

Decision maker:	Cabinet member young people and children's wellbeing
Decision date:	Friday 18 August 2017
Title of report:	Education and Skills Funding Agency Grant for Adult and Community Learning
Report by:	Post 16 senior advisor

Classification

Open

Decision type

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

Notice has been served in accordance with Part 3, Section 10 (General Exception) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) Regulations 2012.

Wards affected

All wards

Purpose and summary

To approve the acceptance of grant funding from the Education and Skills Funding Agency (ESFA) for the delivery of the council's adult and community learning plan. To ensure effective spend of the ESFA grant against relevant government and Herefordshire Council priorities, the report proposes delegating authority to the Director for Children's Wellbeing to complete the contractual arrangements needed to accept the funding and to do so in future years that this grant funding remains available. All funds received will be directed to meet the priorities in the council's adopted Adult and Community Learning Plan, utilising providers on the council's

established framework and in accordance with any grant conditions which may be set nationally. See Annex 1 ESFA funding allocation letter.

Recommendation(s)

That

- (a) the ESFA grant of £509,945 for the delivery of adult and community learning for the academic year 2017/2018 be accepted; and**
- (b) the Director for Children’s Wellbeing be authorised to complete the necessary contractual arrangements in order to access the ESFA adult and community learning grant in 2017/18 and in future years.**

Alternative options

1. The council could choose not to accept the funding. This option is not recommended because the use of external funding enables the council to continue to successfully deliver adult and community learning across Herefordshire as per the council’s Adult and Community Learning Plan 2015 – 2018, approved by Cabinet on 15 October 2015.
2. There is also no guarantee that this funding would be reallocated to another provider in Herefordshire and could result in a loss of £509k per academic year to invest in funding education and training provision in our most deprived wards and with our most disadvantaged residents. It would also mean a loss of funding to sub-contractors, the majority of whom are local voluntary and community organisations, which in turn would lead to job losses. Furthermore there would be associated redundancy costs to the council.

Key considerations

3. The council has received funding from ESFA and predecessor organisations annually since 2001 to deliver adult and community learning. The council’s Adult and Community Learning Plan sets out the plans for the delivery of adult and community learning by the council in Herefordshire for the period 2015 - 2018. This plan was approved by Cabinet on 15 October 2015. The aim of the plan is to deploy the ESFA funding to ensure that Herefordshire residents have access to a range of appropriate learning opportunities that will contribute to their personal, social, educational and economic development.
4. The council does not directly deliver learning provision. Learning provision is delivered through a wide range of organisations that work with key priority groups as identified in the Adult and Community Learning Plan 2015 - 2018, and are best able to support them in achieving their personal and learning aims.
5. Following the decision taken by the Cabinet member for young people and children’s wellbeing on 19 May 2016, approving a sub-contracting policy, a procurement process was undertaken which established an approved provider framework for the delivery of the council’s adult and community learning provision for 2016 - 2019.
6. The council remains responsible for the quality of the provision. The quality is monitored and managed by the council’s adult and community learning service and is subject to Ofsted inspection. The service was awarded a grade 2 ‘Good’ for all areas in the last

inspection in January 2016. Partnership working was judged as 'Outstanding' and particularly beneficial for learners and the wider learning community.

7. For the 2015/2016 academic year, 785 learners were engaged on community learning courses with a success rate of 99.5%, above the local council benchmark of 92.1%. For adult skills, 219 learners (357 enrolments) were engaged. Of those those taking entry level qualifications, 98% achieved their qualifications, with 86% for level 1 qualifications and 92% for level 2 qualifications.

Community impact

8. Acceptance of the grant supports the delivery of the council's adult and community learning service's (ACLS) priorities and aims to engage with local people aged 19 and over who are least likely to participate in learning and enable them to access a range of high quality learning opportunities. This can help people to lead more independent lives, support their families, gain a qualification, improve their English, maths and ICT skills, get a job, volunteer and become less socially isolated. Four LSOAs in south Hereford and one in Leominster are in the 10 per cent most deprived in England for adult skills deprivation. Adult skills – which includes qualification levels and the ability to speak English – is a particular issue for the county (Understanding Herefordshire Report 2016).
9. The ACLS work with local partners to deliver a programme of high quality learning, which contributes to the priorities of the council's Corporate Plan by: enabling residents to live, safe, healthy and independent lives; providing help to families to improve education, health and employment outcomes; supporting the growth of our economy by improving English, maths, ICT and employability skills of local residents.
10. It also contributes to the Health and Wellbeing Strategy vision of 'Herefordshire residents are resilient, lead fulfilling lives, are emotionally and physically healthy and feel safe and secure' and the Marches Local Enterprise Partnership Skills Plan, European Investment Strategy and Strategic Economic Plan.
11. Learning programmes support the priorities of the Children and Young People's Partnership to make sure that children and young people in the county are given the best possible start in start in life so that they grow up healthy, happy and safe within supportive family environments by:
 - Targeting resources and supporting vulnerable people aged 19 and over into learning including care leavers
 - Improving the emotional and mental health and wellbeing of parents and carers
 - Helping families, parents and carers to help themselves
 - Achieving success in life, learning and future employment e.g. English and maths provision

Equality duty

12. This report pays due regard to the Human Rights Act, Equality Act 2010 including section 149, the 'General Duty' on public authorities.

- The ACLS seeks to provide high quality learning opportunities that are inclusive and free from discrimination. The service aims to make learning opportunities available across the county, particularly focusing on recruiting learners from the most deprived areas of Herefordshire and from key target groups, as listed in the Adult and Community Learning Plan 2015 - 2018.
 - Equality of opportunity is an important aspect of raising aspirations, self-esteem and achievement. The ACLS aim to provide learning that is safe, accessible and welcoming. Discriminatory behaviour or harassment will not be tolerated.
 - As a contracted-out service we require all our providers to comply with the Equality Act 2010 and actively promote equality and diversity in the delivery of ACLS provision, as outlined in the Common Inspection Framework.
 - Staff, providers and tutors are supported and developed through equality and diversity mandatory training and through the tutor handbook. Equality and diversity is also embedded within the Observation of Teaching and Learning process.
 - Equality and diversity provider performance is monitored against targets, policies and procedures and act on any inequalities highlighted.
13. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. Our providers will be made aware of their contractual requirements in regards to equality legislation.

Resource implications

14. The ESFA grant for the academic year 2017/2018 is **£509,945** and it is expected that this will be fully utilised delivering the services set out in the Adult and Community Learning Plan 2015 - 2018. The ACLS team of 2.5 full time equivalent (FTE) officers is fully funded by the ESFA grant, while the rest of the funding is sub-contracted for learning provision. The award of the grant is dependent on the successful performance of the contract.
15. The conditions of grant have been reviewed and can be complied with.
16. An audit is undertaken annually by Grant Thornton to ensure that we have satisfactory systems and controls in place to manage sub-contractors delivering education training funded by the ESFA. The last audit provided satisfactory assurance with no recommended actions and was signed off on 25 May 2017.

Legal implications

17. The recommendations in this report may be approved by the Cabinet member in line with the powers set out in s. 3.1.1 of the council's constitution.
18. There is no statutory obligation on the council to provide adult and community learning services. However, as stated earlier in the report, the provision of such a service supports the council's vision and aims.
19. The Adult and Community Learning Provider Framework and Sub-contracting Policy 2016 - 2019 was approved by the Cabinet member for young people and children's wellbeing on 19 May 2016 and implemented for the academic year 2016/17. The policy is in line

with the ESFA common funding rules, which forms part of the terms and conditions of the ESFA funding in conjunction with the funding agreement.

Risk management

20. Agreeing to the ESFA grant enables the continuation of the council's adult and community learning provision in Herefordshire. There are over 50 learners whose programme of learning continues into the academic year 2017/18 for whom we would have to find alternative provision. There is no alternative provision being delivered outside of Hereford city.
21. If not agreed, this will affect delivery and have an impact on vulnerable people who would normally access the service. It would mean giving notice and handing the contract back to the Education and Skills Funding Agency. There is no guarantee that this funding would be reallocated to another provider in Herefordshire and could result in a loss of £509k to invest in funding education and training provision in our most deprived wards and for our most disadvantage residents.
22. It would also mean a loss of funding to sub-contractors the majority of whom are local voluntary and community organisations, which in turn would lead to job losses. Furthermore, there would be associated redundancy costs to the council.
23. Non-payment of the grant by ESFA due to performance and / or contract compliance risks identified and actions taken to mitigate:
 - a. Sub-contractor underperformance or failure – mitigated by robust contract management process and procedures and business continuity plan.
 - b. Poor Ofsted inspection result – mitigated through the high focus on quality improvement within the service – having a rolling self-assessment report and quality improvement plan in place.

Consultees

Political groups have been consulted. The responses received support the acceptance of the ESFA Grant for adult and community learning.

Appendices

Appendix 1 ESFA funding allocation letter

Background papers

None identified