



CABINET

11 JULY 2005

**LIFELONG LEARNING AND COMMUNITY DEVELOPMENT - BALANCING
THE BUDGET**

SUPPLEMENTARY INFORMATION

Report of the Chief Finance Officer

1. Introduction

- 1.1 The purpose of this supplementary report is to summarise the consultation responses received, up to the deadline of 30 June for stakeholders, and 6 July for trade unions (any late responses received up to the time of writing this report have also been included).
- 1.2 Full responses have been lodged in the members' area, but I have sent members copies of the formal responses from NATFHE and Unison under separate cover.
- 1.3 For completeness, I have also appended the action plan arising from the equality impact assessments.

2. Background

- 2.1 A broad consultation exercise has taken place on the 42 original options.
- 2.2 Letters were sent to staff affected by the 42 proposals with a copy of the committee report. A briefing event was held for all staff, with the trade unions present.
- 2.3 Letters were also sent with a copy of the original committee report to stakeholders of the services affected.
- 2.4 In total, 459 letters were sent to staff, community settings, trade unions and other stakeholders.
- 2.5 5 consultation meetings have taken place with Unison and NATFHE through the formal mechanism of the Further Education Joint Officers' and Teachers' Committee, and meetings have taken place with the GMB and TGWU present. I have also received views from members of the Teachers' Consultative Committee.

- 2.6 A joint meeting was held with Voluntary Action Leicester, Leicester Race Equality Council and Leicestershire Centre for Integrated Living on 30 June, 2005.
- 2.7 In total, the following responses have now been received:
- (a) 8 from Lifelong Learning staff (some signed by more than one member of staff);
 - (b) 11 from stakeholders;
 - (c) one from a member of the public;
 - (d) formal responses from Unison and NATFHE;
 - (e) a joint statement from the organisations attending the consultation meeting on 30 June 2005, and a verbal statement from members of the Teachers' Consultative Committee;
 - (f) a response from the Learning and Skills Council, which was discussed with them at a subsequent meeting.
- 2.8 A letter from solicitors acting for Highfields Community Association was received on 6 July.

3. Consultation Issues

- 3.1 The consultation responses have been based on the full 42 options presented to members in early June, and the strategic approach recommended in the latest report would deal with many of the issues raised.
- 3.2 The trade unions, whilst recognising that the consultation process has been an improvement on previous exercises, nonetheless remain opposed to cuts in jobs and services, particularly in the context of the problems that gave rise to the need for savings. As their comments have been circulated in full, I have not provided a synopsis.
- 3.3 Responses from elsewhere cover a wide range of ground, including:
- (a) concerns about loss of youth work from a range of stakeholders;
 - (b) concerns about the loss of after school clubs;
 - (c) a suggested amalgamation of the City and County adult education services;
 - (d) concerns about the loss of the senior adult learner co-ordinator's post, and its effect on Remit students;

- (e) concerns about the impact of the proposals on the services to users of the Highfields Centre and the Highfields Community Association's business plan;
- (f) concerns about loss of the North Easter Narrow Boat Project;
- (g) concerns about the reduction in grants to voluntary organisations.

4. Present Recommendation

4.1 The present recommended approach would address many of the concerns raised in the consultation exercise, including the following:

- (a) it will review the budget position overall in the strategic context of these services, including the LSC's ongoing strategic area review of adult learning. This was a course of action urged by trade unions and others;
- (b) it addresses concerns raised about the reduced opening hours of premises, and the effect of this on service users – under the revised proposals, there will be no reduction in opening hours of any premises;
- (c) proposals to reduce funding for the awards and grants service have been deferred until 2006/07, to provide funding to deal with present work backlogs. Should this prove to be insufficient, further attention will need to be given to the matter at the time of the 2006/07 budget;
- (d) the revised proposal could no longer be said to have any disproportionate impact on adults with learning disabilities (although one proposed senior adult learning co-ordinator post dealing with vulnerable adults will remain vacant pending further review);
- (e) the disproportionate impact on the Southfields and Belgrave communities would be removed (this issue was also identified in the equality impact assessments);
- (f) there would be no reductions in front line youth work, other than freezing the post of a quality assurance officer;
- (g) no reductions are being made to voluntary organisations, or to after school clubs;
- (h) no recommendations are made about the extension or ending of a seconded programme manager to the Highfields Youth and Community Centre.

5. Issues arising under the revised proposal

5.1 I have identified below consultation responses about proposals which would still be implemented if the revised approach is adopted (noting that trade unions have objected to all cuts to front line services). These are:

- (a) whilst proposals to delete the senior adult learning co-ordinator post have been deleted, it is still proposed to freeze this vacancy pending further review. The Remit Users' Group has expressed concern about the possibility of withdrawing funding for the post, if staff currently covering the duties will not be able to teach and support Remit students;
- (b) the post of procurement officer is still proposed for deletion, as part of the proposed reduction in cost of the Business Services Section;
- (c) proposals to introduce charging for users of adult learning crèches and playgroups remain unaltered (although more sweeping changes to adult crèches and staff reductions will not take place);
- (d) proposals for reductions to support budgets remain - management's view is that the service can be managed at these reduced levels.

6. Other Issues

6.1 3 substantive issues raised in the consultation need particular mention.

6.2 The first is the impact of the reductions on adult services. Concerns have been expressed about:

- (a) a disproportionate proportion of the reductions falling on adult learning (£550,000 out of £1.3m);
- (b) the ability of the service to deliver its strategic aims and objectives, particularly in the context of the service's successful ALI inspection ratings, and to implement the ALI action plan;
- (c) the potential impact on LSC grant, which it is feared may be reduced to reflect expenditure savings made.

6.3 These comments have been made by staff, trade unions, the LSC and another stakeholder. They have been further discussed at a meeting with the LSC on 7 July, and officers' response to the consultation views is as follows:

- sufficient flexibility exists within the overall scale of spending on adult services to ensure that there is no grant loss;

- it is believed that the LSC's expected programme can still be delivered;
- nonetheless, continued monitoring will be required to ensure these expectations are borne out in practice, and remedial action taken if necessary;
- an exercise to assess the most appropriate sub-division of the Adult Learning Service's total support services budgets will be required, to ensure that the remaining monies are most appropriately allocated to services (there remains in excess of £1m after the proposed reductions). It is believed that adequate resource is available to meet the needs of the service, provided there is effective ongoing budget management.

6.4 The second issue is that of equality impact assessments.

6.5 The Council's legal responsibilities are summed up in the Race Relations (Amendment) Act 2000. It is unlawful for the Council, in carrying out its functions, to do any act which constitutes discrimination. In carrying out its functions, the Council shall have regard to the need:

- (a) to eliminate unlawful racial discrimination; and
- (b) to promote equality of opportunity and good relations between persons of different racial groups.

6.6 The Council also has specific duties to have a race equality scheme and to identify and address adverse impact of any functions and policies (which include its budget). This is the duty which applies to the proposals in this report.

6.7 In practice, the Council complies with this duty by carrying out impact assessments on proposed changes in policy (in line with good practice guidance), and this has been carried out for the proposals in the recovery plan (indeed, the Council has gone beyond its legal duty and carried out impact assessments in respect of gender and disability as well as race). One consultee reminded us of the likely extension of such duties into the area of disability, but this is not yet law.

6.8 The expectation of equality impact assessments has been stressed by a number of consultees, and NATFHE has responded in detail that the Council's approach is not adequate. In short, NATFHE does not accept that a proper assessment of the impact on staff and service users from different ethnic and racial backgrounds has been carried out for each proposed cut, principally due (it is claimed) to insufficient consultation and absence of measures to correct any disproportionate impact at the time members make a decision.

- 6.9 Initial Equality Impact Assessments have been conducted as part of the Equality Standard for Local Government. The race equality element has been included as part of this process, initiating compliance with the RRAA and Council RES. It will be necessary to take on board advice from recently consulted groups (ie the Race Equality Council, Leicester Centre for Integrated Living, Voluntary Action Leicester and the Unions), to ensure satisfactory compliance. This is an ongoing evaluation, as the duty is a continuing duty.
- 6.10 Finally, the Teachers' Consultative Committee has expressed its deep concerns about the withdrawal of one-off primary school funding, given the priority given to the need for primary school funding and in light of the primary strategy.
- 6.11 Work is taking place to identify a potential alternative source of funding, and members will be advised of its conclusions at your meeting.

7. Legal Implications

Guy Goodman (Assistant Head of Legal Services, x7054)

- 7.1 This report accurately reports the duties imposed upon the Council by the Race Relations Act 1976. The report sets out the steps taken by the Council's officers in meeting those duties in accordance with the Council's Race Equality Scheme. In the time available to bring forward the proposals contained in the report the timescales and information provided for consultation can be said to be both reasonable and proportionate. It is also entirely reasonable where it is not clear whether or not there will be an adverse impact from a particular proposal (as is the case here) for the Council to acknowledge the possibility of adverse impact and monitor the impact as it unfolds taking whatever remedial steps it believes are appropriate.

8. Background Papers

- 8.1 These have been deposited in the members' area – members of the public can access these via Members' Services.
- 8.2 In addition, there is:
- letter from the Learning and Skills Council, dated 5 July;
 - letter from Highfields Community Association's solicitors, dated 6 July.

9. Report Author/Officer to Contact

Mark Noble
Chief Finance Officer
8 July 2005