

Leicester
City Council

WARDS AFFECTED
All Wards

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Education Scrutiny Committee
Cabinet

23.01.2006
30.01.2006

Report on the Adult Learning Strategic Options Consultation

Report of the Acting Corporate Director, Education and Lifelong Learning

1. Purpose of the Report

- 1.1 To presents Cabinet with the findings of the recent external consultation exercise on Strategic Options for Adult Learning, commissioned by Leicester City Council and undertaken by TRIBAL Education Consultancy.
- 1.2 To present analysis and recommendations to Cabinet on the leading options identified by the external consultancy exercise for the future organisation of Adult Learning;
- 1.4 To request Cabinet to delegate authority to the Acting Corporate Director to secure a detailed design proposal for a new service structure and supporting implementation timeline, to be based on Cabinet's preferred strategic option, and for the new structure and service design to be brought back to Cabinet by the end of March 2006 for approval to move to implementation.

2. Summary

- 2.1 The Council agreed on the 5 September 2005 to the process for receiving an external consultancy report on Adult Learning. This followed consideration of a report from the Deputy Chief Executive on proposals for the process, initially by Education Scrutiny Committee on 1 September 2005 and finally by Education Cabinet on 5 September 2005. The report of the Deputy Chief Executive sought and received Cabinet approval to conduct a consultation on options for the management of the delivery of Adult Learning provided by the City Council.

- 2.2 The external consultancy exercise was also recorded as representing a key strategic decision, critical to the future of the City Council Adult Learning Service and needed in order to provide a fit for purpose and sustainable service able to raise adult learning standards, widen participation and ensure access and equality of opportunity for all adults, including the elderly and hard to reach groups and to meet changing national priorities. This rationale for the consultancy exercise was noted as of particular importance since the majority (95 %) of Adult Learning provision in Leicester is funded by the Learning Skills Council and is required to meet their criteria for the use of their funds.
- 2.3 Following a full tendering process TRIBAL Education was invited to conduct the consultancy exercise, which commenced in October 2005 and concluded with a final Report provided as required to the Council against a demanding timeline. The TRIBAL Report (**Appendix 1**) summarises the findings from a wide ranging consultation and includes commentary on the initial options considered by Education Scrutiny Committee and Cabinet in September 2005. These included:
- a. extending the remit of Leicester Adult Education College (LAEC) to be responsible for the operational delivery of adult learning;
 - b. creating a new single institution which would subsume LAEC and the Adult Learning Service;
 - c. the authority contracting out the delivery of the service to another provider whilst maintaining strategic oversight;
 - d. a modified version of the existing bipartite arrangements.
- 2.4 The TRIBAL Report gives clear consideration to 6 identified options for the management of Adult and Community Learning in the city of Leicester. These are set out in Section 4 (p.16-34) of the TRIBAL Report, and include advantages and disadvantages for each option. The six options identified by the consultation exercise are shown below.

Summary of Options Identified By the Consultation Exercise

- a. Cease to draw down funding from the Learning and Skills Council and concentrate on delivery of those areas which can be funded by other means.
- b. Extend the remit of LAEC to be responsible for the operational delivery of the whole ACL programme.
- c. Keep the status quo but with new management arrangements.
- d. Create a new single institution within Leicester City Council which would subsume LAEC and the current community based provision.
- e. Create a new single organisation such as a Community Interest Company or a Charitable Trust separate from Leicester City Council which would subsume LAEC and the current community based provision.

- f. Create a small team within Leicester City Council who would maintain strategic oversight and commission delivery from a range of providers.

2.5 Section 6 of the TRIBAL Report sets out a table which compares the status of criteria for each of the six options. This analysis leads to the following conclusions:

If the Council wishes to continue to draw down funding from the LSC then Option (a) is not a viable option.

There is little support for option (b) and it is unlikely in the short and medium term to deliver the necessary vision and provision for the people of Leicester. It may well not receive the total support of the LSC.

Option (c) is unlikely to bring about the fundamental changes in culture and organisation that will deliver a forward thinking and effective adult and community learning service.

Option (f) is unlikely to receive the support of the LSC and this model has been criticised by Inspectors elsewhere.

The predominant view arising from the consultation was for a fresh start for the Service as a whole. We therefore recommend to the Council that they consider options (d) and (e) in greater detail.

Both options potentially provide the opportunity for the council to create a dynamic and cost effective Service which has a clear role and place and which will have clear links to departments within the Council and Stakeholders outside the Council. Both options provide the facility for staff, learners and community representatives to have a voice in the governance of the new Service alongside other stakeholders.

Option (d) provides the most immediately workable strategic option, which would secure continuity in delivery of Adult Learning to the communities of Leicester in the new programme cycle, commencing in September 2006.

2.6 The final recommendation of the TRIBAL Consultation exercise indicate that the Council further considers two options:

Option (d):

Create a new single institution within Leicester City Council which would subsume LAEC and the current community based provision.

and

Option (e)

Create a new single organisation such as a Community Interest Company or a Charitable Trust separate from Leicester City Council which would subsume LAEC and the current community based provision.

- 2.7 Throughout the external consultancy exercise, an internal advisory group has supported the consultancy process by facilitating and processing issues in order to enable the consultants to access the information required from the agreed stakeholder list, including tutors, managers, administration staff, officers and local and regional partners involved in adult learning in Leicester and to ensure satisfaction across all parties regarding the quality and standard of the consultation process.

Membership of the group is attached at **Appendix 2** of the Supporting Information.

The stakeholder list is attached at **Appendix 3** of the Supporting Information.

3. Recommendations

- 3.1 **Prior to Cabinet on 30 January, Education Scrutiny Committee** is recommended to:

a) Consider the detailed findings of the consultation report and provide views and comments to Cabinet to inform their decision, including the Committees' preferred option.

- 3.2 **On 30 January Cabinet** is recommended to:

a) Reach a decision on the preferred option deemed to be most viable for the future arrangements for the provision of Adult Learning;

b) Provide approval and delegated authority to the Corporate Director, Education and Lifelong Learning to carry out detailed design work on the preferred option;

c) Agree to a further meeting before end March 2006, to consider and approve the detailed proposal for a new Adult Learning structure, to include full detailed legal, financial and Human Resources implications of the proposal.

4. Headline Financial and Legal Implications

4.1 Financial

If delegated authority is extended following 30 January Cabinet, detailed financial implications and control issues will need to be fully assessed during

the subsequent design stage of the new structure and prior to final Cabinet approval of the detailed design (by end March 2006).

Any new arrangements will be mindful of the current delegated arrangements with the LAEC.

The upper cost limit of any new design must not exceed the existing available Adult Learning budget. Details of this are set out in the TRIBAL Report.

Barrie Woodcock, Interim Head of Education Finance (x 7750)

4.2 Legal

There were no legal implications arising from this report at this stage of the proposals.

However, detailed legal advice should be used to inform the design of the new structure following the choice of option by Cabinet, and that any design approval by cabinet should be based on a detailed analysis of the legal implications for the Council of any such new arrangements.

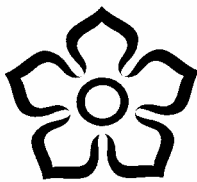
Guy Goodman, Assistant Head of Legal Services (x 7054)

5. Report Author/Officer to contact:

Kim Garcia
Interim Service Director
Lifelong Learning and Community Development
Education and LL Department
Tel: 229 4380

DECISION STATUS

Key Decision	Yes
Reason	Significant effect on one or more wards
Appeared in Forward Plan	Yes
Executive or Council Decision	Executive (Cabinet)



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SUPPORTING INFORMATION

1. Report

1.1 Background

Education Scrutiny Committee and Cabinet

In 2004 Cabinet endorsed the proposal to consult on strategic options for the organisational structure and delivery of Adult Learning in Leicester, but referred the proposal to Education Scrutiny Committee for its further consideration prior to the commencement of any consultation.

In September 2005 both Education Scrutiny Committee (1.9.05) and Cabinet (5.9.05) further considered the proposals for an external consultation exercise and Cabinet approved expenditure for such an exercise. The Adult Learning Strategic Options external consultation commenced on October 2005, following appropriate tendering and selection procedures.

Wider Context

Since 2001 the Learning and Skills Council (LSC) has both been the funder and the planning authority for Adult Learning in England. Nationally, the LSC has carried out a countrywide strategic review of Post 19 and adult learning provision on an area-by-area basis. This has led to the reform of funding and planning arrangements for Adult Learning. These reforms include changes to eligibility for local provision and curriculum offer. Locally, this means that the Adult Learning programme must now align with LSC targets for expenditure or funding will not be made available. Equally, should agreed targets not be met at year end, the funding will be rebased (allocated elsewhere).

The LSC methodology has been made very clear to the local authority and the local LSC Chief Executive presented a summary of the new criteria and

priorities for allocation of funding, to Education Scrutiny Committee on 8 November in the autumn term 2005. This covered both Adult and Community Learning (ACL) and the new Skills Agenda for FE (FE) and therefore affects both of these two main strands of funding.

Leicester City Council has one of the highest per capita settlements nationally from the LSC to secure Adult and Community Learning. This arose, in the main, from historically high levels of spend on community education by the former Leicestershire LEA, which established a series of community colleges, primary community centres, free standing centres and an Adult Education College (LAEC), in the 1950s-1990s period.

When Colleges of Further Education were incorporated in 1992, responsibility for basic skills provision was transferred to that sector, whilst the Leicester Adult Education College (LAEC) received a local scheme of delegation and articles of governance in 1994-95. Leicester City Council inherited this arrangement at local government reorganisation in 1997.

The current position is that the Council currently contracts with the LSC to provide a programme of adult learning opportunities through its own directly managed provision in free standing centres, community colleges and through continued delegated arrangements with the LAEC.

1.2 Key Strategic Considerations

It should be noted that the degree of realignment and retargeting required to maintain levels of existing funding from the local LSC, will be extremely difficult to meet fully and a reduction in the overall quantum is anticipated in 2006-07 and possibly in 2007-08. These two years will represent a critical transition period, and every effort must be made to achieve realignment at the earliest possible point.

To this end, new strategic and working arrangements have been introduced by the Service Director, LLCD with the local LSC, including establishing a new Adult Learning Strategy Group to ensure regular strategic dialogue and coherence in planning with the LSC.

Further to this, Leicester City Council should move as rapidly as possible to achieving new 'fit for purpose' strategic arrangements to deliver adult learning in Leicester. It is understood that such arrangements should include flexibility to respond to local priorities, as well as the LSC agenda. The external consultancy exercise represents a key strategic input, critical to the future of the City Council Adult Learning Service and needed in order to help identify a fit for purpose and sustainable service.

The new service needs to be able to raise adult learning standards, widen participation and ensure access and equality of opportunity for all adults, including the elderly and hard to reach groups and to meet changing national priorities.

The alignment of these strategic objectives with specific LSC target areas for 2006-07 and 2007-08 form the core of the rationale and direction for the new

service, since the majority of Adult Learning provision in Leicester is funded by the Learning Skills Council and is required to meet their criteria for the use of their funds.

1.3 Current Arrangements

The Adult Learning programme in Leicester is currently delivered through a combination of direct provision comprising the use of facilities of free standing and neighbourhood centres, schools and colleges, and the delegated arrangements within the Leicester Adult Education College (LAEC).

The planned programme for adult learning in Leicester in the academic year 2005-06 involved the organisation and delivery of learning opportunities by two main providers:

<u>Provider</u>	<u>Programme Percentage</u>
Adult Learning Service (LCC)	65% of programme
Leicester Adult Education College	35% of programme

The role of the Leicester City Council in current arrangements is both strategic and operational in relation to Adult Learning provision.

The Council has worked with the local LSC and partners in the area, to identify appropriate learning opportunities, and has endeavoured to translate this planning into well aligned curriculum offers through the Adult Learning Service and LAEC.

1.4 Performance

The Adult Learning Service received a satisfactory inspection from the Adult Learning Inspectorate in June 2004. However, three areas were deemed to require improvement, including the critical management area of quality assurance.

The service was reinspected in May 2005, receiving positive judgements in these areas. It should be noted that the service was judged to be good (the level above satisfactory) in two important areas for raising standards in adult learning: English for Speakers of Others Languages (ESOL) and in literacy/numeracy (Basic skills) provision.

The service has maintained its focus on continuous improvement but is now faced with fresh challenges brought about by the realignment requirements of the new LSC agenda.

1.5 Future Role of the Service

The new national LSC agenda and related national initiatives, such as Community Cohesion, Regeneration and Cultural initiatives, Building Schools for the Future, modernisation of the Library Service and the development of Extended Schools, all offer significant cause and impetus for strategic renewal.

The period 2006-2008 therefore represents a critical point in the strategic planning for Adult Learning and the shape of the service(s) that need to be in place to delivery high quality, appropriate and relevant provision to citizens of Leicester.

It is also a critical point during which it is essential that strategic coherence is achieved between all providers of adult learning in Leicester, including the Adult Learning Service, LAEC, partners and other providers in the market, as appropriate.

1.6 Timeline

The urgency of the strategic action required to realign current organisational structure and management arrangements has been set out above. This is very much in keeping with the exigencies of achieving satisfactory strategic and curriculum planning in time for the 2006-07 academic year commencing September 2006.

However, it should be noted that drafting of the curriculum for 2006-07 needs to be completed by early February 2006, in order to secure LSC funding.

Since significant changes to funding are anticipated for 2006-7, new management arrangements need to be place by 1 August 2006, to secure delivery of the new curriculum offer commencing in September 2006.

In summary, the outline action plan following approval by Cabinet, would be as follows:

Date	Action	Deadline
Early February 2006	<ul style="list-style-type: none">• Call the review (enact protocol)• Draft curriculum offer and gain approval by LSC• Draft new proposals for service structure• Legal, HR and financial checks on proposed arrangements	Mid February 2006
Mid February 2006	<ul style="list-style-type: none">• Commence consultation on new arrangements including organisation and staffing change, equality, legal and financial impact assessments• Budget setting for 2006-07	End March 2006 End March 2006

March 2006	<ul style="list-style-type: none"> • Detailed target setting with LSC • Identify staff for change/no change 	End March 2006
April – July 2006	<ul style="list-style-type: none"> • Organisation and staffing change • Arrangements for evaluation of current academic year standards and achievements • Premises assessment and preparation 	July 2006 July 2006
Early May - June 2006	<ul style="list-style-type: none"> • Detailed programme preparation for delivery of new service from September 2006 • Staff training and induction where required 	July 2006

2. Financial Implications

- 2.1 If delegated authority is extended following consultation, the full financial implications and control issues will need to be fully assessed prior to any further action.
- 2.2 Any new arrangements will require legal and financial consideration of the Council's current delegated arrangements with the LAEC.

3. Legal Implications

- 3.1 None at this stage.

Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References within this report
Raising Standards	Yes	1.2; 1.4
Equal Opportunities	Yes	1.2
Policy	Yes	1.5;1.6
Sustainable and Environmental	Yes	1.2
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	Yes	1.2

RISK ASSESSMENT MATRIX			
Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/or appropriate)
1 Insufficient realignment and retargeting of existing Leicester City Council Adult Learning arrangements and use of LSC funding will lead to reduced funding from the LSC.	High risk	High	Very significant measures are required urgently to respond to new LSC criteria for the use of LSC funding. Restructuring of the existing organisation and structure of Adult Learning is needed to achieve effective alignment with LSC priorities for the use of their funding and to achieve a sustainable service position in Leicester.
2 Failure to meet new LSC targets.	High risk	High	Without radical strategic improvement to the existing service there is a very high risk of not achieving targets set by the LSC which funds 95% of Adult Learning in Leicester. This will lead to 'rebased' by the LSC.
3 Non achievement of effective management and financial standards and controls.	High risk	High	Significant improvements are required to existing management and financial procedures to ensure high quality performance monitoring and budget control, to secure service delivery within budget and continued strategic alignment with LSC priorities for use of funding.

L - Low

M - Medium

H - High

L - Low

M - Medium

H - High

5. Background Papers

5.1 LSC Strategic Area Review 2005.

5.2 Strategic Options for the Delivery of Adult Learning by Leicester City Council - Education Scrutiny Committee Paper 1.9.05

5.3 Strategic Options for the Delivery of Adult Learning by Leicester City Council – Cabinet Paper 5.9.05

6. Consultation

6.1 The scope of the consultation conducted by the TRIBAL external consultation exercise is described in detail in their accompanying report.

- 6.2 The Council protocol for organisation and staffing change will need to be enacted, following approval by Cabinet to proceed with the introduction of new arrangements for the provision of Adult Learning.

7. Report Author/Officer to Contact

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APPENDIX 1

Internal Consultancy Advisory Group

Adult Learning Strategic Options Consultation Group Membership

Name	Position	Organisation
Kim Garcia	Service Director	LCC
Di Bentley	Director of Strategy	LSC
Theresa Davis	Senior Manager	LSC
Rachel Croft	Contract Manager	LSC
Claire Ambrose	Head of Adult Learning	LCC
Robert Raven	Principal	LAEC
Brian Berkovits	Senior Consultant HR	LCC
Jay Hardman	Senior Policy Officer	LCC
Les Price	Union Representative	NATFHE
Gary Garner	Union Representative	Unison
Lowell Williams	FE Principals Representative	
Sue Linsley Hood	Lead Consultant	Tribal
Penny Lamb	Consultant	Tribal
Gary May	Consultant	Tribal
Paul Essery	Consultant	Tribal
Jill Randal	Consultant	Tribal

APPENDIX 2

Agreed Stakeholder List

STAKEHOLDER LIST

MEMBERS	
Name	Position/Organisation
Councillor Roger Blackmore	Member
Councillor Sue Waddington	Member
Councillor Hussein Suleman	Member
Councillor Michael Johnson	Member
Councillor Mustafa Karim	Member
Councillor Parmjit Singh Gill	Member

SENIOR OFFICERS	
Name	Position/Organisation
Rodney Green	Chief Executive
Andrew Cozens	Deputy Chief Executive
Louise Goll	Director, Achievement & Innovation
David Oldershaw	Interim Corporate Director of Social Care & Health
Kim Garcia	Service Director, Lifelong Learning & Community Development
Paul Livock	Service Director, Pupil & Student Support
Sean O'Leary	Head of Service, Learning Disabilities
Sue Welford	Acting Head of Standards
Bhupen Dave	Service Director, Adults
Hazel Noakes-Checklin	Financial Service Manager (Central Team)
Adrian Paterson	Service Director, Policy & Resources
Brian Berkovits	Senior Human Resources Consultant
Pat Flynn	Head of Library Service
Paul Vaughan	Head of Youth Service
Steve Goddard	Head of Community Service
Jo Elks	Head of Early Years Service (Job Share)
Bernice Bennett	Head of Early Years Service (Job Share)
Robert Raven	Principal, LAEC
Pauline Swanton	LAEC, Senior Manager, Language and Liberal Arts
Doreen Watson	LAEC, Senior Manager, Visual & Performing Arts
Mary Harrison	LAEC, Senior Manager, Staffing, Resources and Services
Curriculum Coordinators	LAEC
Chair plus 2 Governors	LAEC
Tutors	LAEC

Claire Ambrose Tim Ward Carol Johnson Claire Cronin Kerry Gray Parmjit Basra Catriona Kelly Curriculum Leaders Area Managers Area Learning Coordinators Implementation Group Tutors	Head of Adult Learning ALS, Operations Manager ALS, Skills for Life Officer ALS, Curriculum and Quality Manager ALS, Learner Support Officer ALS, Funding and Data Manager ALS Family Learning ALS ALS ALS ALS ALS
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UNIONS

Name	<u>Position/Organisation</u>
Union representative	NATFHE
Union representative	UNISON
Union representative	GMB
Union representative	NUT

COMMUNITY GROUPS

Name	<u>Position/Organisation</u>
Representatives	Linwood Community Association
Representatives	Stocking Farm Community Association
Representatives	Highfields Community Association
Representatives	Cort Crescent Community Centre
Representatives	Spinney Hill Community Association

Representatives

Area Committees

PROVIDERS/VOL

Name	<u>Position/Organisation</u>
REMIT/REACH Remit User group Raj Patel Voluntary Action Leicester Housing Health Authority	ALS

SPONSORS/LSC

Name	<u>Position/Organisation</u>
David Nelson Di Bentley Theresa Davis Rachel Croft	Learning Skills Council Learning Skills Council Learning Skills Council Learning Skills Council

<u>SCHOOLS</u>	
Name	<u>Position/Organisation</u>
<ul style="list-style-type: none"> • Community Principals • Primary Community HTs 	David Powell, Judgemeadow LCC (a range of comments received via questionnaire responses)

<u>FURTHER EDUCATION</u>	
Name	<u>Position/Organisation</u>
Lowell Williams Maggie Galliers Lowell Williams Loughborough College Stevenson College	Representing FE Principals Principal, LCFE South Leicestershire Loughborough College Stevenson College

<u>OTHERS</u>	
Name	<u>Position/Organisation</u>
Ray Flude Brian Glover	Leicestershire/Leicester City Learning Partnership BSF (Leicester City Council)