

Further Education and Training Bill [HL]

RACE EQUALITY IMPACT ASSESSMENT

Revised on introduction in the House of Commons

INTRODUCTION

1. The Race Equality Impact Assessment (REIA) of the White Paper *Further Education: Raising Skills Improving Life Chances* was published on 13 November 2006 and is available from <http://www.dfes.gov.uk/publications/furthereducation/downloads.shtml> . Because the Further Education and Training Bill largely gives effect to a number of the commitments in the White Paper aimed at raising skills and qualification levels for young people and adults to world standards, much of the content of the Bill is covered by the White Paper REIA.
2. The Bill also contains some additional, more detailed proposals to those in the White Paper and these will need their own assessment. This REIA provides those assessments and are presented here as a supplement to the White Paper REIA.
3. This document was first published with the Bill on 21 November 2006. It is republished here to reflect changes made to the Bill in the House of Lords.

ASSESSMENT OF PROVISIONS IN THE BILL

Duties for the LSC and Further Education Institutions to have regard to guidance on consulting learners, potential learners and employers

Aims of the policy

4. Clauses 7 and 2 place duties on the Learning and Skills Council (LSC) and the governing bodies of further education institutions to have regard to guidance issued by the Secretary of State about consultation with people receiving or proposing to receive post-16 education and training, and employers and in the case of clause 7 other persons specified by the Secretary of State. The duties are general and are not dependent upon or in relation to any particular set of circumstances.
5. These provisions flow from the White Paper commitment to introduce measures that will put learners and employers in the driving seat in determining what is funded and how services are delivered. It is in line with the Government's broader aim of personalising public services and harnessing the voice of the "end user".

Evidence relating to race equality

6. There is a wide ranging consensus that end user consultation can be instrumental in addressing disadvantage and making public services more

responsive to the needs of the communities they serve. The consultative process has to be designed to maximise participation so that all voices are heard. To promote this, the guidance will instruct on how best to achieve an inclusive consultation that is sensitive to the needs of local conditions and communities.

7. Greater learner involvement and participation in particular is recognised as an empowering experience that promotes citizenship and greater self and community awareness that extends beyond the classroom. The *'DfES Children & Youth Board 2005-2006 Independent Evaluation Report'* found that members reported increased confidence levels, higher aspirations and a better understanding of others due to the diverse membership of the board.

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8. The Department's assessment is that these provisions are likely to have a wholly positive impact, ensuring that provision in further education is driven by the needs and interests of all groups, including the most disadvantaged. They will ensure that all groups are given a voice within the system and should contribute to community cohesion by encouraging, at a local and institutional level, the consideration of the needs and aspirations of all sections of the community.

Actions monitoring and review arrangements in relation to race equality

9. The Department will explore the scope for creating baselines from the evidence collected from recent LSC learner surveys, the results of which can be analysed in terms of age, gender, ethnicity, area of learning, level of current qualification, disability and prior attainment level. There are also plans for the National Learner Satisfaction Survey to have a question on learner satisfaction with levels of consultation and engagement. Analysis of this in the context of a range of social variables, including race and ethnicity, will be possible.

10. The Skills for Business Network annual employer survey includes data on workforce access to training and development opportunities by age, gender, ethnicity, qualification, disability and job. This data may help in evaluating the impact of increased employer consultation on access and take-up of training and development by employees from different groups.

11. Because the new duties will make consultation the norm, it will become much easier to compare participation in consultations across the sector. This will help to ensure that consultations are representative of the whole community.

Enabling the Learning and Skills Council to deliver shared services, including the Managing Information Across Partners programme and enabling the existing programme of Career Development Loans for learners

Aims of the policy

12. Clauses 11, 12 and 13 will enable the Learning and Skills Council to deliver shared services to providers of education and training such as payroll, finance, Human Resources, or information sharing services. In particular, the provisions will

- a. allow the Learning and Skills Council to deliver the Great Britain-wide Career Development Loans programme; make the Council fully accountable for that programme; and if appropriate extend the programme across the UK by including Northern Ireland; and
- b. allow the Learning and Skills Council to operate the Managing Information Across Partners programme, which will allow information on learners to be collected once and used many times.

13. These provisions contribute to the Transformational Government agenda, which is a cross-government strategy looking at changing the way government services are delivered. The aim is to reduce bureaucracy, provide more efficient services to learners and enable education and training providers to benefit from economies of scale.

Evidence relating to race equality

14. Evidence from existing shared services initiatives operated by other government departments is not detailed enough to show whether, for example, contractors providing shared services employ a workforce which is ethnically representative of their community. As such, the evidence base is insufficient to predict the race equality impact of the provisions.

15. The latest evaluation evidence for Career Development Loans dates from a survey undertaken in 1999 by Diagnostics Social & Market Research¹ and may not be an accurate reflection of the current situation. Evaluation of this data showed that take up of loans amongst minority ethnic communities was around 15 per cent which compared favourably to the then general population of 6.5 per cent. They were also more likely than their white counterparts to get a loan in excess of £4000. There is no current evidence from management information, which does not include data on ethnicity.

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16. The impact of the Learning and Skills Council providing shared services will vary on a case by case basis. Steps will need to be taken to make sure that no groups are disadvantaged by the transfer of operations from individual education and training providers to a central contractor.

17. In relation to Career Development Loans, the effect of this provision is

¹ Career Development Loans – Survey of Successful and Unsuccessful Applicants, Diagnostics Social & Market Research, July 2001

merely to transfer accountability for the existing programme in Scotland and Wales from the Secretary of State for Education and Skills to the Learning and Skills Council, and allow its extension to Northern Ireland if appropriate. There will be no changes to the content or delivery of the existing programme. As such, the Department's assessment is that there will not be a differential impact on different ethnic groups or a negative impact on relations between groups.

18. The Managing Information Across Partners programme is a data sharing system which will work the same way for all users. The Department's assessment is that there will not be a differential impact on different ethnic groups or a negative impact on relations between groups. In fact, the programme will help learning funding and planning organisations to develop a better understanding of the learning progression routes for different groups of learners, and thus assist their monitoring of equality outcomes.

Actions monitoring and review arrangements in relation to race equality

19. We will work with the LSC to ensure that procurement standards for shared services contracts actively promote equality. This could be done, for example, by requiring suppliers of services to submit equality and diversity statements. As and when shared services arrangements are set up, we will work to ensure that the impact on different groups is assessed and monitored.

20. In January 2007 the LSC introduced a new IT system which will enable collection of better management information. It will ensure robust information is available on ethnicity as well as other equality issues from 2007/08. The LSC also have underway a two year evaluation of the programme. The LSC will analyze early evidence from this and emerging management information as part of a full Race Equality Impact Assessment and take whatever action is necessary as a result.

21. In order to ensure that all learners are able to access information held about them as part of the Managing Information Across Partners programme, there will be a helpdesk offering a free service to users in different languages; and support for learners with disabilities.

Provisions clarifying the powers of Higher and Further Education Corporations to form or invest in companies; and enabling Higher and Further Education Corporations to form Charitable Incorporated Organisations

Aims of the policy

22. Chapter 5 of the White Paper sets out the Government's desire to encourage new models of delivery for further education. Further education colleges will be encouraged to collaborate with other education partners to provide education through different delivery models. The new models might include companies, federations and trusts.

23. Clauses 19 and 24 clarify the powers of Higher and Further Education

Corporations to form or invest in companies to deliver education; and enable Higher and Further Education Corporations to form Charitable Incorporated Organisations. Further Education Corporations wanting to establish a company or charitable incorporated organisation in order to conduct an educational institution must first seek the agreement of the Learning and Skills Council for institutions in England and the Welsh Ministers for institutions in Wales.. The aim of these provisions is to remove existing legal barriers, giving such corporations greater flexibility to take part in new delivery models.

Evidence relating to race equality

24. It is very difficult to predict the effect that a technical legal changes such as these will have on different groups. However, we will monitor outcomes for different groups in the light of these changes.

Race equality impact assessment

25. The Department's assessment is that these provisions are unlikely to have a differential impact on different ethnic groups or a negative impact on relations between groups.

Actions, monitoring and review arrangements in relation to race equality

26. As part of the normal arrangements for monitoring the impact of our policies we will monitor the impact of this policy on outcomes (such as participation and success rates) for different groups of learners and on the FE workforce. In relation to Further Education Corporations, we ask the Learning and Skills Council to do this.

Enabling further education institutions to award foundation degrees

Aims of the policy

27. Clause 17 enables further education colleges specified by the Privy Council to award foundation degrees, so that they no longer have to enter into arrangements with universities to validate these degrees. This contributes to the Department's wider aim of increasing participation in higher education and decreasing the bureaucratic burden on colleges.

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28. We expect this policy to have a positive impact on participation rates for groups that are currently under-represented in higher education. Many Black and minority ethnic groups have relatively high participation rates in the further education sector (as set out in Chapter 1.7 of the White Paper REIA). As such, expanding opportunities for further education students to undertake foundation degrees is likely to widen participation in higher education by increasing the likelihood that minority ethnic students will progress to through this route.

Actions, monitoring and review arrangements in relation to race equality

29. As part of the normal arrangements for monitoring the impact of our policies we will monitor the impact of this policy on outcomes (such as participation and success rates) for different groups of learners in colleges that are granted the new powers.

Amendments to the Industrial Training Act 1982

Aims of the policy

30. Clauses 22 and 23 make amendments to the parts of the Industrial Training Act 1982 which concern the procedures for raising training levies. Proposals for levies are made by Industrial Training Boards (ITBs). There are currently two ITBs in existence: CITB-ConstructionSkills and the Engineering Construction Industry Training Board. They use the funds raised by training levies to ensure that the quantity and quality of training in their industries is adequate to meet current and future skills needs.

31. For the ITB to raise a levy, the existing legislation requires that they demonstrate they have the support of 'organisations' representing more than half the employers who together are likely to pay more than half the levy. Historically 'organisations' has been taken to mean employer federations and trade associations. However this very prescriptive requirement has begun to cause the existing ITBs severe difficulties as an increasing proportion of employers in the two industries choose not to be members of such organisations. The provisions amend the ITA 1982 to allow ITBs to consult with employers who are not members of federations or trade associations to meet the same requirement.

32. The ITBs currently submit levy proposals on a yearly basis, the provisions will also require the ITBs to submit levy proposals for a three year period. This will support the ITBs in taking a longer-term view of their business planning and finances and to reduce the bureaucracy associated with submitting a new levy proposal every year.

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33. The provisions are technical amendments to ensure that ITBs can continue to demonstrate consensus for their levies; and to streamline the process of submitting levy proposals. The Department's assessment is that these provisions are unlikely to have a differential impact on different ethnic groups or a negative impact on relations between groups.

Actions, monitoring and review arrangements in relation to race equality

34. ITBs are required to collect data about age, ethnicity, disability and gender of their trainees. Both existing ITBs use the information collected to inform positive action policies particularly in respect of marketing and promotion, to increase participation of under-represented groups in their industries. For example, CITB-ConstructionSkills have made increasing the number of female and minority ethnic apprentices one of their top 14 targets.

35. As non-departmental public bodies, ITBs are required to act in accordance with their duties under the Race Relations Act (as amended).

Measure making powers for the National Assembly for Wales

Aims of the policy

36. Clause 25 enables National Assembly for Wales to make measures in relation to a wide range of further education matters in Wales and to the inspection of certain types of further and higher education institution in accordance with the Government of Wales Act 2006.

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37. This is a technical provision which transfers legislative competency from the UK Parliament to the National Assembly. It will be for the National Assembly for Wales to take forward Equality Impact Assessments as and when new Assembly Measures are brought forward.

NEXT STEPS

38. The Race Equality Impact Assessment of the White Paper is a living document. It will continue to inform the further development and implementation of the policies outlined in the White Paper, including future Race Equality Impact Assessments and the Department's Race Equality Scheme.

39. In order to contribute to this process, we welcome comments on the Race Equality Impact Assessment of the Further Education and Training Bill.

40. You are invited to participate in the consultation exercise either by:

- responding in writing to: **FE Race Equality Consultation, Area W3b, Department for Education and Skills, Moorfoot, Sheffield S1 4PQ**
- or sending an e-mail to feraceequality.consultation@dfes.gsi.gov.uk