

Community Learning and Skills (CLS)

Head Office, College Road, Sittingbourne, Kent. ME10 1LF
Telephone 01795 415900 Fax 01795 435493

MEMORANDUM

To Ian Forward

From Des Crilley

Date 8 March 2011

Subject Adult Education : Changes to concessions for people over 60 and the introduction of a new older learners' Membership Scheme.

Summary: This is a proposal by Community Learning & Skills (Kent Adult Education) to reduce the level of universal concession currently allowed for those aged 60 and over; the background and context for the proposal and the aims and mitigation thereof. If implemented, the proposed changes will impact on service users in all Districts of Kent. This paper also outlines proposals relating to the promotion of current mitigations available and the development of a Membership Scheme which will be introduced during the course of the new academic year.

1. Introduction

Community Learning & Skills is proposing to reduce the current universal (non means tested) age related concession for those aged 60+ from its current level of 40% off the price to 20% ie a 50% reduction in the concession currently offered.

The proposal is made taking account of the following :

Government Agenda – the Growth Investment Strategy of the Department for Business Innovation & Skills states that public funding should be used for the benefit of people who are disadvantaged. “Those who are able to pay should do so”.

Government Funding – the Skills Funding Agency Adult Safeguarded Funding ie the funding that subsidises Informal Adult Learning, has been frozen since 2003/2004. This represents a reduction of 20%.

KCC Medium Term Budget Plan – this includes an increase in contribution through the adjustment of concessions.

This report gives an analysis of the expected impact of the proposed change; the research and consultation carried out; the identified risks and the proposals to mitigate those risks.

2. Relevant Priority Outcomes / Policy Context

In order to meet the Government's Skills' for Growth Investment Strategy; KCC's Bold Steps ambition to tackle disadvantage in Kent and taking account of the current constraints on public spending, the aims of this proposal are :

- To reduce the reliance on public funding for those who can afford to pay
- To enable more of the funding provided for informal adult learning to be directed to engage with more learners from disadvantaged groups/communities.
- To gradually adjust charges to users to reflect the true cost of delivery
- To bring age related concessions in Kent into line with other parts of the UK.

3. Consultation and Communication

A Consultation was carried out between 1 April and 6 May 2011. Engagement with learners and non-learners was as follows :

Learner Survey	1148 respondents
Non-learner Survey	51 respondents
Focus Groups	24 participants

Surveys were carried out electronically, on paper and by telephone. The consultation included a discussion on opportunities which are available to mitigate the effects of the change. These included :

1. The 50% concession available for learners claiming certain Government Benefits
2. The CLS Access Fund for those on low household incomes
3. The staged payment option for courses costing £60+
4. The 'Pay as you Go' programme of courses
5. The opportunity to enrol and the pay for courses online with the potential introduction and promotion of discounts

The Consultation identified :

- a lack of awareness of some of these mitigations,
- a reluctance to claim allowances under items 1 and 2 which both relate to levels of personal income.

These will be addressed via our EIA Action Plan which includes an investigation into the opportunities for offering discounts for online enrolments.

A full Report on the Consultation Exercise – 'Reduction of Age-related Concession in Kent Adult Education' is attached as Appendix 1.

CLS is currently developing a Membership Scheme which will reward loyalty by providing learners with tangible benefits which add value. This Scheme will be introduced on a phased basis and trialled with older learners in the first instance.

4. Financial Implications

Reduction in concession for learners aged 60 and over from 40% to 20% :

	£
Potential savings to be generated in 2011/12	170,915
Predicted increase in usage of the Access Fund (to eligible learners)	-40,000
Cost of Membership Scheme in year 2011/12	-80,505
Potential Saving in Year 2011/12	50,410

(Figures based on actual costs for 2009/2010 and estimated costs for 2010/2011)

5. Legal Implications

None

6. Equality Impact Assessments

Initial Impact Assessment Screening carried out on 8 March 2011 which identified requirement for Full Impact Assessment.

Extensive consultation carried out between 1 April and 13 May 2011 to complement comprehensive market research already completed.

Full Assessment completed by 20 May 2011. This Assessment identified the mitigations as listed under 'Consultation and Communication' and an Action Plan has been drawn up for implementation.

7. Sustainability Implications

Environmental enhancement	No impact
Social justice	Proposal ensures that more public funding is used for the benefit of people who are disadvantaged therefore helping to creating equal opportunities and social inclusion.
Sustainable economy	Proposal helps to build a strong, stable and sustainable economy by targeting more funding to support people needing to improve their skills and helping them into employment
The causes of climate change	No impact
The consequences of climate change	No impact

8. Alternatives and Options

Retain the status quo	This is not an option as Community Learning & Skills would : <ul style="list-style-type: none"> ▪ Not meet Government agenda on the use of public funding
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	<ul style="list-style-type: none"> ▪ Not meet the KCC medium term budget plan
Remove the age related concession completely for those aged 60+	29% of CLS learners are currently potentially eligible for this concession. Its complete removal at this time would potentially reduce learner numbers; income and the ability to sustain Skills Funding Agency funding at current levels.
Change the proposed 50% reduction in the concession to a lower figure	Research indicates that a concession of 20% is comparable with other providers across the Country and our consultation with learners confirms that this figure would be broadly acceptable in the current economic climate.

9. Risk and Business Continuity Management

Risk	Risk Management
Severe drop in learners numbers in the 60+ age group creating adverse affect on income	<ul style="list-style-type: none"> ▪ Improve awareness of options already available which would offset the adverse impact. ▪ Introduce online discounts. ▪ Create and introduce a Membership Scheme for older learners which offers tangible benefits for those learners ▪ Attract new learners
Adverse publicity for KCC	<ul style="list-style-type: none"> ▪ Minimise by carrying extensive consultation with learners and non-learners (see Appendix 1) ▪ Deliver a PR campaign to promote the mitigations and benefits offered by adult education and the proposed Membership Scheme for older learners

10. Conclusion

Community Learning & Skills have identified a need to reduce the level of universal concession for the 60+ age group for the reasons set out above.

A Consultation Exercise has been carried out which has identified ways in which the change can be minimised for these learners. In addition, we are in the process of developing further ways in which the change can be mitigated by introducing discounts for on-line enrolment and the creation of a Membership Scheme which would offer tangible benefits.

11. Recommendations

That approval is sought for Community Learning & Skills to reduce the level of universal concession offered to learners of 60 and over from 40% to 20% and for this decision to be implemented with immediate effect for courses starting from 1 September 2011.

