**Appendix A**

**Lancashire Skills Board 22nd October 2015**

**Area Based Reviews (ABRs)**

1. **To cover.**

* Context -National skills and employment policies (known and unknown)
* ABRs –The programme
* ABRs–Purpose of the reviews
* ABRs-Process and outcome
* ABRs-Role of governing bodies
* Lancashire (thoughts and questions)

1. **Context National skills and employment policy (known) include.**

* Significant reductions in public expenditure
* 40% reduction in Adult Skills Budget(outside of adult apprenticeships) in 2years to 2015/16
* A number of Colleges in financial difficulties
* Apprenticeship reform and 3 million in this parliament but key issues still to be decided on e.g. employer levy.
* FE Adult loans introduced
* Area Based Reviews
* ESF 2014-20 based on LEP boundaries
* Government deals with LEPs (round 1 )and Combined Authorities including devolution of FE capital and local deals with cities

1. **Context National skills and employment policy (unknown) include**

* Spending review 2015-20(all budgets)
* Institutes of Technology (what are they?)
* Extension of FE loans?
* Apprenticeship reform -outcome of consultation on employer levy and how SME apprenticeships will be funded etc
* LEP/Combined Authority growth deals (round 2/3) and Lancashire position
* Future of Adult Skills Budget –policy, size and devolution

1. **ABRs –The programme**

* Around 40 to be completed by March 2017(6 announced so far)
* Full implementation by 2020
* Covering all areas of England
* Incorporating GFEs and 6th form Colleges
* Taking account of school 6th forms and other provision
* And including other providers where they agree

1. **ABRs –The purpose**

* Institutions financially viable, sustainable etc.
* An offer that meets each area’s educational and economic needs
* Providers with strong reputations and greater specialisation
* Sufficient access to high quality and relevant education and training for all
* Provision which reflects changes in government funding priorities and future demand

1. **ABRs –Process and outcome**

* Defining an area and triggering a review
* Steering Group – membership, number and chair (and National Steering Group)
* Questionnaires and 2 day college visits
* Desk research
* Feasible options and recommendations
* Governing body discussions and decisions

1. **ABRs –the role of Governing Bodies**

* **‘**Governing bodies will be responsible for deciding whether to accept agreed recommendations in relation to the institutions’
* But
* ‘Funders will only fund institutions delivering good quality and financially sustainable’

1. **Lancashire (thoughts and questions)**

* Defining the area recognising potential linkages with institutions outside of Lancashire
* Meeting local as well as Lancashire wide needs
* Specialisation/Institutes of Technology in the Lancashire context
* Keeping in touch with lessons from early ABRs
* Early engagement with Lancashire Colleges and others to explore and prepare now?