

Economic Development, Culture and Tourism

Scrutiny:

6 February 2013

Leicester's Adult Skills and Learning Service

Lead Director: Margaret Libreri, Director, Learning
Services



Useful information

- Ward(s) affected: All
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1. Summary

This report outlines

- A proposal to reconfigure the Multi- Access Centre service in order to align with the Leicester to Work initiative and achieve efficiencies.
- Progress on ESOL developments
- Community Learning purposes and priorities

2. Main report:

2.1 Adult Skills and Learning Service and Multi-Access Centres

The development of Multi Access Centres

The first Multi Access Centre was established at the Highfields Centre in 2008. Over the next few years, funded by City Strategy and then the Working Neighbourhoods Fund the service was commissioned by the Economic Regeneration department to establish and co-ordinate a network of centres, using some existing venues and some new 'shop front' premises in areas of high unemployment in the city. The model was developed, with significant support from the Skills Funding Agency and was part of the Work Highcross initiative. The Leicester model influenced the national policy move towards the 'Work Programme', using a 'black box' approach to addressing the needs of clients with complex barriers to the labour market.

The current position of Multi-Access Centres

The support context for unemployed people in Leicester has changed significantly in the intervening period, in particular, the implementation of the Work Programme 18 months ago and the mandating of individuals to undertake training. During 2011-12 the wide range of supporting WNF contracts came to an end, and by March 2012 the LASALS part of the MAC network had been reduced significantly. However, the decision at that point was to incorporate the remaining MAC activity into the Adult Skills and Learning Service, and a reduced service has been maintained in 2012-13. This includes six centres directly managed by the council, and the commissioning of Highfields Community Association and the continuation of the B-Working MAC in Braunstone.

MACs receive about 30% of their clients through referrals from the Jobcentre. These are often people who are long term unemployed but have not yet been mandated to participate in the Work Programme. New Jobcentre clients are referred to Next Step / The National Careers Service where they are entitled to up to three 1:1 sessions. It is at this point that newly unemployed people tend to access the MACs. There is now little capacity to go out and engage with new clients in communities in the way that this was done under WNF. Increasingly the work with clients is being conducted in drop-in workclubs, which are proving quite popular in some areas.

The service has a target, as part of Leicester to Work Phase 1 Work package 4, to provide a 'network of advice centres' and deliver 300 job outcomes over three years 2012-15.

01/01/2012 - 31/12/2012		
MAC Area	New clients engagements	Achieved Employment
City	797	42
New Parks	155	18
Beaumont Leys	176	15
Northfields	97	3
St.Matthews	222	17
Saffron & Eyres Monsell	95	10
Braunstone	363	86
Highfields	202	13
Total	2107	204

It is very difficult to determine whether those individuals entering employment would have found work without the intervention of the MACs, however it is clear from the statistics that there is considerable variation in the demand for, and effectiveness of, this current model of delivery.

Funding of the Multi-Access Centres

Since April 2012, following the cessation of WNF funding, the MACs have been funded out of the Skills Funding Agency Community Learning grant. In their current format the outcomes of the MACs do not directly contribute to the service's community learning targets and this clearly impacts on the perceived value for money of this area of work. This has also contributed to the service's current predicted overspend in 2012-13

The MACs in Braunstone and Highfields are sub-contracted. The Braunstone service was procured from Braunstone Working under WNF and this has been extended for 1 more year (2012-13). The Highfields service has been set up as a 3 year funding agreement with Highfields Community Association until March 2015 (assuming successful delivery of target outputs).

INFORMATION ADVICE AND GUIDANCE 2012-13

In house provision of 6 MACs	£342,427
External provision	
Braunstone (B Working)	£53,000
Highfields (HCA)	£119,000
Total cost of MACs	£512,247

Since the previous reports were written, the funding allocations for 2013-14 have been received from the Skills Funding Agency (SfA) and modelling of the funding formula for 13-14 has begun. Community Learning Funding is secured at current levels for the next two academic years.

However the service is currently predicting an overspend in 2012-13 of £75,000 and the budget surplus for corporate recharges is supposed to increase to 865k by 2015-16. At this stage it is anticipated that the service would need to achieve **further budget reduction of nearly £510,000 per annum** in order to achieve the surplus target as it currently stands in 2015-16. The plans laid out below will achieve this within the £237,000 reserve previously agreed.

It is proposed to achieve £416,000 of savings through two initial phases of staffing reductions and a further £92,760 in other efficiencies.

The management review begun by the previous Head of Service in May 2011 has not been implemented. In the past couple of months it had become clear that the Management Review would not yield the level of savings predicted and, importantly, would not create a staff structure that is needed to sustain and develop the service. On this basis the rational option was to acknowledge the deficiencies in the review and to stop it.

The proposed way forward

It is proposed to consult on a service organisational review in two phases.

Stage 1 – Remove the Worklessness strand and integrate delivery of Workclubs into the Curriculum Skills for Work Team.

The immediate priority is to reconfigure the services that support unemployed adults into work. This would enable the service to align its activity and contribute to the Council's Economic Action Plan whilst ensuring all activity also delivers the Skills Funding Agency and OfSted requirements.

The service currently has a Worklessness Strand that was developed in 2009 to deliver the WNF funded Multi-Access Centre Programme. Within the Curriculum strand it also has a Skills for Work Team which is responsible for the delivery of Vocational and employability courses including a small number of Apprenticeships. It is proposed to redesign and rebrand the successful MAC Workclubs and incorporate it into the responsibilities of the Skills for Work curriculum area. The participation will be recorded using a modification of the 'recognising and recording progress and achievement (RARPA)' process required to record the programme as Community Learning.

The contracted out activity in Highfields and Braunstone will remain for the duration of the current contracts with some minor amendments to the documentation to be negotiated in order to comply with SfA and OfSted requirements.

The programme, branded Leicester to Work, would offer:

- An initial consultation and action planning session.
- Access to up to 10 Work Club sessions per week (Mon – Fri, am & pm) in venues across the city. This will facilitate both regular attendance at a local Workclub and immediate access to support with pending applications/interview preparation somewhere in the city.
- Enrolment on a range of LASALS work preparation, English, Maths & ESOL and employability courses with more regular start dates.
- Referral to other vocational training providers, as appropriate.
- Referral to other support services, including the more in depth 1:1 and Welfare Rights advice available at the Highfields and Braunstone MACs under the current contracts as well as The National Careers Service and other specialist organisations.
- Regular reviews through attendance at Work Clubs

Adult Learning programmes will continue to be delivered in most of the existing MAC locations with staff that will engage with unemployed people and introduce them to the Leicester to Work programme. The exception to this is Northfields Neighbourhood Centre which, for a variety of reasons, has not been a successful venue. Delivery for that area of the city will be through St Barnabas and Hamilton Libraries and other outreach locations.

Target date for implementation: end July 2013

Target Savings: £125K in 2013-14, £266K in 2014-15

Stage 2 - Re-organise Management & Learner Responsiveness Strand

To achieve some further savings and address the structural issues within the management and Learner Responsiveness strands that have emerged from voluntary redundancies and the impact of the Admin and Business review, it is necessary to re-organise the remaining Management tier and the Learner Responsiveness strand.

Target date for implementation: end September 2013

Target Savings: £77K in 2013/14, £150K in 2014/15

A further saving will be achieved in 2014-15 and 2015-16 through a combination of a review of subcontracted provision, revised fee structure, larger class sizes as well as administrative efficiencies through modernisation initiatives such as the introduction of online enrolment and electronic registers and cross service working in Neighbourhoods. This will be part of the existing review of Neighbourhood Services.

Target date for implementation: April 2015

Target Savings: £13K in 2014-15, £93K in 2015/16

2.2 ESOL

Additional funding over 3 years was secured by the Scrutiny commission for the service's development of ESOL services.

2012-13 £7,000

2013-14 £9,000

2014-15 £10,000

Volunteer ESOL Tutor project

As reported to the November Scrutiny commission meeting, the LASALS ESOL team are undertaking the research and development phase developing a programme of training and support for volunteer ESOL tutors by LASALS in partnership with Leicester College, Regents College, Cooke e-Learning, Voluntary Action Leicester and Unionlearn.

The plan is for a modular approach with 5 modules that include:

- teaching and learning strategies;
- assessment for learning; resources;
- eligibility and progression routes for learners;
- progression for volunteer tutors.

Recruitment to the programme is planned to begin in April and delivery will begin in May.

Central referral mechanism and citywide ESOL database.

It is now confirmed that LeicesterShire Learning Network (LSLN) will close at the end of this financial year. It is therefore not an option to extend their database to capture ward based information across all providers. As previously reported, consultation with other providers by LSLN and VAL on our behalf indicated that providers were not supportive of such a model as it was felt that they have their own effective systems for recruiting, assessing and placing learners and the Begin model would not add value to these. It is also noted that the Nottingham Begin service requires a significant staffing resource that is well beyond the resources available (Begin has a staff of seven (6fte) and total running costs of c £218k for 2011-2012)

However, there is now significant data available from the Skills Funding Agency about participation in ESOL across all providers. I have requested the detailed from them and in combination with the new census results, we should be in a better position, later this year, to analyse the position of ESOL supply and demand across the city. In addition the research contributing to the Skills Demand Plan identified in the Leicester Economic Action Plan, will provide the employers' perspective.

Publicity

The original launch of the marketing ideas was intended to be August/September 2012. Due to circumstances beyond our control this did not happen and it was deemed inopportune later in the year to promote ESOL heavily when many courses were already full and had commenced. If it was still considered to be a useful development, it would be possible to revisit this proposal and discuss the views/participation of providers, in order to send out some positive publicity before

the start of the next academic year.

2.3. Community Learning

In confirming Community Learning Funding for the next two academic years in the Autumn 2012 Skills Funding Statement, the government laid out quite clearly the purpose of this funding stream:

Purpose of Government Supported Community Learning:

- Maximise access to community learning for adults, bringing new opportunities and improving lives, whatever people's circumstances.
- Promote social renewal by bringing local communities together to experience the joy of learning and the pride that comes with achievement.
- Maximise the impact of community learning on the social and economic well-being of individuals, families and communities.

Objectives:

- Focus public funding on people who are disadvantaged and least likely to participate, including in rural areas and people on low incomes with low skills
- Collect fee income from people who can afford to pay and use where possible to extend provision to those who cannot.
- Widen participation and transform people's destinies by supporting progression relevant to personal circumstances, e.g.
 - improved confidence and willingness to engage in learning
 - acquisition of skills preparing people for training, employment or self-employment
 - improved digital, financial literacy and/or communication skills
 - parents/carers better equipped to support and encourage their children's learning
 - improved/maintained health and/or social well-being.
- Develop stronger communities, with more self-sufficient, connected and pro-active citizens, leading to:
 - increased volunteering, civic engagement and social integration
 - reduced costs on welfare, health and anti-social behaviour
 - Increased online learning and self-organised learning
 - the lives of our most troubled families being turned around.

- Commission, deliver and support learning in ways that contribute directly to these objectives, including:
 - bringing together people from all backgrounds, cultures and income groups, including people who can/cannot afford to pay
 - using effective local partnerships to bring together key providers and relevant local agencies and services
 - devolving planning and accountability to neighbourhood/parish level, with local people involved in decisions about the learning offer
 - involving volunteers and Voluntary and Community Sector groups, shifting long term, 'blocked' classes into learning clubs, growing self-organised learning groups, and encouraging employers to support informal learning in the workplace
 - supporting the wide use of online information and learning resources
 - minimising overheads, bureaucracy & administration.

New Challenges, New Chances Further Education and Skills System Reform Plan: building a world class skills system, BIS, Dec 2011

The Adult Skills and Learning Service is currently quite well aligned with these objectives in its use of funds but will address the focus on the following aspects through a revised fees policy and strategic plan in April 2013 and in planning the curriculum for 2013-14 and beyond:

- Increasing fee income from those who can afford to pay and increasing their participation in order to support other learning. It is proposed to increase general Community Learning Fees from £4 per hour to £5 per hour for full fee payers and from £1.20 per hour to £1.50 per hour for learners eligible for fee remission.
- Developing a more flexible charging policy that reflects the relative costs of providing courses where additional costs are incurred due to the location or specialist equipment or to enable small groups meeting specialist interests.
- Developing new lower cost provision that improves/maintains health and/or social well-being, by developing targeted work with older people in residential or supported housing.
- Devolving planning and accountability to neighbourhood/parish level, with more local people involved in consultation about the programme offered and in decisions about the Neighbourhood Learning in Deprived Communities Funded provision.
- Further developing Workclubs to support acquisition of skills to prepare for training/confidence building.
- Re-focussing the service's promotional materials and learner engagement activities on increasing participation in Community Learning.
- Reviewing the use of the Adult Education College Extension (former lending library) to ensure the focus is clearly on increasing participation in adult and community learning and support into employment.

Community Learning Enrolments

2011/12 Academic year – 5493

2012/13 Jan 2013 – 2868

2011/12 Jan 2012 - 3081

The service is on target to match the enrolments numbers achieved in 2011/12.
The revised strategic plan (April 13) will identify clear and measurable targets.

Adult & Community Learning (1st Aug 2011 - 31st July 2012)						
2011-12 ACL Use of Funds	Total ACL	Personal and Community Development Learning	Neighbourhood Learning in Deprived Communities	Family Literacy & Numeracy	Wider Family Learning	Multi - Access Centres (1st Oct 2011 - 31st July 2012)
Tutors	£ 1,031,346	£ 747,240		£175,219	£76,250	£32,638
Other staff	£ 1,473,536	£ 935,733	£170,352			£67,451
Total Staffing costs	£2,504,883	£ 1,682,973	£ 170,352	£ 175,219	£ 76,250	£400,089
Services & Supplies	£523,050	£ 122,705				£400,345
Vol & Com Sector Grants	£296,108		£ 235,572	£ 26,246	£34,290	
Corporate recharges	£516,315	£ 316,740	£ 62,172	£ 31,936	£11,733	£93,734
Expenditure	£1,335,473	£ 439,445	£ 297,744	£58,182	£46,023	£494,079
WNF Grant contribution to 30.9.11	-£727,944					-£727,944
Total Expenditure	£3,112,412	£2,122,418	£ 468,096	£ 233,401	£122,273	£166,224
Total ACL Allocation	£3,042,313	£2,237,937	£ 456,234	£ 208,885	£139,257	£ -
Predicted 2012-13 Use of Funds	£3,042,313	£1,811,152	£ 456,234	£262,500		£512,427

3. Details of Scrutiny

This report will be presented to Scrutiny on Feb 6th 2013

4. Financial, legal and other implications

4.1 Financial implications

Summary of Adult Skills & Learning - Budget Analysis

	2012-13	2013-14	2014-15	2015-16
<u>Income</u>				
Grants (SFA)	(5,417,100)	(5,368,200)	(5,168,200)	(5,168,200)
Other Income	(422,800)	(314,700)	(314,700)	(314,700)
"one-offs" in 2012-13	(132,700)	0	0	0
<i>Total Income</i>	(5,972,600)	(5,682,900)	(5,482,900)	(5,482,900)
<u>Expenditure</u>				
Forecast/Estimate	5,209,900	5,057,400	5,057,400	5,057,400
<u>Proposed Organisational Review Savings</u>				
Stage 1		(125,500)	(265,800)	(265,800)
Stage 2		(76,800)	(150,500)	(150,500)
<i>Total Savings</i>		(202,300)	(416,300)	(416,300)
Efficiency savings			(12,800)	(92,760)
	(762,700)	(827,800)	(854,600)	(934,560)
NET BUDGET (G/Fund)	(837,700)	(848,400)	(856,000)	(864,560)
Savings (2012-13 DRS) -Efficiencies	0	(70,000)	(70,000)	(70,000)
Overspend	75,000	90,600	71,400	0
Reserve (ASL)	(237,000)	(162,000)	(71,400)	0
Reserve (balance to c/fwd)	(162,000)	(71,400)	0	0

The report proposes carrying out a two stage organisational review and other efficiency savings by 2015-16 to achieve a balanced budget, with the use of the £237,000 reserve set aside for the service to offset overspends. The above summary shows the forecast income and expenditure will only be sustainable if all the savings targets are met any slippage will compromise the position.

Yogesh Patel (Accountant – Ext 8806)

4.2 Legal implications

4.3 Climate Change and Carbon Reduction implications

4.4 Equality Impact Assessment

An EIA will be completed as part of the Organisational Review process

4.5 Other Implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

5. Background information and other papers:

Financial Review of Adult Learning. Executive Report 17 May 2012.

Leicester Adult Skills and Learning Service. Strategic Plan 2012-2015

Leicester Adult Skills and Learning Service Strategic Plan Review: Recommendations of the Chair of Scrutiny Committee. 1 August 2012.

6. Summary of appendices:

7. Report Author:

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