

Report

Cabinet Member Culture, Leisure and Sport Cabinet Member Finance and Resources

Part 1

Date: 5 July 2016

Item No:

Subject Changes to Adult and Community Learning Provision

Purpose The purpose of this report is to seek Cabinet Members' approval for further changes to the Adult and Community Learning Provision to enable the service to be delivered within the budget provided by Welsh Government directly and indirectly through the franchise agreement with Coleg Gwent.

Author Culture and Continuing Learning Manager

Ward Stow Hill

Summary This report sets out a strategy to ensure sustainability for the Council's Adult and Community Learning provision. Adult and Community Learning provision is entirely externally funded by Welsh Government, through both a direct grant and indirectly through a franchise agreement with Coleg Gwent.

In recent years these two funding streams reduced significantly. Welsh Government reduced its direct grant payment, and also reduced its support for Coleg Gwent, who in turn passed on the cut by reducing the value of its franchise payment.

In a four year period the funding package received has reduced from nearly 1.6 million to approximately £627,000 for this financial year. The Welsh Government grant has been confirmed at a last year's level. The Franchise payment has yet to be formally confirmed although we are assured by Coleg Gwent that payments at last year's level will be maintained. At this level of funding, it is not possible to maintain the service in its current format even though substantial changes have already been enacted.

The longer term aim is to transfer the service to Community Regeneration in time for the start of the Academic year 2017/18.

The funding bodies have increasingly required a focus on providing course to develop basic skills and English for Speakers of for Speakers of Other Languages and this is aligned with the aims of the Community Regeneration section.

This report sets out a range of further measures needed to ensure sustainability in the short term while maintaining the highest level of provision to the public possible within the budget provided. Included in these measures is a requirement to close a Learning Centre and declare the property surplus to requirement

Proposal To approve the proposed operational model for Adult and Community Learning, including closing a Learning Centre and declaring the property surplus to Adult and Community Learning requirements.

Action by Head of Regeneration, Investment and Housing

Timetable Immediate

This report was prepared after consultation with:

- Head of Service
- Adult and Community Learning Senior Staff
- Human Resources
- Finance
- Business Improvement Team
- Community Regeneration Officers
- Head of Finance (Chief Finance Officer)
- Head of Law and Regulations (Monitoring Officer)
- Head of People and Business Change

Signed

Signed

1. **Background**

- 1.1 Adult Community Learning is a grant funded service designed to deliver a range of learning outside the formal education framework. The provision is entirely funded by grant aid received in two packages, one element provided as a direct grant from Welsh Government; and a second element administered by Coleg Gwent and provided as a franchise payment but ultimately part of Welsh Government's support to the further education sector.
- 1.2 In the financial year 13/14 the Council received £1.46 million in support. These funding streams have both been subject to sizeable reductions and grant support for 15/16 was 609,000. The direct Welsh Government grant has been confirmed at last year's level. Coleg Gwent cannot yet confirm the Franchise payment for the Academic year commencing in September by they have assured the service the payment will be subject to little change.
- 1.3 Substantial changes have been made to the service during the past twelve months. The service now focuses on the course it needs to deliver to meet the requirements of the funding bodies, focusing on Basic Skills, English for Speakers of Other Languages together with some IT training and Independent living skills.
- 1.4 Other courses of a more recreational nature are no longer delivered directly by the Service. Instead, the service has encouraged a group of tutors to operate independently as self-employed providers but advertised and supported through Adult and Community Learning.
- 1.5 Prior to these changes, the Service offered approximately 10,000 teaching hours whereas the curriculum now delivers around 4,000 hours. Forty two tutors were previously employed on a fixed term basis; this number has now been significantly reduced to those engaged to deliver core subject courses.
- 1.6 The service withdrew its operation from Rivermead Centre as part of the package of cost reduction measures.
- 1.7 A number of changes to staffing were also made to reflect the lower budget available; the total cost of support and administrative staff reduced from £550,527 to £266,854, and the Tutor staffing budget reduced from £322,668 to £128,000.
- 1.8 The changes to date far have reduced the budget to a point where the service can operate on a cost recovery basis. The service budget is £79k credit and further changes have to be made to achieve this.

2. **Proposed further changes**

- 2.1 It is not possible to reduce spending through further reductions to the staffing budget and there is little room for reductions in supplies and services. It is therefore necessary to consider options around rationalising Learning Centres.
- 2.2 The Service operates Learning Centres at Charles Street, St Julians and Pillgwenlly Libraries. Charles Street is the main site for learning delivery. The building provides a number of class room settings and has no other function. Both St Julians and Pillgwenlly operate as Libraries as well as Learning Centres.
- 2.3 Adult and Community's Learning's independent living skills teaching is provided from St Julians as the building is more modern and accessible. Charles Street presents a number of barriers in terms of accessibility. The building is on a steep hill, has large steps to the front entrance, and internally, the classrooms are located over a number of floors. Stair lifts have been installed to offer a level of accessibility, but nevertheless the building cannot easily be made fully accessible to modern standards.

3. **Building Operating Costs 2015/16**

Charles Street	£63,818
St Julians	£15,899
Pillgwenlly Library	£15,259

- 3.1 The higher cost base associated with Charles Street means its closure offers the greatest potential gain in terms of saving. However, Adult and Community Learning will have to find teaching spaces to replace those lost and there will be a cost to this. The number of teaching hours and classes suggests that the cost of space hire will be in the region of 35-45k, although the service will try to use St Julians more effectively to reduce these costs.
- 3.2 Closing Charles Street will also yield some staff savings and these would be approximately £64k. This is more than can be gained from closing other centres due primarily to the higher numbers of staff based at Charles Street.
- 3.3 A number of Charles Street staff are working under a deferred redundancy arrangement from the previous restructure, consequently the redundancy costs will be a budget pressure in the 16/17 financial year unless an Invest to save bid is agreed.
- 3.4 While closing a City Centre facility is a big change, Adult and Community Learning is working with colleagues in Community Regeneration to identify teaching spaces in the network of community centres. There is an advantage in terms of service delivery for learners if sessions are delivered in the communities from which learners are drawn. There is an increasing focus on improving employability and this means that increasing numbers of learners are being drawn from Community First clusters.

4. **Other Considerations**

- 4.1 Charles Street operates solely as a learning centre while St Julians and Pillgwenlly Library operate as both Learning Centres and Libraries. The closure process is more complicated for Libraries as they are statutory services and a process of full public consultation is required before any closure process is initiated.
- 4.2 A second phase Library Review will take place this year and the future of St Julians and Pillgwenlly will form part of that review alongside all other branch Libraries. The potential for creating a number of strategically placed community hub facilities at key locations in the City is also currently being explored with colleagues in Community Regeneration. This concept seeks to consolidate a range of community delivered services in one building including libraries and learning and therefore improving service and access while controlling cost.
- 4.3 For the medium term, the Adult and Community Learning section has a better strategic fit within Community Regeneration section within Regeneration Investment and Housing. The focus of funded learning is now supporting a range of basic skills learning aiming at improving the employability of learners and this is aligned with a priority strand for Community Regeneration.
- 4.4 There is already a developing cooperation between Adult and Community Learning and Community Regeneration, and this will increase if the decision to close Charles Street is agreed. Adult and Community Learning will increasingly rely on Community Development to provide teaching spaces. Providing a range of learning opportunities will be an important feature of the proposed community hub initiative.
- 4.5 Sustainability for Adult and Community Learning has to be achieved before it is handed over. Community Regeneration is also largely grant supported and needs to be protected from exposure to the financial pressures that Adult and Community Learning currently presents.

- 4.6 Adult and Community Learning is not a core funded service and consequently rates and building maintenance budgets have not been centralised for Community Learning buildings. This means that there is no core budget to pass on to another service area should one be interested occupation. The full cost of occupation will have to be met by the service area. If the building stands empty for any length of time, it is possible that on-going maintenance costs associated with empty buildings will erode the savings from closure.
- 4.7 The building is challenging and will not be easily adapted, therefore developers are likely to be wary but it may be possible to offer some support through the Vibrant and Viable places scheme.

5. Forecasted Expenditure

	Budget 2016/17	Forecast position if no changes are made	Forecast position assuming 1 st of August Closure of Charles Street	Forecast full year position without Charles Street
Tutors	128,000	100,000	100,000	100,000
Pay	269,854	266,854	237,857	208,540
Premises	125,954	124,954	57,748	31,158
Supplies and Transport	116,836	115,836	132,850	132,850
Grant Income	-621,970	-504,836	-504,509	-504,509
Earned income	-98,099	-58,458	52,500	-52,500
Total	-79,425	45,350	-28,554	-84,461

- 5.1 A full year saving for 16/17 is not achievable because Adult and Community Learning is committed to its curriculum until the end of the current academic year that ends in June and its teaching commitments at Charles Street are discharged. Additionally, a period of consultation will be required even though a number of affected staff are currently employed under a deferred redundancy arrangement.

6. Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Funding is lower than on-going costs	H	M	Reorganising the way the service is provided to minimise costs	Culture and Continuing Learning Manager

* Taking account of proposed mitigation measures

7. Other Options

- 7.1 The options for delivering Adult Community Learning within the budget available are limited. The proposal set out in this report will reduce expenditure to a level that will see a credit at the end of the 16/17 financial year even though the credit is below the target built into the budget. It is hard to see how further costs can be removed without compromising the service, and this proposal lowers the cost base to a minimum. The proposal has the least impact for learners and in fact may improve their experience as courses will be offered in the community and focused on those communities of greatest need.

- 7.2 The only other realistic option to consider is to end the provision altogether. The provision of Adult and Community Learning is not statutory and it would be possible to withdraw the service. However providing learning opportunities for people who need support to develop their basic skills and increase their employability is an important aspiration under the Well-being of Future Generations act. All local authorities have a duty to strive to develop a “Prosperous Wales” by developing “skilled and well educated population in and economy which generates wealth and provides employment opportunities...”

8. Preferred Option and Why

- 8.1 The preferred choice is to change Adult and Community Learning from a Service that is reliant on a fixed City Centre learning centre to a service more focused on Community delivery using the network of Community Centres. This option is predicated on the closure of Charles Street Learning Centre.
- 8.2 Taking this step will further reduce fixed costs which in turn will deliver a more sustainable service better placed to deal with funding changes in the future. Working more closely with Community Regeneration will enable Adult and Community Learning’s priority learners to be reached more effectively, and will enhance their learning experience.

9. Comments of Chief Financial Officer

- 9.1 The service is making changes to provide the delivery of services within its approved budget for 2016/17, as a result of external funding reductions. As noted in the report, unavoidable delay in making the necessary changes means that the service will overspend in the current 16/17 year but should be able to operate at their approved budget thereafter. The service area will need to mitigate the 2016/17 financial overspend from underspending in other areas, as far as it can.

One –off costs of re-organisation are thought to be relatively small and whilst no savings to the Council’s MTFP accrue from this change, it is being made due to external funding changes and mitigating future real cost pressures. On this basis, use of Invest to Save funding for the staff related one –off costs are appropriate.

The building would be declared ‘surplus to requirement’ once vacated and in light of no further uses, we would instruct the Council’s property partner, NORSE to dispose of it, with any capital receipt used to finance the Council’s future capital projects and programmes, as Cabinet prioritises. This process is overseen by the Council’s Strategic Asset Management group.

10. Comments of Monitoring Officer

- 10.1 There are no specific legal issues arising from the report. The Council has a power, rather than a statutory duty, to provide adult and community learning services and, therefore, the level of service and how this is provided is a matter for the Council’s discretion. The current provision is not core funded and is financed through direct Welsh Government grant and franchise arrangements with Coleg Gwent. With these sources of funding being reduced, the Council has to look at options for the re-provision of the service. The proposal to close the Charles Street site is also consistent with the Council’s asset management policies for rationalisation of the use of its properties. If the building is no longer required for community education purposes then it can be declared surplus to requirements and re-appropriated for alternative use or disposal. The retention of the other existing buildings is in accordance with the strategy for community hubs and co-location of community education with library and other services and is consistent with the proposal to transfer the service to Community Regeneration. The closure of Charles Street will have potential deferred redundancy implications but these staffing issues are matters for the Head of Service to determine in accordance with the Council’s Job Security policy.

11. Staffing Implications: Comments of Head of People and Business Change

- 11.1 The proposals ensure that provision of sustainable community learning continues within the budget provided, supporting the requirements of the Well Being of Future Generations Act for the development of education and skills. Key groups impacted by the change will be learners enrolled for the 16/17 year, and the public consultation will need to take account of this.
- 11.2 A Fairness and Equalities Impact Assessment has been completed which takes into account the impacts on protected equalities groups and notes that the impacts can be mitigated.
- 11.3 There are staff implications as a result of the proposals. The appropriate staff consultation meetings have taken place with the affected staff as detailed in the report. Trade unions have received full briefings on the proposals.”

12. Comments of Cabinet Member

- 12.1 Cabinet Members have approved the report for circulation.

13. Comments of Ward Members

- 13.1 None received.

14. Scrutiny Committees

- 14.1 N/A

15. Equalities Impact Assessment

- 15.1 Equalities Impact Assessment completed and attached.

16. Children and Families (Wales) Measure

- 16.1 N/A

Date: 5 July 2016

Fairness and Equalities Impact Assessments F&EIA (2013)

This form provides an assessment of a policy or proposed change to see whether it promotes Fairness and Equality, eliminates any unintended discrimination, and has positive outcomes for the population of Newport. This Impact Assessment should be used to affect policy and service planning decisions.

In Newport we focus on Fairness through the following themes: Health, Poverty, Skills and Work, Domestic Abuse and Tackling Area Based Deprivation.

Our Equalities focus is taken from the Equalities Act 2010: we consider the 9 protected characteristics – age, gender reassignment, disability, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex, sexual orientation. We also consider promoting the Welsh language.

This assessment provides evidence that we have considered the General Equality Duty (below) in our decisions.

To:

- Eliminate unlawful discrimination, harassment and victimisation
- Advance equality of opportunity and
- Foster good relations

Service Area	Head of Service	Person responsible for the assessment	Date of Assessment 1 st June 2016
Culture & Continuing Learning	Beverly Owen	Mike Lewis	Version (if applicable) 1.0

1. What is the service/ policy being assessed?

The impact of the closure a City Centre Learning Centre – Adult & Community Learning

2. What is the purpose of the policy/ service change?

To ensure the externally funded Adult & Community Learning provision operates within the allocated grant package

3. Protected Characteristic

Protected Characteristic	Who are the customers/service users. Breakdown of Newport population by age part of evidence bundle	If we take this decision what is the potential impact. The impact may be either positive or negative. Explain in what way they may be affected and why you believe this to be the case.	Action Plan to address issues raised – what changes or practical measures would reduce adverse impact on particular groups. To include planned outcome. May be revisited post consultation	Who will be responsible	Timeframe to review
Age	All residents based within the local community could potentially be impacted by this decision.	<p>The Learning centre known as Charles Street will close.</p> <p>The Service will be reformatted to deliver learning courses in a number of community buildings across the City but principally StJulian's rather the focus on delivery from a City Centre Learning Centre</p>	The same breadth of learning opportunities will be provided but in a dispersed range of venue across the City.	Culture & Continuing Learning Manager	The beginning of the academic year 17/18
Gender	<p>All residents based within the local community could potentially be impacted by this decision. This service reorganisation does not affect one gender disproportionately.</p> <p>Gender information is collected on enrolment forms</p>	<p>The impact of the closure of this site has been considered alongside closures of other sites.</p> <p>However, the proposal to close Charles street and disperse learning across the City will not impact on a gender basis</p>	We will maintain the programme of learning currently offered but dispersed across the City.	Culture & Continuing Learning Manager	The beginning of the academic year 17/18
Gender reassignment	The service holds no data on this characteristic	No disproportionate impact			

Disability	The Charles Street Learning Centre is an old building and does not offer modern standards of disability Access. Adult and Community Learning delivers a range of Independent Living skills courses at St Julians and Tredegar House Library aimed at learners with a range of learning difficulties. This provision will be unaffected by the proposed change.	Charles Street is an inaccessible building for any learners with mobility issues, the building itself poses challenges and the location on a steep hill adds further problems for any learners with mobility issues. While other options are available, there would be no disproportionate effect upon this group through closing Charles Street, while closing other Learning Centres will disproportionately affect some learners with disabilities	St Julians will remain the focus for Independent Living skills courses The possibility of delivering some learning in the space formerly used as the reference library is being explored. This will provide a good accessible learning space in the City Centre	Culture & Continuing Learning Manager	The beginning of the academic year 17/18
Marriage/Civil Partnership	The Service does not hold data about this characteristic	This decision does not have any impact on people due to their marriage/civil partnership status.		Culture & Continuing Learning Manager	The beginning of the academic year 17/18

Pregnancy and Maternity	The Service does not hold data about this characteristic	As no data is held it is not possible to determine if this closure has a disproportionate impact but it is believed the closure of Charles Street will have little effect on this group.		Culture & Continuing Learning Manager	The beginning of the academic year 17/18
Race	Ethnicity and racial background data is gathered during the enrolment process and has been used to Learning impact	A significant element of learning provision is English for Speakers of Other Languages. The	The impact of the proposed change will continue to be monitored	Culture & Continuing Learning Manager	The beginning of the academic year 17/18

	within racial groups.	<p>ethnicity for the learner group is mixed. However ESOL course will continue to be provided in similar numbers and in venues in the Communities form which learners are drawn.</p> <p>This change will be neutral in terms of access to learning and may be a positive change for some potential learners .</p>			
Religion/belief	The Service does not hold data about this characteristic	This decision is unlikely to have any impact on learners through their religion/belief.	The impact of the proposed change will continue to be monitored	Culture & Continuing Learning Manager	The beginning of the academic year 17/18
Welsh Language	Learners are asked for the language preference during enrolment. Evidence shows in 2014/15 and 2015/16 only two students opted for correspondence in Welsh from a total of over two and a half thousand enrolments	<p>The impact of closing Charles street will be neutral for learner in terms of Welsh Language.</p> <p>However, Welsh courses are provided by an external provider hiring spaces within Charles Street. The service will work with these groups to assist with the identification of alternative learning spaces.</p>	The impact of the proposed change will continue to be monitored	Culture & Continuing Learning Manager	The beginning of the academic year 17/18
Sexual Orientation	Data on sexual orientation is not collected. Courses are offered to all and the learning provided is not relevant to learners' sexual orientation	The proposed change is neutral in terms of its effect on this characteristic group	The impact of the proposed change will continue to be monitored	Culture & Continuing Learning Manager	The beginning of the academic year 17/18

4. Who has the service consulted regarding the proposed change? When should new consultation take place?

Public consultation on this specific proposal has not yet commenced. Adult and Community Learning provision is not a statutory service and a number of Welsh do not provide this service. However we think it is good practice and once approved the service will signal the Service's intention and seek comments from both the public and learners.

5. What evidence/ data has been used to complete this EIA (This will include local and national guidance)

Enrolment and service user data

6. How will the relevant groups be advised of the changes and the EIA?

The key groups affected by the change will be new and existing learners enrolling for the 16/17 academic year. Courses will be completed at the end of June and these learners will not be affected by the changes. Additionally learners and public will be told of the proposed change in tandem with formal staff consultation.

7 How will the policy/ practice/ proposal make Newport more or less fair in relation to:

- Health Inequalities
- Child Poverty
- Skills and Work
- Tackling Domestic Violence
- Alcohol and Substance misuse
- Homelessness
- Armed Forces Veterans

The change to service provision is neutral in relation to the named groups. Use of alternative centres more geographically spread out across the might increase accessibility of some groups of learners drawn from Community First areas.

8. How will the policy/ practice/ proposal affect local areas of the city?

Will it have a positive or negative impact in terms of fairness and addressing local area deprivation?

The change to the service will strengthen community based learning. Adult and Community Learning is working increasingly closely with the Community Regeneration section and this means provision will be increasingly targeted towards Community first communities and provision focused on delivering basic skills, English for Speakers of Other Languages and employability

Fairness Impact

How does the changed service /policy promote good community relations (cohesion)

The closure of Charles does not impact community relations

How does the changed service /policy promote equality

The decision to disperse learning opportunities across community centres will widen access and improve the offer for those who find travelling difficult

How does the changed service /policy eliminate discrimination

Learning opportunity dispersal will benefit a greater number of potential learners. Additionally by moving away from a central fixed learning centre the Adult and Community Learning provision can be more flexible and tailored to meet demand

Completed by/ Date:

Signed off by/Date:

Appendix 1 Evidence Template

Data collection – customer and non- users consultation, surveys, databases, focus groups, interviews, pilot projects, comments/ complaints, user feedback ,council plans and policies, consultants reports

Are there any expert views/ relevant groups that can be approached to explore their views

	Quantitative	Qualitative