

**NEW CHALLENGES, NEW
CHANCES**

Next Steps in Implementing the
Further Education Reform
Programme: Summary of Responses
to Consultation Questions

DECEMBER 2011

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The Consultation Code of Practice Criteria

1. Formal consultation should take place at a stage when there is scope to influence policy outcome.
2. Consultation should normally last for at least 12 weeks with consideration given to longer timescales where feasible and sensible.
3. Consultation documents should be clear about the consultation process, what is being proposed, the scope to influence and the expected costs and benefits of the proposals.
4. Consultation exercise should be designed to be accessible to, and clearly targeted at, those people the exercise is intended to reach.
5. Keeping the burden of consultation to a minimum is essential if consultations are to be effective and if consultees' buy-in to the process is to be obtained.
6. Consultation responses should be analysed carefully and clear feedback should be provided to participants following the consultation.
7. Officials running consultations should seek guidance in how to run an effective consultation exercise and share what they have learned from the experience.

Help with queries

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New Challenges, New Chances: Summary of Responses

Next Steps in Implementing the Further Education Reform Programme

Introduction

1.1 This publication contains details of the responses received to the Consultation questions of the [New Challenges, New Chances](#) consultation. The Government's response *New Challenges, New chances: Further Education and Skills System Reform Plan* is being published at the same time as the summary of responses publication and is at <http://www.bis.gov.uk/assets/biscore/further-education-skills/docs/f/11-1380-further-education-skills-system-reform-plan>

Full responses – breakdown by category

Respondent type	Total No of respondents	Proportion of total respondents
Representative Body	30	14%
Private Provider	16	7%
Further Education College	48	22%
Sector skills Council	11	5%
Local government	30	14%
Individuals	7	3%
NHS	5	2%
Other	70	32%
TOTAL	217	100%

1.2 Following extensive discussion with the sector, on 16 November 2010 the Government published two strategy documents, [Skills for Sustainable Growth](#) and [Investing in Skills for Sustainable Growth](#), which mapped out the future direction of the reform of further education for adults aged 19 and over. *New Challenges, New Chances* takes these strategies a stage further by making detailed proposals in a range of areas covered in the original documents. The proposals were published on 26 August 2011.

1.3 These proposals are designed to further the Government's main overall aims for adult skills: to promote high-quality teaching and learning at all levels of the adult education system; to free colleges and other skills providers from as many bureaucratic restrictions as possible in order to allow them to respond more effectively to the needs of their local communities; and to secure a fairer balance of investment in skills between the taxpayer, individual learners and employers.

1.4 Responsibility for funding post-16 learning in England is shared between the Department for Education (DfE); and the Department for Business, Innovation and Skills (BIS). The proposals in the consultation document applied only to BIS-funded adult provision.

1. A Vision for the FE landscape and shape of the sector

Q1 To what extent should the Government influence the range of structural models for FE and skills delivery?

There was a clear message from respondents that Government should provide a flexible "framework of possibilities" underpinned by quality assurance - and then set the tone to influence delivery. It was suggested that the government should then allow colleges to design and use the appropriate model that responds best to local community and employer needs, enabling a range of provision in each demographic area. Colleges and their representative bodies felt that they have a wealth of knowledge and a good track record in responding quickly to the needs of employers and individuals.

Some respondents from small providers and the third sector felt that there should be a government role in ensuring a diversity of providers, or stipulations about reach - so that the needs of all learners including the most vulnerable and disengaged were met and that providers have an incentive to think differently about the business models that they could employ.

Q2. What barriers currently constrain flexibility and responsiveness, in terms of structural development, and how might the Government address these to help the sector to reorganise for the benefit of learners?

Several colleges felt that financial barriers constrained flexibility - with VAT particularly cited in the context of shared services and federated models. Contributors or 'Respondents' also suggested that the taxation regime constrained flexibility and responsiveness in terms of structural development. A range of problems with funding systems were also raised: complexity, 'narrowness' and being too locked into qualifications impeding innovation. Short term funding and late allocations were also identified as presenting difficulties. Some respondents felt that the introduction of the Minimum Contract Level had been a constraint in developing appropriate forms of structural development.

Q3. How helpful is our proposed approach to the new policy framework to replace ‘Models for Success’: are there other areas which should be included?

There was general support to update ‘Models for Success’ whilst acknowledging that some models are more suited to some areas than others; and where models are working well, they should be allowed to continue in the interest of the learners. Some respondents suggested the flexible framework appears to encourage the development of models which best suit learner and employer needs, the locality and the organisations involved. A number of areas were suggested for inclusion: examples of a full range of models (eg a mutualised college, schools, HE, and community learning); the role of the voluntary and community sectors; strategies to ensure fair, inclusive, appropriate, and effective supply chain arrangements; a pilot prototype – similar to the one completed at the start of the Academies programme; and more details on how the proposals will affect employers who are already centres for vocational qualifications for their own staff.

Q4. Are there particular structural delivery models or case studies that you think it would be helpful to share, via the framework?

Ideas included case studies of best practice of: the 14-19 diploma, Apprenticeship Training Associations, a social enterprise model, local voluntary learning consortia, universities’ lifelong learning networks, retail academies, joint ventures, and mergers. Some suggested examples should also be taken from other public services outside the FE sector and that particular lessons could be learned from colleges’ experiences within the Collaboration and Shared Services network and the projects funded through the Efficiency and Innovation Fund.

Q5. We propose that the existing college merger criteria should be broadened to cover the need for effective leadership and management and the promotion of competition and diversity in the local area. Do you agree that these changes are sufficient to support the Government’s ambitions? Are there any others you would propose?

There was a wide range of comments about mergers with many voicing concerns about quality of provision and the impact of mergers on diversity in the local area, on relationships with local employers and the focussed local engagement in FE. There was support for colleges collaborating better, pointing out that diversity can thrive in a collaborative environment, through innovative ways of working. Collaboration could maximise the return on large investments in facilities that have been made in recent years.

On competition and diversity some felt that these should be key criteria which should be explored more fully. There were suggestions that these criteria should be based on the responsiveness to the particular (and highly variable) needs of the local community a college serves, with the interests of the learner being paramount. Colleges felt that promoting strong governance, leadership and management was key and that BIS should support this.

[2. Introducing Level 3/4 loans and sharing responsibility for investing in skills \(see section 2 below\)](#)

3. FE college and training provider freedoms and flexibilities

Q6. How have you used the freedoms already made available to make a difference in your communities – what lessons can you share?

There was almost universal support for the freedoms introduced with an emphasis that the new freedoms and flexibilities allowed colleges to be more responsive to student, local and employer needs.

“The removal of centrally imposed targets has also meant that there is greater flexibility in being to respond to local changes in demand and supporting economic crisis relating to redundancies and the need to upskill and reskill the workforce.”
Quote from Further Education College

“We have benefited significantly from the freedoms initiated within the single adult skills budget. This has enabled us to create a flexible plan for delivery that can then be flexed to reflect fluctuations in demand in different groups of learners, included those associated with workplace learning. It has also enabled the College to respond quickly to demand for large contracts from employers where previously we may have had to wait for a new funding year.”

Quote from Further Education College

Q7. What else can be done to streamline the assurance system, whilst still safeguarding public funding and ensuring quality?

All respondents argued for a degree of simplification. There was support for removal of the requirement for provider annual self-assessment submissions, though there was some concern that it should not undermine effective risk assessment at sector level.

There was support for exempting ‘outstanding’ providers from Ofsted inspection providing any drop in performance was identified (and acted upon) quickly. A number of respondents expressed caution about extending the exemption to ‘good’ providers.

Q8. Can you identify additional systems and/or processes ripe for removal/streamlining? Please be specific about what could be removed and why.

There was strong support for the simplification of audit and financial management arrangements. There was also support for taking a more risk-based approach to performance management and quality assurance. There was criticism for the way Government communicates with organisations - including the need for prompt decision-making and providing consistent policy and advice to the sector.

Q9. Are there steps that the Skills Funding Agency should be taking to reduce the data and information it requires for operational purposes? If so, what are they?

A substantial majority of the responses supported in principle a reduction in requests for data from the Skills Funding Agency. One common theme running through responses was that the Agency frequently requests information from providers that it already holds.

Many respondents to this question advocated that data requests should be curtailed to once a year. Respondents also advocated using ACTOR and the Individual Learner Record as the main sources if not the only sources of information gathering, stating information held on these platforms should capture all Skills Funding Agency data requirements.

Q10. Do you agree with the categories and descriptions for a ‘trigger point’ for intervention if not, what suggestions do you have for changes/improvements?

There was strong support for proportional intervention and monitoring. Although there was support for the ‘trigger points’ in the consultation, many respondents prioritised greater clarity on how coasting/failing providers would be identified.

A few respondents highlighted careful media handling as important to reflect the fact that the majority of the FE sector is actually performing well. A more risk-based approach concentrating on ‘coasting’ and failing colleges, for example, might give a false impression of overall quality.

4. Simplifying the funding system

Q11. What benefits have been experienced from the introduction of ACTOR and what further action could be taken to make future contracting arrangements more straightforward?

The majority of respondents submitted negative comments on the introduction of ACTOR and the first year of operation. Several commented positively on the concept but considered that the process and system have been overly burdensome. A small minority of responses were wholly positive. Respondents were keen to be re-assured that the review of ACTOR being conducted by the Skills Funding Agency would resolve some of the problems encountered in the first year of operation.

Q12. What has been the impact of the introduction of Minimum Contract Levels? Has the approach to exemptions been effective?

Feedback was more positive from large providers than small providers who felt sub-contracting meant losing “a tranche of their money” to administration fees and did not benefit learners. There was recognition that Minimum Contract Levels saves Agency resource but there were concerns, especially from third sector providers, who are small and specialist in nature, that they may impact on diversity and choice. Greater monitoring of administration charges levied was suggested.

Respondents felt the exemptions policy should have been more clearly stated at the outset and future exemption criteria needed to take into account the unique expertise that small providers offer.

Q13. What benefits do you envisage from the introduction of a simplified rates matrix?

Overall, simplified funding was welcomed provided there was enough inbuilt flexibility to recognise, and react to, high cost students, high cost provision and high cost geographical areas to minimise winners and losers. Respondents felt it would make funding calculations more manageable and easier to administer, but pointed out the Agency should ensure no perverse incentives were created. Colleges and their associations have suggested more significant practical and strategic benefit could be achieved if 16-18 and adult rates used a single system.

5. Teaching, learning and qualifications

Q14. How could a commission on vocational teaching and learning best help the sector improve?

A wide range of responses supported the setting up a commission on vocational pedagogy.

“We note that BIS and DfE will discuss with the Institute for Learning and LSIS a proposal to establish an independent commission on vocational pedagogy. This is an important development and we urge government to ensure that it is seen to be truly independent.”

Quote from Representative Body

Some respondents raised concerns regarding the setting up a commission on vocational pedagogy. The main concerns raised were around opportunity cost. Some responses questioned whether another commission is needed given the number of bodies already involved in this area. A few organisations suggested different approaches to looking at vocational education.

“We believe that, rather than attempting to cover the vast breadth and depth of vocational teaching and learning in a single commission, it would be better to establish a small number of discrete working groups, with each focusing on a specific and acknowledged area of concern.”

Quote from Charitable Organisation

There were a variety of suggestions on how a commission on vocational teaching and learning could improve the sector. The main themes being around vocational pedagogy and the industry-knowledge element of vocational teaching. Some suggested a commission should not make too many assumptions about vocational pedagogy. Some recommended that the commission should promote best practice but not be too prescriptive and should look at initial teacher training. Others suggested looking at best practice on how to continue professional development of vocational teachers in their subject specialism and look at dual professionalism.

Q15. How can we best engage the knowledge of learned societies and professional bodies to empower improvement in the FE sector?

Some responses pointed out that there were already some good examples of the FE sector engaging with learned societies and professional bodies.

A number of responses explained the importance of engaging with learned societies and professional bodies whilst others raised questions as to the degree of success the sector had from engaging with these bodies to date.

There were a variety of ideas on how we can best engage the knowledge of learned societies and professional bodies. Some responses suggested that professional bodies should be more involved in qualification development.

A number of responses explored how professional bodies could participate in developing pathways to professional status/ body membership which could be used to align qualification frameworks.

Q16. What else needs to be done to stimulate and spread innovation, including embracing the potential of new learning technologies?

A major theme that came through was around the costs of new technology and the need for funding arrangements which encourage innovation.

A second major area of discussion was about the need for the sector to be able to share best practice in innovation and technology with each other.

"There is no more compelling argument for the adoption of new technology than the testimony of colleagues who have used it effectively to the benefit of their learners."

Quote from Representative Body

Some responses also called for some general national research and advice around which technologies offered the best results. Other responses however suggested that innovation is better driven by the sector and locally, any interventions from the government should be light touch. There were also a number of responses around the curriculum and qualifications. A few suggested increased employer and direct provider involvement would increase innovation whilst others suggested the time it takes to develop and sign off qualifications should be speeded up.

Other responses also pointed out the importance of teacher training and continued professional development in enabling the sector to embrace the potential of new technologies.

Q17. How do you currently assess the employability skills needed by your local employers – how could this be improved?

There seems to be a number of different ways colleges, in particular, are engaging with employers. The main three ways described in the responses were engaging with employers directly, using networks or talking to industry bodies and focus groups, and using local and national research.

"The College uses three pieces of innovative software which provide us with labour market information, allowing us to map things like industry growth and occupational growth. These have enabled us to establish what employers' needs are, as opposed to what the assumed priorities might be"

Quote from Further Education College

The main suggestion on how to improve understanding of the employability skills needed by local employers was improved labour market information. This could involve working with industry bodies, networks etc.

Some colleges also stated that the situation might improve with increased freedom to work with employers to design qualifications.

Q18. Have you any experience of developing new qualifications to meet a new / emerging need – how did this work?

The responses showed a lot of experience in developing a variety of qualifications. The need to develop new qualifications had been identified in a number of ways: identifying student needs; working with employers; and labour market information. There was a wide variety in the types and levels of qualifications organisations had and are developing. Organisations had also piloted new qualifications and adapted existing qualifications.

Responses showed a variety of experiences in developing qualifications. A number of responses complained about the length of time it had taken to produce and get some qualifications onto the Qualification and Credit Framework (QCF).

"Unfortunately, there are some challenges involved in this way of working. For example, there are difficulties in getting new qualifications onto the qualifications and credit framework, particularly qualifications for new and emerging markets where there might not be sufficient market intelligence to identify the size and scope of the potential market."

Quote from Further Education College

Other colleges pointed out the high cost in developing qualifications.

[6. Review of Informal Adult and Community Learning \(see section 6 below\)](#)

7. Review of literacy and numeracy provision for adults

Q19. What more is needed to accelerate the rate at which the most successful teaching practices / models of delivery are spread across the sector?

There was strong support for the use of peer support networks and peer review opportunities, in recognition of the expertise that already exists in the sector and in the effectiveness of these approaches to improving the quality of provision. This links to other comments made about the need to encourage collaborative working and partnerships where possible.

A number of respondents highlighted the need for Continuous Professional Development (CPD) opportunities; with some respondents highlighting that teachers need to be released to participate in CPD and this is often an issue.

Q20. What more is needed to maximise the quality of the literacy and numeracy teaching workforce?

There was strong support for a qualified workforce and the need for specialist teaching skills. A number of respondents highlighted the need to have appropriate requirements in place and to establish what is 'appropriate'. Also that there is not always consistency across provision. Some respondents reported the need for more flexible routes to qualifications for those working in non-traditional settings. There was also a need for a greater emphasis on teaching skills and understanding and explaining concepts within the teaching qualifications.

Many highlighted the need for CPD, peer observations, subject learning coaches and other ways of sharing good practice.

Q21. What conditions are needed to accelerate the pace of innovation throughout the sector and what is the potential?

Some respondents highlighted that there are different interpretations of what is 'innovative' and that innovation is only useful if it represents an improved way of responding to needs in the sector. Some emphasised that innovation needs to be driven from within institutions rather than being centrally determined. There was also a view that stability is important in providing the foundation for staff to innovate rather than having to respond to frequent changes in the sector.

Some respondents felt that there needed to be more investment in research and also in infrastructure which can support provider delivery and home learning. Some suggested that partnerships needed to be encouraged between providers to support developmental activity and shared costs, for example to adopt new approaches using technology. Some reported that they welcomed the small funding opportunities provided by LSIS, for example to support the use of technology in teaching and learning, and would like to see these continued.

Q22. Are the current incentives in the system driving the required provider behaviour and what else can be done to improve this?

There was strong support for the continued full funding for literacy and numeracy courses, together with the flexibility for providers in relation to the adult skills budget. Many respondents highlighted the challenges in relation to the removal of the additional funding weighting (with the exception of entry level numeracy), which for some providers has led to larger class sizes. Some respondents reported that we should give providers freedom to measure outcomes, rather than be prescriptive. Some suggested that we need to find new ways to incentivise entry-level provision, with others reporting that providers may be wary of supporting some learners because of the risk of low success rates.

There was a call for more focus on teaching and whether learners are achieving their goals, rather than over-focusing on policies and procedures in how provision is judged. Targets have preoccupied providers at the expense of individualised learning programmes for individuals. Respondents also suggested that incentive payments for job outcomes can provide a good motivation, but only if providers are working in close partnership with employers, and if there is cooperation between all agencies involved.

Q23. What more can be done to stimulate greater learner demand for numeracy courses?

There was a clear message that the importance of numbers needs to be embedded at the beginning of formal education. Many respondents highlighted that lacking numeracy does not carry the same stigma as lacking literacy. There was support for a national awareness campaign for adults to promote the importance of numeracy and to challenge cultural barriers. Some respondents highlighted that employers needed to make the link between numeracy and improved career prospects; having clear labour market signals would make a big difference. Other respondents highlighted the importance of community-based programmes such as family learning and the use of local champions and role models.

In terms of provision, many respondents highlighted the importance of teaching numeracy in the context of what is relevant or important to individuals, including vocational training. Others suggested that people need 'tasters' to get them engaged in the first place, and small units of learning would help; GCSE maths should be made available and fully funded for adults who do not have it; course designers should take ideas from available games on the market; and distance learning opportunities should be made available so that adults do not have to spend all their time visiting the local college.

Q24. What more can be done to encourage employers to increase the take-up of literacy and numeracy provision by their employees?

There was strong support for the need for more robust evidence and case studies to convince employers of the business-benefits of improving employees' literacy and numeracy skills. Linked to this, many emphasised the need for improved communication and promotion of the benefits, supported at a national level and also by business leaders and Unionlearn.

Many respondents highlighted the need for employers to link literacy and numeracy improvement to job benefits such as appraisals, promotion or further training. Others explained that employers do not always recognise or value the literacy and numeracy qualifications on offer. Linked to this was the suggestion that Awarding Organisations are freed up to develop innovative qualifications that respond to employer needs. Others

suggested that units be developed that offer bespoke solutions. Some respondents reported that release-time for employees remains an issue, and that to mitigate this provision needs to be flexible, relevant and accessible, which is done well in partnership with employers, though it can be expensive for providers to deliver. Related to the point about communication, respondents reported the need for skills solutions to be locally communicated to employers.

8. Delivering higher education and skills

Q25. What can we do to improve awareness and identity of what further education can offer?

There was resounding support from the majority of respondents that much more could be done to raise the awareness and identity of further education's role in the higher education system. There were a number of ways put forward by respondents of how this could be achieved. Common and recurring themes include:

- Identifying the successes of FE delivering Higher Education (HE) in FE, both academic and vocational, and to promote them. This could include case studies, success stories, published comparative information, supporting evidence from the QAA review method
- More help with the national branding of the FE sector, and awareness-raising of the diversity and distinctiveness of FE provision of HE. This is seen, in part, for the FE sector to achieve through its own marketing but some respondents felt that there was also a role for government, industry, schools, university technical colleges and academies
- Promotion of what is on offer through a national portal that provides ease of access for employers and learners
- Opening up the system, removing regulatory barriers preventing a level playing field to high quality expansion.

Other respondents felt it was important to raise the profile through improved information and guidance, and coherent, comparative information about courses, quality and student finance. Some saw the opportunity of redefining the language around HE in FE so it is seen as an integral part of the HE system. The designation 'Colleges of Further and Higher Education' could facilitate this. It was also seen as important to establish parity of status for vocational pathways throughout the education system, 'promoting higher level vocational education in its own right'.

Q26. What are the opportunities to promote alternative progression routes into higher education?

Respondents focused mainly on how higher education can be made more inclusive, and 'holistic'. Suggestions included that HE should not just be the preserve of 18 year old, school-leavers with three A-levels and rather than alternative routes there are 'simply different routes into higher education'.

Some felt It is necessary to get the message across that there is a place for young part-time students and older people who may have missed out first time around. It is essential to facilitate progression by making routes to higher education from Apprenticeships, professional and vocational awards more transparent, and easily navigable

This includes greater portability, for example through recognition of prior experience and prior qualifications, and credit accumulation and transfer opportunities. It includes a wider range of study patterns such as accelerated and sandwich provision. It is also important to recognise a broader range of qualifications as suitable for progression, and for the evaluation process to be swifter and less costly. The sector specific apprenticeships route is one from which much can be learned, for example the nuclear industry. Access to HE was also seen as having considerable potential as a model.

There was also seen to be a need to bring on board small businesses, The role of employers, employer representative organisations, sector skills councils, professional bodies and awarding bodies were all seen as critical to the development of different routes to higher study.

“We would like to see all vocational qualification routes offering the potential for progression to HE where appropriate. This is an important aspect of the vision for the sector in terms of providing the aspiration and potential for career progression to higher level of study. Allowing colleges to offer local higher education will address barriers to participation and strengthen progression from high quality vocational courses at Level 3 and 4.”

Quote from Further Education College

Q27. What innovative delivery and business models might be explored and secured to meet the needs of learners and employers in the local community?

There were a number of different models put forward, many with common features. Themes included:

- Developing a more flexible, modular, portable approach to courses which would allow individuals to tailor their study around their personal circumstances
- Courses to include experience of work as an integral part of the course
- Working with businesses to design courses that meet their bespoke needs.
- More stability around policy, funding and data requirements with less frequent and less extensive changes. This will encourage more employer involvement, community engagement and create better conditions for innovation in delivery models and practice.
- Collaborative ventures to secure progression and share risk, for example federations and business compacts

“Must be flexible in approach as far as delivery is concerned. Be prepared to deliver material in workplace where necessary. Use distance / on line learning and integrate up to date technology into programme. Be as flexible about mode of attendance as possible”

Quote from Further Education College

9. Deregulation and devolution

Q28. What more can we do to remove data requirements?

Responses to this question were evenly divided and fell into two distinctive groups. Those who used data to help the public make an informed choice between providers thought that we needed more data of good quality. However the other group which had to provide data predominately for funding reasons thought a number of things could be done to remove/streamline data requirements.

Q29. What more can we do to improve transparency in data collection and use?

Respondents to this question all agreed that there was a real need to improve transparency in data collection and ultimately to making better use of the data. Some of the common themes were:

- Complexity and variety of the different pieces of work being undertaken by the Departments for: Work and Pensions; Education; and Business, Innovation and Skills (BIS) in relation to data transfer.
- There was growing support for a community score card approach. *(The Scorecard is designed to provide information to all customers so that they can see what is being done to support learners and businesses in the local community)*
- Greater alignment in relation to data and success rates ensuring that they are applied to schools in the same manner as colleges
- The importance of being able to use data to benchmark providers nationally and development of a central source of labour market data for organisations to use.

Q30. How can the data already collected be shared more effectively across the sector for the benefit of learners and employers?

There was a wide variety of responses to this question with no one, common theme running through them. There was strong support for the Further Education Public Information project to ensure learners have concise, up to date information to help them make FE choices. Some respondents felt that to benchmark data nationally was not always helpful as in the majority of instances allowances needed to be made to take into account local circumstances, before any meaningful comparisons could be made.

There was an appreciation across the sector of the Government's move away from collecting information to monitor performance towards publishing information that would be beneficial to potential customers, to help them make choices about providers and courses

Most respondents suggested this as an area where the sector needed to improve.

"We would suggest setting up a one-stop portal for the FE Sector where all key data is available, for learners and employers, but also for Colleges. This information should be downloadable by providers so that they can use it in their benchmarking and planning purposes"

Quote from Further Education College

2. Introducing Level 3/4 loans and sharing responsibility for investing in skills

Q1 What information do learners, employers, colleges, training organisations and careers advisers need about FE loans to cover learner contributions?

Many respondents offered helpful and constructive advice on the kinds of information BIS and its delivery partners will need to ensure is made widely available as FE Loans are introduced. Some responses also highlighted a more general need for very clear communication about the loans policy.

Key areas that were identified by the majority of respondents included:

- How and why funding for Level 3 and above qualifications for those 24 and over is changing
- How loans will work (course eligibility, relationship to course fees, repayment arrangements, rates of interest)
- The importance of access to high quality information, advice and guidance
- The potential benefits of learning at Level 3 and above.

"An important but basic piece of information that learners would need in regards to FE loans is how they work, what is the purpose of these loans, how they will be beneficial and also the conditions attached to the loans. As mentioned in the consultation document; "learners have a range of options for meeting the cost of their course", these options would need to be explained in detail and not leave any grey areas, which could be puzzling for learners"

A Private Sector Learning Provider

Q2 How can we engage individuals and employers so that they make use of loans to support skills and training?

A large number of respondents commented on the challenge involved in moving from grant funding of learning to learning funded by a loan which is repaid. There was general consensus among respondents that the quality of learning, and the outcomes and returns to which it leads, will be important for individuals and employers considering loans. A number of respondents also stressed the need to focus on the wider benefits of learning as well as the financial benefits.

Many responses recognised the importance of individuals making well-informed choices about their investment in learning based on information about the quality and cost of learning, provided by careers advisers, colleges and training organisations.

"Government should not represent the benefits of learning solely in terms of wage gain since individuals have many and varied motivations for participating and should also exercise caution when describing the monetary advantages of learning since (like all investments) past experience is no guarantee of future returns."

Quote from Representative Body

Q3 How can we support learners who are progressing from FE to HE using loan support?

A significant number of responses highlighted the potential effect of FE loans on progression to HE if learners take out multiple loans, and specific references were made to the report by Simon Hughes, *Report to the Prime Minister and the Deputy Prime Minister from the Advocate for Access to Education* which recommended exempting Access to HE courses from FE loans.

A number of responses suggested ways in which flexibility might be used to aid progression. For example:

- Writing-off FE loans if an individual progresses to and completes a course in HE, or discounting the cost of HE
- Ensuring more flexible or lower cost HE provision is available
- Raising repayment thresholds for loans
- Deferring the accrual of interest on loans
- Helping learners prepare for taking out a loan, via a 'learner savings account'.

'Robust systems will need to be put in place to explain how FE loans and HE loans interact, and how they will be treated when a learner reaches the repayment stage, and what happens if there is a break in learning between further and higher education and the learner commences repayments of their FE loans. We understand that the relationship will in fact be relatively simple but learners will need clear information and reassurance that this is so.'

Quote from Trade Union

Q4 Will the introduction of FE loans to cover contributions for Level 3/4 for those aged over 24 create barriers?

A significant number of responses commented on the potential ways in which FE loans could affect a range of groups: predominately older learners, but also those with learning difficulties/disabilities, some religious groups, people from areas of social deprivation, people in rural areas, and those who underachieved in education first time round.

'Undoubtedly there will be numerous barriers whether real or perceived about the loan system but these will probably be related to finances and the current economic pressures rather than any of the categories named above. All criteria and processes across the sector must demonstrate that no potential learner has been given or has been refused equal access to that of any other learner or this system will be open to challenge.'

Quote from Local Government

Some respondents suggested further research on the potential impact of loans on specific groups be undertaken. Others made specific points about the potential impact of FE loans on Advanced and Higher Apprenticeships and how loans may change the relationship between apprentices and their employers.

Q5 How can we minimise (additional) bureaucracy as we implement the FE loans model?

A number of different suggestions were offered to help minimise bureaucracy related to loans. These included:

- Make the loans system as simple as possible for individuals and providers
- Build on the HE Loan system with delivery through the Student Loans Company and Her Majesty's Revenue and Customs (HMRC)
- Reflecting the diversity of courses and programmes in FE and training, it will be important to provide clear and timely guidance/instructions about eligible courses and fees
- The value of information and guidance to help individuals make well-informed choices.

The importance of protecting against potential fraud was reiterated by a small number of respondents.

'We support the use of existing SLC and HMRC mechanisms to administer loans rather than invent new structures. Bureaucracy will also be reduced to the extent that eligibility conditions are not too restrictive.'

Quote from Representative Body

Q6 What safeguards should be in place to ensure that learners make best use of the loans available to them?

The majority of responses referred to the need for effective, high quality independent information and guidance to enable individuals to understand how loans work and to make well-informed choices about learning.

Some respondents welcomed the opportunity for learners to make personal contributions alongside a loan, as it allowed individuals some choice regarding the loan value.

"We would like to see the introduction of a professional and genuinely independent guidance service, supported by trained local people. (Advice) must be easily accessible to all and free at the point of delivery otherwise it risks reinforcing divisions between disadvantaged learners and others.'

Quote from Representative Body

Q7 [How often] do respondents believe that payment of FE loans to colleges/training organisations should be made?

The strongest support was for three termly payments in line with HE - and potentially monthly payments in the first year - to help with the management of budgets. There was very limited support for a quarterly payment system.

Q8 [How often] do respondents believe that allocations should be reassessed?

Most respondents said that annual allocations without in-year adjustments would be preferable. Some suggested in-year adjustment might be needed in the first year of the policy. Only a handful of respondents thought that allocations should be reassessed more regularly than this.

Q9 In a demand-led system, what would the most effective way of ensuring that our spend and commitments stay within the available budget?

Most respondents recognised that the availability of loans would need to be constrained to the available budget. Some recommended that loans should be prioritised to meet local skills needs or certain (deprived) geographical areas. However, just as many respondents thought that intermediary bodies should not plan the supply of loans.

Some respondents provided suggested approaches to budget control, but most of these focused on the use of institutional level financial quotas for the first few years after launch.

‘SFA will need to use institution-level quotas to control commitments and should then adjust its approach to take account of the first year’s experience.’

Quote from Representative Body

6. Informal Adult and Community Learning (IACL)

A. IACL spending and alignment with Government policy

Q1. Do you agree that BIS-funded IACL contributes to the development of the Big Society and complements the delivery of other Government policies? If yes, which policies and how might IACL’s contribution be measured?

The vast majority of respondents, including almost all local authorities and voluntary/third sector organisations, agreed that BIS-funded IACL contributes to the development of the Big Society and a range of other policies. Respondents mentioned specific alignments, including wellbeing, localism, Big Society, community cohesion, employment and skills, digital inclusion, environmental awareness and support for families. Although a number of respondents commented that devising simple, effective, and universal impact measures could be a challenge, many also suggested specific measures in each ‘outcome’ area, e.g. by analysing learner profiles, surveying learner satisfaction, analysing re-offending rates, analysing participation against indices of multiple deprivation (IMD), using social impact measurement approaches and tracking progression and other impacts post-course. There was a specific mention of the consultation on the ‘Principles of Good Impact Reporting.’ In addition to specific impact measurement, a number of respondents mentioned the use of generic evaluation tools, such as The Recognition and Recording of Progress and Achievement (RARPA) and Outcome Star, to record a range of outcomes and impacts.

“BIS-funded IACL contributes widely to the development of Big Society, through supporting the confidence and the ability of individuals to volunteer as well as strengthening the capacity of community groups.”

Quote from Local Authority Commissioner and/or Provider

Q2. Should BIS-funded IACL be aimed solely at supporting specific outcomes such as progression to training and employment, or should it enable progression in a broader sense?

Almost all respondents wanted BIS-funded IACL to enable progression in its broadest sense, citing its role in supporting personal development, community involvement and

improved mental and physical health, as well as preparing people for training & employment. Others mentioned the importance of IACL for people with learning difficulties and disabilities and its potential to support the creation of social enterprises.

Q3. If the latter, what other types of progression are relevant and how could they be measured?

Some respondents identified the challenges of measuring progression in IACL - because individuals learn at different paces and this kind of learning can lead to very varied outcomes and impacts for individuals within a single class. However, many respondents made helpful suggestions about how different types of progression could be measured, suggesting for example that:

- Community development could be measured by developing new indicators
- Personal development by conducting learner surveys
- Improvements in mental health through social return on investment approaches
- Volunteering by collecting local statistics on subsequent volunteering activities or leading/supporting self organised learning groups
- Impacts on older people through focus groups and end-of-course feedback.

A few respondents suggested modular awards and qualifications as a way of recognising learner achievements. Several respondents noted, in this question and others, the importance of good quality advice and guidance, and joint working between BIS and DWP to ensure that advisors understand IACL's role in motivating and supporting progression.

Q4. What should be the respective national and local roles in relation to IACL?

Respondents gave strong support to a local approach to the planning and delivery of IACL. However, they also recognised that central government has a vital role to play.

Suggested **national roles** included:

- Setting the aims and priorities
- Providing guidance about local infrastructure/partnership arrangements
- Ensuring that BIS funding is distributed equitably
- Monitoring performance and assuring quality
- Securing joint-working with other government departments and national bodies
- Supporting provider diversification
- Gathering/sharing impact evidence.

“The national role should be to set the policy framework - what is the purpose of IACL and its contribution to national agendas.”

Quote from Local Authority Commissioner and/or Provider

Suggested **local roles** included:

- Setting local partnerships

- Ensuring IACL provision meets local needs
- Making decisions on how funding is spent
- Aligning local and national priorities
- Holding providers to account and ensuring the involvement of local people and organisations.

“The local role should be to provide courses that meet the needs of learners and the local community, building on successful models that deliver responsive, flexible learning that builds social capital, individual resilience and enables learners and the local community to have a voice in what courses are delivered, how they are delivered and to express a view on the quality of the outcomes.”

Quote from Representative Body /Membership organisation

Q5. What (if any) steps could facilitate the changing role of central Government in IACL?

The majority of respondents said that steps do need to be taken to prepare for the changing role of central government. Respondents identified the following specific actions:

- Introduce a planned change programme with detailed guidance and milestones so that providers can prepare for, and adjust to, any changes
- Develop planning and accountability tools such as social impact measurement indicators
- Encourage collaboration between central Government departments to support local join-up
- Support work to improve availability of public information about IACL
- Devolve detailed decision-making, but within an overall framework
- Commit to long-term funding for IACL to give the sector confidence about its long-term viability
- Create and promote local IACL ‘hubs’ composed of all relevant local stakeholders (statutory, informal, voluntary), and local IACL champions.
- A small number of respondents suggested setting up a national IACL Advisory Group.

Q6. What are the implications of seeking a wider local provider base?

All respondents agreed that seeking a wider local provider base would have implications. Slightly more respondents gave examples of potentially negative implications than positive implications. Some respondents gave examples of both positive and negative implications.

Potential negative implications included:

- Diluted funding, with less available for each
- Additional infrastructure costs
- Reduction in quality
- Viability of existing providers threatened

- Duplication and /or fragmentation of provision between providers, though this could be managed by effective local planning
- Increased competition, disadvantaging good providers already meeting local needs.

Potential positive implications included:

- Range, quality and responsiveness of local provision improved by increased competition
- Wider reach to disadvantaged groups
- Stronger need, and increased opportunities for, partnership working and sharing of resources
- Benefits to communities through increased involvement, skills building and employment opportunities
- Wider range of providers might draw in funding from other sources.

Q7. What would a localised IACL offer mean for providers, such as the Workers' Educational Association, delivering learning across localities?

The majority of respondents considered that a more localised IACL offer might impact on cross-locality providers. Potential negative implications of a more strongly localised model included:

- More competition might mean that less funding is available for national providers
- It might be costly for cross-locality providers to work within different frameworks and bureaucratic processes
- A few respondents suggested that larger providers might face additional costs due to the need to tailor delivery to local needs; that might mean some courses are no longer available in some areas
- A few respondents suggested that national providers might be affected by local politics or perceived as a threat to existing smaller providers.

Potential positive implications of a more strongly localised model included

- It might enhance the range and quality of national providers' provision because cross-locality providers would need to use local knowledge, work collaboratively and learn from local organisations
- Provision might be more learner-centred because larger providers would need to tailor their offer to meet local need
- Cross-locality providers would still be ideally placed to roll out new national initiatives.

Respondents also referred to a number of issues that national providers would need to consider in the context of a more strongly localised approach to IACL. These included an increased need for local planning, more transparency about how resources are divided across areas, more engagement with local accountability arrangements and the challenge of establishing a presence in very rural areas. Some respondents suggested that there would be no impact on cross-locality providers.

B. Funding for the disadvantaged and cross-subsidising

Q8. Should BIS-funded IACL be targeted or universal, and why?

Overall, half of all respondents to this question saw merits in both universal and targeted provision, according to local circumstances. Almost two thirds of respondents supported the universal availability of BIS-funded IACL on the grounds that it encourages social cohesion. Several respondents commented that by giving adults one of the few opportunities they may have in their lives to mix with people from different backgrounds, an IACL class can raise aspirations and foster closer communities

Other supporters commented that ‘universal’ IACL gives opportunities for more sophisticated fees policies and income generation so that public funding can be directed to the people in most need.

“Often learners engaged in IACL are from deprived backgrounds and on benefits. By limiting the curriculum that colleges can be funded for we strip out opportunities for income generation from the better-off who indulge in learning for pleasure activity”

Quote from Further Education College commissioner and/or provider.

A third of supporters of universal IACL commented on the weaknesses of targeted IACL, including that it:

- Risks creating ‘learning ghettos’
- Is more costly and resource-intensive
- Reduces the opportunity for cross-subsidy by better-off learners
- Offers a less flexible and more limited curriculum, because learning is targeted to particular groups
- Risks disadvantaging people who fall just outside the eligibility threshold.

Around one sixth of respondents supported the targeting of IACL, on the grounds that:

- Providers who are trying to attract all learners may put more effort into attracting fee-payer
- Learners have little spare money available and opportunities for cross-subsidy are limited
- A universal offer risks spreading funding too thinly.
- Targeting is a good use of limited funds and can be used to tackle unemployment.

Around half of respondents saw the advantage of some targeted IACL because it enables funding to be focused on those most in need.

Q9. What are the key challenges to generating fee income and what associated solutions would encourage more sophisticated approaches to income generation?

Respondents to this question identified the following issues in relation to income generation:

- Learners can be discouraged by fees, because they are either unable or unwilling to pay, or not sufficiently aware of the benefits
- Income generation can be divisive, because it creates polarised groups of learners
- Cross-subsidising does not work in deprived areas.
- Income generation is impractical in the current financial context because learners cannot afford to spend as much on learning and providers face higher costs and cuts in funding
- It is unfair for people who are 'nearly poor' and just miss out on eligibility for support; there is also variability between local areas
- Means-testing is complex and costly for providers, raising the costs of fee collection and administration.

Suggested strategies for income generation and cross subsidising included:

- explaining the real costs of learning more clearly to learners

“Not enough has been done to explain to learners that resources are limited and that, while fees may be been very low in the past, what people receive for their fees represents very good value and is in fact cheap.”

Quote from Voluntary Third Sector Organisation

- Developing better guidance for local authorities on income generation and reducing bureaucracy
- Allowing local flexibility, because some existing local models are working well
- Setting fees according to who can pay, levels of demand and type of course
- Presenting fee income as a way of supporting wider learning and organisational objectives
- Enabling learners to contribute 'in-kind', for example by volunteering
- Offering flexible payment plans, money saving offers and incentives
- Exploring new sources of funding through partnership and sponsorship
- Improving course quality and value for money, and devising courses to meet local demand
- Drawing on past guidance e.g. IAL Implementation Group guidance on the breakdown of delivery costs, formula funding and bridging the gap between subsidy and delivery costs
- Reducing bureaucracy in the fee administration process and refining cross-subsidising policies
- Levering in funding from other government departments and from public/private organisations
- Allowing providers to keep a greater proportion of the fees they generate
- Maximising the use of space and offering online booking
- Including local income generation policy in Ofsted reports.

Q10. In a localised model, what are the key challenges and associated solutions that would secure accountability for taxpayers' investment?

Respondents identified a range of challenges to be addressed, including:

- unclear lines of accountability and insufficient scrutiny of providers

“The main challenge will be to agree clear priorities and reporting lines. Challenge can only come if there is a clear framework for target setting, monitoring and reporting... Ultimately, accountability for adult education is no different from accountability for any publicly funded service.”

Quote from Further Education College commissioner and/or provider

- Lack of consistent criteria against which to measure impact and effectiveness
- Lack of national data to check providers’ performance
- Need for greater transparency about the amount invested and how funding is distributed
- Lack of information about whether/how providers are leveraging in additional resources
- Additional bureaucracy involved in increasing accountability – hard for smaller providers
- Need for skilled local leadership to work across different local government sectors
- Need for more local stakeholders to be involved in planning the local IACL offer
- The dangers of stifling innovation and creating a more risk-averse culture
- The potential for different practices to compromise consistency and comparability.

Respondents also identified a wide range of solutions and strategies to improve accountability:

- Set clear objectives and outcomes
- Hold public events and give the public online access to local policies & data
- Canvass local views when planning IACL
- Build on existing structures in local authorities for commissioning, being accountable for funding, and leveraging-in fee income
- Set a clear strategic plan in each locality agreed with all local stakeholders.
- Consult other bodies with local links and leadership roles, such as VCS organisations
- Use participatory budgeting approaches
- Use community scorecards
- Issue national guidance to shape & support local developments
- Increase partnership working so that budgets are shared, procurement is shared, duplication avoided & funding from non-government sources attracted
- Share IACL funding policies/outcomes, identify links with other local policies, get local feedback
- Continue to collect data via the ILR and set national benchmarks as per other SFA funding lines
- Capture data consistently and combine at a national level in regular reports
- Keep data collection requirements to a minimum and avoid unnecessary red tape
- Establish national value-for-money criteria and clarify the funding process for learners

- Fund organisations that are already accountable, e.g. LAs, FE colleges, HE, schools, libraries
- Use provider self-assessment against progression criteria proportionate to size & provision type
- Follow the VCS example, where providers use a central body to handle administration and accountability
- Use a strategic voluntary sector body to manage locally, involving a panel of local stakeholders
- Learn from past models, particularly Adult Community Colleges
- Ensure staff are qualified and/or hold relevant professional body membership, e.g. IfL.

C. Robust evidence and impact measures

Q11. Which, if any, of options A, B and C presents a proportionate approach to measuring impact? Are there any alternatives?

Respondents were given three options:

- Option A: responsibility for measuring impact is left to the recipient of funding and there is no attempt to capture a national picture
- Option B: responsibility for measuring impact is left to the recipient of funding and this information is aggregated to present a national picture.
- Option C: in addition to the recipient of funding taking responsibility for measuring the impact of IACL investment, there could be a national learner survey that captures learners' views on BIS-funded IACL activity shortly after they have completed their learning.

The majority of respondents were in favour of option C, individual data capture **and** a national learner survey to gather the views of learners after the finish of their learning programme, on the grounds that it would:

- Provide a wide range of data at both local and national level
- Establish the effectiveness of different learning approaches
- Capture 'learner voice' in a consistent way.

A few respondents argued that a national survey might be burdensome for learners and could be challenging for ESOL learners or people with low literacy levels.

Respondents suggested the following alternative approaches:

- Create local surveys by drawing down questions from a national framework and adding locally-devised questions
- 'Benchmark Clubs', currently hosted by some Local Authorities but could be hosted by BIS or SFA
- Use Social Return on Investment (SROI) approaches to demonstrate social impact locally and then aggregate the data nationally
- Use information from learner records to assess the uptake of IACL both in terms of overall numbers and targeted groups
- IfL supply data on members' qualifications.

Q12 What core information should recipients of BIS investment have to provide in relation to learner characteristics and learning activity?

Respondents endorsed the collection of the kinds of data currently collected (type of learning, guided learning hours, fee paid, age, gender, postcode, ethnicity, employment status, disability, qualifications, benefits etc) and made the following suggestions for adjustments or for the collection of additional information.

- Outcomes of learning such as personal development, improvements in health and wellbeing or progression into other learning or employment
- Wider impacts of learning, such as levels of health service use, reduction in social isolation, financial gains
- Learner motivations, to help inform the planning of IACL and track progress/impact
- Learner satisfaction.

Other suggestions included information about the learner's route into IACL, about the IACL workforce, including qualifications and evidence about local learning needs and how they are being met. Some respondents also commented on the administrative burden of data collection, (particularly for smaller providers), the need for a more standardised approach to local data collection and the desirability of making providers report on how they are being accountable to their local communities.

“It is important to create a model that strikes a balance between gathering appropriate information and minimising the burden on the smaller community providers. Otherwise it will defeat the objective of real local community activity as only larger organisations will be positioned to comply.”

Quote from VoluntaryThird Sector Organisation

Q13 How can administrative data be used effectively to map fee income and learner disadvantage?

Respondents suggested that data could be used for:

- Social deprivation mapping: cross-referencing learner data with wider datasets drawn from the census, local population data, benefits data and/or indices of multiple deprivation
- Equality and diversity mapping: monitoring participation by learners within specific equality categories such as by age, gender, ethnicity and/or sexual orientation
- Postcode mapping: monitoring fees paid by individual learners by area and learner disadvantage in different localities (e.g. by using indices of deprivation) to show whether the expected levels of fees are being paid in affluent and less affluent areas
- Understanding demand: mapping the demand for learning in different areas to inform the planning of provision and target disadvantaged groups
- Impact mapping: monitor the impact of IACL.

“Core learner-level profiling information should establish, track and measure the perceived expected outcomes (personal and community based social and economic impact measures) against those it actually meets. Such monitoring will provide critical pathway data that can both help demonstrate impact as well as informing strategic planning and adjusting engagement tactics. This will allow providers to boost participation from under-represented groups”.

Quote from Voluntary Third Sector Organisation

Some respondents commented on the effectiveness of the existing Individualised Learner Record (ILR) for gathering data on fee income and learner disadvantage. Some commented on the problem of differences in fee income policies and data collection practices between local areas. Some respondents also referred to the administrative burden associated with collecting and using data, and highlighted the importance of ensuring that bureaucracy is not disproportionate.

“There are complexities in defining disadvantage as this is not necessarily wholly income related. Learner disadvantage data should take into account other variables based on learner characteristic data and factors such as postcode or rurality.”

Quote from Representative Body/membership organisation

D. Funding anomalies and funding distribution

Q14 What factors should be taken into account in the distribution of BIS funding for IACL?

Respondents commented on the current inequitable distribution of IACL funding and the fact that ‘statistical neighbours’ which are currently receiving different levels of funding per learner. This uneven funding allocation leads to the perception that some localities are being penalised for having a well-developed IACL offer, while others with less developed offers are rewarded with more funding.

The vast majority of respondents supported a distribution according to levels of deprivation, local demographics and local need, with priority for areas experiencing higher levels of economic and social deprivation. Many respondents noted the need to stagger any changes, e.g. introduce them over three to five years, in order to prevent loss of staff and destabilisation of current provision.

“Changes to funding distribution should not be implemented too quickly or it could reduce the value for money of the funding; current providers could face substantial redundancy costs and expertise in the field could be lost.”

Quote from Local Authority Commissioner and/or Provider

Respondents suggested that indicators should include:

- Levels of poverty
- Unemployment figures
- Education and skills levels
- Indices of multiple deprivation
- Average household income
- Crime statistics, e.g., number of ASBOs

- Level of wellbeing and health problems
- Numbers of people in hard-to-reach groups.

Some respondents noted that balancing local deprivation with demographic profiles would enable rural deprivation to be taken into account, so that funding can be used to tackle social exclusion in rural areas where poor transport leads to lack of access to learning, skills and jobs, as well as isolation among older people. Some respondents highlighted other factors they wanted taken into consideration, including:

- Levels of demand for IACL and quality of existing provision
- Impact on learners and communities, for example, where learning promotes social cohesion by bringing together people from diverse backgrounds, tackling social issues, encouraging people to be active within their communities or improving health, wellbeing and quality of life.
- Financial rewards for providers who secure positive impact for learners or communities.
- Flexibility for local decision-makers to allocate funding on the basis of need and demand, e.g. taking into account the needs of specific pockets of deprivation within affluent areas & homeless people who move from one area into another (without letting transient populations skew data)
- The need to ensure propriety in use of public funds by securing value for money and avoiding waste, e.g. funding should not be used to map provision/need if this data already exists
- The need to review funding allocations at regular intervals in order to take into account changes to the population
- The need to make links with broader local and national policy, with more joined-up working across departments and policy areas, e.g. the adult skills budget, health and wellbeing, community development and localism.

Other factors that respondents wanted to influence funding distribution included quality of provision, learner satisfaction, the possibility of one single adult skills budget, providers' capacity, types of provision and their relative benefits for learners.

Q15 Which, if any, of options A, B or C would best secure more localised delivery and are there alternatives that could be considered?

Respondents were given three options:

- Option A: Funding allocated directly to providers
- Option B: Single local commissioning body or commissioning partnership
- Option C: Tender out a few large contracts across England

Just less than three quarters of respondents favoured Option B, with significant opposition directed at Option C. A single local commissioning body or partnership was seen as having the potential to bring:

- Greater local democratic participation and accountability
- A more strategic, innovative approach to IACL delivery and one that helps prevent duplication
- Responsive localised and cross-local delivery
- Support for partnership working

- Maximum value for money by joining up services, aligning funding streams & focusing on need
- Reduced bureaucracy for providers
- Fair and equitable provision.

A few respondents noted the following potential disadvantages of the commissioning body model:

- There may be additional costs of management, administration and bureaucracy
- Providers may not be able to contribute to decision-making
- There may be conflicts of interest if the body is both commissioning and delivering
- Smaller, non-publicly funded providers may get left out
- There may not be the necessary skills to deal with this responsibility
- Political interests rather than local needs may influence decision-making
- There may be a lack of local accountability if the commissioning body is not the local authority.

There were also references to the implications of the Localism Bill and a few suggestions for alternative models, including:

- Using a 'mixed economy' of funding instruments as appropriate to the aims of what is funded
- Giving learning vouchers to people on benefits to spend at accredited learning organisations
- Using approaches which have previously helped promote local partnership-working, e.g. the Big Lottery Fund's Children's Play Programme.

E. Creating conditions for IACL to thrive

Q16. Should BIS IACL funding be used to fund capacity building and innovation?

The great majority of respondents to this question agreed that funding should be used to support capacity building and innovation, though there were different views about the activities it should fund. Among those who agreed, there was consensus that:

- Innovation funding helps find new ways of engaging people, particularly those who are disadvantaged or hard to reach
- Strengthening the capacity of individuals and communities is a key purpose of IACL and what makes it effective in achieving its aims and contributing to broader policy objectives.

Most respondents wanted funding to support activity that could generate sustainable outcomes, for example engaging new learners, encouraging self-organised learning or enabling providers to take advantage of innovative approaches like e-learning. A small number of respondents disagreed with the proposal and wanted priority given to direct delivery, with innovation left to local sponsorship and/or funded from a separate budget, with contributions from relevant central government departments.

Q17. If yes, how should funding be balanced and what type of activity should be funded?

Respondents' suggestions for the balance between funding for direct delivery and funding for innovation and capacity-building depended on their preferred approach to managing the funding. There were 3 main approaches:

- Respondents who advocated local management of funding for innovation & capacity building suggested that BIS set a maximum percentage to be spent and broad parameters regarding eligible activities, allowing local areas to make detailed spending decisions
- A smaller number of respondents advocated a national top-slice of the IACL budget for innovation & capacity building and suggested different percentages to be sliced, ranging from 5% to 20% of the total IACL budget
- A very small number of respondents favoured a completely separate fund, potentially with contributions from relevant central government departments.

There was a wide range of opinion about activities that could be funded, including:

- Supporting community development activity, e.g citizenship, volunteering and mentoring, community learning champions, green initiatives and learning co-operatives
- Supporting e-learning and technology, e.g. e-learning packages and on-line shared resources, digital learning champions
- Enhancing the capacity of the voluntary sector
- Supporting self-organised groups
- Targeting disengaged or disadvantaged people
- Encouraging organisations to share resources, including the opening up local spaces
- Devising new content and innovative learning approaches to engage new learners.

F. Workforce training and development

Q18. Is there a need for quality assurance arrangements to be changed in light of the potential changes to BIS-funded IACL? If yes, in what way?

The majority of respondents to this question suggested that quality assurance arrangements should change. Many respondents commented on the need for quality assurance that makes a meaningful assessment of IACL provision and is not onerous for providers. Respondents:

- Supported the continued assessment of teaching quality and learning outcomes, including changes in learners' confidence and social skills.
- Wanted to see assessment of how effectively providers respond to local need and contribute to community development
- Supported the idea of assessing the quality/efficiency of the local infrastructure, local delivery plans, networks/partnerships, as well as the quality of outreach to learners and potential learners who are disadvantaged or disengaged
- Supported thematic reviews for IACL
- Did not want quality assurance processes to be overly formal and burdensome in terms of time, cost and complexity and suggested that this could be a

particular problem for smaller providers. A number of respondents proposed a 'light touch' approach for quality assurance of IACL providers.

"There needs to be [...] recognition that with small local providers a "lite" touch is required to ensure that these providers are not drowning in paperwork."

Quote from Local Authority Commissioner and/or Provider

- Wanted a broadening of Ofsted's remit to make quality assurance more meaningful in the IACL sector, e.g. covering outreach, community involvement and wider learner outcomes as set out above and saw the Common Inspection Framework (CIF) as too restrictive
- Wanted assessors to have relevant sector expertise in order to make accurate judgements about IACL provision, with specialist knowledge of the aims, values and complexities of IACL; inspectors could be drawn from the sector, be accompanied by a sector expert or attend 'placements' with IACL providers before undertaking inspections in these settings.

"Flexibility and response to need is at the forefront of this type of learning and very often due to the rigidity of a single framework, the essence and impact can be missed unless the knowledge of those inspecting is much broader than a single curriculum area."

Quote from Local Authority Commissioner and/or Provider

- Wanted consistency in quality assurance, particularly in the context of a wider provider base; flexibility and reducing the assessment burden should not be at the expense of quality
- Saw self-assessment and peer review as a useful and cost-effective means of assuring quality alongside external assessment; the development of peer review models should be encouraged in order to grow the sector's capacity to self-regulate.

Q19. What adjustments to current workforce development arrangements in England would best support the new vision for IACL?

The vast majority of respondents to this question supported changes in workforce development arrangements. Suggested changes included:

- A review of qualification requirements for a diverse, community-based and often part-time workforce; staff should be required to hold qualifications that are appropriate and proportionate to their specific role; most respondents considered Preparing to Teach in the Lifelong Learning Sector (PTLLS) an appropriate qualification, particularly for part-time staff.

"Current QTLS arrangements are too restrictive and are inaccessible for many part-time community-based teachers. We would welcome the introduction of a more flexible approach including perhaps the introduction of an intermediate qualification."

Quote from voluntary/third sector organisation

- A recognition of the value of non-teaching skills and qualifications, including support skills such as Information, Advice and Guidance (IAG), facilitation, counselling and family support. There was wide agreement among respondents that qualifications for the IACL workforce need to be flexible, but that any adjustments to qualification requirements should maintain minimum and consistent standards and the professional quality of the workforce.
- The availability of more staged and/or modular qualifications to enable part-time staff to work towards qualifications at a flexible, manageable and affordable pace.
- Appropriate training and support that is flexible, accessible, affordable and tailored to workforce needs, including volunteers and self-organised groups; respondents highlighted the need for staff to develop community engagement and learner development skills as well as teaching skills.
- Appropriate entry and progression routes into and within the workforce, to encourage entrants from a range of backgrounds, including community members, learners, volunteers, library staff and self-organised group leaders.

“Equally important is to offer routes into the workforce and training modes that are accessible to adult and community workforce, which includes community members who have relevant knowledge and skills for working with local communities but not necessarily the traditional entry qualifications.”

Quote from Representative Body/Membership Organisation

- A review of the requirement for Institute for Learning (IfL) membership, because it was felt that it may not be necessary for all members of the IACL workforce. Respondents suggested that IfL membership systems and fees should be proportionate to the hours worked by IACL staff
- Encouragement to share good practice as an important strand of workforce development that could be supported through networks and peer mentoring schemes.

Annexes

Annex 1: list of respondents

1. 157 Group
2. A4e Limited
3. Activ8 Leeds
4. AIM Awards
5. Alliance Sector Skills
6. Association of Colleges
7. Association of Employment & Learning Providers
8. Association of National Specialist Colleges (Natspec)
9. Association of Managers in Education (AMiE)
10. Association of Teachers & Lecturers (ATL)
11. Association of Schools & College Leaders (ASCL)
12. Axia Solutions
13. Bolton Council
14. Bristol City Council
15. British Chambers of Commerce
16. Buckinghamshire County Council
17. Capacity Ltd
18. Catholic Education Service for England & Wales
19. Chartered Management Institute (CMI)
20. CBI
21. Centre Point
22. Centre for Public Scrutiny
23. Cheshire East Council
24. Cheshire East Council Lifelong Learning
25. Cheshire West and Chester Council
26. China Britain Education Centre (UK)
27. CITB Construction Skills
28. City & Guild
29. Counselling Psychotherapy Central Awarding Body
30. Construction Skills
31. Consulting Principles Limited
32. Crafts Council
33. Creative & Cultural Skills
34. Crisis
35. Cumbria County Council
36. Derbyshire Learning and Consortium
37. Disability Alliance
38. Dudley MBC
39. Durham County Council
40. East of England NHS
41. East Riding of Yorkshire Adult Education Service
42. easyastraining
43. Education4me Limited
44. ELATT
45. Electoral Contractors Association (ECA's)
46. Elmfield Training Limited

47. English Speaking Board (International)
48. Equality 2025
49. Extended Learning, Rotherham Metropolitan Borough Council
50. Federation of Awarding Bodies
51. Federation of Groundwork Trusts
52. Federation of Small Businesses (FSB)
53. Financial Skills Partnership
54. Forum of Private Business
55. G4S Care & Justice Services (UK) Ltd
56. GMCA Greater Manchester Combined Authority
57. Group Training Association GTA England
58. GuildHE - higher education representative body that includes FE and 'mixed economy' specialist providers of HE
59. Hartlepool Borough Council
60. HOLEX
61. HMP Liverpool
62. Institute for Learning (IfL)
63. ITS Training Services
64. Ixion Holdings
65. JHP Group
66. JTL Training
67. Kent County Council Community & Learning Skills
68. Kirklees Labour Market and Skills Board
69. KPMG
70. LANDEX Land Based Colleges Aspiring to Excellence
71. Lantra the Sector Skills Council
72. LASALS
73. Learndirect
74. Learning & Skills Employment Network
75. Leeds City Council
76. Leeds City Region LEP's
77. Leicester LA Leicester Learning Network (LSLS)
78. Lincolnshire County Council
79. Linking London
80. Liverpool City Council
81. Local Government Association (LGA)
82. London Capital Colleges
83. Mary Ward Centre
84. Merseyside Colleges Association
85. Millionplus+
86. Mixed Economy Group of Colleges (MEP)
87. MOD
88. Myscience
89. NAS Social Care
90. National Association of Educational Guidance for Adults (NAEGA)
91. National Examination Board in Occupational Safety & Health (NEBOSH)
92. National Older Learners Group
93. National Research & Development Centre for Adult Literacy & Numeracy (NRDC)
94. National Skills Academy for Nuclear
95. Newcastle City Council
96. New Engineering Foundation

97. Nefgr
98. NCFE
99. NIACE
100. NHS East of England
101. NHS Hertfordshire
102. NHS Norfolk and Waveney
103. NHS Yorkshire and The Humber
104. Norfolk City Council
105. North Tyneside Employment and Learning Strategy Group
106. North Yorkshire Local Authority
107. Nottingham City Council
108. NUS
109. NW LEA FEA
110. OCN London Awarding Organisation and Access
111. OCR
112. Ofsted
113. PCS
114. Preston City Council
115. Prisoners Educational Trust
116. Prospects Learning Foundation
117. Prostart Training
118. Puffins of Exeter Ltd
119. Quality Assurance Agency for Higher Education QAA
120. RaPAL
121. Reading Borough Council Informal Adult Learning Network Community
122. Royal Academy of Engineering
123. Semta
124. Skills for Justice
125. Skillset
126. Somerset Skills and Learning
127. St. Gemma's Hospice Citywide Education Lead for End of Life and Palliative Care
128. St Mungo's
129. Stockton-on-Tees Tees Valley LEPS
130. Staffordshire County Council
131. Sunseeker International (Marinen Manufacturing & Export)
132. Surrey Lifelong Learning
133. The Association of Accounting Technicians (AAT)
134. The Foyer Foundation
135. The Gatsby Charitable Trust
136. The Learning Curve
137. The Learning Trust London Borough of Hackney
138. The Lesbian & Gay Foundation
139. The Local Education Authority Forum for the Education of Arts (LEA FEA)
140. The Open University
141. The Reading Agency
142. The Third Age Trust
143. Third Sector
144. TSNLA
145. TUC
146. UNISON
147. United Kingdom Cleaning Professionals Academic Service
148. University of Derby Buxton campus

149. University of Leicester
150. University of The Arts London
151. UCAS
152. UCU
153. UpskillCentral
154. Voluntary Sector North West
155. Warriors 2 Work
156. West Sussex Adult and Community Learning Service
157. West Yorkshire Learning Providers – WYLP
158. Westminster Partnership Centre for Excellence in Teacher Training
159. Wirral Metropolitan Borough Council
160. Wincanton Group Ltd
161. Wolverhampton City Council
162. Workers Educational England

Colleges

1. Bishop Auckland College
2. Barking and Dagenham College
3. Blackpool & Fylde College
4. Bolton College
5. Bradford College
6. Brune Park Community College
7. Burton & South Derbyshire College
8. Cambridge Regional College
9. Canterbury College
10. Carlisle College
11. Chesterfield College
12. Chichester College
13. City of Bath College
14. City and Islington College
15. City of Westminster College
16. Derwentside College
17. Doncaster College
18. Franklin College
19. Hull College
20. Kingston and Carshalton Colleges
21. Leeds City College
22. Leicester College
23. Milton Keynes College
24. Newcastle College Group (NCG)
25. New College Nottingham
26. Oxford and Cherwell Valley College
27. Preston College
28. Richmond Adult Community College
29. Shipley College
30. Southend Adult Community College
31. South Thames College
32. South Leicestershire College
33. St Helens College
34. Suffolk New College
35. Sutton College of Learning for Adults

36. Swarthmore College
37. The Lancashire Colleges
38. The Northern College
39. Thomas Rotherham College
40. Tresham College
41. Waltham Forest College
42. Wakefield College
43. Warwickshire College
44. West Cheshire College
45. Westminster Kingsway College
46. Weston College
47. Working Mens College
48. Yeovil College

Individuals

1. Georgina Lee
2. Heather (no surname)
3. Jackie Richards
4. Erin Galvin
5. Carrie Leach
6. Mrs Sara Gandey
7. Chris Roberts

Annex 2: Informal Adult and Community Learning (IACL): respondent profile

1. Total number of IACL responses: 185

2. Response format: IACL

Email	108
Online form	77
Hard copy	0

3. Respondent type: IACL

Local authority commissioner and/or provider	63	Individual practitioner	1
Voluntary / third sector organisation	32	Charity	1
Further Education College commissioner and/or provider	23	Self organised group, co-operative, club, society	1
Representative body / membership organisation	21	Religious organisation	1
Specialist Designated Institution commissioner and/or provider	6	Non Departmental Public Body	3
Third sector commissioner and/or provider	5	Arts / cultural organisation	0
Private sector learning provider	4	Think tank	0
Trade union	4	Space holder (e.g. pubs, shops, community centres, post offices)	0
Local / national government	3	Sector skills council	0
Research organisation	2	Media / social media organisation	0
Individual learner	2	Higher Education Institution provider	0
Employer	1	Other or unknown	12

4. List of respondents: IACL (note that list does not include respondents who requested confidentiality)

1. 157 Group
2. ACRE (Action with Communities in Rural England)
3. Action on Hearing Loss - RNID
4. Adult College of Barking and Dagenham
5. Age UK
6. Arts Council
7. Association of Colleges
8. Association of East Midlands U3As
9. Association of Employment and Learning Providers
10. Association of National Specialist Colleges
11. Association of School and College Leaders

12. Barnsley Metropolitan Council
13. Big Lottery Fund
14. Birmingham Adult Education Service
15. Blackburn with Darwen Borough Council
16. Blackpool Council
17. Bolton College
18. Bracknell Forest Council
19. Bradford College
20. Brighton and Hove Adult Learning Group
21. Bristol City Council
22. British Red Cross
23. Buckinghamshire County Council
24. Cambridge Regional College
25. Cambridgeshire County Council Adult Learning and Skills
26. Capacity Ltd
27. Carlisle College
28. Catholic Education Service for England and Wales
29. Changes UK
30. Cheshire East Council Lifelong Learning Service
31. Cheshire West and Chester Council
32. Church of England
33. City & Guilds Centre for Skills Development
34. City Lit
35. Community Learning Forum - AFCL
36. Cornwall Council
37. Council of the Isles of Scilly
38. Council Partnership for Informal Adult Learning
39. Crisis
40. Cumbria County Council
41. Derby City Council
42. Derbyshire County Council
43. Derbyshire Learning and Development Consortium
44. Different Strokes North London Group
45. Digital Unite
46. Disability Alliance
47. Dudley Metropolitan Borough Council
48. Durham County Council
49. East Riding College
50. Educational Centres Association
51. Equality 2025
52. Federation for Community Development Learning
53. Federation of Awarding Bodies
54. First Taste
55. Foyer Federation
56. Friends Centre Brighton
57. Friends of Putney School of Art and Design
58. Greater Manchester Combined Authority
59. Hampshire County Council
60. Hastings & Rother Adult & Community Learning Forum
61. Hastings Furniture Service
62. HBC
63. Heritage Lottery Fund

64. Hertfordshire County Council
65. HOLEX (National Network of Learning Providers)
66. Homeless Link
67. Hull City Council Adult Education Service
68. Huntingdonshire and Fenland Informal Adult Learning Partnerships
69. Inova Consultancy
70. Inroads
71. Institute for Learning
72. Isle of Wight Council
73. Kent County Council Community Learning and Skills
74. Kirklees Adult Learning Partnership
75. Kirklees College
76. Knowsley MBC
77. Lache Lifelong Learning Association
78. Lambeth Adult Learning Service
79. Lancashire County Council
80. Leap
81. LearnDirect
82. Learning Curve
83. Learning Trust, Hackney
84. Leeds City College
85. Leicester College
86. Lesbian & Gay Foundation
87. Lincolnshire County Council
88. Liverpool Adult Learning Service
89. Liverpool City Council Adult Learning Service PCDL Partnership Group
90. Local Education Authority Forum for the Education of Adults (LEAFA)
91. Local Government Association
92. London Borough of Camden Adult and Community Learning Service
93. London Borough of Camden Adult Learning Partnership
94. London Borough of Haringey
95. London Borough of Harrow
96. London Borough of Hounslow
97. London Borough of Lewisham
98. LSEN
99. Mary Ward Centre
100. Merseyside Colleges Association
101. Milton Keynes College
102. Milton Keynes Council
103. Morley College
104. National Association of Educational Guidance for Adults
105. National Council for Voluntary Youth Services
106. National Older Learners Group
107. National Open College Network
108. NAVCA
109. Newcastle City Council
110. NIACE
111. North Tyneside Employment and Learning Strategy group
112. Northern College
113. Nottinghamshire County Council

114. NW LEAFEA
115. Ofsted
116. Open University
117. Participatory Budgeting Unit
118. Plymouth City Council
119. Portsmouth City Council
120. Prison Reading Groups project (Roehampton University in partnership with the Prisoners' Education Trust)
121. Prisoners Education Trust
122. Public and Commercial Services Union
123. Reading Agency
124. Redcar & Cleveland Borough Council
125. Richmond Adult Community College
126. Rotherham Adult Learning Partnership
127. Rotherham Metropolitan Borough Council
128. Royal Borough of Windsor and Maidenhead
129. Rural Community Services (West Cheshire)
130. Share the Vision
131. Sheffield City Council Lifelong Learning Skills and Communities
132. Skills – Third Sector
133. Slough Borough Council
134. South Cheshire College
135. South Gloucestershire Council
136. South Leicestershire College
137. St Antony's Centre
138. St Helens College
139. St Mungo's
140. Stockport Continuing Education Service
141. Surrey Lifelong Learning Partnership Ltd
142. Sutton College
143. Swarthmore Centre
144. Tata Consultancy Services
145. The U - a citizens university, a venture of the Young Foundation
146. Third Age Trust
147. Third Sector National Learning Alliance
148. TUC
149. UCU
150. UK Online
151. Unison
152. Voluntary Arts England
153. Voluntary Sector North West
154. Wakefield College
155. Wandsworth Council Lifelong Learning Development Group
156. Warrington Borough Council Lifelong Learning
157. West Berkshire Adult and Family Learning Partnership
158. Weston College
159. Wirral Metropolitan Borough Council
160. Wolverhampton City Council
161. Workers' Educational Association

Annex 3: Research to assess preparation for and changes arising from the new FE reforms and skills policies

Earlier in 2011, the Department for Business, Innovation and Skills commissioned CFE to undertake some initial research to understand how colleges and organisations were likely to assimilate and react to the reforms and policies set out in *Skills for Sustainable Growth and Investing in Skills for Sustainable Growth* published in autumn 2010. There has been significant progress in the delivery of the FE reform programme and skills policy changes since this study was carried out. However, the research findings provided helpful input to the policy development for *New Challenges, New Chances*. A summary of the findings is available at <http://www.bis.gov.uk/policies/further-education-skills/research-and-statistics>

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URN 11/1384