

**Decision Maker:**        **Executive**

**For Pre-Decision Scrutiny by the Education PDS Committee on:**

**Date:**                    **19th January 2016**

**Decision Type:**        Non-Urgent                    Executive                    Non-Key

**Title:**                    **BROMLEY ADULT EDUCATION COLLEGE UPDATE**

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**Chief Officer:**         Director: Education (ECHS)

**Ward:**                    (All Wards);

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1. Reason for report

- a. Following pre-decision scrutiny at the meeting of the Education Policy Development and Scrutiny Committee on 8 July 2015 the Executive recommended that officers commence consultation with staff, their representatives, stakeholders and service users on a proposal to restructure and reduce the adult education service.
- b. This report provides members with the outcomes from the public consultation and staff engagement process.

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2. **RECOMMENDATIONS**

**2.1 That members of the Education Policy Development and Scrutiny Committee review this report and provide comments to the Executive for their consideration.**

**2.2 That the Council's Executive:**

- (a) endorse the proposals to proceed with the proposed reorganisation of the Adult Education service; and
- (b) agree that the potential redundancy costs estimated at £566k are funded from the Council's Transformation Fund as detailed in paragraph 10.3.

## Corporate Policy

1. Policy Status: Existing Policy:
  2. BBB Priority: Excellent Council Supporting Independence:
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## Financial

1. Cost of proposal: Estimated Cost: £616k
  2. Ongoing costs: £257k saving
  3. Budget head/performance centre: Adult Education Centre
  4. Total current budget for this head: Cr £220k (controllable)
  5. Source of funding: 2015/16 revenue budget underspends
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## Staff

1. Number of staff (current and additional): 47 staff on permanent contracts, 307 casual/sessional workers, 70.07 FTE
  2. If from existing staff resources, number of staff hours:
- 

## Legal

1. Legal Requirement: Non-Statutory - Government Guidance:
  2. Call-in: Applicable
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## Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 6,000
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## Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments:

### 3 INTRODUCTION

3.1 This report updates Members on outcomes following the consultation on a proposal to reorganise the Council's adult education service.

3.2 The structure of the report is as follows:

- Paragraphs 4 and 5 provide an overview of the reasons for the proposed reorganisation and the key features of the proposal.
- Paragraphs 6 and 7 outline the progress made and summarise the key findings from the consultation.
- Paragraph 8 summarises the main recommendations for implementation.

3.2 To support Members in the decision making process additional information has been provided as appendices to this report. These are as follows:

- **Appendix 1** – The Director's Response to the staff consultation process.
- **Appendix 2** – A report detailing the responses to the public consultation.
- **Appendix 3** – Supplementary information, requested by the Chair of the Education PDS Committee, showing details of courses currently running at the adult education sites, numbers of tutors in each curriculum area, rates of pay and information about the accommodation.
- **Appendix 4** – Supplementary information, requested at the Education PDS Committee on 8<sup>th</sup> July 2015 mapping information showing alternative provision currently available, both within the borough and in adjoining boroughs.
- **Appendix 5** – Equality Impact Assessment report on the likely impacts of the proposed changes and actions that could address these.

### 4. BACKGROUND

4.1 At the meeting of the Education Policy Development and Scrutiny Committee on 8 July 2015 Members were presented with a proposal for a reorganisation of the adult education service, known as Bromley Adult Education College (BAEC).

4.2 At the end of the 2014/15 financial year the service had a budget overspend of £246k and a supplementary estimate of £382k was approved by Executive in December 2015 to address the projected overspend for the current financial year. The service covers all of its direct costs and has a controllable budget of £220k credit which contributes towards corporate and departmental recharges allocated to the service.

4.3 It was originally estimated that if implemented the proposal would reduce the budget shortfall to around £63k (a £538k credit instead of the budgeted £601k credit, prior to the supplementary estimate). The proposed structure and figures have now been refined, with the proposal resulting in a £477k credit as detailed in para 10.1 below.

4.4 Over the last five years the service has faced significant reductions to the public grant it receives for the provision of adult education. Although the recent Comprehensive Spending Review indicated that there would be no overall reduction in funding for Further Education in 2016/17, this will not be confirmed until the provisional allocation is released in March 2016.

- 4.5 From 2017/18 the allocation of funding for adult skills will be devolved down to regional levels with the aim of meeting the identified local skills needs. At this stage it is not possible to predict the likely impact this will have on the level of funding currently allocated to Bromley Council for the provision of adult learning.
- 4.6 The Adult Education Service underwent an Ofsted inspection in March 2015. During the inspection the uncertainty around the strategic direction for the service along with the local authority's failure to agree a plan to address the overspend were identified as areas for improvement.
- 4.7 Ofsted also criticised the volume of the Community learning grant that is used to support mainstream non-accredited courses. In their view the local authority should use a greater percentage of the grant to support disadvantaged local communities and disengaged adults rather than leisure courses for those who can afford to pay.

## **5 SUMMARY OF PROPOSED CHANGES**

- 5.1 The proposal aims to make the required efficiency savings by restructuring the adult education service so that its primary focus is on adults and communities of the greatest identified need within the borough. Currently these areas are identified as Penge, Anerley, Crystal Palace, Cray Valley East and West and Mottingham.
- 5.2 In order to achieve this, the Council would retain and expand the curriculum offer at the Kentwood Centre in Penge and the Poverest Centre in Orpington. These two sites are best placed to serve the areas in most need as identified above. Closure of the Widmore site would result in savings in the region of £173k.
- 5.3 The current volume of mainstream recreational classes would be reduced. However, some would be relocated from Widmore to the Poverest and Kentwood sites to ensure continuity of a mainstream adult learning offer for Bromley residents.
- 5.4 The proposed reduction in the mainstream offer will release some funding to allow the Council to direct more of the Adult and Community Learning grant towards disadvantaged groups and communities. Through the extension of partnership work with active community groups such as the Mottingham Community and Residents forum and the Hilda Lane Community Association local learning initiatives can be targeted directly at adults and communities with the greatest identified need.
- 5.5 The relocation from Widmore to Kentwood of some of the mainstream provision and support staff would require the closure of the adult education nursery at the Kentwood Centre to free up the necessary accommodation. The closure of the Widmore Centre would result in the closure of the adult education nursery currently situated within it.
- 5.6 Implement a staffing restructure to reflect the refocused main purpose, the reduction in the curriculum offer and the changes to the accommodation strategy.
- 5.7 Replace the existing Governing Body with a Strategic Partnership Board that will have a clear focus on engaging disadvantaged adults and communities to ensure monies are appropriately directed and have a positive impact on the lives otherwise disengaged adults.

## **6 PROGRESS**

- 6.1 The Director of Education and senior managers within adult education, with support from HR and Finance, further developed the proposal for the restructure of the adult education service as outlined in the report of the 8th July 2015. The aim was to put forward a model that would deliver the projected savings required in the short term and put in place a structure that could

help the College continue to operate in a flexible way, depending on the continuation of the public funding currently accessed by the College. It was also important that any new structure enabled the adult education service to respond to the recommendations that arose as a consequence of the Ofsted inspection that took place in March 2015.

- 6.2 The 45 day consultation period with staff and their representatives ran from 16 October 2015 until midnight on 30<sup>th</sup> November 2015. Responses received from staff, and their representatives, through group and individual meetings and in written submissions, have been collated and reviewed by the Director of Education.
- 6.3 The response from the Director of Education to staff and their representatives, which has been included as **Appendix 1**, was circulated on 11 December 2015.
- 6.4 If the proposed restructuring is agreed the intention is to have the new structure in place by the start of the new funding year on 1 August 2016.
- 6.5 The consultation with stakeholders and members of the public commenced on 21 October 2015 and remained open until midnight on 2<sup>nd</sup> November 2015. The consultation was in the form of an online survey, however paper copies were made available in each of the three BAEC centres to allow members of the public who had difficulty in accessing the survey online. The paper copies were collected in boxes and inputted manually into the survey data base.
- 6.6 A total of 1,159 responses were received, of which 1,035 were completed and 124 were partial responses. Of the completed responses, 14 respondents identified themselves as stakeholders and the remainder were students and/or members of the public.
- 6.7 A breakdown of the responses received from the public consultation is provided in **Appendix 2**. The information presents the responses from students and other members of the public separate to those from other stakeholder groups, such as community partners, voluntary groups other and commercial or public sector organisations.
- 6.8 An Equality Impact Assessment was undertaken and information gathered from the consultation process was used to help inform the assessment. This report has been included as **Appendix 5**

## **7 OUTCOMES FROM THE CONSULTATION**

- 7.1 The responses received during the consultation, both in volume and the high level of engagement in the feedback process, reflect the high value that local people place on the adult education service and the offer it provides. Overwhelmingly, respondents in both the staff and public consultations were passionate about the opportunities the service provides and the positive impact it has on lives across all levels of society in Bromley, along with one response from NASUWT. Terminology such as 'enriching lives', 'providing second chances' and 'motivating people to get out of their home and engage in the wider society' were frequently cited by staff, members of the public and stakeholders alike.
- 7.2 The feedback unequivocally demonstrated that the Council's aim to preserve as much of the adult education service as the funding allows has strong support from within the communities it serves. However many people indicated they considered the size and scope of proposed change was overly drastic.
- 7.3 Several of the staff responses expressed concern about the staffing capacity under the proposed new structure. For example lack of sufficient cover for support roles during periods of annual leave and sickness and the capacity to undertake all the administrative requirements of the funding and examination bodies. Although there is insufficient income to support additional staff posts other than those indicated in the proposed new structure, officers are seeking other

ways of providing relief cover from elsewhere within the Council that the adult education service can access when necessary.

- 7.4 A significant volume of the feedback received from staff and members of the public expressed concern about the loss of the Widmore site as a key delivery point for adult education. 81% of the student respondents indicated that at some stage they had attended courses at the Widmore site. In the 2014/15 academic year 57% of the overall student population attended courses at the Widmore Centre.
- 7.5 Some respondents considered that proximity of Widmore to the centre of Bromley was a key asset and highlighted the fact that not all those living nearby would be able to travel to the Kentwood or Poverest Centres. In order to help to mitigate this effect, under the new proposal officers would work with organisations such as Community Links to identify potential partners in the central Bromley area with a view to retaining some adult education delivery points within or near to the BR1 and BR2 postcodes.
- 7.6 Much of the feedback concerning the closure of the Widmore site was linked to the loss of the specialist subjects from any remaining adult education offer. Some of the facilities are not currently replicated elsewhere within the borough and members of staff and the public were of the view that this diminished one of the benefits of living in Bromley.
- 7.7 During the consultation process proposals to relocate some elements of the specialist provision were received from staff. One was focussed on the printmaking courses, setting out how some of the smaller pieces of equipment could be moved to a large art room at the Kentwood Centre but still allow the room to be used for painting and drawing classes as well as printmaking. Another proposal was for a multi-purpose craft room either at Poverest or Kentwood which could allow for the continuation of subjects such as stained glass, floral art, and smaller upholstery projects. These suggestions are now being followed up by officers within the adult education service so that, should the proposed reorganisation go ahead, as broad an offer can be retained as possible.
- 7.8 However, officers recognise that some of the current specialised curriculum offer at Widmore, such as pottery, jewellery and silversmithing, would require significant investment to recreate these facilities at Kentwood and /or Poverest. Therefore it is envisaged that should this proposal go ahead, managers within the adult service would seek to identify alternative providers within the borough who have the means to accommodate the resources and the provision.
- 7.9 Staff, students and other stakeholders frequently commented on the many benefits that a rich adult education offer brings both to individual and the communities it serves. The leisure courses in particular are seen as a lifeline to many, helping to keep people mentally and physically healthy, prevent social isolation, provide respite for carers and allow people to express their creativity. Concern was expressed that a reduction in provision would have a negative impact on the well-being for some residents and lead to increasing costs for other services such as health care and social services.
- 7.10 Following closure of the consultation period, officers within the adult education service are in dialogue with various local community organisations with a view to identifying alternative ways to allow continuation of a wide range of adult learning activities within the borough should the proposal go ahead. This could be in the form of the adult education remaining as the direct deliverer using the grant received from central government, but with the courses being located at venues provided through partnership working. In other instances the courses would be provided via other means, for example, some tutors have approached the Ripley Arts Centre in Bromley regarding the option of renting rooms so they can continue to deliver their courses independent of the Council.

- 7.11 In order to support this type of independent transition, if the proposal goes ahead the adult education service will seek to identify training for tutors to help them prepare for such a move as well as establish a signposting facility where such courses can be centrally listed, thus ensuring residents have easy access to the information.
- 7.12 Respondents to both the staff and public consultations expressed concerns about the impact of closure of the two adult education nurseries. As a direct response to suggestions from staff, officers have commenced dialogue with Bickley Primary School to explore the option of the nursery at Widmore being incorporated into the adjoining primary school from September 2016.
- 7.13 Analysis of the nursery data revealed that only 3% of students who attended the Kentwood Centre in 2014/15 used the onsite nursery. However 93% of those users were enrolled on English and/or math courses. If the proposal to close the nursery at the Kentwood centre goes ahead, eligible students will be entitled to access financial support for childcare needs from the Skills Funding Agency grant whilst attending their English, maths or other approved accredited course. Adult education officers would signpost local Ofsted regulated options available to students at the point of enrolment.
- 7.14 Given the pressure on accommodation for adult education classes following the closure of the Widmore site, it would be prudent to close the nursery so that additional space can be freed up to accommodate courses and support staff.

## **8. SUMMARY OF RECOMMENDATIONS**

- 8.1 Officers have reviewed the responses from staff, staff representatives and the public consultations alongside the data gathered as part of the equality impact assessment process and have concluded that the broad terms of the original proposal, alongside the adjustments as discussed above, represents the best option for the adult education service in the immediate term.
- 8.2 This will allow for the continuation of the adult education service to ensure it supports vulnerable adults and those most in need of adult learning interventions to help improve their life chances. Furthermore it will also allow the Council to continue to provide an adult learning offer that includes a mix of accredited and non-qualification courses delivered from its two dedicated sites in the Beckenham/Penge and Orpington/Petts Wood areas that will help to meet the needs of the wider resident population.
- 8.3 Through a process of dialogue with other local organisations and providing support for those tutors who would like to continue to offer courses independently of the Council and without the necessary bureaucracy associated with public funding, it will be possible to preserve some of the current diversity of choice within the borough. The Council website could be used to provide a central information source for such adult learning activities so that residents retain easy access to the range of opportunities on offer.

## **9 POLICY IMPLICATIONS**

The work of Bromley Adult Education College contributes to the Building a Better Bromley vision of remaining a place where people choose to live and do business, maximising the opportunities that all residents have to lead fulfilling and independent lives.

## **10 FINANCIAL IMPLICATIONS**

- 10.1 The table below provides a summary of the current 2015/16 Adult Education budget, the cost of the proposed restructure and the part and full year effects for 2016/17 and 2017/18.

	<b>2016/17 Draft Budget £'000</b>	<b>Proposed Structure £'000</b>	<b>Part Year Effect 2016/17 £'000</b>	<b>Full Year Effect 2017/18 £'000</b>
Sessional staff	803	570	Cr 155	Cr 233
Management staff	482	193	Cr 193	Cr 289
Admin/funding/exam staff	433	295	Cr 92	Cr 138
Site staff	228	80	Cr 99	Cr 148
IT support staff	56	39	Cr 11	Cr 17
Nursery staff	201	0	Cr 134	Cr 201
Other staff	20	0	Cr 13	Cr 20
Premises costs	282	131	Cr 101	Cr 151
Supplies and services	369	343	Cr 17	Cr 26
Skills Funding Agency Grant	Cr 1,745	Cr 1,542	135	203
Fee income	Cr 975	Cr 533	342	442
Nursery income	Cr 180	0	120	180
Lettings income/recharges	Cr 82	Cr 20	41	62
Other income	Cr 94	Cr 33	41	61
<b>Controllable Budgets</b>	<b>Cr 202</b>	<b>Cr 477</b>	<b>Cr 136</b>	<b>Cr 275</b>
Capital Charges, R&M and Insurance	559	559	0	0
Recharges	549	549	0	0
	<b>1,108</b>	<b>1,108</b>	<b>0</b>	<b>0</b>
<b>Net Budget</b>	<b>906</b>	<b>631</b>	<b>Cr 136</b>	<b>Cr 275</b>
One-off costs:				
Potential redundancy costs (to be funded from Transformation Fund)			566	
Relocation costs (to be funded from savings in 2016/17)			50	

- 10.2 As can be seen, the proposal would result in a net saving to the Council of £275k in a full year, with a part year savings of £136k projected for 2016/17.
- 10.3 The one-off redundancy and pension related costs of this proposal are estimated at a total of £566k. Due to the number of sessional/casual staff, this is an estimate only based on extrapolating a sample of redundancy costs that have been calculated. It should also be noted that this is a worst case estimate assuming that where a group of staff might be assimilated into the new structure, the highest combination of redundancy costs will result. It is requested that these costs are funded from the Council's Transformation Fund (former Redundancy Reserve), which currently has an uncommitted balance of £3.6m.
- 10.4 There is also some one-off expenditure of £50k that will be incurred as a result of withdrawal from the Widmore site and the relocation of some provision and all necessary support functions to the Kentwood and Poverest sites. It is proposed that these costs will be met from the part year savings achieved during 2016/17.
- 10.5 Initial figures released by the Department for Business, Innovation and Skills suggest that there will be no reduction in grant funding from 2015/16; however this will not be confirmed until the allocations are released in March 2016. There may therefore be some change to the final level of savings achieved.
- 10.6 Some savings on overheads such as Support Services (Finance, HR, Legal etc) may be achievable following the restructure, and in conjunction with other service changes across the



Council, however, this cannot be quantified at this point and will be reviewed as part of the annual Baseline Review process.

- 10.7 The actual recharges that are allocated to the service will reduce to around £300k based on current allocations, however this will vary depending upon any changes within support services themselves, as well as any changes to the other Council services that they are allocated to.
- 10.8 Similarly, the capital charges, repairs and maintenance and insurance costs allocated to the service under the proposed structure will reduce to around £140k based on the current allocations for Kentwood and Poverest only. These are based on the value of the building and the useful economic life and could change when they are next revalued.
- 10.9 It should be noted that the reductions in paras 10.7 and 10.8 above do not reflect actual immediate savings, as they will be reallocated to other services across the Council. They therefore haven't been included in the table above, which shows the overall financial implication of the proposal to the Council as a whole.

## **11. LEGAL IMPLICATIONS**

- 11.1 The Council has a duty under the Learning and Skills Act (2000) to provide "reasonable facilities" for persons over the age of 19. In performing this duty of "reasonable facilities" the Council must "take account of facilities whose provision the Council thinks might reasonably be secured by other persons" and "make the best use of Council's resources and in particular avoid provision which might give rise to disproportionate expenditure".
- 11.2 In addition, under s15ZA Education Act 1996, the Council must ensure there is sufficient suitable education and training for persons aged between 19-25 who are subject to learning disabilities.
- 11.3 In reaching a decision, the Council must have regard to its public sector equality duties under the Equality Act 2010. The general duty has three aims which the Council must have to have due regard to, specifically the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
  - Advance equality of opportunity between people from different groups.
  - Foster good relations between people from different groups.

The duty covers race, disability, gender, age, sexual orientation, religion or belief, gender reassignment and pregnancy and maternity.

Although equality impact assessments are not a statutory requirement undertaking and giving due regard to an equality impact assessment is recognised by the courts as demonstrating that due regard has been given to the statutory equality duty.

In reaching their decision members must have regard to the equality impact assessment and the consultation carried out details, of both are appended to this report.

## **PERSONNEL IMPLICATIONS**

- 12.1 There are currently 329 staff (70.07 FTEs) employed with the Adult Education Service. Responses received from staff and from one trade union are summarised in paragraph 7 above and also in Appendix 1. If the recommendations outlined in this report are agreed it will give rise to significant HR issues, including redundancy etc. Any changes will need to be carefully planned for and managed in accordance with the Council's policies and procedures and with due regard for the existing framework of employment law.

12.2. These proposals place 22 substantive and 165 sessional staff (19.45 substantive and 14.52 sessional FTEs) at risk of redundancy. The Council will endeavour to avoid or minimise redundancies by seeking to redeploy staff to alternative employment, however given the significant numbers of staff at risk it is likely that there will be some compulsory redundancies arising from these proposals. Some staff at the college are on different contracts of employment including non-standard contracts e.g. sessional workers.

<b>Non-Applicable Sections:</b>	
Background Documents: (Access via Contact Officer)	