

**EXECUTIVE
COMMITTEE**

23 August 2011

LEARNDIRECT

Relevant Portfolio Holder	Councillor Derek Taylor, Portfolio Holder - Leisure and Tourism
Portfolio Holder Consulted	Yes
Relevant Head of Service	John Godwin, Head of Leisure and Cultural Services
Wards Affected	All Wards
Key Decision	

1. SUMMARY OF PROPOSALS

To consider the future of the provision of the Learndirect adult learning service operated at Greenlands Business Centre following the withdrawal of funding from UFI for the forthcoming academic year 2011/12. The council has in previous years been granted a contract from the funding body (University for Industry) to deliver basic skills and IT training which offsets the cost of operating the service and provides the customer with free or very limited cost for training. The Council now needs to consider the options available and the viability of each now that the contract has been withdrawn.

2. RECOMMENDATIONS

The Committee is asked to **RESOLVE** that

1) **the contents of the report be noted; and**

to RECOMMEND that

2) **EITHER**

Option 1 - funding be continued and the service maintained as currently provided; OR

Option 2 - the service be closed at the end of the extended contract period.

3. KEY ISSUES

3.1 At the Council meeting on 9th August 2010 Members approved option 4 of the recommendations to relocate the Learndirect element of the REDI Centre Service to another Council owned facility. The relocation was completed by the beginning of January 2011 and the service maintained to its customers throughout the transition process.

**EXECUTIVE
COMMITTEE**

23 August 2011

Within the report Officers stated that the current contract with UFI (University for Industry) may not be granted for another term as they were issued on an annual basis and were not guaranteed.

- 3.2 The Deputy Leader of the Council in the Leaders announcements at the Executive Committee held on the 12th July 2011 advised the Committee that the existing contract with UFI to fund the Learndirect service had not been renewed. It is important to note that the withdrawal of the contract was entirely due to the way that UFI wished to operate future contracts and not due to any quality or quantity issues relating to the delivery at the Centre. Customer online satisfaction rating returns to UFI scored the service at 100%.
- 3.3 The Centre is currently funded by University for Industry (UFI) through the brand name **Learndirect**, (Adult Responsive Learning). For the academic year 2010/11 we were contracted to deliver the following targets contained in the table below, which were all exceeded.

Description		Target	Actual
Skills for Life	Enrolments	152	165
IT – Level 2	Enrolments	46	58

- 3.4 An extension to the existing contract due to expire on the 31st July 2011 has been agreed with UFI which will provide funding until the 30th September 2011. The total number of individual learners that have attended the Centre up to the 31st July is 172. An additional 30-40 learners will attend the Centre during the contract extension period bringing the total number of learners to in excess of 200.
- 3.5 At the end of September 2011 the contract extension will expire which will see the total removal of all existing income streams from the Centre. There are some funding options available through grant bidding processes that the Centre may be able to access, but at this stage it has not been possible to quantify how much funding is available and whether the Centre would be successful in the bidding process. The Centre can continue to deliver basic skills courses and ICT to customers. The costs of provision could be offset by a charging policy to all learners, but this would need time to be developed taking into account the needs of individuals on lower and higher incomes and the needs of local employers.

Future Learndirect provider

- 3.6 Officers have been in contact with UFI to identify who has been granted a contract to operate the Learndirect Service in the Redditch area. It has been confirmed that the contract has been awarded to Pertemps People Development Group, a large recruitment and training company.

**EXECUTIVE
COMMITTEE**

23 August 2011

Officers have discussed with the new provider whether there would be an opportunity for Pertemps to be able to use the Council's Centre to continue to deliver Learndirect courses and to be paid to do so on a sub-contract basis, but unfortunately their contract does not permit this. Pertemps will make access to Learndirect training courses available to the people of Redditch via two routes: 1) via referral from Jobcentre Plus for helping the long term unemployed back to work; or 2) via uptake from the general public. Pertemps premises are located in Empire Court, Redditch Town Centre.

Financial Implications

3.7 The impacts of the options contained in the report in this financial year are contained in the table below.

Option	2011/12 Current Budget £	2011/12 – additional funding requirement £	2011/12 – Revised Budget £	2011/12 – Net (savings) /additional costs £	Comments
1	33,150	45,000	78,150	45,000	The loss of contracted income of £45,000 is directly proportionate to the increase in revenue expenditure. No Redundancy or Pension costs would be liable
2	33,150	27,356	60,506	27,356	The budget requirement to operate until the 30 th September is £26,372 the balance from the total budget of £6,778 can be used to offset Redundancy & Pension costs of £34,134
2012/13 budget requm't	33,150	75,000	108,150	75,000	The figures in this section relate to costs without any new income streams being available.

3.8 The impact of any approval on the budget strategy for 2012/13 will be included as an unavoidable pressure during the budget discussions for formal approval in February 2012 should option 1 be approved.

3.9 Relevant finance Officers have been consulted with regard to the financial implications.

**EXECUTIVE
COMMITTEE**

23 August 2011

Legal Implications

- 3.10 No legal implications have been identified.
- 3.11 Relevant Legal Services Officers have been consulted with regard to the legal implications.

Service/Operational Implications

- 3.12 Option 1 to continue to operate the current service, has no further service or operational impacts. Option 2 to close the service, will have an impact on the Business Centre as Units 4 & 5 that Learndirect currently occupy as paying tenants would have to be vacated. The current IT hardware located at the Centre could be put back into RBC ITC PC stock.
- 3.13 Presently there are four part time members of staff (2.1 FTE's) operating the Learndirect Service. On the 22nd July 2011, staff were briefed on the current position and formally put on notice of being at risk of redundancy until this report was brought to the Executive Committee for a decision on the future of the service. Staff will be briefed on the decisions taken by the Executive Committee on the 24th August 2011.
- 3.14 Option 1 contained in this report helps support the Council's priority of Enterprising Community in the support towards skills and learning. The cost of the service needs to be considered within a Value for Money framework if the cost of the service can be reduced via other alternative options.
- 3.15 Option 2 complete closure does not support the Enterprising Community priority of the Council.

Customer / Equalities and Diversity Implications

- 3.16 Option 1 - If this option were recommended there would some impact on existing customers as Learndirect courses would not be maintained, but basic skills and ICT training could continue to be provided. As the contract income from UFI that was drawn down to fund the cost of learning has been withdrawn, customers would be required to pay a fee towards the cost of providing the learning service.
- 3.17 Option 2 - This would impact on all current and future users as the service would be closed. Customer comments on the relocated service and potential impacts on customers are contained in Appendix One.

**EXECUTIVE
COMMITTEE**

23 August 2011

4. RISK MANAGEMENT

- 4.1 There is a financial risk to the Authority in varying degrees as the service is not funded beyond September 2010. Any future service costs will need to be funded from revenue balances or savings from other Council services or provision.
- 4.2 There is the potential for some reputational risk to the Authority for each of the options presented, either in respect of loss of service provision or value for money considerations.

5. APPENDICES

Appendix 1 - Customer comments on existing service provision and impact views

Appendix 2 Statistical information on Learndirect users

6. BACKGROUND PAPERS

None

AUTHOR OF REPORT

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**EXECUTIVE
COMMITTEE**

23 August 2011

APPENDIX ONE

The service relocated to Greenlands Business Centre and began trading at the beginning of January 2011. Customers who were engaged on Learndirect at the REDI Centre were asked if relocating would be a barrier to their continued learning, 90% of respondents said it would not be a barrier.

Learner Satisfaction

Learner satisfaction reports from Learndirect show 100% on all areas. Clients found the new environment professional, welcoming and easy to access. Some of the comments received highlighted the need for an individual and flexible approach to learning which could be achieved outside of the Learndirect contract.

Customer comments include:

“Excellent experience. The tutors were super, knowledgeable and approachable. All round positive experience.

“Had a really positive learning experience for the first time ever. Never thought I would achieve but I did”.

“Really nice centre, very professional. I was able to talk about my long term goals and sort out the best course to start with”

“Great – easy way to learn, very flexible for me while I am working and looking after the children on my own. My tutors were always there to help and I only needed to attend at times suitable to my own schedule. Loved it – great tutors”.

It is considered that certain groups may be impacted upon but not excluded from access to training opportunities provided by others.

Lone Parents	Low self esteem and poor prior educational success and experiences prevents this group from going to college or places such as Pertemps Training Centres.
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Parents	Families with multiple and complex problems often wish to improve their educational chances to provide support for their children. This is a high motivating factor for many of our learners.
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**EXECUTIVE
COMMITTEE**

23 August 2011

They found that the smaller, more individual leaning environment helped them to focus on their own development and long term aspirations. We know that this has a positive impact on the family life and helps to improve family cohesion and aspirations.

The individual learning programmes offered by our training centre help this type of learner to stay more focused and achieve, in many cases, their first qualification.

Unemployed:

Again, low confidence and self esteem suggest that this group of people often need more targeted one to one support than they get at a larger learning organisation.

Employed part-time/full time:

They are unable to access learning during normal college hours. Although there are night time courses, many work on shifts and lack of weekly attendance means they are often withdrawn from the learning programme. They also want a more individualised learning plan to meet their needs.

APPENDIX TWO

The statistics show that the Centre mainly attracted people from the age group 25-59 who entered with qualifications at Level 1¹ or below. 72% of people achieved at least one qualification and have moved into part-time employment or have been accepted onto a range of further education Level 3 courses and apprenticeships (notably in nursing, child care and social/health care).

In this area the Centre achieved 109% of its target numbers in Skills for Life and 126% of its target numbers for IT Level 2 (ECDL). The only main concerns this year were timely completion of programmes. This was an area where the Centre made great improvements on the previous service delivery improving the target up from a low 25% to 74%. The success rate for Skills for Life was 81% and the IT rate was 76%.

Referrals

Statistics show that the majority of learners were referred by the Job Centre and word of mouth, however it was notable that the number of referrals from employers has grown significantly since last year. Also, this is the first year NEW College have actively referred learners to the Centre. This was because the Centre was able to offer courses all year round and had flexible start and end dates.

Job Centre	36	21%
Word of mouth	31	18%
Next Step Provision	24	14%
Learndirect website	21	12%
NEW College (Advice and Guidance)	15	9%
Employer	13	8%
Marketing Events	10	6%
JCP	10	6%
SureStart	8	5%
NHS	4	2%

REDDITCH BOROUGH COUNCIL

**EXECUTIVE
COMMITTEE**

23 August 2011

Redditch Borough Council - Adult Training Centre 2010/11

Targets	Target	Actual	2009/10
Contract Value	£70,000	£65,800	
Sfl Programme Starts	152	165	
ITQ Programme Starts	46	58	19
Number of individual learners @31 July 2011			
Achieved at least 1 qualification	124	72%	64%
No of learning programmes ending July 2010			
Skills for Life			
On a programme	139		
Passes	113	81%	79%
Withdrawals	26	19%	21%
Level2 - ECDL			
On a programme	45		
Passes	34	76%	66%
Withdrawals	11	24%	16%
No. of Qualifications achieved [OCR or BCS] by type			
			147
Literacy L1	17	12%	12%
Literacy L2	29	20%	18%
Numeracy E3	8	5%	9%
Numeracy L1	20	14%	24%
Numeracy L2	39	27%	19%
ICT Level 2 [ECDL]	34	23%	18%
Success Rate			
Skills for Life	81%		80%
L2 - ICT	76%		66%

Note: 172 individual learners is up to the end of July. There are still approximately 30-35 learners still in the pipeline that will bring the total learners to 200+ learners

Number of Individual learners **172 [210]**
2009-2010 165

Age Groups				
19-20	5	3%	5%	
21-24	18	10%	14%	
25-59	144	84%	75%	
60 over	5	3%	6%	

Gender			
Females	131	76%	82%
Males	41	24%	18%

Employment Status		
Employed - Full time	28	16%
Employed - Part time	27	16%
Unemployed Redundant	31	18%
Unemployed Other	61	35%
Economically inactive	5	3%
Other	20	12%

Ethnicity		
Asian or Asian British - Indian	3	2%
Asian or Asian British - Pakistani	17	10%

REDDITCH BOROUGH COUNCIL

**EXECUTIVE
COMMITTEE**

23 August 2011

Withdrawal Rate			
	Skills for Life	19%	21%
	L2 - ICT	24%	16%
Timely completion			
	Skills for Life	78%	64%
	L2 - ICT	70%	42%
Progress			124
	Further Education/Higher	31	25%
	Employment - Full Time	28	23%
	Employment - Part time	33	27%
	Unemployed	23	19%
	Other	9	7%
Prior Attainment			
	No qualifications	21	12%
	Entry level	18	10%
	Other qualifications below level 1	22	13%
	Level 1	63	37%
	Level 2	19	11%
	Level 3	19	11%
	Level 4	5	3%
	Level 5 and above	5	3%
Referrals			
	Job Centre	36	21%
	Word of mouth	31	18%
	Next Step Provision	24	14%
	Learndirect website	21	12%
	NEW College (Advice and Guidance)	15	9%
	Employer	13	8%
	Marketing Events	10	6%

Black or Black British - Caribbean	2	1%
Mixed - White and Asian	1	1%
Mixed - White and Black Caribbean	2	1%
White - British	132	77%
White - Irish	4	2%
White - any other white background	8	5%
Any other	3	2%

Learning Difficulties		
Moderate learning difficulty	22	13%
Dyslexia	21	12%
Dyscalculia	8	5%
Multiple learning difficulties	15	9%
Other	3	2%
No learning difficulty	68	40%
Not known /not provided	35	20%

Disability		
Hearing	2	1%
Disability affecting mobility	6	3%
Other medical	8	5%
Mental health difficulty	3	2%
No disability	117	68%
Not known	36	21%

REDDITCH BOROUGH COUNCIL

**EXECUTIVE
COMMITTEE**

23 August 2011

JCP	10	6%
SureStart	8	5%
NHS	4	2%