

Request for changes to the ILR Specification in response to the current economic downturn

Change Requestor	LSC Integrated Employment and Skills Team, LSC Funding Policy Team, DIUS
Background and Context	<p>Skills Secretary John Denham has made it clear through the publication of the command paper 'Work Skills', the Grant Letter and an addendum to it issued in response to the recession, that the LSC needs to work more closely with Jobcentre Plus and other partner organisations to deliver a more integrated employment and skills (IES) Service.</p> <p>The Secretary of State has also made it clear that he expects FE providers to focus more on helping the unemployed into employment as a result of improving their economically valuable skills.</p> <p>In order to monitor, manage and report on the take up provision by those individuals not in work, a consistent way of recording employment status at the commencement of learning is required for all learners.</p>
Overview of Request for Change	This request is for a change to the ILR in order that it can be used more widely than is currently possible to collect information on individuals not in employment at the the start of a learning programme. It will also support reporting on how many of those individuals are helped to enter employment as a result of undertaking skills provision.
Who would this change apply to	All providers delivering provision to learners who are out of work at the time of starting on LSC-funded provision.
Business Case	<p>Due to the economic climate, increased pressure is being put on the education and skills system to do more to support individuals to up-skill or re-skill in order to move into work. This is not just as short term need, but will be increasingly important as the country comes out of recession and the economy starts to and continues to grow. The sector must help to ensure that the right people are being equipped with necessary skills for appropriate labour markets.</p> <p>The Government and the FE sector are currently unable to report on the contribution made by FE and skills providers in addressing the skills and employment needs of those individuals not in work. Due to the limitations of the recording of benefit status for the purposes of claiming fee remission, there is currently no way of assessing how many learners are not in work at the commencement of learning (as some learning is</p>

	<p>automatically fee remitted, and therefore does not require providers to ascertain employment status).</p> <p>In order to manage provider performance and ensure that providers are targeting more priority learners, the ability to capture and report on such information will also be vitally important to the LSC and the Skills Funding Agency.</p>
Proposed Solution	<p>The ILR needs to capture the employment status of all learners undertaking provision funded via both the Adult Learner Responsive (ALR) and the Employer Responsive (ER) funding streams: £100m worth of new provision is being allocated via the ER stream; £83m worth of additional funding will be targeted via the ALR</p> <p>There is already a field on the ILR (L36) that is used to record the employment status of apprentices but this is restricted to programmes funded via the ER only.</p> <p>Either L36 needs to be revised to cover all unemployed programme participants and made available to ALR funded provision OR a new field applicable to both funding streams needs to be devised that can subsume the current L36 categories.</p>
Risks, Issues and Limitations	<ul style="list-style-type: none"> Any changes to the ILR introduced now may not meet the long term needs of the LSC or the SFA. The LSC and DIUS need to be clear about the limitations of the proposed field: it would be primarily to monitor and report on the delivery of skills training to those individuals unemployed at the commencement of their learning programme, It would support a limited amount of associated MI such as and broader analysis of the associated learner and learning aim characteristics. It could however provide valuable information that could be used at programme level to match with DWP data to analyse the impact of provision on sustainable employment. The proposed field would only capture and record information about employment status at the commencement of the learning period.
LSC Support / Consultation	<p>Support for this comes from the Skills for Employment and Funding Policy teams at the LSC, as well as senior officials at the Department for Innovation, Universities and Skills.</p>
Information Authority Consultation	<p>The information authority is seeking feedback to this change request through existing provider consultative groups and via fe-connect. The following questions will</p>

	<p>be asked of providers:</p> <ol style="list-style-type: none"> 1. Is it possible to capture this data accurately? 2. What concerns do you have regarding the data capture and quality 3. Do you feel that this information would benefit providers and learners?
<p>Feedback received so far from <i>Information Authority</i> Consultation</p>	
<p>Secretariat recommendation to the board</p>	