

English Language and employability in London

February 2008

Foreword

ESOL plays a vital role in helping individual get into and progress in work. It also serves to help people participate more effectively in their community.

A significant amount of public expenditure on adult skills in London goes towards funding ESOL provision. Given the significance of ESOL to Londoners, the Board established a Task and Finish Group to look at the nature and impact of provision in London.

The Board had a particular interest in understanding how employability outcomes were being achieved in current provision and the changes required to continue to place an emphasis on ESOL enabling individuals to progress in learning and work.

This report sets out the headline issues and actions that need to be taken to improve the impact of ESOL.

There are already significant changes being made by providers to improve the skills and employment outcomes of ESOL.

We want to support that good work and encourage providers to share good practice and shape what is delivered so that it meets the needs of learners to get on.

As a Board we will continue to take an active interest in ESOL provision to ensure it continues to improve.



Harvey McGrath

Chair - ESOL Task and Finish Group

Introduction

The London Skills and Employment Board (LSEB) recognises the vital role that English language training plays in promoting economic prosperity and community cohesion. London's rich cultural mix brings very significant benefits to the capital, but not everyone can make the most of what the city has to offer. People without sufficient English language skills do not have the same life chances – for accessing services or supporting their families, or for work and volunteering.

It is acknowledged that whilst there is significant public investment in English for Speakers of Other Languages (ESOL) and some examples of very good provision, much work remains to be done to increase the effectiveness of ESOL – for individuals, communities and employers.

This paper is a key stage in the Board's work to help make ESOL more effective, which began in 2007 when the LSEB planned and implemented two key developments:

- The ESOL Transition Fund which is a package of support that draws together investment from the Learning and Skills Council and London Development Agency to give capacity building support for ESOL providers to reshape their provision. The aim is to develop ESOL that can improve people's employability and engage those who are most vulnerable and excluded in our communities.
- Research to understand and explore the critical issues for ESOL in more detail. The purpose of this work was to identify what progress was already being made in creating more effective ESOL, and the key blockages that continue to prevent this progress from being rolled out.

The Board is particularly focused on supporting improvements and changes in ESOL provision that not only help more people to get sustainable work and better jobs, but that also properly engage those who are most excluded through 'employability pathways' that enable them to get involved with their children's schools, volunteer and achieve other goals that are the stepping stones towards cohesion and employment.

The purpose of this paper is twofold. First, to provide a snapshot summary of the key issues for ESOL in London by identifying existing features, trends and problems, as well as the developments that are underway to make ESOL more effective. Drawing on this analysis, its other purpose is to propose further actions that could be taken to drive up the impact of ESOL.

The paper is structured as follows:

- Definitions of key terms used in the paper (page 2)
- Analysis of evidence and headline issues (pages 3-10)
- Key challenges and proposals for consideration (pages 11-13)
- Quick reference information (page 14)
- Appendix: Licence to Skill (pages 15-16)

Definitions

For the purposes of this report, terms are defined as follows:

- **ESOL** is used to encompass all English language provision, whether or not it leads to ESOL qualifications. Where the term is used more narrowly, for example, with reference to provision that leads to achievement of the Government's Public Service Agreement (PSA) target, this is made explicit. The key focus is on adults (19+), however, the critical importance of ESOL for families, young people and children is acknowledged.
- **employability** is used to mean the ability to move towards and into a sustainable job, continue acquiring skills and progress in the labour market. It applies to people who are in work and those who are not in work – some of whom may not move into paid work for some years.

It recognises that the fundamental **attributes** that make us 'employable' are those that also underpin cohesion. Cohesion is stressed in the recent consultation paper, '*Focusing ESOL on Community Cohesion*'. The paper quite rightly highlights the importance of engaging people who are most excluded. English language skills for employability are not simply about getting jobs, they are about engaging excluded people. They equip people with the self-confidence and understanding of UK culture, organisations and processes that enable them to support their families and engage with their communities as well as to be successful at work.

The key factor is progression – enabling people to progress through a series of provision that includes embedded and contextualised ESOL that is relevant to their lives and their aspirations. As we know with the best kinds of learning, it is also about supporting people to challenge and stretch themselves to reach their full potential

- '**people with ESOL needs**' is often used to describe those who may not have enough English language skills to get the most out of living and working in the UK, and is used in this way in the paper. However, it is important to note (and is acknowledged throughout) that these people also **possess skills**, experience and attributes that are very valuable – personally, for their families, communities and for employers.

Analysis of evidence and headline issues

Estimating current and future need

- In 2006, it was estimated that 600,000 people of working age had **varying** levels of ESOL need. Roughly a quarter of that figure access publicly funded ESOL provision. Some people might only need relatively short interventions, and not all require free provision. Providing estimates and future predictions for people with ESOL needs is challenging. Estimates rely on assumptions based on country of birth, qualification levels, employment status and other 'proxies' to indicate need. Predictions of future need rely not only on accurate and timely intelligence about planned events eg: EU enlargement, planned refugee settlement, but also are subject to unforeseen events including international conflict. The Mayor's new migrant databank should be useful in providing an additional planning resource, however, the issues for predicting need indicate the importance of a responsive, flexible and sustainable system of provision.
- Effective planning of ESOL provision is at its best when agencies share supply and demand data in a timely and collaborative manner. A recent example is the Border and Immigration Agency providing precise numbers and locations of 'backlog' asylum seekers and their families that will require support once they are granted leave to remain in the UK. This information has now been shared between regional partners through the Multi Agency Skills Team (MAST) in order to make sure that appropriate services can be put in place. MAST core members include representatives from the London Region Learning and Skills Council, the London Development Agency, London Jobcentre Plus and the Greater London Authority. The role of the group is to provide an effective, fast response mechanism for cross agency working that can support the more effective planning of skills provision. It has a particular focus on integrated employability pathways, including the role of ESOL, literacy and numeracy.
- The number of people taking up ESOL provision has steadily increased. In 2004/05, around 111,000 people took up LSC funded provision, rising to over 127,500 in 2005/06. However, very early anecdotal evidence for 2007/08 points to a fall in take up (to be verified by data) which may be a result of the removal of universal access to free ESOL provision. People with ESOL needs who have jobs, which will include many EU migrants, can no longer access free provision. Take up could continue to fall, although the demand will remain. Some people who would have previously enrolled on ESOL provision might enrol on literacy provision because it retains universal fee remission. There are a number of surveys ongoing to monitor the trends and assess the impact of the changes.

Who needs ESOL and who is taking up the provision?

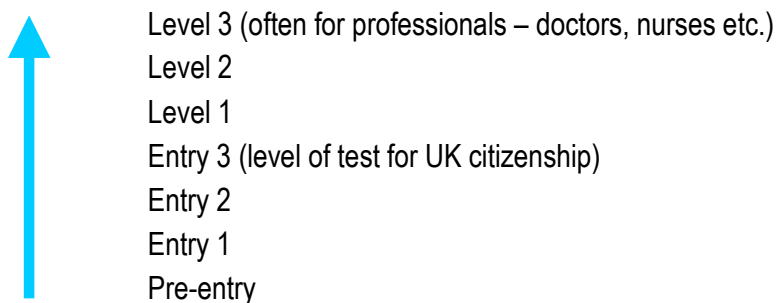
- The groups of people who lack English language skills and who take up provision have broad and highly complex needs – from those who are illiterate in their mother tongue to those with professional skills and qualifications. Their reasons for learning English will vary and may include to get jobs (at different levels), move into better work, support children's education and family life and/or take a greater role in community life. It is important to recognise that people not only have needs, but also have significant abilities, skills and experience that benefit London's economy and culture. Investing in provision that enables English language acquisition can unlock this potential. This includes people

who have higher level/professional skills and qualifications obtained in their home countries, as well as those who have not had opportunities to study or train before coming to the UK.

- Some people with ESOL needs have lived in settled communities for many years, others have arrived more recently and need to orientate themselves to living here as well as learning the language. People have different reasons for being here. Some are fleeing persecution, others are seeking better lives for themselves and their families, and some just want to spend time living and working here.
- Overall take up of ESOL provision appears to be greatest in areas with low employment rates. The removal of automatic fee remission for ESOL, whilst potentially 'freeing up' provision for those with greatest need, requires careful monitoring to ensure that priority groups are not adversely affected. Certain groups, including Bangladeshi, Pakistani and Somali women are still not accessing the ESOL that they need (as highlighted in the Race Equality Impact Assessment and other documents). There may also be a negative impact on people in low paid work if employers cannot be persuaded of the benefits of paying. Community based organisations can play a very valuable role in making sure that people have accurate information about entitlement, as well as encouraging access.
- London's employers have access to labour supply from across the UK, Europe and beyond. Although English language skills are important for productivity, businesses are unlikely to fail because of a language skills gap. This makes the business case for ESOL difficult to sell (whether or not it is provided free of charge to the employer) and underlines the importance of developing bespoke solutions that address employers' business needs and aspirations.
- Employer solutions will vary according to the size and type of business, for example, large public sector employers have different needs from large employers in the private sector and from small businesses. Skills requirements and business cases will also vary according to sector and location.

What types of ESOL provision are needed?

- In order to develop the characteristics of employability, an individual is likely to need a range of ESOL and other learning. The precise mix and balance will depend on whether or not they are in work and their starting point (language, skills and other attributes and experience). People need some general English language as well as language that relates specifically to a workplace or community setting. Understanding idioms, colloquialisms and humour is a very important aspect of skills development.
- ESOL skills levels are often described using the following hierarchy, where Level 3 is the highest.



- Entry 3 is often the level used as a ‘marker’ to denote people who are employable, and is also the level of the ESOL test for citizenship. However, the nature of language acquisition is such that there are many people who can and do get jobs with lower levels of English. Similarly, there may be others that have Entry 3 ESOL skills, but have other barriers to getting a job. In addition, someone with reasonable spoken English may get a job, but because they have few reading and writing skills, they are less likely to progress in the labour market.
- Integrated, pre-employment and in work provision for people with ESOL at Entry 1 and 2 should be available. The changes in ESOL fee remission may particularly affect employed people in these groups, who are often in the most unstable and poorly paid jobs. It may create a further financial barrier for people wanting to move into work and continue their learning, if their employer is unwilling to pay and they are not earning enough to be self-financing.
- For ESOL to provide effective solutions for individuals and employers, it should be delivered as part of integrated pathways that incorporate a range of high quality training and other services that are tailored to the needs and goals of individuals and employers. As well as delivering skills (ESOL and vocational), interventions that are particularly successful include support with health, housing, childcare, immigration and the other issues that present challenges.
- In order to meet the complexity of needs, there should be a range of pathways, including, pre-employment support, and post job-entry skills development. Examples include:
 - ‘fast track – job first’ provision for those that are able to move into a job quickly;
 - longer term pathways for those further from the labour market and that could include community focused goals, work experience and volunteering as stepping stones to paid work, and
 - bespoke services delivered on employers’ premises for people in work.
- The transition into work is a particularly critical stage. Train - recruit – train models are particularly effective as they provide the continuum of skills development after job entry which supports sustainable employment. Consistent and in-work mentoring and other support is particularly effective – for employers and employees.
- Employers are pragmatic. Their need for ESOL is driven by what the job demands. Persuading them to commit to (and pay for) their staff to take up English language training means delivering around shift patterns, making the content suit the business etc. It requires providers to understand the specific needs of each employer and work with them at an early stage to design bespoke products. Ensuring that business support and brokerage services work with adult careers and guidance services will help to ensure that ESOL for employment is focused on employer as well as individual need.
- Large employers, particularly in the public sector, can be very helpful in promoting skills development. Those that are already enabling their employees to access ESOL could act as excellent champions. Highlighting ESOL through the Government’s Skills Pledge and Jobs Pledge would be useful in setting examples to raise awareness with employers, as well as through Trades Unions. Smaller employers could be encouraged to engage in ESOL through geographical or sector based clusters. Some smaller businesses may require particularly intensive support to engage in ESOL training. These include micro businesses and those that employ many casual or part-time staff eg: mini-cab firms.

- Sector Skills Councils could also play direct part in supporting employment routes in particular sectors. For example, drawing on existing work that helps refugee medical professionals back into their professions, as well as 'hubs' such as that being developed by the Refugee Employability Forum to support the training and recruitment of teachers, including ESOL teachers. Because of the demands on the public purse, ESOL provision at Level 3 is not always a priority for public investment, but does represent an effective way of unlocking the potential of people with higher level vocational skills.
- In common with all employability pathways, those for people with very little English language and poor skills must include access to provision at lower levels, with clear progression routes into further learning and work. Lower level and first steps provision (pre-entry and Entry 1 and 2) accounts for around 60% of existing provision. National LSC is currently developing its Foundation Learning Tier which is designed to put together pathways of provision (below Level 2) that help people reach the point where they can embark on Level 2 programmes and move into employment. ESOL is a vital component of this. London Region LSC is keen to ensure that regional partners can be included in a cross-agency approach to developing the Foundation Learning Tier.
- Effective outreach, advice and assessment are other key components that are vital for the effective delivery of ESOL provision. Outreach, particularly to communities where take up is poor, requires building trust over time – in the same way as one might with employers. These services are particularly effective when delivered by people coming from within the communities being worked with. Advice and assessment services are critical for individuals to move into pathways that are appropriate for their needs and goals. These services are under immense pressure in London. Establishing a universal adult careers service that has the expertise and capacity to help people with ESOL needs is vital.
- The role of the 'routeway broker' - professionals drawn from a wide range of backgrounds (e.g. school, guidance service, social services, probation, voluntary sector organisations) who act as mentors and advocates is identified as particularly important at the initial stages and key transition points of an individual's pathway. It is being explored as part of the regional discussions about an integrated skills and employment system in London and could provide a very useful model for making best use of the wide range of services already being delivered in the capital. Union Learning Representatives are particularly effective taking this role in the workplace and should be included in the development work.

What are the problems with current delivery of ESOL provision?

- The majority of ESOL is delivered by FE colleges. Generally, these institutions deliver good quality provision and traditionally have been tasked with delivering courses and qualifications. This is reflected in curriculum-based structures, processes and staff skills sets. Developing integrated skills and employment pathways that include ESOL as a component rather than as separate ESOL 'courses' requires radical and far reaching institutional change. Colleges' business development units are more responsive to employers but are often not well integrated with the rest of the college. Work-based learning and DWP/JCP providers are often more employer orientated but some lack the teaching expertise of the colleges.

- Few large providers have extensive working relationships either with community organisations and providers that can engage people with ESOL needs, or employer-facing organisations that can support people into sustainable jobs. These are critical elements for employability pathways. Sub-contracting and franchising relationships that ‘top slice’ large amounts of funding is also a particular issue for smaller organisations. Public procurement processes and funding patterns are not conducive to new, particularly niche organisations joining the market. Establishing a London ‘fairtrade funding’ protocol across all public agencies that enables smaller, particularly community organisations to play their role in delivering integrated pathways could be helpful and should include setting limits on ‘top slicing’.
- Establishing strong ‘supply chains’ that are capable of reaching people who are out of work and enabling them to get skills, move into work and continue their skills development is a challenge for the current skills infrastructure. Even where there is adequate provision for each stage of the supply chain, the links are often not robust enough. Providers tend to focus only on their part of the delivery, rather than seeing their role in the overall supply chain. This is not helped by the target culture.
- Employers and employees experience difficulty in finding tailored provision that is delivered at times and in locations that suit their needs. Employers are less interested in qualifications and more interested in English language skills, but publicly funded provision is still largely driven by qualification targets. Evidence suggests that ESOL qualifications are still too inflexible and do not lend themselves to bespoke solutions.
- The new ESOL for Work qualification is available (at Entry 3 and Level 1) and is designed to be more employment focused. A number of providers are now delivering it, including through pilots and Train to Gain trialling. It is too early to tell what impact it is having. There is a need for the Qualification Curriculum Authority and other public agencies to continue the review of all ESOL qualifications, informed by feedback from employers, Sector Skills Councils, individuals and providers.
- The overall quality of ESOL appears to be improving, but there remain some areas of poor provision. Current inspection arrangements have a greater focus on the curriculum, rather than response to customer needs. The LSC’s New Standard is designed to encourage providers to develop more effective solutions for employers. Pilots have recently begun in London.
- Many ESOL teachers are in part-time employment and do not have the skills sets to deliver work-focused provision. The London Strategic Unit for the Learning and Skills Workforce (LSU) plans and coordinates the recruitment and training of Skills for Life teachers. It plays a key role in the strategic direction of teacher training and professional development, working with a range of partners. Other development work is delivered by a variety of organisations, including the London Centre for Excellence in Teacher Training (LONCETT) which has a particular focus on developing teaching skills for employer focused provision.
- The lack of stable funding for teacher training and professional development is a barrier to supporting these crucial front line staff. Consistent, strategic investment for training new teachers, and for funding employment focused professional development modules for existing ESOL teachers and those that train them would be a positive move.

What is being done to tackle the problems with the delivery of provision?

- Many of the problems with ESOL provision reflect challenges faced by the skills infrastructure as a whole. The good practice being developed through pilots and other work is focused on addressing these challenges, recognising that effective ESOL provision is dependent on far reaching change.
- Colleges and other providers are being encouraged to make the organisational changes necessary to reshape ESOL and other provision to create employability pathways. There are several pilots facilitating this change including the Employability Demonstration Pilots, ESOL Transition Fund, Employability Skills Programme and Skills for Jobs. Many of them include jobs as well as qualification targets.
- Interim evaluation of the pilots show that there are some tangible signs of change, but that many colleges that have not had the benefit of the support given to the Demonstration Pilots have significant work to do to make the changes required to create employability pathways that integrate ESOL. There is a separate report of the interim evaluation.
- There are other examples of ESOL for employment, including provision delivered through the Union Learning Fund, LDA's Local Authority employer project and hospitality training, and through the LSC's Train to Gain. Success rests on flexible, bespoke delivery and significant investment of time to build relationships of trust with employers and employees. ESOL delivered as part of Train to Gain in London can now be offered from Entry 3, a lower level than previously, and does not have to be linked to the achievement of a Level 2 qualification, providing better flexibility. JCP Pathways to Work and New Deal provision is also highly job focused and can include ESOL support if required.
- Licence to Skill (see pages 15-16) and the associated Employability Evaluation Framework are **multi-agency** tools developed from the principles identified from these and other examples of successful employability provision. Drawing on what works, the tool supports the development of 'supply chains' that link providers together and encourage them to play to their organisational strengths by delivering the elements of a pathway that are their speciality. The emphasis is on integrated skills and employment pathways **across all skills areas** (pre-employment and in work).
- Licence to Skill is a key tool in the Employability Demonstration Pilots, ESOL Transition Fund, Employability Skills Programme and Skills for Jobs. It is about to be rolled out further in the City Strategy Pathfinder areas, including through the joint LSC/JCP Local Employer Partnerships. Some Local Authorities are also using it to inform the development of provision funded through Neighbourhood Renewal Fund.
- If the bulk of ESOL provision is to be successfully integrated into employability pathways, these pilots and approaches need to become part of the mainstream 'business' of the public agencies, as well as the providers. Making this roll out the core of a revised multi-agency Strategy for ESOL in London will be helpful, but requires high level commitment and coordination within and across agencies. This would be more effectively achieved by ensuring that the revised Strategy is situated at the heart of the LSEB's strategy.

- Additional pilots could perpetuate the perception of some that ESOL for employment is ‘specialist’, rather than the direction of travel for mainstream provision. Providers are ‘pilot weary’ and are more likely to respond positively to roll out of current initiatives. That said, they are aware of the need to continue the development of innovative and flexible approaches as a key feature of pilot activity.
- The pilot approach includes capacity building within public agencies to enable them to support the provider base to deliver employment-focused provision. Experience has shown that working with the agencies as well as providers is a key factor, not only in mainstreaming the work but also to maximise the sustainability of successful approaches beyond pilot phases.
- Establishing a ‘confederation’ of successful ESOL for employment providers could also help to quicken the pace of change. Early findings suggest that the ‘informal’ grouping of the eleven Employability Demonstration Pilots provides an opportunity to share successful approaches, including pragmatic tips to deal with blockages in developing and mainstreaming pilot activity. However, a confederation could broaden membership to include Trades Unions and employers, as well as ‘non-college’ providers which would bring very helpful added dimensions. Confederation members could give ‘buddying’ support to other providers.

What are the challenges for planning and funding ESOL provision and how are they being tackled?

- Across all agencies, around £180m annually is spent on ESOL provision, with the LSC funding about 80% of all provision. The early indication of a downturn in ESOL enrolments **suggests** that the removal of automatic fee remission is reducing take up. This change in ESOL funding is part of a series of significant investment and other changes over recent years. Given this, it may be helpful to support maximum stability and consistency so that the impact can be assessed accurately and attention focused on using investment as effectively as possible.
- For effective planning as well as delivery, ESOL should be seen as part of other skills development, and in relation to literacy and numeracy. The goals of the existing multi-agency London Skills for Life Strategy support this integration and remain valid. MAST has undertaken to review progress, update the goals and set them in the context of the LSEB’s Strategy. In this way, an ESOL strategy will directly support the actions needed to tackle the LSEB’s challenges. It will also increase the high level support and strategic lead across the public agencies to continue to improve and integrate ESOL.
- Regionally, public agencies are working together to bring greater co-ordination to planning and funding ESOL, as evidenced by the recent joint ESOL Transition Fund, and by the continuing work of MAST and the LSEB to align the funding of the public agencies. This work makes a valuable contribution to the development of a joint investment framework for ESOL.
- The different targets, organisational cultures and data capture systems of public agencies make regional joint working particularly challenging. Since November 2007, there have been visible moves towards joint working, particularly between the Departments for Work and Pensions, and for Innovation, Universities and Skills. The indications of greater co-ordination, nationally and regionally, to translate the employability agenda into shared target setting, planning and purchasing are likely to create a better environment for integration at provider level.

- Discrete ESOL funding packages, for example, DWP investment in the City Strategy Pathfinder areas and the Home Office European Integration Fund would be most effectively deployed if the protocols that operate at regional level had greater resonance and influence nationally. More effective communication and organisation between Government Departments would enable these additional funds be part of a joint investment framework.
- The new developments for RDA targets, including removal of the PSA target for Skills for Life, helps to bring greater complementarity with the LSC which will support joint investment strategies. The shift towards outcomes that are focused on skills acquisition at the lower levels will help to support people into pathways to employment.
- New Local Area Agreements (LAA) also present opportunities for increased local coordination, intelligence sharing and planning for ESOL. The LSC, LDA and JCP are named partners with Local Authorities. Partners are tasked with jointly agreeing LAA targets and identifying how the provision that they fund supports their achievement. The consultation paper, *'Focusing English for Speakers of Other Languages on Community Cohesion'* highlights the importance of this mechanism to enable local needs and conditions to inform planning for ESOL provision. Whilst it is a good basis upon which to build, the process should support local implementation within an agreed regional strategic framework to avoid fragmentation and the potential for progression routes to be fractured.
- ESOL operates across a broad policy context that includes social cohesion and integration as well as skills and employment. Any strategic developments for the planning and funding of ESOL should be seen alongside other key developments including the Mayor's strategy for refugee integration, as well as within the framework of the LSEB's Skills and Employment Strategy.

Key challenges and proposals for consideration

The key challenges presented below are drawn from the evidence and headline issues. The proposals for consideration and possible next steps include some key ideas outlined in discussing the evidence and headline issues. The ideas presented in the table are not exhaustive, but are intended as possible starting points. They could be considered for incorporation into the revised ESOL Strategy.

Key Challenges	Proposals for consideration	Examples of possible next steps
<ul style="list-style-type: none"> Estimated need for ESOL outstrips supply from public investment, despite increasing amounts of funding. Needs will vary and some people may only require short interventions. Not all those with ESOL needs will require publicly funded provision. Anecdotal evidence suggests that the removal of universal fee remission introduced in August 2007 may be reducing take up. If this is the case, it has the potential to 'free up' provision for people from priority groups. 	<ul style="list-style-type: none"> → Maintain public investment in ESOL at a consistent level to create a stable funding environment within which to reshape provision and make more effective use of public investment. → As part of this, safeguard public investment in lower level provision that supports pre-employment and integration functions. 	<ul style="list-style-type: none"> ➤ LSEB and public agencies to continue the dialogue with Government Departments to promote stability and consistent levels of ESOL investment. ➤ LSC to continue its work in developing the Foundation Learning Tier, working in partnership with the LDA and JCP/DWP as appropriate. ➤ MAST members to support cross-agency coordination of resources at lower levels (as part of the overall development of a joint investment framework). ➤ Providers to track individuals so that they can demonstrate progression from lower level provision into further training and employment.
<ul style="list-style-type: none"> There could be adverse impacts on vulnerable groups, including low paid workers and women from specific ethnic backgrounds. It may also lead to an increase on enrolments into literacy provision. 	<ul style="list-style-type: none"> → Step up efforts to increase contributions from employers and individuals where appropriate by supporting the development of 'products' that individuals and employers are willing to pay for. 	<ul style="list-style-type: none"> ➤ Providers to focus on developing <u>products</u> which employers are willing to pay for, working closely with employers and SSCs, as well as drawing on the practices of college Business Development Units and employer-led training solutions.
<ul style="list-style-type: none"> There is a view that providing further injections of funding for ESOL at this point may distract providers (and public agencies) from the task of integrating and reshaping ESOL provision so that it is more effective. 	<ul style="list-style-type: none"> → Monitor the impact of the removal of universal fee remission for ESOL to identify any adverse effect on take up from people in priority groups. Use this intelligence to inform decisions about targeting investment. 	<ul style="list-style-type: none"> ➤ LSC to share ESOL enrolment data as soon as it is available. MAST to work with the LSC to identify how any adverse effects can be minimised. ➤ LSC/MAST to feed into the LDA's skills observatory once it is established. ➤ Providers to further explore ways in which fee income can subsidise provision for those less able to pay.

Key Challenges	Proposals for consideration	Examples of possible next steps
<ul style="list-style-type: none"> • A range of different models of ESOL provision is required to meet the widely differing needs of individuals, and of employers. • Existing cross agency pilots and tools that promote ESOL as part of integrated skills and employment pathways are supporting providers to reshape their provision, but tend to remain in specialist silos. • High level coordinated cross-agency support is required to roll out pilot and other successful approaches so that they become the rule rather than the exception. Innovation and flexibility should continue to be key features. 	<ul style="list-style-type: none"> → Revise the ESOL Strategy to reflect changing conditions, progress and new challenges. → Coordinate the roll out of the key principles and tools from pilots and other examples of successful provision to: <ul style="list-style-type: none"> ▪ enable further development and delivery of differentiated supply chains that include integrated ESOL (pre-employment and post job-entry), using Licence to Skill to support. ▪ mainstream pilot activity into the core business of providers and of public agencies ▪ promote further the development of the cross agency routeway broker model to strengthen supply chains by creating consistent mentoring and support for people with ESOL needs. 	<ul style="list-style-type: none"> ➤ MAST to complete the review of ESOL Strategy as planned (as part of the overall Skills for Life Strategy), and explore how a revised Strategy can be set in the context of LSEB's strategy. ➤ Providers to continue pilot development and mainstreaming, focusing particularly on creating better supply chain links and playing to their strengths in delivering integrated pathways. As part of this providers to be requested to publish employment rates (as for Higher Education). ➤ Public agencies to provide consistent support for pilot roll out, including through internal capacity building, including increased direct involvement of DWP/JCP prime contractors. LSC and JCP to include Local Employer Partnerships in the pilots. ➤ Providers, supported by the LSC and other public agencies, to establish an ESOL for Employment Confederation. ➤ Public agencies to continue the development of the routeway broker role, including as part of the discussions about an universal adult careers service in London.
	<ul style="list-style-type: none"> → Explore how the Sector Skills Councils can: <ul style="list-style-type: none"> ▪ include ESOL in Sector Skills Agreements; ▪ continue to input into the further review and development of ESOL qualifications, and ▪ Provide further direct support for employment initiatives such as sector hubs etc. 	<ul style="list-style-type: none"> ➤ Sector Skills Councils and the Qualifications & Curriculum Authority to work jointly to develop greater flexibility and relevance in ESOL (and vocational) qualifications, drawing on feedback from employers, providers and agencies. ➤ Sector Skills Councils to identify how ESOL can be integrated as part of Sector Skills Agreements and continue support for hubs and other initiatives. ➤ LSC to explore any potential for increased flexibility of qualifications presented by the development of the Foundation Learning Tier.
	<ul style="list-style-type: none"> → Champion ESOL for employment through the recruitment and training practices of the public agencies, providers and Board members. 	<ul style="list-style-type: none"> ➤ LSEB members, public agencies and providers to review and develop their recruitment and training practices with for people with ESOL needs.

Key Challenges	Proposals for consideration	Examples of possible next steps
	<ul style="list-style-type: none"> → Establish a London ‘fairtrade funding’ protocol across all public agencies that enables the engagement of smaller organisations whose role is pivotal to the delivery of employability and integration pathways. Include agreements about setting limits on ‘top slicing’. → Support the creation of more stable investment for teacher training, and employment focused training modules for new and existing ESOL teachers. 	<ul style="list-style-type: none"> ➤ Public agencies to review procurement and contracting arrangements, maximising the potential for opening up the market to new, high quality providers. ➤ MAST to draft a ‘fairtrade funding’ protocol which all public agencies can sign up and that includes limits on ‘top slicing’. This should include identifying how essential outreach and other services can be properly recognised and rewarded. LSEB to encourage high level support for the protocol. ➤ LSEB to discuss with DIUS how greater funding stability for teacher training and development can be established. ➤ MAST to work with the London Strategic Unit to confirm the urgent priorities for teacher training that supports ESOL for employment.
<ul style="list-style-type: none"> • Currently, the different targets, organisational cultures and data capture of agencies present real challenges for joint working. The recent developments that indicate greater joint working, particularly between DWP and DIUS are helpful. • A more integrated skills and employment approach at national level is required to maximise the development of ESOL for employment and joint investment models for all ESOL provision at regional and local levels. • The multi-agency London ESOL Strategy is being reviewed, with the intention of setting it in the wider context of the LSEB’s strategy. This should also help in increasing high level buy from all regional partners. 	<ul style="list-style-type: none"> → Influence nationally cross-departmental target setting to create the right drivers for agencies to use at regional level. → Establish a joint strategy and investment framework for ESOL in London, building on the work of MAST and in the context of wider LSEB development, with reference to other relevant strategies including the Mayor’s strategy for refugee integration. → As part of the joint strategy, establish a protocol for the deployment of ‘ad hoc’ and other ESOL funding. To maximise success, this protocol would need to operate at all national, regional and local levels. → Use the opportunity presented by the development of Local Area Agreements to integrate ESOL into multi-agency solutions that improve employment rates and promote community cohesion. 	<ul style="list-style-type: none"> ➤ LSEB and public agencies to continue discussions with Government Departments, particularly DIUS and DWP to promote ESOL for employment and encourage further cross departmental integration of skills and employment. ➤ Public agencies to continue the work to establish a sustainable joint investment framework for ESOL as part of the wider work to align agency funding for the implementation of the Skills and Employment Strategy. There should be cross reference with the Refugee Integration Strategy. ➤ LSEB to encourage the Home Office to have a greater dialogue about funding policy and implementation with DIUS and DWP at national level and LSEB & MAST at regional level. At regional level this should include continued cross- development of the Mayor’s Refugee Integration Strategy and LSEB Strategy. ➤ MAST to draft a protocol on behalf of the public agencies for the deployment of ‘ad hoc’ funds so that they can be factored in to the joint investment framework. ➤ LSC, LDA and JCP to ensure that ESOL for employment is specifically included in the negotiations with Local Authorities about Local Area Agreement target setting and planning. Responses to the ESOL & Community Cohesion consultation paper should highlight work in development and London’s particular conditions.

Quick reference information

Investment and take up

In addition to the LSC, the LDA and DWP/JCP also fund some ESOL. Other funders/funds include the Home Office, Neighbourhood Renewal Funding (NRF), Disadvantaged Area Funding (DAF) and the European Social Fund (ESF). Precise figures for public investment in ESOL are difficult to ascertain because not all ESOL provision is separately identified in funding streams. This is particularly the case for some provision funded through the LDA, DWP/JCP and Local Authorities. Since 2001, public investment in ESOL has risen sharply:

2001/02: £88m	2002/03: £125m	2003/04: £134m	2004/05: £143m	2005/06: £155m
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Fee remission

Government policy has been introduced to remove automatic fee remission for ESOL. This means that, since August 2007, free tuition is only available for certain priority groups. These include people who are unemployed or receiving income-based benefits and asylum seekers whose applications are still pending after 6 months or who are unable to leave the UK for reasons beyond their control. There is some small additional investment through the discretionary Learner Support Fund to enable unwaged spouses of those that are in the eligible priority groups and low paid workers to access ESOL provision.

Provision delivered through Train to Gain (for Entry 3, Levels 1 and 2) does not attract fee remission and is based on the assumption that employers will pay one third of the cost of provision. This means that providers are not given the full amount of funding by the LSC, and are expected to recoup the difference from the employer. The decision to charge fees to the employer is taken by the provider.

Levels of ESOL provision and qualifications

Public investment funds ESOL provision from 'pre-entry' to Level 2, and, in some instances, Level 3. Not enough is known about what is delivered through private, fee paying provision to be able to comment on the levels delivered. However, it is probably reasonable to suggest that it is generally at the higher levels.

ESOL provision may or may not lead to qualifications. Where it does, qualifications may or may not fall within the National Qualification Framework (NQF). The NQF includes ESOL accredited at Entry Levels 1-3 and Levels 1 and 3 (although Level 3 qualifications are not part of Skills for Life). In order to achieve a whole qualification, an individual's reading, writing, speaking and listening skills must be assessed.

The LSC's strategy is to ensure that 80% of all ESOL provision at Entry levels 1-3 leads to qualifications within the NQF, and that **all** provision at Levels 1 and 2 is to fall within the NQF. Currently, 85% of all Sfl provision in London is within the NQF.

Whole qualification achievements from **Entry 3 to Level 2** contribute to the PSA target. However, provision delivered from **pre- entry and Entry 1 upwards** is supported through public investment. There is no requirement for agencies or providers to weight their provision in favour of the PSA target, however, the need to achieve the PSA target can influence behaviours in this way.

New National Indicators that underpin the Public Service Agreement (PSA) targets for qualifications begin at Level 1 – decisions about precisely how this affects ESOL are now being made. They do not include lower level provision or the new ESOL for Work qualification.

Appendix: Licence to Skill

Licence to Skill is designed to help organisations (planning, funding and delivery) to work together more effectively in finding solutions that **tackle low skills and worklessness and support employability and cohesion**. This summary focuses on pathways to sustained employment but Licence to Skill can also be used for programmes to promote cohesion.

The **benefits of Licence to Skill** are that it:

- Focuses planning and delivery by **segmenting the needs** of different groups of people and employers.
- Encourages delivery partners to work together to develop an **integrated employment and skills system** – supply chains to sustainable employment
- Makes sure that people and employers get the **right kinds of programmes and support**.
- Means that **resources and investment** can be used more efficiently and effectively.

Licence to Skill is founded on the **principles** that:

- People (in work and not in work) have different types and levels of **needs** (skills and other) and **goals**.
- **Employers** have different types of business needs and goals.
- To be effective, programmes and services need to be **tailored** to suit these differing needs and goals.
- Existing programmes and services should be **reshaped** where necessary to tailor them to provide the support that people and employers need.
- The combination of services that many people need to help them move out of exclusion and into sustainable work will usually need to be delivered by a **range of different organisations** working together.

The Licence to Skill Toolkit for employability provides:

- A systematic way of designing, delivering and reviewing programmes and services
- A common basis for different organisations to agree:
 - What **combinations** of services and support are most effective in helping different groups of people to become more employable?
 - What are the most effective routes for different groups of people to move into **sustainable** work?
 - How do these routes address the needs of London's economy and **employers**?
 - What **kinds of organisations and staff** need to work together to deliver these routes?
 - How should these routes be **funded** and which agencies need to be involved?

The **blank Templates** in the Toolkit are the 'working documents' for Licence to Skill. They ask questions designed to clarify, firstly, what group of people or employers is the programme/service being designed and delivered for, and what are their key characteristics and needs?

Having identified a group to focus on, an essential next step is to identify the main goal of that group of people (eg: being a volunteer, getting a job, filling vacancies at entry level, workforce development).

The Template is divided into 4 sections (see below) and enables organisations to consider:

1. How is the offer specifically tailored to suit the characteristics of the group and address their needs and goals?

2. How will each stage on the route to employment be brokered so that people and employers achieve their goals?
3. What will be the range of expected outcomes – for people, employers and funding agencies?
4. Which range of organisations is best suited to delivering the programme or services and how will they work together to provide a seamless service?
5. How should/can the programme or service be financed? eg: public agency (which one?), person, employer or combination of these

The templates also ask who the 'routeway broker' will be at each stage of a programme, particularly at key transition points. **Routeway brokers** are professionals drawn from a wide range of backgrounds (e.g. school, guidance service, social services, probation, voluntary sector organisations) who act as mentors and advocates. A routeway broker will help an individual identify the pathway they need to follow and help them stick with it. An individual may have more than one routeway broker helping them towards their goal.

Initial elements

- Marketing, promotion and outreach – **to people, employers and other linked organisations (referral, IAG etc.)**
- **Initial screening and assessment** - *assessing ESOL, other skills needs and non skill needs (health, housing etc.)*
- **Information, advice & guidance** – initially and at key transition points, focusing on employment and skills
- **Individual employability plan** – identifying the steps to the goal for each person and/or employer

Programme elements

- **Skills content and level** – tailored to reflect the needs and goals of the target group, including embedded ESOL, work experience
- **Length/frequency and number of hours** – including training, mentoring and other services that continue after job entry
- **Location and timing** – to provide the best access and take up for people and employers
- **Other support, access and cultural requirements** – taking into account the whole person

Outcome/Output Elements

- **Progression and achievement** – as appropriate to the individual plan and programme elements
- **Employment, volunteering and other identified goals** – as appropriate to the individual plan
- **Business improvement** – for programmes/services that are directly focused on employment as the main goals
- **Qualifications** – that meet the needs of people and employers

Provider, staff and data elements

- **Provider expertise and skills** – developing relationships with employers/employer facing organisations and collaboration with the range of organisations involved in pathway delivery
- **Staff qualifications and skills** – appropriate to the group of people/employers being targeted, including delivering on employers' premises
- Data and tracking requirements – **to enable progression, outcomes and outputs to be measured**