship amongst all 16-19 year olds in the education and training provision which it funds, which has been put forward in the published report of the group on post-16 Citizenship chaired by Professor Bernard Crick. I shall look to it to foster relevant staff development and approaches, building on the initial fund I expect to establish for the purpose. I have asked the QCA, in partnership with appropriate organisations in the field, to develop a pilot programme to encourage young people locally to become active citizens in their schools and colleges, and in their community work. I shall want the Council to be closely involved in this developmental phase, to inform its consideration of subsequent planning and funding incentives which will be needed to work towards an effective entitlement.

³ In 1997 72% of our young people achieved a Level 2 qualification by the age of 19. By 1999 the figure had risen to 75%. The new target for 2004 is a three percentage point increase on the achievement in 2002, where the previously published target was 85%.

⁴ Partners include Local Education Authorities, Further Education colleges and schools, and employers and work-based training providers.

45. The Council will also have responsibility for facilitating Education Business Link activities for school pupils. Young people of all abilities need to have the opportunity to experience the world of work through contact with employers, and through activities which support the curriculum and development of key skills. I also expect the Council to work with schools and employers to provide work experiences for young people which widen career choice and challenge stereotypes. These activities are vital in helping young people make informed choices about their post-16 education and career options. At local level the Council will also be an important supplier of information to the local Connexions Partnership. This will be crucial in helping to maintain the quality and relevance of the advice and information about learning opportunities which the Connexions Service provides to young people.

Increasing demand for learning by adults

46. Second, I look to the Council to increase the demand for learning by adults, and to increase the supply of flexible, high-quality opportunities to meet their needs. This is central to our goal of a learning society - a society in which everyone can share in the benefits of learning, enabling people to discover new talents, stretching their creativity and widening their opportunities. It is important that, at the start of the 21st century, all adults continue to develop their competence for the labour market, and reinforce their ability to be active family members and citizens. This includes provision for the growing proportion of older people.
47. The Council's role starts with its new duty to encourage individuals - adults as well as young people - into education and training. The Council must spearhead the drive to widen adult participation in Further Education, increasing the number drawn from those whose background or circumstances have disadvantaged them. The Council also needs to develop ways to draw into learning those people who have not engaged in any structured learning in the previous three years, building on the existing practice of educational broadcasters, Ufl, Adult Learners Week, and other initiatives, and working with local authorities in the context of their continuing role in adult and community learning. The Council should also look to continue and develop existing routes for adults into Higher Education such as Access to Higher Education courses. The Foundation Degree prototypes will also boost attainment by unlocking the potential of many employees who would not normally have considered Higher Education.
48. High quality information advice and guidance (IAG) will be essential if people - especially non-learners - are to be drawn into learning, and helped to ensure that they make the right choices about learning. And beyond that, every learner, in whatever form of provision, should have access to readily available, impartial and high quality IAG about learning and work. For the Council, this means:
- ensuring that local Learning and Skills Councils work closely with the local IAG Partnerships, taking over the responsibility for contracting with them and ensuring that locally agreed strategies are implemented successfully;
 - seeing that the providers it funds have appropriate IAG at the heart of their plans, and the way they work with learners;

- developing arrangements to ensure the continued development of coherent IAG services, in conjunction with other organisations like the Employment Service, and with the key bodies who support the professional development of advisers;
- working with Ufl to build on the success of the learndirect information and advice service, and ensuring continued development and coherence; and
- working with Higher Education Careers Services to support graduates in lifelong learning.

In due course, the Council should bring forward proposals for contracting adult IAG services on a geographical basis that is co-terminous with Connexions partnerships. I would also wish to see proposals for further development of adult IAG services, based on stronger links with those provided by Connexions partnerships for young people, whilst maintaining the particular focus on each age group.

- 49.** Successfully increasing the demand for learning will also depend on a continuing drive to improve the flexibility and attractiveness of learning opportunities, including ensuring a very wide availability of 'first step' opportunities to attract into learning those who previously saw it as something not for them. This will demand innovation in approach and in delivery, including through the innovative use of information technology, and the promotion of Individual Learning Accounts. The Council will need to work closely with the Ufl at national and local level, and with Capita - the organisation contracted to run the framework of Individual Learning Accounts. It will also need to look at how it can use its responsibilities in adult and community learning, and in Further Education, to ensure that there is accessible provision available in local communities, which support and help build their confidence and capacity.
- 50.** The Council starts its work at a time when there is rapid expansion of on-line learning provision, particularly through the Ufl, and the network of learning centres. The Council will be responsible for a co-ordinated strategy for securing delivery of this new form of learning at local, regional and national level. It must work closely with the Ufl to achieve this, and will need to work with educational broadcasters to secure their effective support for the development of on-line learning opportunities. Together the Ufl and the Council will need to map provision of learning centres locally and nationally, and undertake a strategic analysis of that provision, to avoid overlap and duplication, and to ensure that it is accessible to disadvantaged communities, and that it helps meet the skill needs of business, particularly small business. The Council will also need to work closely with the Ufl to co-ordinate the delivery of learning opportunities and to identify gaps in provision and ensure that they are filled. It will also be vital to work closely with the Ufl and the National Training Organisations to provide links to individual sectors. A particular challenge for the Council will be to ensure that appropriate arrangements and procedures are in place to evaluate Council-funded learndirect provision, in terms of demand, take-up and outcomes; and to develop appropriate quality improvement strategies.
- 51.** The Council faces a particular challenge to help the millions of adults who lack the basic levels of literacy and numeracy needed to operate effectively in today's economy and society. A new Strategy Unit has been set up within my Department to help ensure the success of our adult literacy and numeracy strategy, and I will expect the Council to put detailed arrangements in place which will facilitate close

working with the Unit, and to support effective delivery of the strategy. This will demand an innovative and flexible approach to provision which builds on existing family learning initiatives, adult and community learning, neighbourhood learning centres and work with employers. At local level, the Council will need to secure the type and quantity of imaginative and attractive learning opportunities that will draw in people unused to learning, or who see learning in institutions as not for them.

52. Family literacy and numeracy is one example that has shown real potential in helping to improve parents' and children's learning. I want to see more support for family learning, as part of the overall approach to increasing participation, and to strengthen the capacity of communities to help themselves. I look to the Council to consider how to build on the lessons of these projects. The Council should also look to develop the potential of on-line learning as a means of encouraging and supporting the development of basic skills, whether in a centre, the home or in the workplace.
53. Another key to tackling the huge legacy of poor basic skills will be to ensure that the basic skills needs of young people are spotted early on, so they can be given the help they need. Literacy and numeracy support needs to be embedded in a very wide range of learning, including that of learners recruited to other studies, who do not explicitly seek it. Literacy and numeracy provision also needs to be delivered in the broadest possible range of settings such as neighbourhood learning centres.
54. The Council will promote the employability of all individuals. I expect it to work closely with the Employment Service (and with the new agency for people of working age), to identify and tackle the basic skill needs of all unemployed and inactive people receiving benefits, and to plan provision and help deliver the right local strategies for getting people the skills and qualifications they need to get into work. The Council will also need to consider how basic skills learning might lead to further learning where appropriate.

Maximising the contribution of education and training to economic performance

55. Third, the Council will lead on the action required to maximise the contribution of education and training to economic performance. This will be within the wider economic and employment agenda being pursued by the Government and my Department, and I expect my Department's new Chief Economic Adviser to be much involved in advising on priorities. The key objectives are to raise the sustainable level of employment through the updating of skills and the embracing of new technology; and to reach out and draw into learning those who were previously economically inactive or have been victims of industrial and economic change. We must raise the skills of the working population as a whole so that we have a flexible, skilled workforce which can support a prosperous economy and meet the needs of business. This is the essence of the national skills agenda, and I want the Council to drive forward this agenda within the framework I set out in my response to the Skills Task Force.

- 56.** One of the first tasks for the Council will be to update and develop the information provided by the Skills Task Force on current and future skill needs and skill gaps in the workforce. In developing this information base I expect the Council to work closely with the Employment Service, who will be taking steps to improve the intelligence they can provide on the recruitment market, and with other agencies.⁵
- 57.** Good information on labour market and skill trends will be essential for the Council's work in steering post-16 education and training provision. The Council should ensure that up-to-date and relevant courses are available to meet employer needs. The emphasis should be on ensuring that learners are able to make informed choices in the light of good information about the labour market, and on having a diagnostic system which allows the Council to check that the pattern of provision is being driven by informed demand rather than by providers. The Council will therefore need to work with my Department to develop better and more consistent data on the employment destinations of young people, and to compare trends in broad subject and occupational area of learning with trends in employment. The Council will also need to work with the Connexions Service for young people and with Information, Advice and Guidance Partnerships for Adults, so that people understand the way that the labour market is changing and the impact this should have on their decisions about learning opportunities.
- 58.** The post-16 National Learning Targets will provide the focus for efforts to raise the general skill level of the workforce. I expect the Council to advise me on the post-16 targets, taking account of the assessment of current and future skill needs, and to lead the drive to achieve the targets. In carrying out these responsibilities the Council will need to consult with a wide range of partners including employer organisations and trades unions. It will also need to work jointly with the Higher Education Funding Council for England on the target for achievement at level 4. I also expect the Council to develop and agree a joint strategy with the National Training Organisations, setting out how the work of NTOs and the Council will meet the particular skill needs of sectors in the future.
- 59.** An effective system of support for workforce development is essential for delivering the skills needed for improved productivity and competitiveness. I will look to the Council to work in partnership with others to produce a clear agenda for action.⁶ This must include strengthening the commitment of employers to the development of the workforce, giving a particular priority to the promotion and take up of Investors in People, improving management and leadership skills, and encouraging more employers to take advantage of Foundation and Advanced Modern Apprenticeships. It should also build on the work already underway with Ufl to develop employer and sector networks.

⁵ These include the Regional Development Agencies, National Training Organisations, and the Higher Education Funding Council for England.

⁶ Key Partners include the Regional Development Agencies, the Ufl, the National Training Organisations, the Small Business Service, the Employment Service and others.

60. To do this, the Council must raise the profile of learning in the workplace by developing persuasive messages highlighting the benefits for employers, employees and the economy as a whole, of investing in the workforce. This will include fostering and developing employee development programmes, and promoting new and innovative approaches including on-line learning in the workplace. The Council should also encourage employers, particularly small employers, to come together to share best practice, including good equal opportunities practices; to share resources; and to build local and sectoral learning networks. The overall aim should be to involve more employers, especially smaller employers, in learning, to increase employer investment, and to spread good practice.
61. The supply of trained childcare workers is of particular importance in improving the working of the labour market, and I will expect the Council to be pro-active in supporting childcare training. The Council will also need to work with Early Years Development and Childcare Partnerships to boost the opportunities for the professional development of childcare workers, and to encourage childcare employers to invest in staff training.

Raising standards

62. Fourth, and underpinning all the above, the Council must have a clear focus on raising standards. It will need to introduce robust arrangements to tackle deep seated problems of inconsistency of standards by challenging poor and coasting providers, and by ensuring excellence in teaching and training which meets the needs of all learners, and which promotes equality of opportunity.
63. I will invite the Council to draw up a Quality Improvement Strategy for my approval, drawing on the Common Inspection Framework published by OfSTED and the Adult Learning Inspectorate; the outcome of my Department's consultation on Raising Standards in Post-16 Learning; and the work my Department is undertaking to develop practitioner skills and qualifications in the Further Education sector, work based learning and adult and community learning.
64. Close working relationships with the Inspectorates will be crucial. The Inspectorates will evaluate and report on standards achieved by providers, the quality of learning, and the efficiency with which resources are managed. Their reports will be an essential source of information on the quality of provision, and their findings should be used to inform the Council's assessment of priorities for development of the provider network. Inspection findings will also inform the local Learning and Skills Councils' assessments of individual provider performance and their decisions on interventions, rewards and sanctions. Inspection will also play an important role in raising standards in adult and community learning, where previous inspection arrangements have been relatively weak.
65. The new area inspections will also be crucial in raising standards. By looking across the whole area it will be possible to identify what needs to be done to improve collaboration, to raise standards, and to create a unified strategy for post-16 provision. I expect local Learning and Skills Councils to take the necessary follow-up action, in partnership with Local Authorities and others, to drive up standards across the whole range of provision for which they are responsible. In order to support these working arrangements, I expect the Council to agree a

concordat with the Inspectorates setting out how the Council will work with them to raise standards in post-16 learning.

- 66.** I also look to the Council to take a pro-active approach on issues of unnecessary and unhealthy competition between providers, in order to achieve value for money and maximum benefit for the learner. The Council should encourage collaboration amongst providers, and promote the concept of provider excellence in subject areas relevant to the needs of individual local economies, leading to very high standards and excellent job prospects for learners. The Council should look to Learning Partnerships to provide an important vehicle for self-managed provider collaboration and quality improvement work. The new arrangements also need to take into account the views expressed by the many providers who will contract with both the Council and the Employment Service, about the importance of developing consistent approaches between the two organisations to reduce the amount of complexity and bureaucracy. Collaboration between the Council and the Employment Service will also need to cover the tariffs to be set for the purchase of learning so that, as far as practical, both organisations pay the same rates to providers for equivalent provision.
- 67.** Improving the take-up of professional teaching and training qualifications is key to teaching and training excellence. The Council will be responsible for implementing the recommendations from the work my Department is doing to develop practitioner skills and qualifications in the Further Education sector, work-based learning, adult and community learning, and the skills for supporting and tutoring on-line learning. The Council will have an important role in funding and monitoring the delivery of teaching and training qualifications and continuous professional development across the post-16 sector, working with the Learning and Skills Development Agency, and others. There are particular issues of recruitment, retention and reward which are specific to Further Education, and I am looking to develop new arrangements which reward high calibre lecturers.
- 68.** I expect the Council to work with providers to improve their capacity to deliver our lifelong learning and employment objectives, to provide continuity of provision for learners, and to seek to meet their needs and those of the local and regional economy more effectively. The task is to develop the existing infrastructure more flexibly, and to bring on stream new providers and types of provision able to address the needs of all learners, including the most disadvantaged and excluded.
- 69.** I expect the Council to develop its delivery arrangements in a way which ensures there is clarity about provider accountability for the quality of the provision they deliver. As far as possible, lengthy supply chains should be avoided, but where there is added value in an intermediary being involved in the supply chain, I look to the Council to ensure the lead contractor retains responsibility for the welfare of the learner and for the quality of sub-contracted provision. The Council will also need to establish and publish effective complaints procedures at national and local level, covering both the operation of the Council itself and the learning it secures. This process will provide early warning of emerging issues and ensure people receive the high standards of service they have the right to expect.

Timing and sequencing

70. It might also be helpful for the Council's corporate and operational planning if I set out my expectations on overall timing and sequencing:
- a) in the first part-year of the Council's operation up to March 2001, I see the priorities as building the organisation at national and local levels, establishing the culture for Council members and staff, and ensuring that there is a smooth transition for learners and providers of education and training to the new funding and planning arrangements for 2001-2. The Council can expect my Department's support in this. I am looking to the Further Education Funding Council and the Training and Enterprise Councils to help the Council in securing a successful transition;
 - b) in the first full year of the Council (April 2001- March 2002), the priorities are to build relationships with key partners; undertake a comprehensive analysis of local and national learning and skill needs, and run a full planning process for the 2002-3 year based on this analysis; and introduce new and thorough review procedures with Further Education colleges and other providers;
 - c) in the second full year of the Council (April 2002 -March 2003), I look to the Council to ensure that there are significant changes in the pattern of learning and skills provision to better meet the priorities and needs that have been identified. The Council will also need to prioritise a smooth transition with Local Education Authorities and schools to the new arrangements for funding school sixth forms, and work closely with Local Education Authorities and others to plan for significant improvements to the integrated provision of adult and community learning in local areas from 2003-2004.
71. There are several areas where I expect the Council to have secured a step-change in the performance of the learning and skills system by March 2004. In particular, I expect the Council to have made a significant impact on the numbers of young people staying on in learning, to have increased demand for learning amongst adults, and to have improved the supply of skills amongst people of working age by implementing the relevant parts of the National Skills Agenda, as set out in June 2000 by the National Skills Task Force. I also expect to see raised standards in learning, as assessed by inspection grades, so that the current numbers which are only satisfactory or in need of re-inspection are much reduced.
72. We will agree both three-year and annual targets for medium-term improvement priorities, and these will be published in my annual guidance letter together with any shorter-term improvement priorities.
73. I hope this is helpful. You, and the Council, are taking on one of the most important jobs in the education and training system, and I look forward to our work together. Together we can achieve a system truly fit for the 21st century. I wish you, the Council and its staff every success. I look forward to the Mission Statement and first three year Corporate Plan, produced in the light of this letter and the related guidance.

74. My colleagues and I will want to meet you regularly to discuss and review progress.

Best wishes

DAVID BLUNKETT

Statutory Framework and General Responsibilities

1. The Council is established under section 1 of the Learning and Skills Act 2000 (the Act), and has the duties and functions set down in that Act.
2. The Council will be responsible for:
 - identifying national and local learning and skill needs;
 - setting and implementing strategies and plans for meeting those needs;
 - driving up demand for learning and skills from individuals and employers;
 - advising the Government on the post-16 National Learning Targets;
 - securing progress towards the post-16 Targets (jointly with the Higher Education Funding Council for England on the level 4 target), and
 - planning, funding and securing higher standards in Further Education; school sixth forms (from 2002); workforce development; adult and community learning; work-based training for young people; Education Business Links for young people including all children of compulsory school age; and Information, Advice and Guidance for Adults on learning and skills.
3. By securing provision of information, advice and guidance services for people in education, both within and independently of the education and training provision it funds, the Council will contribute to meeting the Secretary of State's duty (under Section 45 of the Trade Union Reform and Employment Rights Act 1993) to secure relevant services for people undergoing relevant education, to help them decide upon suitable employment and the training or education needed to fit them for such employment.
4. The Council is also required to have due regard to the need to promote equality of opportunity between people from different racial groups, between men and women, and between people with a disability and people without. It must make an annual report on what arrangements it has made during the year, how effective they were, and its plans for the following year. It must send a copy of the report to the Secretary of State.

Planning Organisation and Financial Control

5. The Act enables the Secretary of State to set conditions and requirements in connection with the payment of grant-in-aid. These will be detailed in the Financial Memorandum and Management Statement, which will both govern the financial relationship between the Department and the Council, and set out the role of the Council, its organisation and purpose.

6. The Act requires the Council to establish a Young People's Learning Committee and an Adult Learning Committee for the purposes specified in Schedule 3 of the Act. The Secretary of State will expect the Young People's Committee to invite to its meetings, as an observer, the head of the Connexions Service. Similarly, the Adult Committee is expected to invite to its meetings, as an observer, the Chief Executive of the Employment Service.
7. The Act requires the Council to supply the Secretary of State with reports and information he may request, and to act in accordance with any plans he may approve. In this context the Council will prepare the following documents, in accordance with the processes specified in the Act:
 - a) a three year corporate plan and an annual operational plan, agreed with the Secretary of State; and
 - b) an annual report and accounts.

Relationship with Inspectorates

8. Inspection evidence will form a major component of the measures the Council uses to raise standards. This will require a clear understanding between the Council, OFSTED and the Adult Learning Inspectorate of their respective roles and contribution. The organisations will set out their understanding of the principles and the main working arrangements in a concordat to be agreed between them. The Council will also want to work in partnership with the Employment Service to develop quality improvement strategies that lead to improved learning and consistently high standards of delivery.

Constitutional and Procedural

9. The Secretary of State expects the national Council to invite to its meetings as observers the Chief Executive of the Employment Service, a senior member of the Department for Education and Employment, the Head of the Connexions Service National Unit, the Chief Executive of the Small Business Service and the Chief Executive of Higher Education Funding Council for England.
10. The Secretary of State expects the local Learning and Skills Councils to invite to their meetings as observers the Employment Service Regional Director, the Government Office Regional Director, the head of the local Connexions Partnership and a representative of the relevant local Business Links.

Relationships with Other Organisations

11. The Council cannot achieve its objectives by itself, or simply by the leverage its statutory powers and funding responsibilities might exert over others.

- 12.** It will be key to the success of the Council for it to be a partnership organisation, forging strong relationships and effective linkages with a wide range of other organisations to achieve its objectives.

- 13.** Key partners and stakeholders include Local Authorities and Local Education Authorities; Regional Development Agencies and other relevant regional bodies such as the Regional Chambers and Regional Cultural Consortiums; the Equal Opportunities Commission, the Commission for Racial Equality, the Disability Rights Commission, and other key equality organisations including the Employers Forum on Age; the National Institute of Adult Continuing Education; the Learning and Skills Development Agency; Ufl; the Small Business Service and its local Business Links; the Employment Service (and from summer 2001 the new Agency for Working Age People); Government Offices; the Connexions Service; the Higher Education Funding Council and Higher Education institutions; the National Training Organisations and their National Council; the Qualifications and Curriculum Authority; the Basic Skills Agency; Trades Unions and the Trades Union Congress; major national and multi-site employers and their representatives; small and medium sized enterprises and their representatives; Investors in People UK; Education Business Link organisations; professional bodies including the Council for Excellence in Management and Leadership; Learning Partnerships (particularly as a conduit for the views of learners and voluntary and community organisations); Early Years Development and Childcare Partnerships; and education and training providers and their representatives, including schools, colleges and private and voluntary sector providers.

Further Information

If you would like further information on the Learning and Skills Council, or further copies of the remit letter please contact us:-

- *By post to* Mike Morley,
Department for Education and Employment,
W3A,
Moorfoot,
Sheffield S1 4PQ.
- *By e-mail to* post-16.feedback@dfee.gov.uk
- *Via the DfEE's internet site at* www.dfee.gov.uk/post16

This site also has an email facility available