

# Document Pack



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WEDNESDAY, 9<sup>TH</sup> DECEMBER 2015

**TO: ALL MEMBERS OF THE EDUCATION & CHILDREN  
SCRUTINY COMMITTEE**

I HEREBY SUMMON YOU TO ATTEND A MEETING OF THE  
**EDUCATION & CHILDREN SCRUTINY COMMITTEE** WHICH WILL  
BE HELD IN THE **CHAMBER, 3 SPILMAN STREET,  
CARMARTHEN AT 10.00 AM ON THURSDAY, 17TH DECEMBER  
2015** FOR THE TRANSACTION OF THE BUSINESS OUTLINED  
ON THE ATTACHED AGENDA.

*Mark James*

**CHIEF EXECUTIVE**



PLEASE RECYCLE

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# EDUCATION & CHILDREN SCRUTINY COMMITTEE

13 COUNCIL MEMBERS, 2 NON-ELECTED VOTING MEMBERS AND 3  
ELECTED VOTING PARENT GOVERNOR MEMBERS

## PLAID CYMRU GROUP – 6 MEMBERS

- |    |            |                       |
|----|------------|-----------------------|
| 1. | Councillor | C.A. Campbell         |
| 2. | Councillor | J.M. Charles          |
| 3. | Councillor | W.G. Hopkins          |
| 4. | Councillor | P. Hughes Griffiths   |
| 5. | Councillor | M.J.A. Lewis          |
| 6. | Councillor | J.E. Williams (Chair) |

## INDEPENDENT GROUP – 3 MEMBERS

- |    |            |                 |
|----|------------|-----------------|
| 1. | Councillor | I.W. Davies     |
| 2. | Councillor | D.W.H. Richards |
| 3. | Councillor | T. Theophilus   |

## LABOUR GROUP – 4 MEMBERS

- |    |            |                              |
|----|------------|------------------------------|
| 1. | Councillor | D.J.R. Bartlett (Vice-Chair) |
| 2. | Councillor | J.D. James                   |
| 3. | Councillor | P.E.M. Jones                 |
| 4. | Councillor | Vacant                       |

## NON ELECTED VOTING MEMBERS (2)

- |    |               |                                      |
|----|---------------|--------------------------------------|
| 1. | Mrs. V. Kenny | Roman Catholic Church Representative |
| 2. | Canon B. Witt | Church in Wales Representative       |

## ELECTED VOTING PARENT GOVERNOR MEMBERS (3)

*Term of office expires on the 31/03/2016*

- |    |                |
|----|----------------|
| 1. | Mr. C. Brown   |
| 2. | Mr. S. Pearson |
| 3. | Vacancy        |

# AGENDA

1. APOLOGIES FOR ABSENCE.
2. DECLARATIONS OF PERSONAL INTEREST
3. DECLARATIONS OF PROHIBITED PARTY WHIPS
4. PUBLIC QUESTIONS ( NONE WERE RECEIVED)
5. FORTHCOMING ITEMS 5 - 6
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7. FUTURE PROVISION OF ADULT COMMUNITY LEARNING BY THE DEPARTMENT FOR EDUCATION & CHILDREN 37 - 52
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9. TO SIGN AS A CORRECT RECORD THE MINUTES OF THE MEETING OF THE COMMITTEE HELD ON THE 23RD NOVEMBER 2015 55 - 60
10. TO RECEIVE THE MINUTES OF THE JOINT MEETING OF THE EDUCATION & CHILDREN AND SOCIAL CARE & HEALTH SCRUTINY COMMITTEE HELD ON THE 23RD NOVEMBER 2015 61 - 64

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# EDUCATION & CHILDREN SCRUTINY COMMITTEE 17<sup>th</sup> DECEMBER 2015

**Forthcoming items for next meeting –  
Thursday 21st January 2016**

Discussion Topic	Background
<p>School Performance and Achievements 2014/15</p>	<p>This annual report will provide the Committee with an opportunity to consider an analysis of quantitative and qualitative data in relation to the performance of schools during the academic year 2014/15. The report will include:</p> <ul style="list-style-type: none"> <li>• Annual Report on Standards &amp; Outcomes (Teacher Assessments and Examinations, Attendance and Pupil Exclusions)</li> <li>• Outcomes of School Inspections</li> <li>• Developing values and skills for lifelong learning.</li> </ul> <p>The report will also include how performance and standards in the county's schools compare with best performing schools across the ERW region.</p>
<p>Sickness Absence Management in Schools</p>	<p>This item will be presented following a request by the Committee for a report on how the Authority supports effective sickness absence management in schools in order to minimise the use of supply cover.</p>
<p>Bro Myrddin – Proposal (Stage 2) Language Category Change</p>	<p>This item will provide the Committee with an opportunity to comment on the second stage of the proposal to change the language category of Bro Myrddin Secondary School.</p>

<b>Discussion Topic</b>	<b>Background</b>
11-19 Strategic Review	This item will provide an update on the progress being made in this significant review which is being undertaken in light of the new national curriculum and need for a collaborative strategic approach with key partners.
MEP Biennial Review	This report, deferred from the November 2015 meeting, will provide members with an opportunity to comment on the review of the MEP Programme which is required every two years.
Scrutiny Visits Activity Report 2014/15	This report, deferred from the September 2015 meeting, will provide details of the visits undertaken by members of the Committee to the county's schools during the 2014/15 academic year.

**EDUCATION & CHILDREN  
SCRUTINY COMMITTEE  
17<sup>th</sup> DECEMBER 2015**

**Revenue Budget Strategy Consultation  
2016/17 to 2018/19**

**Appendix A** – Corporate Budget Strategy 2016/17 to 2018/19

**Appendix A(i)** – Efficiency summary for the Education and Children Department

**Appendix A(ii)** – Growth Pressures summary – none for the Education and Children Department

**Appendix B** – Budget extracts for the Education and Children Department

**Appendix C** – Charging Digest for the Education and Children Department

**To consider and comment on the following issues:**

- Members consider and comment on the budget strategy proposals
- Members consider and comment on the proposals for delivery of efficiency savings for their service area identified in Appendix A(i)
- Members are also invited to bring forward any other proposals for efficiency savings
- Members examine the Departmental Budgets
- Members endorse the Charging Digests
- That members formulate views for submission to the Executive Board for consideration

**Reasons:**

- The Executive Board, at its meeting on 16th November 2015, considered the attached Revenue Budget Strategy 2016/17 to 2018/19 (Appendix A) and endorsed the report for consultation purposes. A verbal update will be given at the meeting in relation to any changes or specific proposals made by the Executive Board if appropriate.

**To be referred to the Executive Board for decision: YES**

**Executive Board Member Portfolio Holders:**

- Cllr. David Jenkins (Resources)
- Cllr. Gareth Jones (Education & Children)

<b>Directorate:</b> Corporate Services	<b>Designation:</b>  Interim Head of Financial Services	<b>Tel No. / E-Mail Address:</b>  01267 224886 <a href="mailto:obowen@carmarthenshire.gov.uk">obowen@carmarthenshire.gov.uk</a>
<b>Name of Head of Service:</b> Owen Bowen		
<b>Report Author:</b> Owen Bowen		



## EXECUTIVE SUMMARY

# EDUCATION AND CHILDREN SCRUTINY COMMITTEE 17<sup>th</sup> DECEMBER 2015

## Revenue Budget Strategy Consultation 2016/17 to 2018/19

The objective of the report is to allow members to consider the corporate budget strategy for the financial years 2016/17 to 2018/19 to consider the service delivery impact and options for the forthcoming years.

The report is set out as follows:

### Appendix A

- The attached report is a copy of the Revenue Budget Strategy 2016/17 to 2018/19 that has been presented to the Executive Board. As part of the budget consultation process the report is presented to this Scrutiny Committee for your consideration.
- The report provides members with an initial view of the revenue budget issues for the forthcoming year and also reflects departmental submissions.

### Appendix B

Budget extracts for the Education and Children Department, which incorporates the initial Efficiencies/Service rationalisation proposals already reflected in the budget for consultation.

### Appendix C

Charging Digest for the Education and Children Department. The charges for 2016-17 have yet to be adopted and any change to the proposed charges will impact on the budget/efficiency proposals.

DETAILED REPORT ATTACHED?

YES

## IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report.

Signed: Owen Bowen Interim Head of Financial Services

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	NONE	YES	NONE	NONE	NONE	NONE

### 1. Policy and Crime & Disorder

The budget is being prepared having regard to the Improvement Plan.

### 3. Finance

The report provides an initial view of the Budget Strategy for 2016/17, together with indicative figures for the 2017/18 and 2018/19 financial years.

The impact on departmental spending will be dependent upon the provisional and final settlements from Welsh Government, and the resultant final Budget adopted by County Council.

Current projections indicate an increase in the validated budget of £10.834m, before offsetting the potential efficiency savings.

## CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below:

Signed: Owen Bowen Interim Head of Financial Services

1. Local Member(s) – N/A

2. Community / Town Council – N/A

3. Relevant Partners – Consultation with relevant partners will be undertaken and results will be reported during the budget process.

4. Staff Side Representatives and other Organisations – Consultation with other organisations will be undertaken and results will be reported during the budget process.

**Section 100D Local Government Act, 1972 – Access to Information  
List of Background Papers used in the preparation of this report:**

**THESE ARE DETAILED BELOW:**

Title of Document	File Ref No. / Locations that the papers are available for public inspection
2016/17 3 year Revenue Budget	Corporate Services Department, County Hall, Carmarthen

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**REPORT OF DIRECTOR OF CORPORATE SERVICES  
EDUCATION AND CHILDREN SCRUTINY COMMITTEE**

**17<sup>th</sup> December 2015**

**REVENUE BUDGET STRATEGY 2016/17 to 2018/19**

**(Copy of Executive Board report 16/11/15)**

<b>HEAD OF SERVICE &amp; DESIGNATION.</b>	<b>DIRECTORATE</b>	<b>TELEPHONE NO.</b>
<b>O Bowen, Interim Head of Financial Services</b>	<b>Corporate Services</b>	<b>01267 224886</b>
<b>AUTHOR &amp; DESIGNATION</b>	<b>DIRECTORATE</b>	<b>TELEPHONE NO</b>
<b>O Bowen, Interim Head of Financial Services</b>	<b>Corporate Services</b>	<b>01267 224886</b>

## **1. INTRODUCTION**

- 1.1.** Executive Board in September 2015 received a report on the Revenue Budget Outlook for 2016/17 to 2018/19 which appraised members of the financial outlook and the proposals for taking forward the budget preparation for the three year period.
- 1.2.** Due to the lateness of the outcome of the Comprehensive Spending review, the current timetable for the announcement of the Provisional and Final Settlements are as follows:
- Comprehensive spending review due 25<sup>th</sup> Nov 2015.
  - Welsh Government (WG) setting provisional budget 8<sup>th</sup> December 2015
  - Provisional Local Government Settlement 9<sup>th</sup> December 2015
  - WG publish final budget 1<sup>st</sup> March 2016
  - WG Publish Final Local Government Settlement 2<sup>nd</sup> March 2016
  - WG move Final Welsh Budget 2016-17 for debate 8<sup>th</sup> March 2016
  - WG Move Final Settlement for Debate 9<sup>th</sup> March 2016
  - Indicative deadline for Authorities to set Council Tax for 2016/17 financial year: 10<sup>th</sup> March 2016
- 1.3.** Accordingly therefore, this report provides Members with the current view of the Revenue Budget for 2016/2017 together with indicative

figures for the 2017/2018 and 2018/2019 financial years. The report is based on officers projections of spending need and potential settlement with no forward indicators being provided by WG. It also reflects the current departmental submissions for savings proposals.

- 1.4. Whilst significant work has already been undertaken in preparing the budget, this is only an initial position statement which will be updated over the coming months the budget will be further developed as figures are reviewed, and the settlement becomes known.
- 1.5. The report is broken down into 5 parts:
  - Funding Projections
  - Budget Requirement
  - Impact on the Authority's budget requirement
  - Consultation
  - Conclusion
  - Recommendations

## 2. PROVISIONAL SETTLEMENT

- 2.1. As outlined in paragraph 1.2 the Welsh Government will not be setting their own provisional budget until 8<sup>th</sup> December 2015, so it will be the 9<sup>th</sup> December 2015 before the provisional settlement will be announced. Despite the announcement of the Comprehensive Spending Review, it is understood that is the Welsh Governments intention to provide figures for 1 year only i.e. 2016/17.
- 2.2. In the absence of indicative Aggregate External Funding figures from Welsh Governmnet the base model reflects 3.3% reductions in each of the three years. This is based on the letter received from Welsh Government in June 2014 suggesting that it would be prudent to assume that the current trends in Local Government funding will continue. It remains difficult to predict what the final outcome will be from the current spending review and how WG chose to allocate the funds available to them between Health and Local Government. As a guide each 1% reduction in funding equates to some £2.5m.
- 2.3. For Carmarthenshire a 3.3% reduction in the provisional settlement equates to £8.3m.
- 2.4. During the course of the current National Assembly term, the Council has met the commitment to fund schools at 1% above the level of funding received by WG from the UK government. From 2016-17 onwards, the MTFP assume no service protection, and therefore schools will need to absorb reductions in line with other service areas.

- 2.5. Service specific Grants within the current year's budget stands at £107m and it is assumed that this level will be maintained during the three year period of the model

### 3. BUDGET REQUIREMENT 2016-2017

#### 3.1. Current Years performance (2015/2016)

3.1.1. As the Authority's core spending requirements remains constant year on year, a review of current year's performance is important in identifying whether there are any underlying problems within the base budget

3.1.2. The current projection for the Revenue Outturn for 2015/16 (based on the August 2015 monitoring) is as follows

Service	Approved Budget £'000	Total Expenditure Forecast £'000	Variance Forecast For Year £'000
Chief Executive	10,600	11,178	578
Education and Children's Services	159,427	160,476	1,049
Corporate Services	22,914	22,799	-115
Communities	90,856	91,500	644
Environment	45,598	45,749	151
<b>Departmental Expenditure</b>	<b>329,395</b>	<b>331,702</b>	<b>2,307</b>
Cont from Dept/Earmarked Reserves		-1,121	-1,121
Capital Charges	-3,535	-4,535	-1,000
Pensions Reserve Adjustment	-5,085	-5,085	0
Levies and Contributions	9,214	9,214	0
Outcome Agreement Grant	-570	-570	0
Transfer to/ from Reserves	-1,198	-1,198	0
<b>Net Expenditure</b>	<b>328,221</b>	<b>328,407</b>	<b>186</b>

The departmental overspends are primarily as a result of delays in the delivery of savings proposals put forward for 2015-16, and a review of the savings proposals that were agreed in February 2015 has identified that some £1.5 m of the original proposals for 2015-16 are at risk of not being delivered/not being delivered in full:

The Education and Children's Services department is facing pressure due in the main to school based EVR and redundancy costs, and whilst the department can meet the bulk of these pressures through a transfer from its departmental reserves in the current year, this will not be available in future years.

The Authority is currently forecasting a variance of £186k at the year-end that will have to be met from General Balances.

In considering next year's budget, the current strategy assumes that departments will actually deliver/make good those savings proposals adopted for 2015/16 by the commencement of the next financial year.

### 3.2. Validation

3.2.1. Validation reflects the changes in expenditure requirements to deliver the **current level** of services in future years. Primarily this is inflation, but also includes some service specific changes. The key validation factors are as follows:

	<u>2016/17</u> <u>Original</u>	<u>2016/17</u> <u>Proposed</u>	<u>2017/18</u>	<u>2018/19</u>
General inflation	1.8%	0.6%	1.4%	1.8%
Electricity	5.0%	3.0%	3.0%	3.0%
Gas	5.0%	3.0%	3.0%	3.0%
Fuel	5.0%	-12.5%	3.0%	3.0%
Pay Inflation - non teaching	1.5%	1.0%	1.0%	1.0%
Pay Inflation - Teaching	1.5%	1.0%	1.0%	1.0%
Levies	0.0%	0.0%	0.0%	0.0%
Pension Contributions	£291k	£297k	£309k	£312k
Teachers Superannuation	£575k	£575k		
Employers NI Changes	£3,700k	£4,100k		
Auto Enrolment			£1,600k	
Capital Charges	£250k	-	£250k	£250k
<b>Main service Specifics:</b>				
County Elections	£70k	£70k	£230k	-£300k
Adj to pay scales starting salary	£118k	£118k	-	-

3.2.2. Under the Local Authorities (Capital Finance and Accounting)(Wales)(Amendment) Regulations 2010 [the Amendment Regulations] the authority is required to make an annual provision from revenue to contribute towards the reduction in its overall borrowing requirement at a rate that it considers to be prudent and having regard to the guidance issued. The Budget Strategy has been prepared based upon the Regulatory Method for supported borrowing in which the calculation is based on 4% of the opening Capital Financing Requirement and the Asset Life Method for the Unsupported Borrowing e.g. Modernising Education Provision and Fleet replacement.

3.2.3. The most significant specific validations over the three year period remain the changes in the Employers NI rates from April



2016, when defined benefit contracting out will be abolished. The consequence of this is that contracted out employers will stop receiving National Insurance rebate and instead pay the same NI rate as all other employers.

- 3.2.4. There is a clear risk to the Budget Strategy that departments may find it difficult to manage their expenditure within these parameters, especially where the inflationary increases have been applied by service providers. This risk is something that will require close monitoring during the year.
- 3.2.5. In line with the Chancellors announcement relating to Public Sector pay, the Budget as constructed makes provision for an annual pay award of 1% in each of the financial years.
- 3.2.6. Whilst recognising that we meet the national Living Wage requirement in year 1, it should be recognised that the MTFP makes no provision for further increases above the assumed inflation rises for future years.
- 3.2.7. In total, validation adds £7.8m to the current year's budget.

### 3.3. Cost reduction Programme

- 3.3.1. In anticipation of the unprecedented reductions in this settlement round, significant work in identifying further service efficiencies/rationalisation proposals has been undertaken. Accordingly departments have developed a range of proposals, and these efficiencies are included in **Appendix A** of this report.

3.3.1.1. The efficiency proposals are categorised as follows:

Managerial – Efficiencies that result in no perceivable change to the overall level of service delivery but may in some instances affect quality of service provided

Policy – Efficiency or service rationalisation proposals that will directly affect service delivery.

	2016/17 £m	2017/18 £m	2018/19 £m
Managerial	6,307	3,347	2,357
Existing Policy	554	806	300
New Policy	6,835	7,418	8,302
<b>Total</b>	<b>13,696</b>	<b>11,571</b>	<b>10,959</b>

(Detail at **Appendix A**)

- 3.3.2. The summary sheet at Appendix A sets out the savings targets set for individual departments and the value of savings currently

identified. Work is still on-going within services departments to identify further proposals so that their targets are met in each of the financial years.

- 3.3.3. As in the previous budget round, an exercise is being undertaken to obtain 'expressions of interest' from staff who may be interested in voluntary severance/early retirement as well as other flexible working options. Managers are currently considering the applications received to identify those that can contribute to the budget strategy.

### **3.4. New Expenditure Pressures**

- 3.4.1. New expenditure pressures are the combination of additional cost to meet existing service needs e.g. increased client base/greater service take up and the costs of meeting change in service provision e.g. policy changes.
- 3.4.2. In the setting of the current financial year's budget, a total sum of £4.9m was allocated to services, of which £4.1m was allocated to Social Care.
- 3.4.3. The original budget outlook for 2016-17 and 2017-18 contained a sum of £3m per annum to meet growth pressures, and the same provision for growth is currently reflected in the 2018-19 indicative budget.
- 3.4.4. Initial growth bids of £3.7m have been submitted by departments against this sum of £3m in relation to 2016-17. Detail at Appendix B
- 3.4.5. No prioritisation or allocation of the £3m contained within the budget proposals has been made at this stage. This will be considered at the budget finalisation stage.

### **3.5. Internal Funding**

- 3.5.1. Generally speaking whilst the use of reserves to support annual budgets should not be summarily discounted, it must be treated with caution. Funding on-going expenditure from such funds merely defers and compounds difficult financial problems to the following year. One-off items of expenditure within any budget proposal lend themselves better for such funding support.

3.5.2. In deliberating this point however, members must bear in mind any **inherent risks** that may be built into the budget strategy. These include:

- Final WG budget not being published until 2<sup>nd</sup> March 2016, and Final Settlement not being moved for debate until 9<sup>th</sup> March 2016
- 2015 Challenging Efficiency targets
- Future inflation/interest rates
- Current economic climate continuing
- Additional pressure on demand lead Services
- No indicative figures for future year's settlements have been provided by Welsh Government therefore there is the potential for the overestimation of the future settlements.

3.5.3. The following table summarises the main categories of reserves held by the Authority.

	1 <sup>st</sup> Apr 2015 £'000	31 <sup>st</sup> Mch 2016 £'000	31 <sup>st</sup> Mch 2017 £'000	31 <sup>st</sup> Mch 2018 £'000	31 <sup>st</sup> Mch 2019 £'000
Schools Reserves	3,940	1,801	1,201	351	0
General Reserves	8,500	8,245	8,245	8,245	8,245
Earmarked Reserves	72,002	52,476	45,301	38,261	40,153

### 3.5.4. School Reserves

3.5.4.1. Schools have delegated responsibility for the management of their own finances. The level of reserves held by an individual school at any point in time will depend on a number of factors including the level of contingency fund that the school governing body considers appropriate, and the particular plans each school has for expenditure. Officers have yet to be informed of any transfers to/from these reserves by individual schools for future years.

3.5.4.2. Legislation allows schools to carry forward reserves from one financial period to another. The School Funding (Wales) Regulations 2010 requires schools to limit their accumulated reserves at year end to £50,000 for Primary Schools and £100,000 for Secondary and Special Schools or 5% of their budget dependant on what is greater. School Improvement officers are currently working with schools to ensure they comply with the guidance. As at 31<sup>st</sup> March 2015, 22 schools were in deficit and 23 schools held surplus balances in excess of the £50k/£100k threshold.

### 3.5.5. General Reserves

3.5.5.1. In the changeable and challenging environment currently facing Local Government the Authority is committed to maintaining a reasonable level of General reserves or Balances. Whilst there is no prescribed minimum level for Balances, Council has previously deemed 3% of net expenditure as being a prudent level, which has been accepted by our Auditors as being reasonable

3.5.5.2. The overall level of balances is taken into consideration each year when the annual budget is set and has on occasions been utilised to augment expenditure/reduce council tax. Whilst the 2016-2017 budget was set on the basis of a transfer of £138k from General Reserves, with the October monitoring forecasting and end of year overspend, there could be draw of £324k.

3.5.5.3. Given the likely draw on this reserve in the current year therefore it is deemed imprudent at

this stage to assume any further support for future years budgets from the current General Reserves.

3.5.5.4. Taking account of these changes the average level of the general reserves is forecasted to be around 2.5% of net expenditure during 2016/17.

### 3.5.6. Earmarked Reserves

3.5.6.1. The Authority holds earmarked reserves which have been set up to finance the delivery of specific projects, or in protecting the authority against future liabilities or issues. The reserves can be summarised as follows:

Reserve	31 March 2015	31 March 2016	31 March 2017	31 March 2018	31 March 2019
	£'000	£'000	£'000	£'000	£'000
Insurance	9,625	9,425	9,225	9,225	9,225
Capital Funds	28,063	21,386	21,331	16,834	19,187
Development Fund	899	304	440	637	816
IAG/OAG	3,246	1,328	1,328	1,328	1,328
Corporate Retirement Fund	4,158	2,766	971	0	0
Joint Ventures	1,591	1,760	1,940	2,120	2,300
Other	24,420	14,507	10,066	8,117	7,297
<b>TOTAL</b>	<b>72,002</b>	<b>52,476</b>	<b>45,301</b>	<b>38,261</b>	<b>40,153</b>

3.5.6.2.As can be seen from the table above the level of earmarked reserves fluctuates greatly year on year, and whilst the level in each fund is not an exact science it is based on an informed estimate and past experience of the likely call on the authority in future years in line with the intended purpose of each reserve. Great care must therefore be taken when considering utilising such funds for purposes other than those which they were created as this could lead to the authority being faced with substantial unfunded liabilities in the future

3.5.6.3.The budget proposals assume a sum of £200k per annum being transferred from the Insurance Reserve to support the revenue budget in 2016/17 and 2017/18.

3.5.6.4.A further analysis of the reserves held will be undertaken over the coming months with any further proposed utilisation being considered at the budget finalisation stage.

3.5.6.5.Taking account of the proposals within this report, including the use of reserves, the Director of Corporate Services confirms that overall the estimated level of financial reserves (as indicated above) is adequate for the financial year 2016/17, with the General Reserves being at the minimum that could be supported.

#### **4. IMPACT ON THE AUTHORITY'S BUDGET STRATEGY**

- 4.1. The table below provides an updated position on the current financial outlook taking account of our projection for the provisional settlement and also other recent validation changes, including the latest pay offer made by the national employers.
- 4.2. As previously referred to in the report, no indicative or provisional settlement figures have been provided by Welsh Government for 2016-17 as yet, and therefore the estimated figures included in the financial model are only based on officers current projections.
- 4.3. Current Financial Outlook (updated for the Provisional Settlement):

	Current MTFP		Financial Model		
	2016/17 £'000	2017/18 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000
<b>Previous Year's Budget</b>	<b>329,991</b>	<b>324,969</b>	<b>329,991</b>	<b>324,967</b>	<b>321,271</b>
General Inflation	1,831	2,095	665	1,745	2,027
Pay Inflation	2,961	2,868	2,263	2,270	2,246
Other	4617	1,582	-582	-140	0
Growth	3,000	3,000	3,000	3,000	3,000
Teachers Superannuation			575		
Employers NI/Auto Enrolment			4100	1600	
Original & approved PBB Proposals	-18,201	-13,811			
Net Expenditure	324,199	320,703	340,012	333,442	328,544
Revenue Settlement	-244,149	-236,093	-244,149	-236,093	-228,302
Council Tax Receipts	-80,050	-84,610	-80,051	-84,607	-89,421
<b>Shortfall</b>	<b>0</b>	<b>0</b>	<b>-15,812</b>	<b>-12,742</b>	<b>-10,821</b>
Savings Proposals to date			-13,696	-11,571	-10,959
<b>Balance / To be identified</b>			<b>-2,116</b>	<b>-1,171</b>	<b>138</b>

4.4. The total cost reductions now required for 2016/17 is £15.8m and for the 3 year period are estimated at £39.4m.

4.5. Over the three years there is currently a shortfall of £3.1m if all the savings proposals identified are delivered, of which £2.1m relates to 2016/17.

## 5. CONSULTATION

Budget consultation has been planned for the coming months and a summary of the individual approaches are as follows:

5.1. Members seminars. (November and December 2015)

5.2. The consultation process will commence online from the 18<sup>th</sup> November 2015.

5.3. The public and commercial ratepayers consultation will be supported by roadshows across the county as follows:

Wednesday 25 November:

11am – 2pm Carmarthen Market outside Clock Tower  
4pm – 6pm – Carmarthen Leisure Centre

Friday 4 December

11am – 1pm - Ammanford Market  
4pm – 6pm – Tesco, Ammanford

Thursday 10 December

11am – 2pm - St Elli Shopping Centre, Llanelli

## 3pm – 6pm Llanelli Library

- 5.4. Consultation with Scrutiny Committees during November and December
- 5.5. 'Insight' youth conference in November 2015.
- 5.6. Consultation with the Schools Budget Forum in November 2015
- 5.7. Trade Union Consultation December 2015/January 2016

**6. CONCLUSION**

- 6.1. Currently there is a shortfall of £3.1m over the three financial years, assuming delivery of all of the £36.2m savings proposals currently submitted.
- 6.2. Further cost reductions need to be identified to deliver a balanced budget in the first two financial years
- 6.3. The current budget proposals assume a Council Tax increase of 5% in each financial year. A 1% movement in the Council Tax rise equates to +/-£760k

**7. RECOMMENDATION**

- 7.1. Note the contents of the report and approve as a basis for consultation on the three year budget strategy, and specifically seek comments from consultees on the efficiency proposals in Appendice A.
- 7.2. Give consideration as to what additional savings proposlas can be identified to deliver a balanced budget in each of the three financial years



**EDUCATION AND CHILDREN SCRUTINY COMMITTEE**  
**17th DECEMBER 2015**  
**Revenue Budget Strategy Consultation 2016/17 to 2018/19**  
**(Extract of Revenue Strategy report to Executive Board 16/11/15)**

27 November 2015

	Targets issued to Departments				CURRENT PROPOSALS				VARIANCE on Targets			
	2016/17	2017/18	2018/19	Total	2016/17	2017/18	2018/19	Total	2016/17	2017/18	2018/19	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executive	882	829	266	1,978	863	365	429	1,657	-19	-464	163	-321
Education	1,072	411	1,014	2,497	1,073	420	225	1,718	1	9	-789	-779
Schools Delegated	5,500	6,000	6,780	18,280	5,500	6,000	6,780	18,280	0	0	0	0
Corporate Services	1,161	523	186	1,870	777	401	568	1,746	-384	-122	382	-124
Community Services	5,079	3,213	1,657	9,949	3,444	2,629	2,053	8,126	-1,635	-584	396	-1,823
Environment	2,117	1,766	917	4,801	2,039	1,756	904	4,699	-78	-10	-13	-102
	<b>15,812</b>	<b>12,742</b>	<b>10,821</b>	<b>39,375</b>	<b>13,696</b>	<b>11,571</b>	<b>10,959</b>	<b>36,226</b>	<b>-2,116</b>	<b>-1,171</b>	<b>138</b>	<b>-3,149</b>



Current Proposals																
	MANAGERIAL				EXISTING POLICY PROPOSALS				NEW POLICY PROPOSALS				TOTAL PROPOSALS			
	2016/17	2017/18	2018/19	Total	2016/17	2017/18	2018/19	Total	2016/17	2017/18	2018/19	Total	2016/17	2017/18	2018/19	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executive	863	365	429	1,657	0	0	0	0	0	0	0	0	863	365	429	1,657
Education	453	130	125	708	250	50	0	300	370	240	100	710	1,073	420	225	1,718
Schools Delegated				0	0	0	0	0	5,500	6,000	6,780	18,280	5,500	6,000	6,780	18,280
Corporate Services	752	401	568	1,721	25	0	0	25	0	0	0	0	777	401	568	1,746
Community Services	2,912	1,859	775	5,546	214	250	300	764	318	520	978	1,816	3,444	2,629	2,053	8,126
Environment	1,327	592	460	2,379	65	506	0	571	647	658	444	1,749	2,039	1,756	904	4,699
	<b>6,307</b>	<b>3,347</b>	<b>2,357</b>	<b>12,011</b>	<b>554</b>	<b>806</b>	<b>300</b>	<b>1,660</b>	<b>6,835</b>	<b>7,418</b>	<b>8,302</b>	<b>22,555</b>	<b>13,696</b>	<b>11,571</b>	<b>10,959</b>	<b>36,226</b>

<u>New strands of savings:</u>	2016/17	2017/18	2018/19	Total
	£000	£000	£000	£000
1. Collaborate to save	45	10	25	80
2. New ways of working to save	7,988	7,613	8,731	24,332
3. Re-structure to save	1,440	832	724	2,996
4. Specification to save	3,860	2,689	968	7,517
5. Invest to save	363	373	357	1,093
6. Transformation, innovation and challenge	0	54	154	208
	<b>13,696</b>	<b>11,571</b>	<b>10,959</b>	<b>36,226</b>

Education & Children	2016-17 Proposed	2017-18 Proposed	2018-19 Proposed	Total	EFFICIENCY DESCRIPTION	Strand of Saving 1 - 6
	£000	£000	£000	£000		
<b>Director &amp; School Related Budgets</b>						
Education strategy	30	0	0	30	WJEC have reviewed and reduced annual fees	4
<b>Total Director &amp; School related budgets</b>	<b>30</b>	<b>0</b>	<b>0</b>	<b>30</b>		
<b>Strategic Development &amp; Schools' Catering</b>						
Catering Services	40	0	0	40	Adjustment of labour table by 10% to bring in line with neighbouring Authorities (CCC is currently the highest)	4
Catering Services	0	40	0	40	Review of catering central support resulting in 1 FTE reduction through severance	4
Business Support	0	20	0	20	Reduction in support to Departmental Management Team through severance	3
Business Support	20	0	0	20	Change in creditor payment processes, leading to reduction in staff resource through severance	2
<b>Total Strategic Development &amp; Schools' Catering</b>	<b>60</b>	<b>60</b>	<b>0</b>	<b>120</b>		
<b>Governance &amp; Inclusion</b>						
School Governance	20	0	0	20	Restructure of Governor Support Service, release of member of staff through severance. To be dealt with through local restructuring.	3
School Improvement & Governance	30	0	0	30	Review of existing work practices and grant utilisation	3
SEN & Governance	0	20	0	20	Remove external licensed software for SEN and Governor management and replace with internal solution	3
Early Years	30	0	0	30	Assume continued non take-up of places in non-maintained settings	4
Youth Service	20	0	0	20	Release of Youth Worker as a result of contract ending March 2016	4
YOPS	18	0	0	18	Reduction in support staff	3
<b>Total Governance, Inclusion &amp; School Catering</b>	<b>118</b>	<b>20</b>	<b>0</b>	<b>138</b>		
<b>Children's Services</b>						
Support Services	80	0	0	80	Reduction of back office support following move to electronic case file system	2
Risk Assessment team	80	0	0	80	Discontinuation of the Risk Assessment Team in Children's Services	2
Education Welfare	0	0	25	25	Release of staff member through severance	4
Legal Fees for Child Protection Proceedings	30	0	0	30	Assuming that volume of proceedings will reduce in line with reduction in number of Looked After Children	5
Direct Payments	30	0	0	30	Assume decline in requests for direct payments continues	5
Accommodating Looked After Children	0	50	100	150	Assuming that trends in reducing the number of looked after children can be sustained into future years	5
Short Breaks	25	0	0	25	Release of member of staff through severance	3
<b>Total Children's Services</b>	<b>245</b>	<b>50</b>	<b>125</b>	<b>420</b>		
<b>Education &amp; Children Total</b>	<b>453</b>	<b>130</b>	<b>125</b>	<b>708</b>		

Department	2016-17 Proposed	2017-18 Proposed	2018-19 Proposed	Total	EFFICIENCY DESCRIPTION	Strand of Saving 1 - 6
	£000	£000	£000	£000		
<b>Education &amp; Children</b>						
Inclusion Services - SEN	200	0	0	200	When learners with a Statement of Special Education Needs leave school the Statement comes to an end. It is planned to reduce the level of funding provided to schools by giving up some of the funding associated with statements that expire. Consequently, there will be less funding available to schools to support children and young people with additional needs.	2
Secondary Speech & Language Provision	50	0	0	50	The County Council proposes to remodel how support is provided for secondary age pupils with speech, language and communication needs and move away from a special unit provision to enable support and provision in all schools.	2
Children Looked After incl Leaving Care, Taxis & Ind Review Service	0	50	0	50	Taxis are used to transport children when Looked After, either going to school, or for contact. Care leavers receive ongoing support up to 21, or even 25 if in full time education. A reduction of children coming into care; and the additional resources to support their rehabilitation home through targeted resources should contribute to a fall in numbers; both those in care, and those leaving care, and as a result, should achieve a financial reduction in these areas over time.	2
<b>Education and Children Total</b>	<b>250</b>	<b>50</b>	<b>0</b>	<b>300</b>		

Department	2016-17 Proposed	2017-18 Proposed	2018-19 Proposed	Total	EFFICIENCY DESCRIPTION	Strand of Saving 1 - 6
<b>Education &amp; Children</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>		
Catering Services - School Meals	100	100	100	<b>300</b>	It is proposed to increase the cost of a primary school meal price to £2.40 in April 2016, £2.50 in April 2017 and £2.60 in April 2018. There will be similar increases in charges for food in secondary schools.	5
Catering Services - Free School Breakfasts	100	10	0	<b>110</b>	Remodel provision for Free Breakfasts in primary schools to reduce average time from 45 minutes to 30 minutes.	4
Inclusion Services - SEN	120	0	0	<b>120</b>	Remodel provision for Additional Learning support.	4
Rhydygors Day Centre	0	50	0	<b>50</b>	Remodelling behavioural management services, informed by the strategic review of current provision	3
Youth Services	0	20	0	<b>20</b>	Review the use of the Quay Centre.	2
Educational Psychology	0	60	0	<b>60</b>	Reduction of 1 post through review of existing structure.	4
Short Breaks / Respite for Disabled Children & Young People	50	0	0	<b>50</b>	Reduce scale of specialist provision out of school hours.	4
<b>Delegated Schools Budget</b>						
Delegated school budget	5,500	6,000	6,780	<b>18,280</b>	Education is a significant area of spend for the Council. This proposal is to reduce the total budget to schools and support schools in achieving a number of cost savings, for example, further collaboration between schools, reducing "back office" costs to prioritise classroom provision, etc.	2
<b>Education and Children Total</b>	<b>5,870</b>	<b>6,240</b>	<b>6,880</b>	<b>18,990</b>		

<b>Demographic, Legislative or Continuing Pressures</b>				
	<b>2016-2017 £'000</b>	<b>2017-2018 £'000</b>	<b>2018-2019 £'000</b>	<b>Description</b>
<b><u>Chief Executive</u></b>	235	35	0	
<b><u>Communities</u></b>	2,160	0	0	
<b><u>Environment</u></b>	1,324	291	669	
<b>Total</b>	<b>3,719</b>	<b>326</b>	<b>669</b>	

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<b>EDUCATION AND CHILDREN DEPARTMENT</b>
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2015-16			Statutory S/NS/Both	2016-17			2017-18			2018-19		
Expenditure	Income	Net		Expenditure	Income	Net	Expenditure	Income	Net	Expenditure	Income	Net
£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Director &amp; Management Team</b>												
864	-255	609	B	870	-255	615	880	-255	625	890	-255	635
0	0	0	B	0	0	0	0	0	0	-789	0	-789
<b>864</b>	<b>-255</b>	<b>609</b>		<b>870</b>	<b>-255</b>	<b>615</b>	<b>880</b>	<b>-255</b>	<b>625</b>	<b>101</b>	<b>-255</b>	<b>-154</b>
<b>Education Services Division</b>												
109,708	0	109,708	S	107,024	0	107,024	102,195	0	102,195	96,605	0	96,605
17,303	-22	17,281	NS	17,274	-22	17,252	17,276	-22	17,254	17,278	-22	17,256
888	0	888	S	898	0	898	914	0	914	931	0	931
326	-250	76	B	329	-250	79	332	-250	82	335	-250	85
315	0	315	S	269	0	269	251	0	251	254	0	254
521	0	521	B	494	0	494	500	0	500	509	0	509
3,498	-1,341	2,157	S	3,197	-1,349	1,848	3,236	-1,368	1,868	3,283	-1,393	1,890
1,043	-206	837	B	1,056	-207	849	1,066	-210	856	1,077	-214	863
728	-52	676	NS	736	-52	684	694	-53	641	701	-54	647
332	-12	320	B	336	-12	324	340	-12	328	344	-12	332
945	0	945	B	953	0	953	904	0	904	916	0	916
<b>135,607</b>	<b>-1,883</b>	<b>133,724</b>		<b>132,566</b>	<b>-1,892</b>	<b>130,674</b>	<b>127,708</b>	<b>-1,915</b>	<b>125,793</b>	<b>122,233</b>	<b>-1,945</b>	<b>120,288</b>
<b>Strategic Development</b>												
292	-279	13	B	257	-244	13	257	-244	13	257	-244	13
389	0	389	B	393	0	393	397	0	397	402	0	402
726	0	726	B	710	0	710	696	0	696	702	0	702
85	0	85	S	86	0	86	87	0	87	88	0	88
6,732	-4,941	1,791	B	6,670	-5,071	1,599	6,693	-5,244	1,449	6,771	-5,440	1,331
<b>8,224</b>	<b>-5,220</b>	<b>3,004</b>		<b>8,116</b>	<b>-5,315</b>	<b>2,801</b>	<b>8,130</b>	<b>-5,488</b>	<b>2,642</b>	<b>8,220</b>	<b>-5,684</b>	<b>2,536</b>
<b>School Improvement</b>												
466	-20	446	NS	467	-21	446	470	-21	449	473	-21	452
1,192	0	1,192	B	1,204	0	1,204	1,217	0	1,217	1,231	0	1,231
231	-243	-12	NS	238	-245	-7	243	-248	-5	248	-253	-5
8,864	-8,159	705	B	8,705	-8,000	705	8,705	-8,000	705	8,705	-8,000	705
4,012	-3,874	138	NS	3,828	-3,690	138	3,828	-3,690	138	3,828	-3,690	138
<b>14,765</b>	<b>-12,296</b>	<b>2,469</b>		<b>14,442</b>	<b>-11,956</b>	<b>2,486</b>	<b>14,463</b>	<b>-11,959</b>	<b>2,504</b>	<b>14,485</b>	<b>-11,964</b>	<b>2,521</b>
<b>199,460</b>	<b>-19,654</b>	<b>139,806</b>		<b>155,994</b>	<b>-19,418</b>	<b>136,576</b>	<b>151,181</b>	<b>-19,617</b>	<b>131,564</b>	<b>145,039</b>	<b>-19,848</b>	<b>125,191</b>

<b>EDUCATION AND CHILDREN DEPARTMENT</b>
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2015-16			Statutory S/NS/Both	2016-17			2017-18			2018-19		
Expenditure	Income	Net		Expenditure	Income	Net	Expenditure	Income	Net	Expenditure	Income	Net
£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>159,460</b>	<b>-19,654</b>	<b>139,806</b>		<b>155,994</b>	<b>-19,418</b>	<b>136,576</b>	<b>151,181</b>	<b>-19,617</b>	<b>131,564</b>	<b>145,039</b>	<b>-19,848</b>	<b>125,191</b>
<b>Education and Children's Services b/f</b>												
<b>Learner Programmes</b>												
6,192	-6,192	0		6,192	-6,192	0	6,192	-6,192	0	6,192	-6,192	0
-34	-56	-90	S	57	-57	0	53	-58	-5	43	-59	-16
621	-46	575	NS	605	-46	559	591	-47	544	597	-48	549
233	-222	11	B	11	0	11	11	0	11	11	0	11
853	-795	58	NS	853	-795	58	853	-795	58	853	-795	58
992	-482	510	NS	503	-7	496	506	-7	499	510	-7	503
790	-522	268	B	795	-524	271	802	-530	272	809	-536	273
<b>9,647</b>	<b>-8,315</b>	<b>1,332</b>	NS	<b>9,016</b>	<b>-7,621</b>	<b>1,395</b>	<b>9,008</b>	<b>-7,629</b>	<b>1,379</b>	<b>9,015</b>	<b>-7,637</b>	<b>1,378</b>
<b>Total Learner Programmes</b>												
<b>Children's Services Division</b>												
6,228	-19	6,209	S	6,124	-19	6,105	6,193	-20	6,173	6,264	-20	6,244
827	0	827	B	837	0	837	847	0	847	858	0	858
3,601	0	3,601	S	3,624	0	3,624	3,571	0	3,571	3,527	0	3,527
522	-55	467	S	525	-55	470	531	-56	475	539	-57	482
721	-52	669	S	725	-53	672	735	-53	682	748	-54	694
1,496	-305	1,191	NS	1,524	-307	1,217	1,542	-311	1,231	1,561	-317	1,244
455	-110	345	B	382	-110	272	385	-110	275	389	-110	279
423	-118	305	B	426	-118	308	430	-118	312	434	-118	316
185	0	185	S	156	0	156	158	0	158	161	0	161
380	-68	312	NS	385	-68	317	389	-69	320	393	-69	324
4,039	-3,926	113	NS	4,039	-3,926	113	4,039	-3,926	113	4,039	-3,926	113
1,524	-1,351	173	NS	1,525	-1,351	174	1,526	-1,351	175	1,528	-1,351	177
258	0	258	S	260	0	260	263	0	263	267	0	267
13	0	13	B	13	0	13	13	0	13	14	0	14
231	0	231	B	235	0	235	237	0	237	240	0	240
Other Family Services incl Young Carers and												
322	-129	193	B	323	-129	194	326	-130	196	329	-131	198
192	0	192	S	194	0	194	198	0	198	201	0	201
Children's Services Mgt and Support Service (incl												
2,148	-32	2,116	B	2,158	-32	2,126	2,171	-32	2,139	2,186	-32	2,154
430	0	430	S	403	0	403	408	0	408	415	0	415
461	0	461	S	464	0	464	469	0	469	449	0	449
<b>24,456</b>	<b>-6,165</b>	<b>18,291</b>		<b>24,322</b>	<b>-6,168</b>	<b>18,154</b>	<b>24,431</b>	<b>-6,176</b>	<b>18,255</b>	<b>24,542</b>	<b>-6,185</b>	<b>18,357</b>
<b>Total Children's Services Division</b>												
<b>EDUCATION AND CHILDREN'S SERVICES</b>												
<b>193,563</b>	<b>-34,136</b>	<b>159,427</b>		<b>189,328</b>	<b>-33,207</b>	<b>156,121</b>	<b>184,621</b>	<b>-33,422</b>	<b>151,199</b>	<b>178,596</b>	<b>-33,668</b>	<b>144,928</b>
<b>TOTAL</b>												



APPENDIX C

**CHARGING DIGEST - Education & Childrens' Services**

2014/15 Actual £	2015/16 Budget £	2016/17 Budget £	Business Unit	Service Provided	2015/16 Charge Levied £	2016/17 Proposed Charge £	Comments
22,368	14,340	14,426	Improvement & Skills Division	<u>Community Centres</u> Room Hire Hourly - No Refreshments - minimum 2 hours	10.19 + VAT	10.25 + VAT	Inflation increase applied
	25,000	25,150		<u>Welsh for Adults</u> Welsh for Adults charge for courses run in franchise with South West Wales Welsh for Adults Centre (Full/Concessionary)	60.00/30.00	60.00/30.00	Charges to be reviewed if joint bid with Pembrokeshire as providers of Welsh for Adults wef 1/8/2016 is successful
70,787	83,500	84,001		<u>Adult Community Learning</u> LEA courses - Full fee per course term / Concessionary  Basic Skills - One off registration fee at Basic Skills Centre  Dyslexia Screening - 2.5 hours & resources  Dyslexia Full Assessment - 9 hours & resources  International ESOL - non EU countries  GCSE Maths and English	75.00/60.00  5.00  75.00  250.00  Dependant on circumstances  60.00	75.00/60.00  5.00  75.00  250.00  50.00  65.00	Future of the service unclear at present  No increase appropriate for clientele  No increase appropriate based on other providers' charges  No increase appropriate based on other providers' charges  Following DCELLS guidelines for residency & fees - new charge to be implemented from April 2016

APPENDIX C

**CHARGING DIGEST - Education & Childrens' Services**

2014/15 Actual £	2015/16 Budget £	2016/17 Budget £	Business Unit	Service Provided	2015/16 Charge Levied £	2016/17 Proposed Charge £	Comments
4,317	7,347	7,391		<u>In Service Training (INSET) - Course/Consultancy Fees</u> Courses Fees - LA staff (ERW) (inc schools) Courses Fees - LAs (non ERW) and external applicants Cancellation Fees Consultancy Fees - LAs (ERW) Consultancy Fees - LAs (non ERW) Inspection Duties / Advisory Services	0.00 80.00/50.00 Full Charge 400.00 600.00 As per contract/tender	0.00 80.00/50.00 Full Charge 400.00 600.00 As per contract/tender	No charge except where there are additional costs for external providers or £80 per day for 1 or 2 day courses/3 day+ courses charged at £50 per day Applied if an alternative date cannot be arranged Charge includes preparation time and travel costs (any accommodation required extra) Charge includes preparation time and
15,939	9,000	9,054		<u>Carmarthenshire Music Service</u> Concert Ticket Charges for concerts, including the Lyric & Ffwrnes Theatres	Adult 8.00 Concession 6.00	Adult 8.50 Concession 6.50	
	16,200	16,297		Parental charge for Intermediate and Senior Ensemble pupils attending weekly rehearsals.	£60 per pupil for the academic year	£60 per pupil for the academic year	Retained at £60 as it was introduced with effect from September 2015
41,130	44,944	44,993		<u>Griffith Jones Training Centre</u> Lettings Griffith Jones Centre - (Half Day) Lettings Griffith Jones Centre - (Full day)	52.00 84.00	52.50 85.00	1% increase
6,817	1,000	1,000		<u>Youth Service</u> Mini Bus Hire - Internal	45p/mile for first 100 miles and 55p/mile for any mileage over 100 miles	45p/mile for first 100 miles and 55p/mile for any mileage over 100 miles	Retained at current level in view of other budget pressures. Used by Youth Clubs and Children's Services (Giant Steps). Costs charged to grant where appropriate

**APPENDIX C**

**CHARGING DIGEST - Education & Childrens' Services**

2014/15 Actual £	2015/16 Budget £	2016/17 Budget £	Business Unit	Service Provided	2015/16 Charge Levied £	2016/17 Proposed Charge £	Comments
4,769,170	4,878,283	5,108,153	<b>School Meals</b>	<b>Primary Schools</b>			
				Pupil Meal	2.30	2.40	In line with efficiency proposals
				Adult Meal	3.60	3.70	In line with efficiency proposals
				<b>Secondary Schools</b>			
				Free Meal Token (Adults & pupils)	2.30	2.40	In line with efficiency proposals

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**EDUCATION & CHILDREN  
SCRUTINY COMMITTEE  
17<sup>th</sup> DECEMBER 2015**

**Future provision of Adult Community Learning by  
the Department for Education & Children**

**To consider and comment on the following issues:**

That the Education & Children Scrutiny Committee:

1. Receives the report regarding the need to restructure and refocus the work of the Department for Education and Children's Adult Community Learning Service following significant Welsh Government funding cuts;
2. Endorses the recommendations for the future delivery of this service within the identified budget for the 2016-2017 year.

**Reasons:**

- To update scrutiny committee members on the need to restructure and refocus the work of the Adult Community Learning service following a significant cut in Welsh Government funding income.
- To enable members to exercise their scrutiny role in relation to the delivery of adult community learning provision, as specified in the Learning and Skills Act 2000 (Section 22).
- To formulate views for submission to the Executive Board for its consideration.

**To be referred to the Executive Board for decision: YES**

**Executive Board Member Portfolio Holder: Cllr. Gareth Jones (Education & Children)**

<p><b>Directorate:</b> Education &amp; Children</p> <p><b>Name of Head of Service:</b> Aeron Rees</p> <p><b>Report Author:</b> Matt Morden</p>	<p><b>Designations:</b></p> <p>Head of Learner Programmes</p> <p>Lifelong Learning Networks Manager</p>	<p><b>Tel Nos. / E-Mail Addresses:</b></p> <p>01267 246532 <a href="mailto:jarees@sirgar.gov.uk">jarees@sirgar.gov.uk</a></p> <p>01267 246648 <a href="mailto:msmorden@sirgar.gov.uk">msmorden@sirgar.gov.uk</a></p>
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## EXECUTIVE SUMMARY

# EDUCATION & CHILDREN SCRUTINY COMMITTEE 17<sup>th</sup> DECEMBER 2015

## Future provision of Adult Community Learning by the Department for Education & Children

This report updates scrutiny committee members on the current financial position facing the Department of Education and Children's Adult Community Learning (ACL) Service. This service is not core funded by the County Council and is dependent on Welsh Government (WG) grants to function. Over the past year, the service has experienced a £289,000 reduction in the Welsh Government grants that fund course provision, staff and related buildings.

In addition to this reduction in grant funding, in September 2015 the management of Coleg Sir Gâr decided that it will not be possible to transfer service staff and course provision from the County Council into the college structure. A detailed budget monitoring exercise has highlighted that the service is currently approximately £147,000 over the allocated budget for community learning in the 2015-2016 year. These factors mean that unless alternative funding from County Council budgets to support community learning delivery is identified, the service will not be able to continue to deliver the current range of courses, manage the range of service buildings and employ the related service staff.

In the absence of any identified additional funding to support the service, officers have planned how the ACL service can function using the budget available (approx. £435,000 TBC) in the 2016-2017 financial year.

It is recommended that the following actions be undertaken:

1. The ACL service budget be prioritised for the delivery of adult basic education, literacy, numeracy, digital literacy courses, English for Speakers of Other Languages (including language provision for refugees) and activities to target the hardest to reach learners and people experiencing the effects of poverty;
2. The Adult Basic Education section of the service is restructured in 2016 to be able to deliver this provision in the most cost effective manner possible;
3. A review of the course fee policy takes place, with fees to be charged for ESOL courses, though Basic Skills (literacy and numeracy) courses will remain free;

4. The provision of other adult community learning classes (e.g. in subjects such as art, crafts, languages, computing and humanities) cease to be provided by the service after 31st March 2016 with the resulting reduction in the number of related staff employed;
5. The service formally relinquishes management and all related running costs of the Cennen Centre, Ammanford, Glanaman Community Education Centre and Felinfoel Community Education Centre as of 31st March 2016;
6. The service retains a presence in Carmarthen town, exploring options for the location of provision by assessing the viability of utilising space in Carmarthen library, or continuing to use the Carmarthen Community Education Centre or other premises, and retains the use of rooms in Llanelli library;
7. The ACL service retains a role in collating information about courses offered by other organisations and individuals in Carmarthenshire and promotes this information via website listings and a named contact officer.

**DETAILED REPORT ATTACHED?**

**YES**



# IMPLICATIONS

**I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report.**

**Signed:           Aeron Rees                                   Head of Learner Programmes**

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>

**1. Policy, Crime & Disorder and Equalities**

Adult and community learning does not impact directly on the Crime and Disorder theme. However, community learning courses are one way to engage with people who are at risk of offending or ex-offenders. The service has a long history of work with the probation service. Welsh for Adults, Basic Skills (literacy and numeracy) and English for Speakers of Other Languages (ESOL) courses help people play their full part in society, gain work and integrate into their local communities.

The most recent profile of learners enrolled in courses provided by the service indicates that 72% of learners are female, 43% are in the 60+ age category and 85% are not currently employed. Any changes to this provision will affect these population groups to a greater extent than others. The service currently delivers English for Speakers of Other Languages (ESOL) courses. Changes to this provision will affect the opportunities for people who have moved from other counties, including refugees, who are seeking to integrate into local communities. Women make up 95% of the staff employed by the service. Any reduction in service staffing will affect women disproportionately.

An Equalities Impact Assessment has been prepared related to the proposed changes to the work of the ACL Service as outlined in this report.

**2. Legal**

*The Learning & Skills Act 2000 specifies "LEAs are [also] responsible for certain categories of further education... LEAs may, in respect of part-time provision for those over compulsory school age and full time education for those over 18, secure provision for their area of appropriate facilities." (Section 22.)*

Thus the direct provision of adult and community learning is not one of the statutory obligations placed on Local Authorities through the Learning & Skills Act 2000. This means that Carmarthenshire County Council has no statutory duty to provide adult community learning courses directly, since this provision could be offered via third party providers already who already offer some of these courses in the local area.

### 3. Finance

The full financial details for the adult community learning service are contained in the main body of this report.

### 4. ICT

Provision of IT and digital literacy classes together with providing local access to computer facilities are key components of current community learning provision. Changes to course delivery and the management of community education centres this will impact upon these courses and the ability of people to access IT locally. Currently, 19.60% of households in Carmarthenshire residents do not receive broadband speeds of at least 2 megabits per second (Mbps) and 22.8% of adults in Carmarthenshire have never been online. Further details about levels of digital exclusion in Carmarthenshire and Wales can be found via the following links:

<http://www.bbc.co.uk/news/uk-wales-34571416>

<http://www.go-on.co.uk/resources/heatmap/#details-container>

### 5. Risk Management Issues

Over the past five years, the Welsh Government has changed the emphasis of funding for ACL courses. They also published a strategy for the development of ACL provision in Wales in 2011 which highlighted the need for ACL to focus upon courses for literacy, numeracy, Welsh for Adults and English for Speakers of other languages (ESOL) together with targeting “hard to reach” learners, not currently taking part in education and training.

Should a decision be taken by the County Council to cease or reduce the currently levels of adult community learning course delivery, the local authority would retain a role (via the Education and Children’s Services Scrutiny Committee) in ensuring that suitable adult learning provision is available in Carmarthenshire.

### 6. Staffing Implications

The ACL service has been restructured twice since 2008 most recently in 2012. This has, resulted in a reduction in the number of staff employed on each occasion. The service currently employs the following staff:

#### Service Management

- Lifelong Learning Networks Manager x1
- Community Learning Manager x1
- Data Officer x1

## **ACL Service delivery (including Basic Skills and ESOL)**

- Community Learning Officers x1
- Basic Skills/ESOL officers x3
- Tutor co-ordinators x1
- Exams Officer x1
- Admin staff x 4
- Caretakers/Cleaners x 4
- Tutors (ACL/ABE/ESOL) x 29

**Total number of individuals = 46**

The proposed changes could result in the retention of these staff as employees of CCC, early voluntary retirement, redeployment or compulsory redundancy.

## **7. Physical Assets**

The ACL service has reduced the number of buildings that it manages by three since 2012. The service is currently transferring responsibility for the Glanamman Community Education Centre to Cwmaman Town Council via asset transfer arrangements. This will leave the service responsible for community education centres in Carmarthen and Felinfoel and the Cennen Centre, Ammanford which is the base for basic skills and ESOL provision in the Dindefwr area. The Llandeilo Community Education Centre is now being managed by the Welsh for Adults Service. The majority of the courses run by the service take place at these centres. While these facilities are funded from the budget of the Department for Education and Children, they are used by a wide range of community and voluntary sector groups and play an important role in promoting social inclusion.

At most of these centres, community use outweighs the delivery of ACL classes. Thus education department funding is subsidising the wider community benefit. Rental income at these centres only covers a small percentage (typically around 15%) of the building administration and running costs. Given the scale of budget reductions detailed elsewhere in this report, it is proposed that the ACL Service will cease to run some or all of these buildings in the 2016-2017 financial year.

# CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below:

Signed:                      Aeron Rees                                      Head of Learner Programmes

**1. Local Member(s)** – All County Council members were formally invited to a series of meetings that took place during June 2015 to update all relevant parties including learners, centre users and service staff, about the challenges faced by the ACL service during the coming year. These meetings took place as follows:

- Tuesday 2nd June 2015 – Llandeilo Community Education Centre (30 attendees, 2 County Councillors present)
- Wednesday 3rd June 2015 – Felinfoel Community Education Centre (34 attendees, 2 County Councillors present)
- Thursday 4th June 2015 – Carmarthen Community Education Centre (24 attendees, no County Councillors present)

The Education & Children Scrutiny Committee has been updated regularly in recent years regarding the funding challenges faced by the Adult Community Learning Service. This committee was most recently consulted on service matters on the 6th July 2015. At this meeting, committee members asked that: “the Executive Board be asked to consider the possibility of finding funding to maintain the Community Education Centres going forward.” Minutes of the related discussion are included at the following link:

<http://democracy.carmarthenshire.gov.wales/documents/s2183/EXTRACT.pdf>

This matter was considered by the Executive Board meeting held on Monday 2nd November. Minutes relating to this item can be found at this link:

<http://democracy.carmarthenshire.gov.wales/ieListDocuments.aspx?CId=131&MId=123&Ver=4>

**2. Community / Town Council** – Officers have regular contact with councillors and officers from Pembrey and Burry Port Town Council and Cwmaman Town Council regarding the asset transfer of Pembrey Community Education Centre and Glanamman Community Education Centre respectively.

**3. Relevant Partners** – Officers work with the following partners through the forum of the Carmarthenshire Adult and Community Learning Group, a sub-group of the Carmarthenshire Children and Young People’s Partnership. This group is chaired by the Lifelong Learning Networks Manager and comprises of:

- Coleg Sir Gâr
- Workers Educational Association (WEA)
- University of Wales Trinity St. David
- Swansea University
- Communities First
- Careers Wales West
- Carmarthenshire Association of Voluntary Services
- Llanelli Rural Council

Service officers represent Carmarthenshire in the relevant group meetings for the South West and Mid Wales Regional Learning Partnership.

**4. Staff Side Representatives and other Organisations** – The consultation meetings described in the local members section above included service staff, learners and other users of community education centres.

**Section 100D Local Government Act, 1972 – Access to Information  
List of Background Papers used in the preparation of this report:**

**THESE ARE DETAILED BELOW:**

Title of Document	File Ref No. / Locations that the papers are available for public inspection
Delivering Community Learning for Wales (2010)	<p><b>Cymraeg</b>  <a href="http://gov.wales/topics/educationandskills/learningproviders/communitylearning/deliveringlearning/?lang=cy">http://gov.wales/topics/educationandskills/learningproviders/communitylearning/deliveringlearning/?lang=cy</a></p> <p><b>English</b>  <a href="http://wales.gov.uk/topics/educationandskills/learningproviders/communitylearning/deliveringlearning/?lang=en">http://wales.gov.uk/topics/educationandskills/learningproviders/communitylearning/deliveringlearning/?lang=en</a></p>
Transforming Education and Training Provision in Wales – Delivering Skills that Work for Wales	<p><b>Cymraeg</b>  <a href="http://gov.wales/topics/educationandskills/publications/guidance/transformationysiwrnai/?lang=cy">http://gov.wales/topics/educationandskills/publications/guidance/transformationysiwrnai/?lang=cy</a></p> <p><b>English</b>  <a href="http://wales.gov.uk/topics/educationandskills/publications/guidance/transformationysiwrnai/?lang=en">http://wales.gov.uk/topics/educationandskills/publications/guidance/transformationysiwrnai/?lang=en</a></p>
Iaith Pawb: A National Action Plan for Bilingual Wales	<p><b>Cymraeg</b>  <a href="http://gov.wales/topics/welshlanguage/publications/iaithpawb/?lang=cy">http://gov.wales/topics/welshlanguage/publications/iaithpawb/?lang=cy</a></p> <p><b>English</b>  <a href="http://gov.wales/topics/welshlanguage/publications/iaithpawb/?lang=en">http://gov.wales/topics/welshlanguage/publications/iaithpawb/?lang=en</a></p>
Welsh Medium Education Strategy	<p><b>Cymraeg</b>  <a href="http://gov.wales/topics/educationandskills/publications/guidance/welshmededstrat/?lang=cy">http://gov.wales/topics/educationandskills/publications/guidance/welshmededstrat/?lang=cy</a></p> <p><b>English</b>  <a href="http://wales.gov.uk/topics/educationandskills/publications/guidance/welshmededstrat/?lang=en">http://wales.gov.uk/topics/educationandskills/publications/guidance/welshmededstrat/?lang=en</a></p>

Title of Document	File Ref No. / Locations that the papers are available for public inspection
Data on further education, work-based learning and community learning in Wales, 2013/14	<a href="http://gov.wales/docs/statistics/2015/150325-further-education-work-based-learning-community-learning-2013-14-en.pdf">http://gov.wales/docs/statistics/2015/150325-further-education-work-based-learning-community-learning-2013-14-en.pdf</a>
NIACE Dysgu Cymru – A Manifesto for Adult Learning	<a href="http://www.niacecymru.org.uk/sites/default/files/resources/Final%20Manifesto%20English.pdf">http://www.niacecymru.org.uk/sites/default/files/resources/Final%20Manifesto%20English.pdf</a>
NIACE Dysgu Cymru – The Challenge for Post-16 Learning	<a href="http://www.niacecymru.org.uk/sites/default/files/resources/NIACE%20Cymru%20Post%2016%20Challenge.pdf">http://www.niacecymru.org.uk/sites/default/files/resources/NIACE%20Cymru%20Post%2016%20Challenge.pdf</a>
Learning Through Life: Inquiry into the Future of Lifelong Learning, Schuler, T. and Watson, D. (2009)	<a href="http://www.niace.org.uk/lifelonglearninginquiry/docs/IFLL-summary-english.pdf">http://www.niace.org.uk/lifelonglearninginquiry/docs/IFLL-summary-english.pdf</a>
Matter referred from the Education & Children Scrutiny Committee held on the 6th July 2015 (Executive Board – 2nd November 2015)	<p><b>Cymraeg</b>  <a href="http://democratiaeth.sirgar.llyw.cymru/ieListDocuments.aspx?CId=131&amp;MId=123&amp;Ver=4">http://democratiaeth.sirgar.llyw.cymru/ieListDocuments.aspx?CId=131&amp;MId=123&amp;Ver=4</a></p> <p><b>English</b>  <a href="http://democracy.carmarthenshire.gov.wales/ieListDocuments.aspx?CId=131&amp;MId=123&amp;Ver=4">http://democracy.carmarthenshire.gov.wales/ieListDocuments.aspx?CId=131&amp;MId=123&amp;Ver=4</a></p>
Carmarthenshire Adult & Community Learning Service Progress Report – ACL Service Provision 2015-16 (Education & Children Scrutiny Committee – 6th July 2015)	<p><b>Report</b>  <a href="http://online.carmarthenshire.gov.uk/agendas/eng/EDUC20150706/SUM05.HTM">http://online.carmarthenshire.gov.uk/agendas/eng/EDUC20150706/SUM05.HTM</a></p> <p><b>Cofnodion Cymraeg</b>  <a href="http://online.carmarthenshire.gov.uk/agendas/cym/ADDY20150706/MINUTES.HTM">http://online.carmarthenshire.gov.uk/agendas/cym/ADDY20150706/MINUTES.HTM</a></p> <p><b>English minutes</b>  <a href="http://online.carmarthenshire.gov.uk/agendas/eng/EDUC20150706/MINUTES.HTM">http://online.carmarthenshire.gov.uk/agendas/eng/EDUC20150706/MINUTES.HTM</a></p>

# Future provision of Adult Community Learning by the Department for Education and Children

## 1.0 Background to ACL Provision

1.1 The Welsh Government defines adult community learning (ACL) as flexible learning opportunities for adults, delivered in community venues to meet local needs. Adult community learning (ACL) funded by the Welsh Government covers a diverse range of provision. It embraces learning opportunities which are offered by further education (FE) and higher education (HE) institutions and local authorities. This sector caters mainly for adults aged 19+, with courses being offered in local community-based venues, as well as main college campuses. This includes both formal and informal/non-accredited learning opportunities.

1.2 The Welsh Government has set out six purposes for learning that adults undertake in the most recent strategy document for this sector, Delivering Community Learning for Wales (2010). These key purposes are:

- first steps learning;
- skills for life and embedded basic skills;
- skills for independent living;
- skills for work;
- personal development and well being;
- learning for active citizenship and/or community development.

These priorities link to related statistical evidence that shows that 12% of the Welsh population have not reached Level 1 of basic literacy skills. This issue is particularly acute in over 55s, where 15% of the population are below Level 1. Adult numeracy skills in Wales are also low, with 51% of the population at entry level, with 56% of 20-24 year olds and 54% in the 55-65 age bracket not reaching Level 1 competencies.

1.3 Historically, County Council provision of adult community learning in Wales has been funded by a combination of Welsh Government grants, revenue from learner fees and lettings and core council support from the Revenue Support Grant. In Carmarthenshire, the need for departmental budget savings from the ACL service budget over the past ten years has resulted in the incremental withdrawal of the £640k council core Revenue Support Grant subsidy. During this period the service has worked efficiently to be funded by grant and revenue income only. The funding withdrawn from the ACL service has been used to support other aspects of educational delivery within the department for Education and Children.

1.4 Officers have achieved this substantial saving to the departmental/County Council budget by an on-going and comprehensive programme of transformation, innovation and change that has included:

- two staff restructures;
- revision of administrative and caretaking procedures;
- not filling posts as they become vacant and the reallocation of duties across service staff;

- reducing the number buildings managed by service (including asset transfers to Town and Community Councils);
  - converting “leisure learning” classes to clubs and;
  - increasing the fees paid by learners.
- 1.5 However, despite the on-going work to reduce service costs, the service reported a budget shortfall of approx £45k in the 14-15 year. This reflected the requirement of the service to run five community education centres across the county and the reducing numbers of learners enrolling in classes. This trend reflects a similar pattern across Wales (see <http://gov.wales/docs/statistics/2015/150325-further-education-work-based-learning-community-learning-2013-14-en.pdf>.)
- 1.6 Officers have attended Education and Children’s Services Scrutiny Committee meetings regularly to update members regarding the financial challenges faced by the ACL service. In March 2015, members considered a service report advising of the extent of Welsh Government (WG) funding cuts to the ACL Service in the 2015-2016 financial year. Officers outlined how the local Authority’s responsibility to oversee the delivery of this provision could be carried out in 2015-2016 and beyond. Members had previously endorsed the proposal that responsibility, staffing and funding for adult community learning provision would be transferred from the County Council to Coleg Sir Gâr from September 2015.
- 1.7 However, managers at Coleg Sir Gâr were subsequently informed by the Welsh Government that the overall college budget would reduce by approximately 10% in the 2015-2016 year, with a 50% cut to the budget for learners aged 19 and over. Thus while the college was still committed in principle to the transfer of the service, it was unable to meet the original deadline of September 2015 as the level of staffing in the college was reducing due to the Welsh Government budget cut. While the college will provide the County Council with franchise funding for the 2015-2016 year, this is reduced significantly in line with the budget cut affecting funding for part-time courses. In addition to the cut to the CSG franchise budget, other Welsh Government grants have also been cut for the coming financial year. The nature of these central Welsh Government grant cuts mean that in 2015-2016:
- The Coleg Sir Gâr franchise for adult community learning courses will reduce from £394k (2014-2015) to £260k (2015-2016);
  - The WG direct grant to the ACL service will reduce from £190k (2014/15) to £156k (2015/16);
  - The Family Learning Grant (£106k in 2014/15) has been cut altogether for 2015/16;
  - There is no probation service funding income (£15k in 2014/15) in 2015/16 and beyond.
- 1.8 The combination of these factors has resulted in a reduction in the income to the service of approximately £289k for the 2015-2016 year. Consequently, the budget situation facing the service is primarily a result of direct cuts made by the Welsh Government and not the 2015/2016 budgetary decisions made by the Department for Education and Children. As a result of the decision not to transfer provision to Coleg Sir Gâr in September 2015, officers planned to deliver a service for the 2015-2016 year based upon estimated income of £524k following the cuts to service revenue sources identified above.



- 1.9 In the absence of core funding from Departmental or other County Council budgets, planning to meet the identified budget shortfall in the coming year was focussed upon the following actions:
1. Reducing the number of courses delivered by the service;
  2. Increasing the fees paid by learners to take ACL service courses;
  3. Further reducing the number of buildings managed by the service;
  4. Reducing the overall level of staffing of the service.
- 1.10 All of these actions have been undertaken by officers over the past three months, further reducing the costs of running the service. This work includes the transfer of Glanaman Community Education Centre to Cwmaman Town Council, restructuring caretaking services at centres and not replacing three members of staff who have left the service
- 1.11 However, detailed budget monitoring in July 2015 has highlighted the full effect of the Welsh Government cuts on the service. This monitoring has identified a likely budget overspend of approximately £147k for the 2015-2016 year. While the final figure for the overspend is linked to the numbers of learners enrolling on courses offered by the service, the extent of the projected sum is such that any additional fee income generated will not impact significantly on the total overspend.
- 1.12 Budget monitoring has highlighted that the core costs for the service remain staffing and centre running costs. Other than reducing building related costs in this budget (by shutting community learning centres) and removing the RLP match-funding contribution, there is little scope to reduce this budget further other than by stopping service delivery altogether.

## **2.0 Service Update October 2015**

- 2.1 Following a number of discussions with Coleg Sir Gâr managers during September 2015, a meeting was arranged involving Matt Morden (Lifelong Learning Networks Manager), Julie Stuart (CCC HR Officer), Mike Williams (CSG Assistant Principal) and Eirian Davies (CSG HR Officer) on Monday 28th September to look at the practicalities of the TUPE transfer of ABE and ESOL staff to the college during the 2015-2016.
- 2.2 Service staff had prepared a detailed staff breakdown showing the numbers of staff, teaching hours and roles, age profile and years of service, since the college were keen to have sight of this information before any transfer progressed. At the meeting, discussions focussed on these staff details and the liabilities that would fall upon the college should the transfer of these staff take place. During these discussions, Coleg Sir Gâr officers highlighted concerns that Transfer of Undertakings Protection of Employment (TUPE) liabilities would present too great a financial risk for the college. The consequent discussion identified a range of options for the future delivery of ACL courses.
- 2.3 Following the meeting, the College Executive Board considered these proposals on Friday 2nd October and subsequently confirmed that due to the financial risk to the College, they would not be able to progress with the TUPE transfer of CCC staff now or in the future. College management identified their wish to continue with the

existing franchise agreement arrangement for the 2016-2017 financial year. This decision created an urgent need to identify how and what ACL provision the Department for Education and Children will be able to offer in the future.

- 2.4 While there has been a reduction in County Council delivered community learning courses in recent years, there has been an increase in non-accredited community learning across Carmarthenshire delivered by community groups and individuals. In some cases, these courses are being taught by tutors who also work for the ACL service. Should County Council provision reduce further, it is possible that independent course delivery of this will increase to fill the gap left as Welsh Government funding for this work reduces. Given these developments, there is a role for the ACL service to play in highlighting the range of independent courses on offer across Carmarthenshire. This could be achieved by a regularly updated web page listing of these courses hosted on the Carmarthenshire County Council site.

### **3.0 Proposal for the Future Departmental Role in the Delivery of Adult Learning Provision**

- 3.1 The combination of the current franchise income from Coleg Sir Gar (allocated on an academic year basis) and the direct grant from Welsh Government provides the service with WG grant income of approx £435k for the 2015-2016 year. Pending any further Welsh Government budget cuts, a similar budget for the service is projected for the 2016-2017 year.

- 3.2 While all WG budgets are subject to cuts, it is assumed that funding for adult essential skills (literacy and numeracy), digital literacy, ESOL, return to work and learn and Welsh for Adults will be prioritised due to the strong links with a range of poverty related policy initiatives. However, funding to support the “leisure” ACL classes is likely to be cut significantly, with the WG expectation being that where these classes are offered it is on a cost recovery basis only. Given this context and the need to plan service provision in line with the significantly reduced service budget available, it is proposed that the following actions be taken:

1. The ACL service budget available (approx £435k) be prioritised for adult basic education, literacy, numeracy, digital literacy courses, ESOL (including language support for refugees) and activities to target the hardest to reach and people experiencing the effects of poverty;
2. The Adult Basic Education element of the service is restructured to be able to deliver this provision in the most cost effective manner possible;
3. A review of the course fee policy takes place, with fees to be established for ESOL courses, though Basic Skills courses will remain free;
4. The provision of other adult community learning classes (e.g. in subjects including art, languages, computing, humanities) cease to be provided by the service after 31st March 2016) with the resulting reduction in the numbers of related staff employed;
5. The service formally relinquishes management and all related running costs of the Cennen Centre, Ammanford, Glanamman Community Education Centre and Felinfoel Community Education Centre as of 31st March 2016;
6. The service retains a presence in Carmarthen town, exploring options for the location of provision by assessing the viability of utilising space in Carmarthen library, or continuing to use the Carmarthen Community

Education Centre or other premises, and retains the use of rooms in Llanelli library;

7. The ACL service retains a role in collating information about courses offered by other organisations and individuals and promoting this information via website listings and a named contact officer;
8. Future expenditure on ACL services shall be contained within the level of grants or other external expenditure available from time to time.

3.3 The actions proposed above are such that they will require a political decision by elected members regarding the future of this service. The timeline for the required democratic process is as follows:

- E&C Scrutiny – 17th December
- Executive Board – 4th January 2016

3.4 Following discussions of the proposals at these meetings, a programme of consultation with staff affected by these changes will take place. Further consultation with learners and community education centre users affected by these changes will also be required. Should redundancies result from this process, the cost to the Department for Education and Children will be significant due to the length of time that many service staff have been employed.

3.5 An Equalities Impact Assessment EIA for these proposals has been completed and will need to proceed through the corporate change review process. There will also need to be consultation with staff and unions regarding restructuring, redeployment and likely redundancies and the relevant HR processes to be followed. Consultation will also be required with learners and centre users in locations where venues will close.

## Appendix 1 – Current service delivery information

Current data (as of 2nd October 2015) shows that there are 502 learners enrolled in CCC ACL provision (including basic skills, ESOL and community learning but excluding Welsh for Adults classes) for the 2015-2016 year. Of these learners 73% are female and 27% are male. Learners over 40 make up the majority of service users, with 76.5% of those enrolled in courses in this category. The average age of female learners is 54 and 56 for male learners.

Non-employed learners make up 85% of those enrolled, with 15% in employment. 65% of learners categorise themselves as Welsh speakers. Learners with disabilities make up 44% of all students enrolled. The ethnicity of learners is predominately white British, with 95% of people in this category. Learners undertaking ESOL courses make up the majority of the further 5% in this category.

## Appendix 2 – Current usage of community education centres

Community Education Centre	Number of sessions used per week				Total sessions
	Basic Skills classes	ESOL classes	Adult Learning classes	Lettings and private hire	
Felinfoel	0	7	12	6	25
Carmarthen	10	4	5	16	35
Glanaman	0	0	0	14	14
Return to Learn, Llanelli	9	3	0	0	12
Cennen Centre Ammanford	9	4	0	0	13

**EDUCATION & CHILDREN  
SCRUTINY COMMITTEE  
17<sup>th</sup> DECEMBER 2015**

**Explanation for non-submission  
of scrutiny reports**

ITEM	RESPONSIBLE OFFICER(S)	EXPLANATION	REVISED SUBMISSION DATE
Capital Programme Budget Setting 2016/17 – 2020/21	Chris Moore / Owen Bowen / Phil Davies	<p>The capital programme is still in development and will not be completed until after the Welsh Government announces the Revenue Support Grant on the 9th of December.</p> <p>It is therefore proposed to hold an all member seminar later this month to consult on the draft programme. A report will be subsequently submitted to the Policy &amp; Resources Scrutiny Committee on the 6th of January 2016.</p>	N/A
MEP proposal (Stage 3) for Copperworks Infants and Lakefield CP Schools	Simon Davies	Following legal advice, this proposal is required to go through the previous school organisation decision making process which has resulted in a change in the date it will be considered by this Committee.	11 <sup>th</sup> February 2016

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Agenda Item 9

**EDUCATION & CHILDREN SCRUTINY COMMITTEE**  
**23<sup>rd</sup> November 2015**

**Present:** Councillor J.E. Williams (Chair)

**Councillors:** C. Campbell, J.M. Charles, I.W. Davies, W.G. Hopkins, P. Hughes  
Griffiths, J.D. James, M.J.A. Lewis, D.W.H. Richards, T. Theophilus

**Mr. S. Pearson – Parent Governor Member**  
**Mrs. V. Kenny – Roman Catholic Church Representative**

**Also in attendance:**  
**Councillor G.O. Jones – Executive Board Member for Education & Children**

**The following officers were in attendance:**  
Mr. R. Sully – Director of Education & Children  
Mr. G. Morgans – Chief Education Officer (CEO)/Head of Education Services  
Mr. A. Rees – Head of Learner Programmes  
Mr. S. Smith – Head of Children’s Services  
Mr. D. Astins – Strategic Development Manager  
Mr. S. Davies – School Modernisation Manager  
Mrs. S. Nolan – Group Accountant  
Ms. B. Dolan – Senior Consultant

**Venue:** County Hall Chamber, Carmarthen (11:05am – 12:05pm)

**1. APOLOGIES**

Apologies were received from Councillors D.J.R. Bartlett and P.E.M. Jones.

**2. DECLARATIONS OF PERSONAL INTEREST**

There were no declarations of personal interest.

**3. DECLARATION OF PROHIBITED PARTY WHIPS**

There were no declarations of prohibited party whips.

**4. PUBLIC QUESTIONS**

None were received.

**5. FORTHCOMING ITEMS**

The Committee was provided with a list of forthcoming items to be considered at its next meeting scheduled for 17<sup>th</sup> December 2015.

**RESOLVED to note the list of forthcoming items.**

# EDUCATION & CHILDREN SCRUTINY COMMITTEE

## 23<sup>rd</sup> November 2015

### 6. REVENUE AND CAPITAL BUDGET MONITORING 2015/16

The Committee considered the Revenue and Capital Budget Monitoring Reports relating to the 2015/16 financial year as at the end of August for the Education & Children Department. It was advised that the latest revenue budget forecast showed a slight improvement in the overspend at £950k and this had potential to improve if contingency within some of the forecasts were not utilised before the year end.

The following issues were raised during consideration of the report:

School based EVR and redundancy costs were referred to and it was asked whether or not the Authority had any control over this. The Director noted that redundancies were sometimes challenged where it was felt they were unnecessary and a small number declined. Budget pressures in schools were leading to increasing numbers outside of the Authority's control.

Clarification was requested in relation to the £150k planned contribution to respite care from the Local Health Board (LHB) which was unlikely to be achieved during the year. The Head of Children's Services stated that the debate hinged upon the nature of the need which the LHB viewed as social rather medical whereas the Authority argued that complex medical reasons caused the need for the respite care. They were struggling to come to an agreement.

It was asked what percentage of the education budget was passed down to schools. The Director did not have the precise figures to hand but the target was set at 85% which had been achieved over the last few years and was approximately 83% this year. Funding is held centrally to support additional learning needs and for statutory duties such as appointing school governors and schools admissions. He agreed to circulate the figures following the meeting.

Further information was requested regarding the overspend in Adult Community Learning. The Head of Learner Programmes advised that a report had been taken to the Corporate Management Team regarding the latest position and this was due to be presented to the Committee at its next meeting. Some contracts had been terminated however they were hoping to draw down European Social Funding to help maintain the service.

It was asked if there were any concerns about the future of the music service. The Head of Learner Programmes stated that the funding from school budgets was a considerable item of expenditure, therefore schools were reviewing their charging policies accordingly. The aim was to ensure the service was self-financing. It was also hoped that there was some scope for savings e.g. early internal discussion regarding possible collaboration across the hub with Pembrokeshire.

**RESOLVED that the report be received.**



# EDUCATION & CHILDREN SCRUTINY COMMITTEE

## 23<sup>rd</sup> November 2015

### 7. MODERNISING EDUCATION PROGRAMME PROPOSAL TO DISCONTINUE LLANGENNECH INFANT SCHOOL AND LLANGENNECH JUNIOR SCHOOL AND ESTABLISH LLANGENNECH COMMUNITY PRIMARY SCHOOL

The Committee considered the report which included a proposal to proceed to discontinue Llangennech Infant School and Llangennech Junior School and establish a new Llangennech Community Primary School. It was proposed that new School would be a 3-11 Welsh Medium language category with a nursery provision.

The following issues were raised in relation to the report:

The proposal was welcomed as one that was a natural development for the existing schools due to the growth in demand for Welsh medium education there. Other schools in the locality offered English medium provision.

**UNANIMOUSLY RESOLVED to endorse the proposal.**

### 8. WELSH IN EDUCATION

The Committee considered the report which provided an update on the Welsh in Education Strategic Plan, performance data in relation to the Welsh language in schools, shared progress in respect to 'Codi Caerau Sir Gâr' and marketing materials as well as other developments relating to Welsh in education.

The following issues were discussed during consideration of the report:

The Committee welcomed the report and the progress made however concern was expressed that more places were needed in Welsh medium primary schools to respond to the growth in demand. The CEO/Head of Education Services stated that he was not aware that any child had been refused a place in a Welsh medium school.

It was asked how bilingualism was being promoted to parents and governors. The CEO/Head of Education Services advised that a pack of materials and resources had been created that schools were marketing with parents. Governor seminars were being held later in the week at which the pack would be shared and it would also be available on the corporate website.

The work looking at the reasons for the reduction in transition to Welsh medium secondary provision was welcomed. It was asked what the greatest obstacle was. The CEO/Head of Education Services stated that there were 2 main issues; namely staffing ability to teach through the medium of Welsh and also the statutory process for linguistic change. There was a piece of work this year with a group of schools ready to move along the continuum. The Director added that the requirement for a formal change of status was a major frustration and cited 2 schools that had been operating as Welsh medium schools for the last 4 years however WG insisted a

# EDUCATION & CHILDREN SCRUTINY COMMITTEE

## 23<sup>rd</sup> November 2015

formal bureaucratic change. There was also an issue with existing capacity to support the statutory process for schools.

**RESOLVED to endorse the report.**

### 9. HALF YEARLY PERFORMANCE MANAGEMENT REPORT 2015/16

The Committee received, for consideration, the half year Performance Management Report for the services within its remit, for the period 1st April 2015 to 30<sup>th</sup> September 2015. The report included:

- A. Heads of Service Overview of Performance
- B. Improvement Plan Monitoring – Actions and Performance Measures
- C. Additional Provisional Performance Measures Data
- D. Complaints and Compliments Monitoring

The following issues were discussed during consideration of the report:

Concern was expressed at the increase in the number of Year 11 and Year 13 pupils becoming NEET during 2014. The Head of Learner Programmes noted that the increase in numbers was relatively small however a report was being presented to the Local Service Board about the current situation and measures being taken to address it. Careers education and guidance was also being given to Year 11 pupils. The Committee would also consider a report in January on the 3 – 19 curriculum which would include a focus on 14 – 19 learning pathways linking education with the needs of the local, regional and national economy.

The improvement in attendance in both primary and secondary schools was welcomed however it was asked what further improvements could be made. The Strategic Development Manager advised that these were likely to be extremely fine margins given the level of improvement to date. The Director added that the unauthorised absence figures were amongst the best in Wales.

**RESOLVED to endorse the report.**

### 10. REFERRAL TO THE EDUCATION & CHILDREN SCRUTINY COMMITTEE

The Committee considered a referral from the Policy & Resources Scrutiny Committee. The Chair explained the background for the referral and updated the Committee on the proposals for a new format for the performance monitoring reports received by scrutiny committees which would be shared with Members at a briefing session on the 14th January 2016 (2:00pm).

**RESOLVED to note the referral.**

# **EDUCATION & CHILDREN SCRUTINY COMMITTEE**

**23<sup>rd</sup> November 2015**

## **11. EDUCATION & CHILDREN SCRUTINY COMMITTEE ACTIONS AND REFERRALS UPDATE**

The Committee considered a report detailing progress in relation to actions, requests or referrals emerging from previous scrutiny meetings.

**RESOLVED that the report be noted.**

## **12. TO SIGN AS A CORRECT RECORD THE MINUTES OF THE MEETING OF THE COMMITTEE HELD ON THE 24<sup>th</sup> SEPTEMBER 2015**

**RESOLVED that the minutes of the meeting held on 24<sup>th</sup> September 2015, be signed as a correct record.**

## **13. TO RECEIVE THE MINUTES OF THE JOINT ENVIRONMENTAL & PUBLIC PROTECTION AND EDUCATION & CHILDREN SCRUTINY COMMITTEE HELD ON THE 18TH SEPTEMBER 2015**

**RESOLVED to receive the minutes of the joint Environmental & Public Protection and Education & Children Scrutiny Committee held on the 18th September 2015.**

**CHAIR:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

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Agenda Item 10

**JOINT EDUCATION & CHILDREN AND  
SOCIAL CARE & HEALTH SCRUTINY COMMITTEE  
23<sup>rd</sup> NOVEMBER 2015**

**Present:** Councillor J.E. Williams (Chair)

Education & Children Scrutiny Committee

**Councillors:** C. Campbell, J.M. Charles, I.W. Davies, W.G. Hopkins,  
P. Hughes-Griffiths, J.D. James, M.K.A. Lewis, D.W.H. Richards, T.  
Theophilus.

Social Care & Health Scrutiny Committee

**Councillors:** T.T. Defis, P.M. Edwards, W.T Evans, D.J.R. Llewellyn, K. Madge, E.  
Morgan, G. Thomas, J.S. Williams.

**Also in attendance:**

**Councillor G.O Jones - Executive Board Member for Education & Children  
Councillor J. Tremlett – Executive Board Member for Social Care & Health**

**The following officers were in attendance:**

Mr. J. Morgan – Director of Community Services  
Mr. R. Sully – Director of Education & Children  
Mrs. R. Dawson – Head of Integrated Services  
Mr. A. Maynard – Interim Head of Mental Health & Learning Disabilities (MD & LD)  
Mr. S. Smith – Head of Children’s Services  
Mrs. H. Smith – Executive Support Manager  
Mrs. S. Sauro – Performance Review Officer  
Ms. B. Dolan – Senior Consultant

**Also present:**

**Mrs. L. Roberts - Inspector, Care and Social Services Wales (CSSIW)**

**Venue: County Hall Chamber, Carmarthen (10:00am – 11:00am)**

**1. TO APPOINT A CHAIR FOR THE MEETING**

It was UNANIMOUSLY RESOLVED to appoint Councillor J.E. Williams as chair for the meeting.

**2. APOLOGIES FOR ABSENCE AND OTHER MATTERS**

Apologies for absence were received from Councillors S.M. Allen, D.J.R. Bartlett, H.I. Jones, P.E.M. Jones, E.G. Thomas and J. Williams.

The Chair congratulated Mrs. Rhian Dawson on her recent appointment as Head of Integrated Services.

The Chair welcomed Mrs. Lesley Roberts, Inspector, CSSIW, to the meeting.

# JOINT EDUCATION & CHILDREN AND SOCIAL CARE & HEALTH SCRUTINY COMMITTEE 23<sup>rd</sup> NOVEMBER 2015

## 3. DECLARATIONS OF PERSONAL INTEREST

Councillor	Minute Item(s)	Nature of Interest
Councillor K. Madge	Item 6	In that his daughter works in social services
Councillor E. Morgan	Item 6	In that his daughter is a nurse
Councillor D.W.H. Richards	Item 6	In that his daughter-in-law works in Children's Services

## 4. DECLARATION OF PROHIBITED PARTY WHIPS

There were no declarations of prohibited party whips.

## 5. PUBLIC QUESTIONS

None were received.

## 6. CARE AND SOCIAL SERVICES WALES' (CSSIW) INSPECTION, EVALUATION AND REVIEW OF LOCAL AUTHORITY SOCIAL SERVICES 2014/15

The Committee considered the CSSIW report of its annual evaluation and review of Carmarthenshire's Social Services which also provided overall judgements on key areas of progress and areas for improvement. It also received a comprehensive presentation from Mrs. L. Roberts (CSSIW).

The following issues were raised during consideration of the report:

Concerns were expressed at the lack of stable placements for some Looked After Children (LAC). The Head of Children's Services shared these concerns however emphasised that these were small numbers of LAC with a small number of moves. Generally educational placements were stable but there was a small cohort of young people aged 13 years or older that they were trying to maintain in placements. It was necessary to ensure that the range of foster carers was increased and improved. The Authority would be engaging in a Welsh Government pilot next year to look at different ways of developing foster carers through a 12 week course with specialists and link workers focusing on LAC with complex needs. The Director of Education & Children added that they were working hard to improve performance in stability of LAC placements which had reduced to 6.9% during the first half of this year.

# JOINT EDUCATION & CHILDREN AND SOCIAL CARE & HEALTH SCRUTINY COMMITTEE

## 23<sup>rd</sup> NOVEMBER 2015

Further information was requested in relation to children presenting with risky behaviours. The Head of Children's Services advised that this was a small proportion of LAC however the LAC assessment had emphasised the need to improve risk assessments to ensure appropriate support and risk management is put in place.

Concerns were expressed about the very low numbers of adult safeguarding referrals that ended in a prosecution given the serious nature of the complaints. The Interim Head of MD & LD stated that the safety of every individual was paramount however in order for cases to be taken to court they had to be evidenced. The focus of the care management team was on the outcome the vulnerable adult wanted and what they wanted to change. The Inspector added that the low number of prosecutions was a critical point and one of the factors was, whilst there was a clear legislative framework in place for children, there was not one for adults. This was an issue for further exploration between the Council and the Adult Safeguarding Board (ASB). The Director of Community Services advised that this issue was a theme across Wales and that improvements were needed in gathering evidence. He would be looking at this regionally with Dyfed-Powys Police in the ASB. An analysis of cases with a high level of concern but which had not proceeded to prosecution was required.

The Social Services and Wellbeing (Wales) Act 2014 was referred to and concerns expressed that some of its requirements had not been fully costed which would further stretch shrinking budgets. The Director of Community Services advised that the propensity to legislate whilst reducing budgets was indeed challenging. There had not been a clear costing exercise for the new Act which was being implemented in April 2016. To date there was no complete guidance or finalised codes of practice which was a risk for the Authority going forward.

The significant increase in the number of applications for Deprivation of Liberty Safeguards (DoLS) during the year was referred to. It was asked why the training for members previously asked for had not yet been delivered. The Interim Head of MD & LD stated that the Law Commission had only just completed its consultation on the law of mental capacity and deprivation of liberty. It had visited Carmarthenshire as part of that process. The outcome was expected next year. There was a screening process in place for DoLS applications so that high priority applications received an assessment promptly.

It was noted that an area for improvement was to continue to improve opportunities for people attending day care services to access work based employment opportunities. It was asked how successful this was. The Interim Head of MD & LD advised that this was challenging, particularly for young people with learning disabilities however it was important to see it as a total package where the dividends included improved self confidence, developing a range of skills and experience, building friendships and not just employment. The number of work experience opportunities had increased but they needed to build on this.

# **JOINT EDUCATION & CHILDREN AND SOCIAL CARE & HEALTH SCRUTINY COMMITTEE 23<sup>rd</sup> NOVEMBER 2015**

The increasing number of care leavers not engaged in education, employment or training (NEETs) was referred to and it was asked if this was expected to reduce going forward. The Head of Children's Services stated that employment opportunities for LAC were not as available as he would like them to be however qualifications were being offered to LAC as well as work placement schemes. He reminded the Committee that these were small numbers of young people therefore one or two drop-outs could have a significant impact on percentages. A lot of services worked with and supported LAC NEETs. Three care leavers had recently gone to university so there were also successes.

**RESOLVED to receive the report.**