

Leicester
City Council

Wards affected: All wards

Cabinet

11th July 2005

**Setting the Strategic Direction and Budget for Lifelong Learning Services from
2006/07**

Report of the Deputy Chief Executive

1. Purpose of Report

- 1.1 This report recommends a two stage exercise for achieving a balanced budget for the Lifelong Learning Division in the Education and Lifelong Learning Department. The first and most urgent stage, achieving a balanced budget for 2005/06, is the subject of a separate report on this agenda by the Chief Finance Officer.
- 1.2 This report recommends that decisions that affect 2006/07 are taken in the context of Council priorities (as reflected in the Corporate Plan and the draft Community Plan) and the anticipated changes to the services involved, either as a result of national policy developments/requirements or the reconfiguration of Council services proposed to Cabinet at its last meeting by the Chief Executive.

2. Summary

- 2.1 At its meeting on 13th June 2005, the Cabinet received a report from the Chief Finance Officer proposing a range of options for bringing the budget of the Lifelong Learning Division back into balance this year, and in subsequent years. These have since been the subject of consultation with staff, unions and other stakeholders. In addition to these work will be required to complete the premises review (as part of the wider Council project).
- 2.2 Inevitably this exercise has reopened debates about the merits of the Divisional Organisational Review. The budget of the Division was set by the Council to achieve the refocusing of services within the Division and the redirection of resources from these services to other Council priorities, particularly Education. It would be quite impractical to reopen that debate or redirect resources back into the Division committed elsewhere in the current financial year.
- 2.3 However, many of the responses received have queried whether the proposals have proper regard to the *future* national policy direction behind the service groupings that make up the Division, their possible relocation as part of the Children Act 2004

reconfiguration, and their contribution to the wider objects of the Council's Corporate Plan and the emerging Leicester Partnership Community Plan.

2.4 This report briefly considers what these issues may be, and recommends they are considered proactively in the process for setting the Council's budget for 2006/07 and subsequent years.

2.5 Meanwhile, the report of the Chief Finance Officer elsewhere on this agenda sets out recommendations for achieving a balanced budget for the Department as it stands in 2005/06. In developing these proposals, he and I have sought to anticipate some of the broader issues set out in this report and to minimise their impact on the wider strategic contribution of these services. His proposals also seek to minimise the ongoing budget problems of the Division to the extent that it is consistent with the proposals in this paper.

3. Recommendations

3.1 Cabinet is asked to:

- (a) reaffirm the requirement for the Education Department to achieve a balanced budget in 2005/06;
- (b) seek further reports on the future direction of the services that are part of the Division as part of the Council reconfiguration exercise, required by the Children Act 2004;
- (c) ask officers to ensure that the proposals for the Division's services in 2006/07 are consistent with the Council's overall priorities and direction, and that these proposals are fully incorporated in the Departmental Revenue Strategies linked to any new service delivery or organisational arrangements.

4. Financial and Legal Implications

These are dealt with in the Chief Finance Officer's separate report.

5. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References within Report
Equal Opportunities	Yes	Throughout the report: equalities impact assessments required
Policy	Yes	Purpose of report
Sustainable and Environmental	No	None directly
Crime and Disorder	Yes	Services contribute to Community Safety strategy
Human Rights Act	No	None directly
Elderly/People on Low Income	Yes	Service provision and charging policies

6. Background Papers – Local Government Act 1972

Improving Services for Children and Young People, and for Adults: Report to Cabinet 27th June 2005

7. Consultations

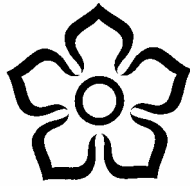
Consultation has taken place on the options for balancing the Division's budget. Consultation will be required on Children Act 2004 reconfiguration requirements and on new policy issues highlighted in this report.

8. Report Author

Andrew Cozens
Deputy Chief Executive
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9. DECISION STATUS

Key Decision	Yes
Reason	Budget and Policy
Appeared in Forward Plan	No
Executive or Council Decision	Executive (Cabinet): Budget (Council)



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Report of the Deputy Chief Executive

SUPPORTING INFORMATION

1. Report

- 1.1 This report addresses many of the responses received during the consultation of balancing the Lifelong Learning Division's budget about whether the proposals have proper regard to the *future* national policy direction behind the service groupings that make up the Division. It touches on their possible relocation as part of the Children Act 2004 reconfiguration, and their contribution to the wider objects of the Council's Corporate Plan and the emerging Leicester Partnership Community Plan.
- 1.2 This report briefly considers what these issues may be, and recommends they are considered proactively in the process for setting the Council's budget for 2006/07 and subsequent years.

2. Key Strategic Issues for the Division's Services

Community Services Section

- 2.1 This section comprises three key elements:
- Community Settings (Youth and Community Centres, Neighbourhood Centres, Recreation Centres and Community Rooms) located around the City. The Council's website lists 54 sites providing bases for services from this section, other Division or Departmental functions, and those relating to other Departments, agencies and organisations.
 - Student Awards, Grants and Loans (a statutory role) administers the Student Loans Company protocol.
 - Business Systems which provides support functions to the Community Services Section and the rest of the Division, including information, service

contracting, and support to voluntary sector projects, management information, IT support and inward investment.

- 2.2 The key strategic issues for this section relate to the Council's overall use of premises (which is the subject of a separate corporate area review), how those premises are supported and maintained, and their contribution to community development and cross-Council service strategies.

Leicester City Libraries

- 2.3 The City's Libraries have been the subject of a number of recent reviews and their strategic contribution to the City is established. The service has a major role to play in delivering the Council's e government targets through the People's network. Their location in this Department provided a chance to emphasise links with Education and Lifelong Learning. Members have also been keen to emphasise their contribution to culture, community cohesion and participation and to improving public access to information about services. New libraries are planned for Hamilton and Braunstone.

- 2.4 Members will be aware of the pressures on this service over the next five years that arise from the number and condition of buildings in the City. Revenue funding is spread thinly and there are a number of key disability access and health and safety issues to address over the next few years, as well as the need to replace or update ICT hardware and software.

Adult and Family Learning Service

- 2.4 Leicester City Council is one of the largest council providers of Adult Learning in England. The service is provided in a network of centres across the city, including Leicester Adult Education College, community schools, and neighbourhood centres. The core business of this service is defined in its business plan as follows:

- Return to learn and first rung learning opportunities for individuals and communities who have had least benefit from education in the past.
- Programmes at entry level and level 1 creating learning pathways to support achievement at level 2.
- A broad and balanced range of programmes to attract and stimulate.
- Both accredited and non-accredited learning opportunities to meet the needs of learners.
- Family learning opportunities.
- Continuous review and development of the curriculum offer.

- 2.5 The priority groups for the Service cover a range of Council policy priorities:

- People requiring basic literacy, numeracy and ICT skills.
- People whose first language is not English.
- Black and minority ethnic groups.
- Unemployed people.

- Employed people needing to develop work skills.
- Adults with physical, sensory or learning disabilities or mental health problems.
- People aged 60+.
- Men.

2.6 It is evident the services, therefore, contribute to raising standards in schools, increasing demand for lifelong and family learning, addressing the needs of specific disadvantaged groups, and to building the learning capacity of communities.

2.7 Most of these services are now commissioned by Leicestershire Learning and Skills Council and so the future of these services will depend crucially on the LSC's strategic direction, the adult learning activity they are likely to fund in the future, and how this fits with our present provision. A separate report is in preparation proposing a consultation on the strategic options for the future of these services in Leicester.

Children's Services

2.8 This section manages a number of functions as well as playing a key role in the development of Sure Start and Children's Centres strategies. The core elements are:

- Early Years Development and Childcare: working to ensure there is sufficient good quality, affordable, accessible childcare to meet the needs of children aged 0-14 (or 0-16 for children with special educational needs or disabilities) and their parents/carers. This includes childminders, nurseries, crèches, pre-school and out-of-school care.
- Childcare Information Service: providing easily accessible, impartial information and guidance to parents/carers.
- The Val Jones Centre (Workplace Nursery)

2.9 These services fall within the scope of children's trust arrangements and are central to the ambition of the Green Paper, Every Child Matters, and the Children Act 2004, to offer integrated, high quality family support and childcare services under the direction of a Director of Children's Services.

Youth Service

2.10 The overall aim of the Youth Service is to contribute to the personal and social development of young people, enabling their inclusion, engagement and influence within the context of Leicester's multi-racial community. It is provided through freestanding community and youth centres, secondary schools, detached work (working with young people on the streets), informal awards and residential activities. Its priority groups are young people with special needs or physical disability; black young people, particularly African Caribbean young men; young carers; looked after children; and teenage parents.

2.11 The Service provides, or commissions, a range of formal and informal activities including:

- Group work
- One-to-one work
- Youth forums and councils
- Trips and visits
- Mentoring
- Peer education
- After-school study support clubs
- Counselling
- Accredited awards (e.g. Duke of Edinburgh)
- Music playing and recording
- Youth theatre
- Video production/multi-media projects
- Magazine production
- Sport and leisure activities
- Basic skills work
- International exchanges and trips.

2.12 The future role of the Youth Service is expected to be outlined in the Youth Green Paper anticipated this month. Meanwhile, it is expected to work towards meeting benchmarks set out in the DfES guidance of 2004 and 2005, which are as follows:

- Contact with 25% of the 13-19 population (Leicester's target is 7,100).
- 15% of the 13-19 population regularly participates in youth work activities (Leicester's target is 4,300).
- 60% of regular participants will have evidence of a recorded outcome from youth work activity (2,600).
- 30% of participants should receive an accredited outcome (1,300).

2.13 The priority groups for the Youth Service are closely linked with those targeted as most in need or at risk by the Children's Federation, the Council's Youth Offending Service, and by partner agencies like Connexions.

3. Reconfiguring the Council's services in response to the Children Act 2004

3.1 In his report to Cabinet on 27th June 2005, the Chief Executive outlined the background to his proposals to reconfigure services as a consequence of the requirements of the Children Act 2004. These are summarised below.

3.2 Schedule 2 of the Children Act, 2004 removes the existing duty on local authorities to appoint a Director of Social Services and a Chief Education Officer and also amends the duty to appoint a Director of Social Services under Section 6 of the Local Authority Social Services Act, 1970. The Children Act, 2004, therefore, requires that the new Children's Services Authorities (CSA) appoint to the newly

created role of Director of Adult Social Services (separate draft guidance has recently been published with regard to this role), as well as Director of Children's Services.

- 3.3 From the day an authority appoints a Director of Children's Services (DCS), the amendments in Schedule 2 come into effect therefore requiring the appointment of a Director of Adult Social Services (DASS).
- 3.4 Although the legislative spine provided by the Children Act, 2004 is a significant one the Government believes that to transform the experience of services users and to deliver a step change in outcomes for all children and young people, and to narrow the gap in life chances between the most disadvantaged children and young people and their peers we need:
- A shared view of what exactly the outcomes will look like at a local and national level;
 - To achieve engagement from all those who have an impact on the lives of children and young people; and
 - To achieve involvement of children, young people and families and communities to ensure services are focused and responsive.
- 3.5 In order to facilitate this step change in improvement there is a new duty on local authorities to set up partnership arrangements to promote co-operation to improve well-being in addition to a broad range of new statutory requirements. It is expected that this will be delivered through the national Change for Children Programme and the development of Children's Trusts.
- 3.5 The DCS will be required to be fully accountable for the new Children's Services Authority's functions in four areas. These are not discretionary and are effective once the DCS is appointed: These non-discretionary areas are:
- i. **Social Services** – the authority's social services functions in so far as they relate to children.
 - ii. **Education services** – The authority's functions in its previous capacity as a local education authority (LEA). Except a small number of previous LEA functions related to adults.
 - iii. **Health services** – functions exercised by the authority on behalf of NHS agencies in-so-far as they relate to children; and
 - iv. **Inter-agency co-operation** – the new statutory requirement in the Children Act, 2004 to build and lead the arrangements for inter-agency co-operation.
- 3.6 In addition, the Government's Green Paper on the future of adult social care, Independence, well-being and choice: our vision for the future of social care for

adults in England, proposes new responsibilities for the Council to promote the well being of all adults and older people, well beyond the reach of the current Social Care and Health Directorate. This would require a “whole Council” approach coordinated by the DASS.

3.7 The Chief Executive’s proposals for reorganisation of services were based on a number of assumptions:

- (a) The priority must be to create more attractive outcomes for children and adults in terms of personalised services, meaningful choice and greater independence.
- (b) An emphasis on focus for political and professional leadership is more likely to achieve better outcomes than an aggregation of very large service blocks.
- (c) The Council’s top management team should seek to spread the considerable range of its responsibilities so as to achieve a reasonable balance.
- (d) New structures should reflect the four Shared Priorities of Local Area Agreements (Children and Young People; Older People and Health; Cohesive and Stronger Communities; Economic Prosperity and Sustainability).
- (e) Equal attention should be paid to culture change, workforce development and improving inter-departmental and cross-agency collaboration.

3.7 His report proposes a project brief intended to:

- Deliver integrated service configurations for the two new Departments, with associated adjustments in other Departments.
- Clarify and, where necessary, rationalise services across Departments, trading and support functions and related procedures (having regard to the planned review of support services).
- Ensure the new structure has the flexibility for realigning services between Health and Adults or for joint working arrangements.
- Realign Council budgets to reflect the new structure and provide clear management accountability.

3.8 This combination of factors impinges significantly on this Division and its future.

4. Implications for Balancing the Division’s Budget

- 4.1 As will be evident from the previous section, the project to reconfigure services will have a profound effect on the Education and Lifelong Learning Department, and particularly on this Division. It is possible that the functions described in section 2 could be redistributed in a number of possible ways, or remain hosted in the Department but addressing a wide range of cross-Council/multi agency priorities.
- 4.2 It would be unreasonable, therefore, to develop proposals to balance the Division's budget beyond 2005/06 that do not have regard to this wider context and that precipitate any further Division specific organisational reviews, outside the scope of those undertaken in the original Divisional Organisational Review.
- 4.3 Instead, the approach has been taken to:
- (a) ensure the Department as a whole can balance its budget for 2005/06;
 - (b) reduce the scale of the present over-commitment, to the extent possible, by measures which we know will not conflict with the direction in this paper.

This is the subject of a separate report on your agenda.

5. Recommendations

- 5.1 The recommendations in this report reflect this and are as follows, to:
- (a) reaffirm the requirement for the Lifelong Learning Division to achieve a balanced budget in 2005/06;
 - (b) seek further reports on the future direction of the services that are part of the Division as part of the Council reconfiguration exercise, required by the Children Act 2004;
 - (c) ask officers to ensure that the proposals for the Division's services in 2006/07 are consistent with the Council's overall priorities and direction, and that these proposals are fully incorporated in the Departmental Revenue Strategies linked to any new service delivery or organisational arrangements.

5. Legal, Financial and Other Implications/Consultation

These are set out in the covering report.

6. Report Author

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