



DERBY CITY COUNCIL

## CABINET MEMBER FOR ADULT SERVICES Xxxxxx 2006

Report of the Corporate Director for Children and Young People

### Review Of The Adult Learning Service

#### RECOMMENDATION

- 1.1 To agree the broad aims and location of the service, as set out in the report.
- 1.2 To support a review of the structure of the service, in order to meet these aims and current and anticipated demands.

#### REASON FOR RECOMMENDATIONS

- 2 External consultants completed a review of the Adult Learning Service in April 2005 and this resulted in four possible options for further consideration. Following this, an internally led review examined one of the options more closely and a further consultation was carried out to identify the way forward. Further work has identified a number of further factors that now need to be taken into account now in relation to the expectations and funding streams of the Learning and Skills Council.

#### SUPPORTING INFORMATION

- 3.1 In March 2004, Council Cabinet supported a strategic options review (SOR) of provision of adult learning with partners in the city, in the light of a number of national and local developments and Derby Adult Learning Service (ALS) inspection outcomes. This has been a longer process than anticipated, for a number of reasons, but it has broadly consisted of two parts. External consultants completed a review in April 2005 and this resulted in four possible options for further consideration. An internal review followed this, examining one of the options more closely and with further consultation, in order to identify the way forward.
- 3.2 In March 2006, the Education Commission carried out a review of the Impact of the Learning and Skills Council's Agenda for Change on Adult Learning. None of the recommendations related directly to the structure of the service.
- 3.3 The internal review was carried out during Spring 2006 by the Deputy Head of the ALS, with the aim of determining whether the review outcomes continued to be appropriate for Derby's circumstances and, if so, how they might be carried forward. At the same time, there were added dimensions of the restructuring of the Council, particularly establishing the Children and Young People's Department, and work on a People Strategy for the Council.

Alternative approaches were therefore not ruled out, if they appeared to have merit in our context.

- 3.4 The preferred option from the external review envisaged a more integrated and coherent approach to the city's adult learning needs, including the Council's own workforce training and development, which is currently located in various places in the departments. Adult Learning is also inherently a partnership activity, much of it funded by the Learning and Skills Council (LSC) and other income.

- 3.5 It is the changing priorities and requirements of the LSC that will have a profound effect on service funding. In the light of this, the ALS senior staff have recently determined that their service priorities need to be as follows:

*In order to ensure we have successful and sustainable provision in 2007/08 and beyond, DALS will meet the learning needs of individuals and employers through planned:-*

- \* LSC FE funded programmes*
- \* LSC Personal and Community Development Learning funded programmes*
- \* Work Place delivery - LSC funded or employer funded*
- \* Project funded activity*

- 3.6 Much of what follows appears to be simply an internal structure issue for the Children and Young People's (CYP) Dept. However, one aim of the SOR was to ensure best positioning for future sustainability and further integration with similar functions across the Council. Any changes to the CYP structure, and the rationale for this, therefore have potential wider implications.

- 3.7 The CYP Workforce Development team is still being defined in the Strategic Support Division, which has been created in the restructuring. The basic concept was that this team should *coordinate* workforce development across all of our services, and *deliver* some. Other delivery would be through other Divisions or partners. In principle this team could become partly or wholly linked to corporate teams some time in the future.

- 3.8 The initial view was that the workforce function of the ALS should be included in this team in Strategic Support, and the Community Learning aspect (ie most of the delivery) would be in the Locality Services Division. However, further work suggests that the following factors need to be taken more fully into account:

- If ALS is not seen as a distinct service, it would risk not being able to draw on LSC funding. The LSC's expectations have become clearer and the provider must be distinct, in order to be able to monitor use of funds and volume and quality of provision.
- Though the distinction between the two arms of the ALS is complex, the workforce development element is only about 5%. The definition of the different types of workforce development is also untidy. For example, the Extended Schools and Children's Centres agenda gives the opportunity for the ALS to provide both learning provision to communities and workforce

development to Council staff and residents.

- Splitting the service would mean splitting the support functions. For example, there are distinct differences between the Management Information and Administration functions of the ALS and comparable teams in the wider CYP Dept. Relations are strongest with specific software providers and the LSC, which is not the case for the other CYP services.
- The development of the 'multi-remit inspection', which will include **all** provision in the Council funded by the LSC or Jobcentre Plus and feed into our Joint Area Review – there clearly needs to be a working relationship between these functions in the Council and a coherent approach to quality monitoring.
- The Head of the ALS, Jenny German, has now retired and Cath Harcula has been appointed Acting Head of Service until the way forward is determined, providing an opportunity to review the best option.

3.9 The biggest financial risk to the ALS at present is through the changing funding and fee structure. This and the longstanding expectation that the support functions need to be reviewed mean that the service cannot stay as it is, but splitting the service as previously suggested now seems unlikely to achieve best fit for future purposes in the light of the above factors. As the service is funded through LSC grant and fee income, there is no direct financial gain that might contribute to the efficiencies required by the Council that would arise from splitting the service. Efficiencies – financial and service related - may be achieved through linkages to other Council functions and the service itself needs to review its organisation to ensure better financial health for the future.

3.10 There continues to be a case for having members of staff from the ALS located in the teams coordinating training and development in the Department and in Corporate and Adult Social Services (for the wider Council), though this would be very dependent on the available resources. A possible model is provided by the arrangement we have with the Probation Service, where two members of staff have salaries paid and line management by ALS, but on a day to day basis they work closely with probation service staff. The probation service provides desk space, telephone and IT connectivity. This is an acceptable arrangement to the LSC as they still have the ALS as a single point of contact.

3.11 Whilst the targets for achievement at full Level 2 (5 GCSEs at A – C grades or equivalent qualifications) are challenging they may also provide opportunities. The high priority placed by the LSC on developing the skills of the workforce provides an opportunity for the Adult Learning Service to provide training for the Council's workforce. This may enhance other Council initiatives:

- The job evaluation and review may highlight a need for literacy, numeracy and ICT skills development. These are areas where the Adult Learning Service has a track record of high quality teaching and learning.

- The Integrated Children's workforce development initiative could be supported by the establishment of an NVQ programme delivered by the Adult Learning Service, in partnership with the Early Years team.

3.12 It would therefore seem more appropriate now to retain the service broadly as now, within the Locality Services or Learning Division, subject to

- A review of the ALS structure for these purposes, and, when resources permit,
- A secondment to the corporate team to ensure we draw on as much LSC funding as possible to support Council-wide needs (subject to the service's resources and capacity to do this) and
- A transfer of some staff to the workforce development team in Strategic Support, subject to the definition and objectives of that team, in order to exploit and manage the LSC funding, and to link into the corporate team.

3.13 The intention will be to complete the restructuring in time for the start of the 2007-08 academic year.

#### **OTHER OPTIONS CONSIDERED**

- 4 Consideration has been given to the location and integration of the service as set out in the report, as well as the degree to which the Council should directly provide or commission Adult Learning services.

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|--------------------------------------|--|
| <b>For more information contact:</b> | <b>Cath Harcula, Acting Head, Adult Learning Service</b> |
| <b>Background papers:</b>            | <b>NIACE Review of the Derby ALS</b>                     |
|                                      | <b>Internal Strategic Options Review Report</b>          |
| <b>List of appendices:</b>           | <b>Appendix 1 Implications</b>                           |
|                                      | <b>Appendix 2 ALS Resource Base</b>                      |

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| <b>IMPLICATIONS</b> |
|---------------------|

**Financial**

- 1.1 The appendix provides the current resources context for the service. We must ensure that we are best positioned to secure LSC funding in the future and broadly this relates to skills development and accredited outcomes at and above Level 2, with some funding for access courses.
- 1.2 The restructuring to ensure fitness for future purpose could lead to redundancies and grading costs for which there is no current financial provision. Without that, however, there is likely to be a serious financial loss in terms of LSC grant and fee income. Further work will be needed to scope this.

**Legal**

- 2 The ALS must be in a position to respond to the statutory duties and priorities of the LSC in order to draw on its funding streams.

**Personnel**

- 3 See Financial Implications above. Any personnel issues relating to a restructuring would be dealt with according to the Council's normal procedures.

**Equalities impact**

- 4 The ALS makes a significant contribution to giving better opportunities to Derby's citizens, for example in narrowing skills gaps, providing English as a second or other language tuition and supporting people into employment. It is important that the service is best positioned to continue and enhance this work in the future.

**Corporate objectives and priorities for change**

- 5 The review has aimed to ensure that the ALS is in the best position to contribute to these priorities and key outcomes:

**Improve the quality of life in Derby's neighbourhoods, by**

- Reducing inequalities between neighbourhoods

**Encourage lifelong learning and achievement, by**

- Raising skill levels to improve the chances of securing employment

**Delivering excellent services, performance and value for money**

**ALS resources context:**

| <b>Income from Learning and Skills Council (LSC)</b>                         |           | <b>2006-07</b> | <b>2005-06</b> |
|--|-----------|----------------|----------------|
| Further Education funding allocation 2006 - 07 academic year                 |           | 1,224,852      | 1,400,000      |
| Adult Community Learning allocation 2006 - 07 academic year                  |           |                |                |
| First Steps  | 177,108   |                |                |
| Personal and community development learning                                  | 1,350,981 |                |                |
| Wider Family Learning allocation 2006/07 academic year                       | 56,234    |                |                |
| Family Learning – literacy & numeracy allocation 2006-07 academic year       | 133,786   |                |                |
| Total Adult Community Learning allocation 2006-07 academic year              |           | 1,718,109      | 1,879,790      |
| Total income from LSC 2006-07 academic year                                  |           | 2,942,961      | 3,279,790      |
|  |           |                |                |
| Fee income 2005-06 academic year (actual)                                    |           |                | 137,103        |
| Fee income 2006-07 academic year (forecast)                                  |           | 172,511        |                |
|  |           |                |                |
| Total available resources by academic year                                   |           | 3,115,472      | 3,416,893      |
|  |           |                |                |
| Budget committed to Adult Learning Service support charges by financial year |           | 458,664        | 477,504        |
|  |           |                |                |

**Staffing****Adult Learning Service Staff**

|                              | <b>Number of Staff</b> | <b>FTE</b> |
|------------------------------|------------------------|------------|
| Acting Head of Service       | 1                      | 1          |
| Adult JNC level 4 SMT        | 3                      | 2.8        |
| Adult JNC level 3 management | 15                     | 12.9       |
| Adult JNC level 2 management | 15                     | 9          |
| NJC Clerical / Admin         | 34                     | 20         |
| <b>Total</b>                 | 68                     | 45.7       |

Tutors: currently 204 = 38 FTE casually employed according to demand