



Leicester
City Council

WARDS AFFECTED
All Wards

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Education and Lifelong Learning Scrutiny Committee
Cabinet

27.04.06
15.05.06

**Adult Skills and Learning Service Design
and
Planning for Phase 3 Implementation**

Report of the Corporate Director, Adult and Community Services Department

1. Summary

- 1.1 The need for realignment and changes to the current Leicester City Council Adult Learning service arrangements arises directly from recent changes in the national priorities of the Learning and Skills Council (LSC). This national LSC change programme is impacting on all local authorities, and requires local authorities to respond to the new LSC priorities in order to secure continued funding. The current Leicester City Council Adult Learning service is almost totally (95%) operated through the use of LSC grant funds and covers both the Adult Learning Service and The Adult Education College.
- 1.2 The Council's overall Adult Learning provision has therefore been required to respond to the LSC changes and this has involved extensive strategic discussion with the local LSC office, covering new LSC curriculum priorities and the consequent need to realign the Council service to secure continued funding of both FE and ACL streams of Adult Learning.

This in turn has caused the Council to need to realign its Adult Learning service curriculum programme and staffing and management structure and to set new service priorities to address the new LSC agenda. The decision to create a new single service as a strategic response to the national agenda was approved by Cabinet on 30 January.

Further details are set out in the Cabinet Report considered at that meeting.

2. Purpose of the Report

- 2.1 To present the Education and Lifelong Learning Scrutiny Committee and Cabinet with details of the design of the new Adult Skills and Learning Service, following detailed design work during Phase 2 and to report back to Education Cabinet on 15 May 2006 (see **Appendix 1** for Project Phases).
- 2.2 To confirm the strategic positioning of the new realigned single service within the responsibilities of the new Adult and Community Services Department under the leadership of the new Corporate Director of Adult and Community Services.
- 2.3 To present proposals to establish Advisory Group arrangements for the new single service to replace existing governance arrangements.
- 2.4 To present proposals for the implementation of the new single service in Phase 3 of the realignment process, commencing May 2006.
- 2.5 To provide a basis for Cabinet to delegate authority to the Corporate Director of Adult and Community Services, to complete Phase 3 including implementation of a realigned curriculum, and staffing and management structure (See **Appendix 8** for service function chart).

3. Main Proposals

- 3.1 To proceed to Phase 3 to implement the design for the new single service contained within this report and to commence formal consultation on the new staffing structure from May 2006.
- 3.2 To conduct the implementation of the new service using an incremental approach, commencing May 2006 with the recruitment process for the appointment of a Head of Adult Skills and Learning Service.
- 3.3 To invoke the use of the Protocol for Staff and Organisational Change with immediate effect following Cabinet approval.
- 3.4 To receive approval for the Corporate Director of Adult and Community Services to make arrangements for the Project Management of Phase 3 (Implementation) including securing a project manager and capacity from support services for the process.

4 Recommendations

4.1 The Education and Lifelong Learning Scrutiny Committee is recommended to:

- a) Consider the contents of this Cabinet paper and provide recommendation to Cabinet regarding approval of the design and costs of the new single service and supporting implementation arrangements.

4.2 Cabinet is recommended to:

- a) Approve the design and cost parameters of the realigned service, in the light of recommendations from the Education and Lifelong Learning Scrutiny Committee;
- b) Approve the commencement of Phase 3 of the implementation plan with immediate effect;
- c) Delegate authority to the Corporate Director of Adult and Community Services to undertake implementation of Phase 3 and in accordance with the protocol for organisation and staffing changes;
- d) Note the timeframe for implementation of Phase 3;
- e) Approve the establishment of appropriate Advisory and Service Delivery Groups;
- f) Approve the fee policy for 2006-07.

5. Headline Financial and Legal Implications

5.1 Financial

Detailed financial implications from Education Finance are set out in the Supporting Papers, Section 7.

5.2 Legal

These are dealt with in paragraph 8 of the Supporting Information.
Guy Goodman
Head of Community Services Law x 7054

6. Report Author/Officer to contact:

Kim Garcia
Interim Service Director
Lifelong Learning and Community Development
Education and Lifelong Learning Department

DECISION STATUS

Key Decision	No
Reason	N/A
Appeared in Forward Plan	No
Executive or Council Decision	Executive (Cabinet)

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

**Education and Lifelong Learning Scrutiny Committee
Cabinet**

**27.04.06
15 05.06**

**Report on the Adult Skills and Learning Service Design
and
Planning for Phase 3 Implementation**

SUPPORTING INFORMATION

1. Background Information

1.1 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 the Education and Lifelong Learning Scrutiny Committee for its further consideration prior to the commencement of any consultation.

The Council agreed on the 5 September 2005 to the process for receiving an external independent report on Adult Learning. This followed consideration of a report from the Deputy Chief Executive on proposals for the process, initially by Education and Lifelong Learning Scrutiny Committee on 1 September 2005 and finally by 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.

Cabinet decided on 30 January to go forward with the realignment following consideration of the strategic options contained within the consultancy report. The decision was made to create a single service by realigning existing Adult Learning provision organised by the Council, which has been delivered through two systems: the Adult Learning Service and the Adult Education College (Wellington Street).

The undertaking of an independent external exercise was also recorded as representing a key strategic decision, critical to the future of the City Council Adult Learning Service and required 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 consultation exercise was noted as of particular importance since the majority (c.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.

Full details of the external report arrangements and outcomes were set out in the Cabinet Report presented on 30 January, including the options for the strategic repositioning of Adult Learning Service and LAEC. An independent report and analysis of the strategic options for Adult Learning were provided as required to the Council and summarised for the Education and Lifelong Learning Scrutiny Committee and Cabinet by presentations from the external consultants and the Interim Service Director, Lifelong Learning and Community Development.

Full support was given by the Education and Lifelong Learning Scrutiny Committee to the strategic option for moving to a single service and Cabinet gave approval to move forward on this option to Phase 2 of the realignment process, to undertake detailed design of the new single service and to realign the previous service to ensure maximum funding secured particularly through revised service priorities aligned to the new LSC funding criteria. Cabinet also requested that arrangements for the contribution of lay governance to the management of the new single service be explored.

1.2 Phase 2: Design of the Realigned Service

Throughout Phase 1 (**See Appendix 1**) an internal advisory group supported the consultation process by facilitating and processing issues in order to enable access to the information 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 and achievement of a high quality consultation process.

This group agreed to maintain its contribution to the realignment process during Phase 2 and reformed as the Design and Implementation Group, chaired by the Interim Service Director Lifelong Learning and Community Development, with a main remit of coordinating the detailed design of the new single service during Phase 2 (February to April 2006). It met on 6 occasions and its work has culminated in generating this Cabinet Report for consideration on the 15 May 2006.

Membership of the Design and Implementation Group has included the existing management of the Adult Learning Services and the Adult Education College, the LSC, Unions, HR and Finance throughout Phase 2. A full list is attached at **Appendix 2** of the Supporting Information.

The work of the Design and Implementation Group was also supported by five meetings of a joint curriculum planning group representing the Adult Learning Service and the Adult Education College.

Additionally, workshops for staff from both services have been organised to enable their contribution to be considered to the detailed planning of the new single service during Phase 2.

Stakeholders and partner agencies in the Leicester area were also invited during Phase 2 to a Stakeholders and Partners Workshop on 7 April, attended by the Leader of the Council, Elected Members and the Corporate Director of Adult and Community Services Department, as well as representatives of Leicester communities including Voluntary Action Leicester, local Community and FE Colleges, Learning Partnership, LSC, NIACE, the adult learning service and the College of Adult Education, to share national and local perspectives on the development of Adult Learning and to consider the proposed realignment of provision by Leicester City Council.

The production of a Partnership Framework (see **Appendix 3**) from the workshop will provide a useful basis for ongoing communication and discussion stakeholders and partners on the provision of Adult Learning by Leicester City Council.

Arrangements for the establishment of Advisory Groups for the new single service have also been considered. These are set out in **Appendix 4** of the Supporting Information. Essentially, it is proposed that the service benefits from the support of a Strategic Overview Group, Chaired by the Cabinet member for Adult Services, and that this group is supported by an Advisory and Service Delivery Group, chaired by either the Corporate Director Adult and Community Services, or the Service Director covering Adult Learning. Representation on this Advisory Group would include Community Associations, and service users, as set out in Appendix 4.

1.3 National Context

Since 2001 the Learning and Skills Council (LSC) has both been the funding agency and the planning authority for Adult Learning in England. The DfES and LSC have carried out a number of significant reviews of the post 16 learning and skills landscape. The priorities for government funding for adults focuses on literacy, numeracy and language provision and for people without a full level 2 qualification (5 GCSEs at Grade A-C or equivalent). Locally, this means that the Adult Learning programme must realign with new LSC targets for expenditure to secure funding. Equally, new LSC criteria made clear that should agreed targets not be met at year end, funding will be rebased (allocated elsewhere).

The government has committed to safeguard some of the former adult and community learning funding. There are three strands of funding: PCDL (Personal and Community Development Learning), family programmes and neighbourhood programmes. The government will make a contribution towards PCDL as part of the national safeguard arrangements for two years.

Additionally, the recent White Paper seeks to implement the key findings of the Foster Report which emphasised the contribution of the FE sector to the skills agenda. The FE sector's mission should focus on the employability and

progression of learners to deliver the skills and qualifications which individuals, employers and the economy need. The role of Local Authorities is highlighted in a planning role through local area agreements. A future role for new providers and the voluntary sector in delivering PCDL programmes is envisaged alongside Local Authorities.

1.4 Local Context

The new LSC methodology was made clear to the local authority, and included a presentation by the LSC Chief Executive to the Education and Lifelong Learning Scrutiny Committee in November 2005, which covered both Adult and Community Learning (ACL) and the new Skills Agenda for FE (FE).

It is also noted that Leicester City Council has one of the highest per capita settlements nationally from the LSC to secure Adult and Community Learning. Detailed background to this was set out in the 30 January Cabinet paper. However, by 2005-06 the contractual position in Leicester City Council with the local LSC involved the provision of an annual programme of adult learning opportunities through the Council's own directly-managed provision in free standing centres across the City, in community colleges and through arrangements with the Adult Education College.

2. **Strategic Considerations**

2.1 Current Strategic Priorities

As noted in the 30 January Cabinet report 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 for Adult Learning, and every effort must be made to achieve realignment at the earliest possible point.

To this end, new strategic and working arrangements were 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 is committed to achieving new 'fit for purpose' strategic arrangements in 2006-07 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.

2.2 Raising Standards and Widening Participation

Additionally, the new service needs to be able to further raise adult learning standards, widen participation and ensure access and equality of opportunity for all adults, including the elderly, hard to reach groups, learners with disabilities and across representative languages, in order to respond to changing local and national priorities.

2.3 Realignment

The realignment 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.

3. Service Delivery in 2005-06

3.1 The Adult and Community Learning (ACL) programme in Leicester in 2005-06 was 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 Centre (LAEC).

3.2 The programme involved the organisation and delivery of learning opportunities by two main providers:

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

3.3 The role of Leicester City Council in these arrangements was both strategic and operational in relation to 16-18 (relating mainly to the FE contract) and Post 19 provision (relating to 18+ with the exception of Family Learning). The Council worked with Leicestershire LSC and local partners to identify appropriate learning opportunities based on analysis of local needs, and endeavoured to translate their planning into relevant curriculum delivered through the Adult Learning Service and LAEC.

4. Performance

4.1 The Adult Learning Service received a satisfactory inspection from the Adult Learning Inspectorate in June 2004. However, several 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.

4.2 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 and changing national priorities.

5. Future Role of Leicester City Council Adult Skills and Learning

- 5.1 The new national LSC agenda and related national initiatives, such as Workforce Development, Community Cohesion, Regeneration and Cultural initiatives, Building Schools for the Future, and the development of Extended Schools, all offer significant cause and impetus for strategic renewal.
- 5.2 Locally, the transformation agenda within the Council has created a new Adult and Community Services Department, bringing together adult services from the former Social Care and Health Department and Adult Learning and Community Development from the former Education and Lifelong Learning Department. There is potential in this strategic integration process for new forms of need analysis for adults in Leicester City, new economies of scale e.g. in premises usage, enrichment of the curriculum, and development of the local agenda for supporting Post 19 users of respective Leicester City Council services.
- 5.3 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.

- 5.3 It is important to note that there is a limited amount of safeguarded funds for personal and community development learning for 2006-07. National funding guidance indicates that the government will not continue to fund these programmes but in future will make a contribution towards the costs.

It is expected that the rest of the funding is to be raised by increased fees to learners and this is the case nationally. The service is necessarily, therefore, reviewing its fees policy for this reason (see **Appendix 7**).

- 5.5 It is the aim of the service to maintain a broad and balanced curriculum offer that reflects the new national LSC priorities for adult learning. Consequently, it has been necessary to realign the service and a functional map of the new service is provided at **Appendix 8**.

Additionally, the new single service has shaped its curriculum to reflect a newly developed set of service priorities, which have been fully discussed with the LSC, across the Adult Learning services and with stakeholders and partners in Leicester.

These are set out below:

Adult Skills and Learning Service: Service Priorities 2006-07

- Skills for life
- Skills for work
- Skills for personal development
- Learning development for communities, building capacity and cohesion
- Workforce development and responses to skills gaps in the workplace
- First steps learning
- Progression to Level 2 and beyond
- Family learning
- Social inclusion through learning

These realigned service priorities both reflect the shift in LSC priorities, and maintain the ability for Leicester City Council Adult Skills and Learning Service to respond to local analysis of adult learner needs in 2006-07. The process of ongoing needs analysis will be supported by the work of the Advisory and Service Delivery Group.

6. Realignment of Adult Learning: Project Management

- 6.1 The urgency of the strategic action required to realign current organisational structure and management arrangements is highlighted in paragraphs 1.2 and 2.1 above. It has been critical to secure satisfactory strategic and curriculum planning in time for the 2006-07 academic year commencing September 2006. Hence, drafting of the curriculum for 2006-07 has been undertaken in February and March 2006 in order to secure LSC funding.
- 6.2 Additionally, since significant changes to funding are anticipated for 2006-07, new management arrangements need to be place by early autumn 2006, to ensure successful delivery of the new curriculum offer commencing in September 2006.
- 6.3 To ensure overall effective project management a Project Management Workshop was held on 20 March 2006, to detail all tasking and timelines required to complete the realignment process in Phase 3. This is set out in the attached Gantt Chart at **Appendix 5**.
- 6.4 Project Management in Phase 3 will comprise the following Council officers and will be registered as a Prince 2 project, with appropriate monitoring of progress:

Overall Project Accountability	Sally Burton, Corporate Director Adult and Community Services
Project Executive Director	Kim Garcia, Interim Service Director
Project Coordination	John True, Acting Service Director
Support Services	Finance Human Resources Legal Services Policy and Planning/Equalities Press Office

7. Financial Implications

- 7.1 The Adult Education Service is funded from LSC grants and fees and charges. There should therefore be no call upon the City Council's net budget. It is anticipated this will be the case in 2005/06.

The Leicester Adult Education College, which is part of Leicester City Council, acts as a Council cost centre through which all of its expenditure and income passes (income including a share of the LSC grants paid initially to the City Council).

If the expenditure and income of the College and the City Council direct provision were to be consolidated, based on 2005/06 figures, a total of £7.7 emerges funded from:

	£ m
• LSC Grants	6.5
• Fees and Charges	0.5
• Other grants	0.7
Total funding in 2005-06	£7.7m

It will be from this financial position that realignment is proceeding in 2006-07.

In terms of designing the service, funding sources need to be viewed as a financial cap. The strategic exercise is to design a service within the limits of the monies available, and do so to ensure a continuing income stream from the LSC.

The focus for the adult learning service is the academic year. Allocations from the LSC are made on that basis and the indicative allocation for the academic year **2006-07** is a little over £5 million suggesting, when an estimate for fees and charges and other grants are added, an aggregate income stream in that academic year of the order of **£5.7 million**. The planned expenditure split in 2006-07 is 72% upon staffing and 28% upon other costs. Applying these percentages puts in place a staffing budget cap of £4.1 million, which is approximately £1.1 million below current staffing costs (all figures are expressed at budgeted 2006/07 salary levels).

This represents a significant service realignment. Transitioning from the current level of expenditure to the new level by 1 August 2006 (the start of the new LSC financial year) will be very challenging and there must be a risk of cost over-run. An assessment by the former Education Department Human Resources of the time-line required for such an organisational change suggests that it could be the end of the calendar year before the service is fully realigned.

Over and above the potential timeline risks there are the potential disengagement costs (including redundancy) to the Council. At this stage it is impossible to place a figure upon such costs, for they would be wholly influenced by the fine detail of the service realignment and the terms and conditions upon which staff are employed. In terms of other costs, detailed

budgets will need to be prepared to bring them within the budget cap of approximately £1.6 million.

In addition to the foregoing issues, there is the matter of current financial pressure upon the adult learning budget. The Leicester Adult Education College is currently running a deficit situation and to the extent that this continues it makes it that much more difficult to align expenditures to the emerging financial caps.

From the City Council's perspective it is anticipated that the College, in 2005/06, will meet its financial obligation to the Authority. As there is a momentum to overspend within the College it has been imperative to advise the College that early measures e.g. vacancy control and freezing discretionary expenditure be taken to realign the College's outlay to funds available and to do so in a manner which dovetails with the adult skills and learning service longer term strategy.

In summary, therefore, it will be necessary for Education Finance to undertake further detailed financial appraisal of finalised proposals before any changes are implemented in order to be clear as to potential costs and sources of funding for such costs. One such source of funding will be the reserves currently held within the Education and Lifelong Learning accounts, which in due course will be disaggregated across the Adult and Community Services and Children and Young People's Departments.

Barrie Woodcock
Head of Education Finance x 7750

8. Legal Implications

Detailed legal advice will be required during Phase 3 to ensure that the Council's obligations are met.

Guy Goodman
Head of Community Services Law x7054

9. Equalities Impact Assessment

Any decision by Cabinet should be subject to an equality impact assessment, including consideration of the extent to which implementation might discriminate, in relation to either service provision and/or employment opportunities, and whether this is justifiable or not.

10. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References within this report
Raising Standards	Yes	2.2
Equal Opportunities	Yes	3.6, 2.2, 9.1
Policy	Yes	1.3, 1.2, 2.2, 3.1, 3.3, 4.2, 5.1, 5.2, 9.1
Sustainable and Environmental	Yes	5.1
Crime and Disorder	No	5.1
Human Rights Act	No	
Elderly/People on Low Income	Yes	Appendix 7

11. Risk Assessment

RISK ASSESSMENT MATRIX			
Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/or appropriate)
1. Insufficient improvement to existing Leicester City Council Adult Learning arrangements.	High risk	High	Corporate Director, A&CS to introduce robust monitoring and audit measures, as part of the overall improvement to performance management within the new Department.
2. Inability to meet LSC targets.	High risk	High	Corporate Director to ensure ongoing strategic relationship with LSC to maintain performance targets set by the LSC, which is the main funding agency for Adult Learning in Leicester.
3. Inadequate improvement of ALS and LAEC financial procedures.	High risk	High	Corporate Director to ensure systematic monitoring of financial standards and reporting on performance to Chief Finance Officer.
4. Staffing costs from existing structure impacting on new service structure.	High risk	High	Adult Learning Project Team to regularly report to Project Executive Director regarding progress against the realignment timeline and potential for overrun costs.
5. Redundancy cost arising from realignment exceeding funding available.	Medium risk	High	Project Team to inform Project Executive Director regarding costs arising from the realignment process exceeding funding available and related Council liabilities and responsibilities.
6. Quality assurance failure during realignment to new service.	Medium risk	Medium	Project Team and existing management of Adult Learning to ensure quality and standards are maintained throughout realignment process and regularly reported to Project Executive Director.
7. Loss of learners and reputation during transition phase.	High risk	High	High priority press and publicity campaign to ensure changes are explained and clearly communicated. Within Council and externally.

L - Low
M - Medium
H - High

L - Low
M - Medium
H - High

12. Consultation

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 the new Adult Skills and Learning Service.

13. Report Author/Officer to Contact

Kim Garcia
Interim Service Director
Lifelong Learning and Community Development
Education and Lifelong Learning Department

APPENDIX 1

Project Management: Project Phases and Key Activity

- Phase 1** **5 September 2005 – 30 January 2006**
- 5 September: Cabinet approval to conduct External Consultation
- October –January External Consultation Exercise
- December/January: External Consultation Report Completed
- 23 January: Consultation Report and Analysis of Findings presented to Education Scrutiny
- 30 January: Cabinet approval to move to Phase 2 – Design of the new single service and explore arrangements for lay governance.
- Phase 2** **Design of New Single Service – 1 February – 15 May 2006**
- 6 meetings of Design and Implementation Group
- 5 meetings of joint Curriculum Planning Group
- Staff Workshops
- Stakeholder and Partners Workshop
- Detailed supporting financial, legal, equalities and HR work.
- Updates to Directorate Management Team, Adult Learning Service and Adult Education College management groups, FEJOTC (Union Consultation Group)
- Project Management Workshop (Gantt Chart Plan for Phase 3)
- Phase 3** **Implementation of New Single Service – 16 May onwards**
- Further detail see Project Gantt Chart – **Appendix 5**

APPENDIX 2

Adult Skills and Learning Service Realignment

Design and Implementation Group

Membership

Kim Garcia (Chair)	Interim Service Director, Lifelong Learning and Community Development Service
Robert Raven	Principal, Adult Education College
Mary Harrison	Senior Manager, Adult Education College
Claire Ambrose	Head of Adult Learning
Tim Ward	Operations Manager, Adult Learning Service
Brian Berkovits	Senior HR Consultant, Education Department
Theresa Davies	Senior Manager, Adult Learning & Participation, LSC
Rachel Croft	Learning & Development Manager, LSC
Dawn Powell	Unison
Russ Escrit	NATFHE (Regional)
Les Price	NATFHE
Penny Lamb	Project Adviser

APPENDIX 3

Partnership Framework

It is proposed that a Partnership Framework is developed through the Advisory and Service Delivery Group for the new single service. This will be a key initial task for the group.

Initially, the scope of the Partnership Framework will be defined at the Stakeholders and Partners Workshop on 7 April.

The main purpose of the Partnership Framework is to achieve effective communications and ongoing dialogue about the development of Adult Learning in Leicester.

A copy of the invitation to the 7 April Workshop is given below:

Leicester City Adult Learning: Stakeholder and Partner Workshop

Friday 7 April, 12.30/1.00 – 4.00 pm
Conference Room, Renaissance House
NIACE
20 Princess Road West
Leicester LE1 6TP

Leicester City Council Education and Lifelong Learning Department would like to invite you to a Stakeholder and Partner Workshop to be held on 7 April in Leicester, as set out above.

The purpose of the event is to provide an opportunity for representatives of a wide range of agencies and groups in Leicester City who have an interest in or provide Adult Learning services, to discuss the emerging proposals for the realignment of the City Council's service for Adult Learners in Leicester.

The event will allow time to consider briefings from national speakers on funding issues and priorities for Adult Learning, and time to discuss the local proposals for the realignment of Adult Learning provided by Leicester City Council.

Of most importance is the opportunity for partners and stakeholders in Leicester to meet to jointly consider the strategic direction of changes being proposed for the Council Service, as they are being formed and to ensure we exchange our perspectives on the contributions we each make to Adult Learning in Leicester.

We very much hope that you are able to attend.

Thank you.

Yours sincerely

Kim Garcia
Interim Service Director
Lifelong Learning & Community Development

APPENDIX 4

Proposal for Strategic Overview and Advisory and Service Delivery Group

Arrangements for Strategic and Advisory Groups for the new single service are suggested below.

Essentially, it is proposed to establish a new Strategic Overview Group, Chaired by the Cabinet Member Adult Services, supported by an Advisory and Service Delivery Group chaired by the Corporate Director Adult and Community Services, convened potentially to include representation from a range of stakeholders and partners including:

- Director of Adult and Community Services
- Elected members (x3)
- Head of Service: Adult Skills and Learning Service
- Leicester Learning Partnership
- Community Colleges
- Sponsor/Funding Agency
- Voluntary Action Leicester
- Community Associations
- Regeneration and Culture
- FE Colleges
- NAHTFE
- NIACE
- Other representatives as agreed

The Advisory and Service Delivery Group will be solely of an advisory nature, providing analysis, evaluation and recommendations on curriculum, performance and needs analysis to the Corporate Director of Adult and Community Services, and through the Corporate Director to Cabinet. Decision making will only rest with the Corporate Director and Cabinet. A full set of terms of reference will be agreed in due course, with the Cabinet member.

Supporting the Advisory and Service Delivery Group will be three working groups:

- Quality, Diversity and Standards
- Strategic Resources
- Curriculum

The remit of the working groups will be to provide analysis, evaluation and recommendations to the Advisory and Service Delivery Group on issues identified by the group. This will form both a system of support and maintain perspective on three key strategic areas of the work of the Advisory and Service Delivery Group.

In addition it is proposed that two reference groups are created to support collection of views from learners and to support needs analysis exercises for the service. The annual cycle of meetings will be developed in consultation with the Cabinet member and key stakeholders, and consideration will be given to holding conferences for Working Groups and Reference Groups and for Performance Review each year.

The proposals for the Strategic Overview and Advisory and Service Delivery Groups for the new Adult Skills and Learning Service are set out in the following diagram to show reporting lines:



APPENDIX 5 Adult Skills and Learning Service Realignment Project

Project Phase 3 Gantt Chart

Covering the Period April – September 2006

Note: Task leads to be confirmed.

TASKS	Lead (Draft)	Support	PROJECT MANAGEMENT WORKSHOP CO-ORDINATION OF TIMELINES					July	A
			March	April	May	June	July		
Prepare Cabinet Report	KG	DMT, DIG, SCR		Mtg on 24th					
Scoping for new Governance arrangements	KG				Commenced		Ongoing	Ongoing	
Equalities Impact Assessment (Curric.)	CC	PS, DW	Commenced	Ongoing	Ongoing		Ongoing		
Equalities Impact Assessment (Structure)	KG		Commenced	Ongoing	Ongoing		Ongoing		
Project Mgr. - Funding secured	KG		Immediate						
TOOLKIT - confirmation targets	CA		28th						
Scoping of overall costs & size of Mgt. Structure	PL	JR	Immediate						
Conf. current costs / funding 06/07 / Budget	PL	JR	Immediate						
New fee structure	TW	MH	End March						
AFTER CABINET									
Clarify Roles / Responsibilities of SMTs	KG		Commenced	Ongoing					
Protocol Process initiated	BB			Commenced	Ongoing				
New Structure out for Consultation	KG			26th					
Project Manager identified	KG			*					
New Head of Service	KG			*	*				
Decisions re: Vol. Redundancy / Early Retirement	BB	KG		*					

Pay Protection and other HR issues	BB	KG, JR			*				
Confirmation of premises to be used	CA	TW	31st						
Curric. Planning at course & location level	CA, RR	CC, PS, DW			*				
Entry Programme of Programme into TERMS	PB					end May			
Tutors contracted for 06/07	TW,			7th mtg to decide		1st letter			31 end exist. contract
Agreement use of rooms / identify spaces/offices	CA, RR	PM, KG			*	*	*		
Timetabling	Ams				*	*	*		
Design Publicity Strategy	TW,	CB			*	*	Mid June to print		*
Redundancy Notices / HR / Legal implics	BB			Commenced		Ongoing			
Collection of data on current staff	BB		Immediate						
Confirm New structure & posts within (after Cons.)	KG				Ongoing				
Develop new posts / JDs etc	PM	H of S	End March		Ongoing	Ongoing			
Agreed Budget & monitoring process	BW	CA, RR			1st				
New cost centres	BW				*	*			
Cost Coding info to HR / payroll	BW	H of S							Payroll deadline
Redeployment of current tutors	CC, PS	DW, MH, TW				*			
New Tutor Appointments	CC, PS	DW, JF, DH				*			
Resolve Crèches issue	TW,		Commenced		Ongoing				
Costing & charges re: premises	SG		Draft		Market test	To Cabinet			
DDA Capital Spend	TW		Ends						
IT Audit & aggregation of info.	BD	EJ, JE	*		*				
IT Review of Support to 2 Directorates	BD					*			
Ongoing Quality issues	CC, KD	PB, PS, DW	Ongoing		Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
SAR	CC, KD	PB, PS, DW				Commenced	Ongoing	Ongoing	Ongoing
REMIT relocation (if required)	CA	SG, KG					Ongoing	Ongoing	Ongoing
3 Year Plan submitted to LSC	CA, RR					31st			
Redeployment Interviews	BB	PA				*	*	*	*
Union Approved Contracts for P/T Staff	TW,								
Audit 2005/06 Grant & submit Claim	CA, RR	LH							
New Governance arrangements in place	H of S								

APPENDIX 6: Adult Skills and Learning Realignment Project

Financial Overview

Staff Sector Costs - Summary	2005-2006	2006-07	Difference	Comment
Head of service / senior strategic managers	£554,022.00	£317,633.00	£236,389.00	
Senior Managers	£439,545.00	£307,907.00	£131,638.00	
Managers / curriculum settings	£1,058,632.00	£728,297.00	£330,335.00	
Sub Total	£2,052,199.00	£1,353,837.00	£698,362.00	
Tutor organisers	£380,330.00	£350,994.00	£29,336.00	
Tutors	£1,135,871.00	£1,027,386.00	£108,485.00	Adjustment for casual staff counted in contract staff
Casual staff - tutors / admin/ support	£539,921.00	£400,702.00	£139,219.00	Triangulated with 2006-07 curriculum hours and reflects change in group sizes + new curriculum
Administration and support	£1,146,537.00	£967,592.00	£178,945.00	£178k staff costs project ending in June 2006
Sub Total	£3,202,659.00	£2,746,674.00	£455,985.00	
Total	£5,254,858.00	£4,100,511.00	£1,154,347.00	Rationalisation of staffing in Phase 3 will be required to achieve this figure of £1.154m. The proposed single service structure achieves this saving.

Notes

2005-06 figures throughout shown at 2006-07 salary levels for effective comparison

Academic year figures

All figures include on costs calculated at 26.1% contracted staff and 13.1% casual staff

All current vacancies have been removed

		Notes
Total predicted budget for academic year 2006-07 as at March 2006	5,697,013	Indicated income from LSC
Predicted salary costs 2006-07 on current establishment (excluding casual claims, vacant posts)	4,715,054	Includes on-costs at 26.1%
Figure supplied to finance for casual staffing claims	539,921	Includes on-costs at 13.5%
Total staffing figure for 2006-07 if no changes made	5,254,975	Comprises establishment and casual staff costs
Estimated max salary costs at 72% of overall income	4,101,849	72 / 28 split recommended by Education Finance to Design and Implementation Group.
Reductions needed to meet 72%	£1,153,125	

APPENDIX 7 Adult Skills and Learning Service Realignment Project

Adult Learning Fees 2006 – 07

1.0 Summary

- 1.1 This appendix sets out proposals for changes to course fees to be applied by the Leicester City Adult Skills and Learning Service for 2006/07

2.0 Recommendations

- 2.1 That members approve the changes proposed to fees and fee remission for the academic year 2006/07 as detailed at the end of this appendix

3.0 Purpose of changes to fees policy

- 3.1. The purpose of this fees policy is to align the Adult Skills and Learning Service charges for provision with government initiatives including Priorities for Success, guidance for learning for personal and community development (PCDL) and the new White paper on Further Education.
- 3.2 This fees policy will enable the Council to reaffirm its commitment to meet local needs, promote community cohesion and facilitate access to learning opportunities for all to a broad and balanced curriculum.
- 3.3 The policy aims to maximise income from those who can afford to pay for provision in order to subsidise those who cannot. The guidance states the level of fees and subsidy for PCDL programmes will depend on local choice about how to use the allocated resources. This will help to contribution to meeting reduction in funding for these courses.

4.0 Background

- 4.1 The Adult Skills and Learning Service is Leicester City Council's direct provider of adult education and includes the Leicester Adult Education College. It receives all its core funding from the Learning and Skills Council (LSC) which itself is responsible to the Department for Education and Skills (DfES) from which it receives its funding. The Adult Skills and Learning Service does not receive any financial contribution from Leicester City Council funds.
- 4.2 It is now clearly part of the Government's policy towards post – 19 learning that those who can afford to pay more for their learning should be encouraged to do so:

“A central element of the government's funding strategy is to increase contributions to the costs of learning from employers and individuals in line with their ability to pay and the benefits they receive. Providers will need to focus on strategies to grow fee income and other income – generating activity such as full-cost courses”. (‘Priorities for Success’ – LSC October 2005).

- 4.3 The LSC has now set targets for the 'fee assumption' (i.e. the percentage of fee income set against the overall cost of the provision) for all providers of Adult Learning. In 2006/07, this will be increased to 32.5% and in 2007/08 it will be set at 37.5%. Government ministers have spoken about fees accounting for 50% of the provision cost by 2010. It is unlikely that a City like Leicester could realistically achieve these percentages, but fee increases are inevitable as the LSC subsidy reduces.
- 4.4 Fees should remain affordable in order to encourage participation in learning, particularly for learners from under-represented and hard to reach groups in accordance with the mission of our service. Some of our provision will remain free of charge.
- 4.5 It is important to retain a comprehensive fee remission policy in order to enable access to learning opportunities. It is proposed to reduce our remission rate for non-accredited and non means-tested benefit recipients to 70% from the current 75% level. This would bring us in line with the County Adult Skills and Learning Service and still be one of the higher remission rates in the country. Many other services have set their remission at between 50% and 60% (see NIACE annual fees survey). Without some adjustment in our remission rate, our Fee Remission budget, which is funded through the LSC grant would be overspent because of the fee increases.

5.0 Details

- 5.1 Proposed fee levels for 2006/07:
- Free : Family Learning / English and Maths GCSE / Reach project for homeless persons / Widening participation taster courses / First full Level 2 qualification / Skills for Life (Literacy, Numeracy, English for Speakers of Other Languages) as per national guidelines
 - 50p - £1.00 per hour : Selected accredited courses with large guided learning hours which meet other national priorities (FE)
 - £2.00 per hour: Standard rate for other accredited courses (FE)
 - £3.00 per hour: Standard rate for PCDL courses
 - £4.00 - £7.00 per hour: 'Premium' rate for selected new marketable courses or courses with significant overheads.
- 5.2 In 2005-06 the Service's fee rates were £1.80 per hour for standard FE and £2.50 (per hour for PCDL.
- 5.3 Fee Remission rates for 2006/07:

Means Tested Benefits	FE courses	PCDL courses
Income Support	100%	70%
Pension Guarantee Credit	“	“
Job-Seekers Allowance	“	“
Working Tax Credit (Household income less than £15050)	“	“
Housing Benefit	“	“
Council Tax Benefit	“	“
Disabled Persons Tax Credit	“	“
Asylum Seekers Benefit	“	“
+Unwaged dependent of a mean-tested benefit recipient	“	“

Non Means – Tested Benefits

Incapacity Benefit	70%	70%
Disability Living Allowance	“	“
Severe Disablement Allowance	“	“
Attendance Allowance	“	“
Single Parent Allowance	“	“
16-18 year old in full-time education	100%	70%
+ Unwaged dependent of someone receiving a non means – tested benefit listed above.	70%	70%

6.0. Equalities Impact Assessment

6.1. The equalities impact assessment of this change in fees policy will be included in the overall service and curriculum impact assessment.

Also, see section 9 of the Supporting Information.

Appendix 8

Adult Skills and Learning Service
 Functions Structure
 Total Cost: £4.1m
 Total Available Staff Budget: £4.1m



