

WANDSWORTH BOROUGH COUNCIL

REGENERATION AND COMMUNITY SAFETY OVERVIEW AND SCRUTINY
COMMITTEE – 3RD SEPTEMBER 2009

EXECUTIVE – 14TH SEPTEMBER 2009

GENERAL PURPOSES COMMITTEE – 14TH OCTOBER 2009

Report of the Director of Children's Services on the outcome of contract negotiations
with the LSC for 2009/10.

SUMMARY

Background

This report provides an early summary of the Council's performance on the Adult and Community Learning contract for 2008/09. The annual report for this service will be presented to this Committee in January 2010. The report also includes an update on contracts with the London Central Learning and Skills Council (LCLSC) and the progress made in agreeing contracts and service level agreements with Wandsworth providers. The Council has received notification of two successful bids: the first is a bid to the LSC's European Social Fund for Train to Gain SKILLS 2 where the Council has been awarded a contract of £576,661; the second is from the Migrant Fund for a total of £93,000 over a two year period.

Policy

The work of Lifelong Learning underpins the Council's commitment to the Government's Skills Pledge and supports the objectives of the Wandsworth Employment and Skills Strategy agreed by the Executive (Paper No. 08-827) in November 2008. At a time of economic downturn the work and approach described is in line with the Leader of the Council's strategy for the Council's fight back against recession (Paper No. 09-269) approved by the Executive in March 2009 which has been endorsed by the Wandsworth Local Strategic Partnership.

Issues / Proposals

This report outlines proposals to establish contracts and service level agreements for the continuation of adult and community learning provision in the new academic year. Permission is also sought to enter into new contracts for the successful ESF Train to Gain bid and in relation to the Migrant Fund bid and approval is sought to appoint a Skills for Life Co-ordinator on a fixed term basis until December 31st 2010.

Director of Finance and other Services' comments

The Director of Finance confirms the two new funding streams from the LCLSC. The two year funding for ESF Train to Gain is confirmed until 2011. However, whilst the Migration Impacts Fund grant of £48,000 in 2009/10 has been confirmed, the 2010/11 allocation of £45,000 is provisional and will be reviewed at the end of 2009/10 by the Department of Communities and Local Government. In addition, this grant is non-ring fenced and can be used by the Council for any purpose as it sees fit.

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Therefore a budget variation of £48,000 in 2009/10 only is requested, equivalent to £0.39 on Band D Council Tax.

GLOSSARY

ACL	-	Adult and Community Learning
BME	-	Black and Minority Ethnic
CLC	-	City Learning Centre
ESF	-	European Social Fund
ESOL	-	English for Speakers of Other Languages
FTE	-	Full Time Equivalent
IAG	-	Information, Advice and Guidance
ICT	-	Information and Communications Technology
LCLSC	-	London Central Learning and Skills Council
LLDG	-	Lifelong Learning Development Group
LSC	-	Learning and Skills Council
NIACE	-	National Institute of Adult Continuing Education
NOCN	-	National Open College Network
NVQ	-	National Vocational Qualification
PCDL	-	Personal and Community Development Learning
PSAD	-	Putney School of Art and Design
SCC	-	Southfields Community College
SFA	-	Skills Funding Agency
SME	-	Small Medium Enterprise
STC	-	South Thames College

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RECOMMENDATIONS

1. The Regeneration and Community Safety Overview and Scrutiny Committee are recommended to support the recommendations set out in paragraph 3.
2. If the Overview and Scrutiny Committee approve any views, comments or additional recommendations on this report, these will be submitted to the Executive for its consideration.
3. The Executive is recommended to:-
 - (a) endorse the targets agreed with the London Central Learning and Skills Council (LCLSC) for allocating numbers of adult learners – paragraph 9 and **Appendix 1** of this report;
 - (b) agree to continue the methods of allocating funds as agreed in 2008/09 and set out in paragraphs 19, 21, 23, 25, 27 and 28 of this report; and
 - (c) agree that the Council enters into contracts for the successful ESF Train to Gain – SKILLS2 and the Migrant Fund Bids as set out in paragraphs 30 to 35.
 - (d) approve a revenue budget variation of £48,000 in 2009/10 only for the purposes outlined in paragraphs 33 – 35
4. The General Purposes Committee are recommended to approve the appointment of a Skills for Life Co-ordinator on a fixed term basis until December 31st 2010 as set out in paragraph 38.

INTRODUCTION and BACKGROUND

5. On 30th October 2008 (Paper No.08- 960), the Regeneration and Community Safety Overview and Scrutiny Committee noted the participation rates and the performance achieved on the delivery of the Council's adult learning provision in the academic year 2007/08. The recommendations in the report were approved by the Executive on 10th November 2008. A full assessment of performance in 2008/09 will be provided in an Annual Quality Performance Review which will be presented to this Overview and Scrutiny Committee and the Executive in January 2010.
6. It is proposed to enter into new contracts and Service Level Agreements for LSC contracts which include Adult and Community Learning and Train to Gain. Given that contractual targets have been achieved in both areas it is proposed that providers are allocated similar volumes as detailed in this report, incorporating a 1% financial cut to cover the reduction as applied by the LSC to the Council contract.
7. The Council's grant from the LSC for ACL including Family Learning for the period August 2008 to July 2009 was £1,858,687. For 2009/10 the Council

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has received confirmation of an allocation for £1,853,621. This was secured against the LCLSC's approval of the Personal and Community Development Learning (PCDL) Plan for 2009/2010.

8. Responsibility for all the Council's contracts for work associated with learners aged 19+ will transfer to the newly formed Skills Funding Agency (SFA) from April 1st 2010.
9. Initial performance headlines for 2008/09 indicate that the LSC target of enrolling 10,800 unique learners has been achieved. The data set for the period August 1st 2008-July 31st 2009 is in the process of being validated, however it appears that the number of unique learners has increased by approximately 4% on the previous year. Given that funding has remained static and that the LSC target is a stretch target, this performance is particularly positive, and retains Wandsworth's position and reputation as providing the highest number of adult learners in the central London area and exceptionally good value for money.
10. For 2008/09 the Council received a contract allocation for 200 starts on Train to Gain at £201k. The Council has exceeded this total achieving 213 starts with a reviewed contract value of £335k. The LSC has made an amendment to the contract in order to pay the amount for over-achievement. The electronic method of calculating contracts as applied by the LSC has contained some inconsistencies which has led to some providers reaching the required number of candidates whilst at the same time exceeding the agreed contract value. Wandsworth Council Lifelong Learning has worked with the LSC to manage this situation within the 2008/09 contract, but has ultimately benefited from additional revenue.
11. Contracts or service level agreements are in place with all providers to ensure that targets with the London Central Learning and Skills Council (LCLSC) are met. The Lifelong Learning Development Group (LLDG) also allocates smaller budgets to implement strategies for quality assurance, widening participation and engaging the voluntary and community sector. As data returns for 2008/09 are confirmed final payments will be made to providers who have achieved their targets. Clawback arrangements are in place for providers who have not achieved agreed volumes and targets.
12. The Lifelong Learning Development Group (LLDG) is the strategic group responsible for formulating and implementing strategic plans for Adult and Community Learning in Wandsworth and reports to the Regeneration and Community Safety Overview and Scrutiny Committee. The LLDG is made up of officers in the Council from Children's Services, Leisure and Amenity Services, Economic Development, Adult Social Services as well as representatives from the Learning and Skills Council, South Thames College, Southfields Community College, Saint Francis Xavier College, Wandsworth Voluntary Sector Development Agency, voluntary organisations and Prospects. The Lifelong Learning Development Group is supported by several sub groups: the Family Learning Forum, the National Open College Network (NOCN) Group, Quality Steering Group and the Train to Gain Steering Group.

SERVICE AIMS AND OBJECTIVES

13. The Three Year Development Plan and the annual Personal and Community Development Learning (PCDL) Plan are the principal documents outlining the Council's response to local and national priorities in Adult and Community Learning (ACL). The Three Year Development Plan sets out the Council's vision for adult learning and the PCDL Plan is a one year plan approved by the LSC to release the block grant, focussing on objectives for the academic year.

The Three Year Plan highlights five main strategic aims:

- to increase the number of learners gaining targeted qualifications;
- to meet the needs of individuals, communities and employers;
- to lead and manage high quality learning;
- to widen participation in learning from pre-school to retirement and beyond; and
- to link adult and community learning to other key strategies and initiatives.

THE LEARNING AND SKILLS COUNCIL (LSC)

14. The LSC assumed responsibility for the planning, funding and quality assurance of all Government funded Post-16 learning from April 2001. The LSC and the National Institute of Adult and Continuing Education (NIACE) continue to explore ways of converting the existing method, a block grant, to one more consistent with that used for funding further education. However, further consultation and research continues to decide what is appropriate for the sector. This work will be carried out by the new Skills Funding Agency (SFA) when the LSC ceases to exist in 2010.
15. The Council has entered into an agreement with the London Central LSC for 2008/09 to deliver 75% of provision in the traditional areas of adult and community learning, now referred to as Personal and Community Development Learning (PCDL) and 25% in First Steps which concentrates on attracting hard to reach learners, often with low levels of literacy and numeracy, and vulnerable in the labour market. A high number of English for Speakers of other Languages (ESOL) learners fall into this category. This complies with LSC funding requirements to grow provision in areas of deprivation and in response to the needs of disadvantaged learners, and increase the number of full cost recovery courses.

CONTRACTS and SERVICE LEVEL AGREEMENTS

16. The Council continues to work towards a dispersed delivery model for ACL with an increase in the number of providers and the amount of provision delivered on an outreach basis. This has involved the Council entering into formal agreements with a number of specialist voluntary and community

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sector organisations as well as encouraging main providers such as South Thames College to deploy staff on an outreach basis.

17. During 2008/09 Adult and Community Learning participation in Wandsworth has remained comparatively strong with Wandsworth ACL registering almost twice as many unique learners as the second highest performing authority in the central London LSC area. This has been achieved through success in winning other contracts which enable the flexibility to fund some projects through other income streams such as the European Social Fund (ESF). This larger infrastructure has improved the capacity of the Council and this has led to improved contract performance and the ability to provide more choice and progression for Wandsworth residents.
18. The main providers in the Borough are funded on the basis of actual learner hours delivered with financial clawback arrangements operating where the providers fail to meet agreed targets. In recent years more attention has been given to developing provision to support Skills for Life (Basic Skills), employability, technical and vocational courses, courses supporting priority groups of learners and adults with learning difficulties and/or disabilities. Whilst a full revision to resource allocation arrangements is still outstanding, it is considered inappropriate to alter current funding arrangements for providers in 2009/10. The Skills Funding Agency will assume responsibility for this contract on April 1st 2010.
19. The method of allocating providers on an output related basis has increased the Council's flexibility to move funding between providers and projects to maximise the number of people participating in learning. In order to minimise the impact of a frozen budget it is proposed that main providers will receive allocations based on 2008/09 outputs. All providers are reviewed on a termly basis which enables close monitoring of performance against target.

South Thames College

20. Contract arrangements with South Thames College (STC), SW18 (Fairfield), SW15 (Roehampton) and SW17 (Tooting) are negotiated under the terms of the Federation Agreement established between the Council and STC Corporation in 1992. STC has to provide for a number of full-time equivalent (FTE) students in return for funding from the Council. Final payments each year are adjusted in relation to achievement of the targets. ACL provision is now fully integrated in the College's planning processes.
21. In 2009/10 STC has agreed a provisional target of 5,300 learners, equivalent to 480 FTE, which will enable STC to attract a maximum income of £779,747. By continuing existing funding arrangements the Council provides an incentive to STC to deliver more student numbers, as well as providing sufficient funding to accommodate the costs of courses for students with additional learning needs and courses provided on an outreach basis.

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Putney School of Art and Design

22. Putney School of Art and Design (PSAD), SW15 (Thamesfield) encourages adults to realise their creative potential in an accessible, and flexible way, enabling them to progress as learners and as artists, by offering high quality learning opportunities in the visual arts.
23. For 2009/10 PSAD has agreed to a target of 1,251 learners and 86 FTE for a grant value of £121,500. Included in this is a performance related award which is secured through the achievement of all 1,251 learners.
24. The performance at PSAD has remained strong whilst at temporary premises in West Hill. The refurbishment of the Disraeli Road site, funded by the LSC Adult Safeguarded Learning Challenge Fund and the Council, is on schedule, and the school is due to re-open on November 4th 2009.

ASPIRE Centre at Southfields Community College (SCC) /City Learning Centre (CLC)

25. In 2009/10 the partnership is looking to expand numbers, particularly in the light of new facilities also financed by the LSC Challenge Fund and has agreed a target of 1,218 learners, equivalent to 96 FTE, which will enable SCC/CLC, SW18 (Southfields) to attract a maximum income of £138,278.

Library and Heritage Service

26. In line with the Council's strategic objectives and priorities and the Government's strategy for public libraries, the Library and Heritage Service has become one of the Borough's adult learning providers. The service contributes to widening and extending participation to groups and communities currently under-represented in the take-up of learning. It provides flexible, community-based learning opportunities to attract adults who lack level two qualifications and who have Skills for Life needs (literacy, numeracy and English as a second language), and those, mostly older adults, who want to acquire basic IT skills in email, Internet searching and word processing. The provision has grown and adults are assisted to find employment and/or take the next step into further education or employment.
27. A Service Level Agreement for 2009/10 and the achievement of 621 learners for a maximum value of £74,250 has been agreed with the service.

Train to Gain – Mainstream Contract

28. The Council has received notification of a contract for 146 starts at a value of £209,186. There are 4 main providers: the Council's Training and Assessment Centre, Linden Lodge School Training and Assessment Centre, the Royal Hospital for Neuro Disability and Acting Up, an external

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consultancy specialising in cleaning and support services NVQs. Permission is sought to enter into service level agreements and contracts on a similar basis to 2008/09. 15% of contract value is retained by Lifelong Learning for management, quality assurance and administration.

Widening Participation

29. The Government priority for Lifelong Learning is to widen participation in learning and there is continued emphasis on the engagement of adults who have low levels of educational attainment and employment, and who do not normally participate in further learning. The purpose of the Council's Widening Participation Fund is to support the research and development of new courses, to target and deliver courses to hard to reach learners, preparation of materials, marketing and promotion activities and other "pump priming" activity. All providers, including community providers, are invited to bid for resources under this fund to cover approved expenditure, with decisions on approval of bids being agreed by the Lifelong Learning and Development Group (LLDG). The budget for Widening Participation activities in 2008/9 has been set at £80,000. [Appendix 2](#) to this report provides a full summary of the 19 approved projects in 2008/09.

NEW CONTRACTS

ESF Train to Gain – SKILLS2

30. The Council has recently been notified of a successful bid for £576,661 to the Learning and Skills Council's ESF programme. This is a cross borough council partner project led by Wandsworth Council Lifelong Learning.
31. The aim of SKILLS2 is to promote workforce development to SME employers and deliver programmes of personalised IAG and work-based learning, accredited to Levels 2-4, with embedded Skills for Life, to 500 employees across a range of sectors. It will particularly focus on Third Sector, BME and family businesses in 6 South Central London boroughs (percentage of contract to be delivered in each borough appears in brackets): Wandsworth (35%), Southwark (10%), Merton (11%), Kingston (35%), Bromley (3%) and Sutton (6%). Main curriculum areas will include: Business Administration, ICT, Customer Service and Skills for Life.
32. The contract is scheduled to run until December 31st 2010. Permission is sought to enter into contracts with partner boroughs as described in the original bid document and approved by the Learning and Skills Council. Wandsworth Council will charge a 15% management fee for all subcontracted provision.

Migrant Fund

33. Lifelong Learning has received notification of a successful bid to the Migrant Fund, attracting £93k over a 2 year period. This funding will support

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additional ESOL provision, targeting additional learners, and build capacity in the community through the training and development of 'learner advocates', drawn from trusted members of local migrant communities.

34. It will particularly target mothers who are often isolated and unable and sometimes unwilling to attend ESOL classes. Research has shown that the influence of Learner Advocates when they are also drawn from respected members of the potential ESOL learner's community will be a powerful influence in encouraging members of migrant communities to participate. Our local consultation with providers and learners has shown that by far the best means to engage learners in this target group is through word-of-mouth.
35. The Migrant Fund is a non ring-fenced grant, however, the funding was secured on the basis of a very clear proposal to expand ESOL provision. Outputs for the project include 15 trained Migrant Learner Advocates, an additional 240 individuals enrolled on ESOL courses, with a minimum of 70% to achieve accreditation. Based on the achievement of these targets the Council is better placed to secure funding for the second year.

STAFFING

36. Skills for Life continues to be the main focus of a number of funding streams. Levels of literacy, numeracy and ESOL are improving but there is still a high level of unmet demand. This demand is from those who are employed or unemployed.
37. As described in paragraphs 30-32 and 33-35 the Council has received notification of 2 new contracts which contain Skills for Life provision. It is now urgent to increase the direct capacity of the team to respond to this opportunity. Currently there is the equivalent of 1.6 FTE in the Lifelong Learning team employed in this curriculum area.
38. It is proposed to establish a full time post of Skills for Life Co-ordinator for a fixed term period until December 31st 2010, funded from both the new ESF Train to Gain Contract and from the Migrant Fund. This will enable the Council to provide the coverage required on both contracts and to add some additional expertise to a curriculum area that is growing and requires extra capacity.
39. Comments of the Head of Corporate Human Resources: This report seeks to establish a full-time post of Skills for Life Coordinator for a fixed term period ending 31st December 2010, the cost of which will be met in full from external grant allocations. The grade will be a pattern repeat of other similar posts on the department's establishment and recruitment will be by concurrent internal/external advertisement.
40. The Staff Side have been consulted on this report. Any comments received from them will be reported to the General Purposes Committee.

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41. The Director of Finance confirms the two new funding streams from the LCLSC. The two year funding for ESF Train to Gain is confirmed until 2011. However, whilst the Migration Impacts Fund grant of £48,000 in 2009/10 has been confirmed, the 2010/11 allocation of £45,000 is provisional and will be reviewed at the end of 2009/10 by the Department of Communities and Local Government. In addition, this grant is non-ring fenced and can be used by the Council for any purpose as it sees fit. Therefore a budget variation of £48,000 in 2009/10 only is requested, equivalent to £0.39 on Band D Council Tax.
42. The Council will continue with its existing arrangements for funding providers of Adult and Community Learning programmes and service level agreements with organisations funded through the Wider Participation fund, as shown on the attached appendix, and they will be closely monitored. The appointment of a Skills for Life coordinator will have no financial implication on the Council as this is on a fixed-term basis until December 2010 and will be funded wholly from the Train to Gain and the Migration Impacts Fund grants.

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25th August 2009

BACKGROUND PAPERS

There are no background papers to this report.