



Pound Plus Survey 2013/14

Final Report

November 2014





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Pound Plus Survey 2013/14

RCU ref. 13.203

Final Report

Contents

Section 1: Introduction	4
• Background to Pound Plus	4
• Overview of the Project and the Methodology	4
Section 2: Survey Respondents	7
• Overview of Survey Respondents	7
• Survey Respondents by Provider Characteristics	8
Section 3: Summary of Pound Plus Survey Findings	12
• Total Pound Plus Generated	12
• Direct Income and Cost Savings	13
• Costs Incurred with Collecting Pound Plus	15
Section 4: Details of Pound Plus Direct Income	17
• Introduction	17
• Fee Income (SFA Community Learning Funded Courses)	19
• Fee Income (Non-SFA Community Learning Funded Courses)	21
• Commercial and Charitable Sponsorship and Grants	23
• Contracts Won Through Tenders	25
• Sale of Products and Services	27
• Other Direct Income	29
Section 5: Details of Pound Plus Cost Savings	31
• Introduction	31
• Free/subsidised Accommodation	33
• Additional Staffing and Expertise	35
• Use of Volunteers	37
• Donated Equipment and Physical Resources	39
• Free or Subsidised Supplied Services	41
• Self Organised Groups	43
• Other Cost Savings	45
Section 6: Conclusions – Re-investing pound plus	47
• Re-investing Pound Plus	47
• Conclusions	51
Appendix 1: Details of Pound Plus Categories	53
Appendix 2 List of Providers who Responded to the Survey	55



Section 1: Introduction

Background to Pound Plus

The Department of Business Innovation and Skills BIS contributes £210 million to support community learning and the Skills Funding Agency (SFA) manages this budget. Since August 2013, the SFA has required community learning providers to work in partnership with other learning providers, local services and organisations to agree a relevant, customised community learning offer¹. The 2013 - 2016 Skills Funding Statement², stated that:

“The SFA will: continue to offer a contribution to the overall cost of delivering community learning. Providers will be expected to add value to this public contribution by attracting additional revenue and making cost savings”.

In particular community learning providers are required to:

- Lever-in additional funding, e.g. through fee income, sponsorship, grants, funding from other government departments and/or commercial sales;
- Secure savings, e.g. from contributions in kind, volunteer activities, sharing services and/or pooling resources;
- Increase the availability of learning for the most disadvantaged people in their communities.

Pound plus refers to the additional income and savings generated by providers over and above core income contribution from the Government’s community learning budget (and/or other core income sources used historically to fund community learning).

The community learning sector undertakes a large amount of pound plus activity but quantifying and reporting this activity is not formally required by the SFA or BIS. As such there had been no agreed model for the capture of this ‘pound plus’ data and no overall guidance for providers on what the data is or how the data might be collected.

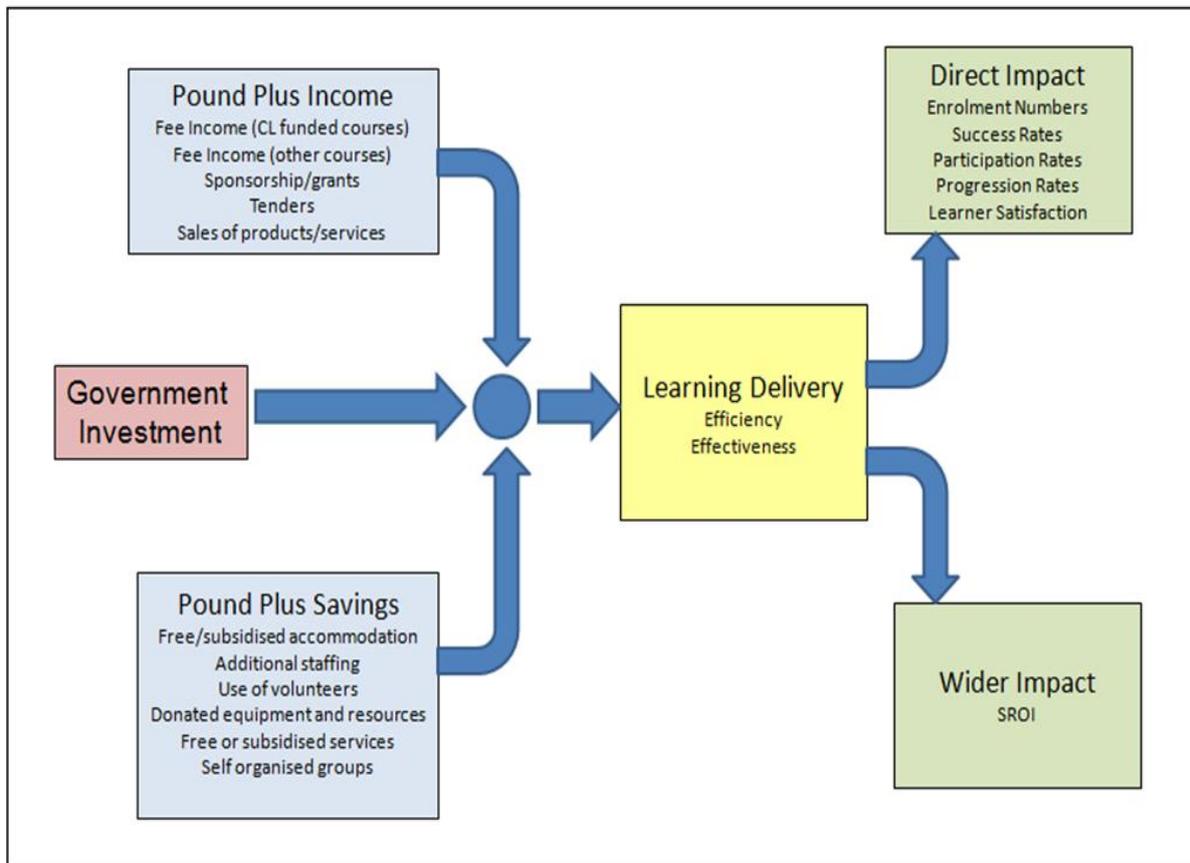
Overview of the Project and the Methodology

This report outlines the findings from a pilot project, led by membership organisations (LEAFA, HOLEX, AoC and TSNLA), that introduced a standard way of collecting pound plus data for the academic year 2013/14. Figure 1 illustrates the definition of pound plus that was used within the project. Pound plus focuses on the additional investment in community learning (i.e. the blue boxes in Figure 1). It does not seek to measure learning delivery or the impact of community learning (the yellow and green boxes) – these issues are important, but they are measured using different techniques and are not within the scope of pound plus.

¹ http://www.niace.org.uk/sites/default/files/project-docs/skills_funding_agency_policy_overview_june_2013.pdf

² https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/278529/bis-14-p172a-skills-funding-statement-2013-2016.pdf

Figure 1: Definition of Pound Plus



Pound plus data for the project was captured using a specially designed Excel-based survey tool. The initial tool built upon work carried out in 2012/13 for the Evaluation of Community Learning Trust Pilots³. The tool was refined following detailed consultation with LEAFEA, HOLEX, AoC, TSNLA and NIACE as well as with 10 sample providers from across the sector. A final version of the survey tool was agreed in June 2014.

The data collection period ran from the beginning of July 2014 to 12th September 2014 and was promoted to providers by membership organisation. The survey was open to all providers in receipt of SFA community learning funding. Providers were also able to enter pound plus data for their sub-contractors (this was optional). The Excel survey tool was available for download from a dedicated website hosted by NIACE and designed by the independent research company RCU. Providers returned completed Excel surveys to RCU who carried out the final analysis.

Figure 2 shows the headings under which pound plus data was captured.

³ <https://www.gov.uk/government/publications/community-learning-trust-pilot-evaluation>

Figure 2: Pound Plus Data Categories

Direct Income (Data collection)	A. Fee income (ILR courses)
	B. Fee income (Non-ILR courses)
	C. Commercial sponsorship/grants
	D. Contracts won through tenders
	E. Sale of products/services
	F. Other direct income
Cost Savings (Data collection)	G. Free/subsidised accommodation
	H. Additional staffing and expertise
	I. Use of volunteers
	J. Donated equipment and physical resources
	K. Free or subsidised supplied services
	L. Self-organised groups
	M. Other cost savings
Cost incurred	N. Costs associated with Pound Plus (Pound Minus)
Using Pound Plus	Re-investing Pound Plus Income
Overall Summary	Summary of Pound Plus Income and Savings
Other Information	Any other comments

The Excel data capture tool included six colour coded sections focusing on Direct Income, Cost Savings, Cost Incurred (called *pound minus*). Using Pound Plus, Overall Summary and Other Information. Within each section providers were able to enter both quantitative information (e.g. the financial value of income and savings) and qualitative information (e.g. details of the purpose and scope of the income and savings).

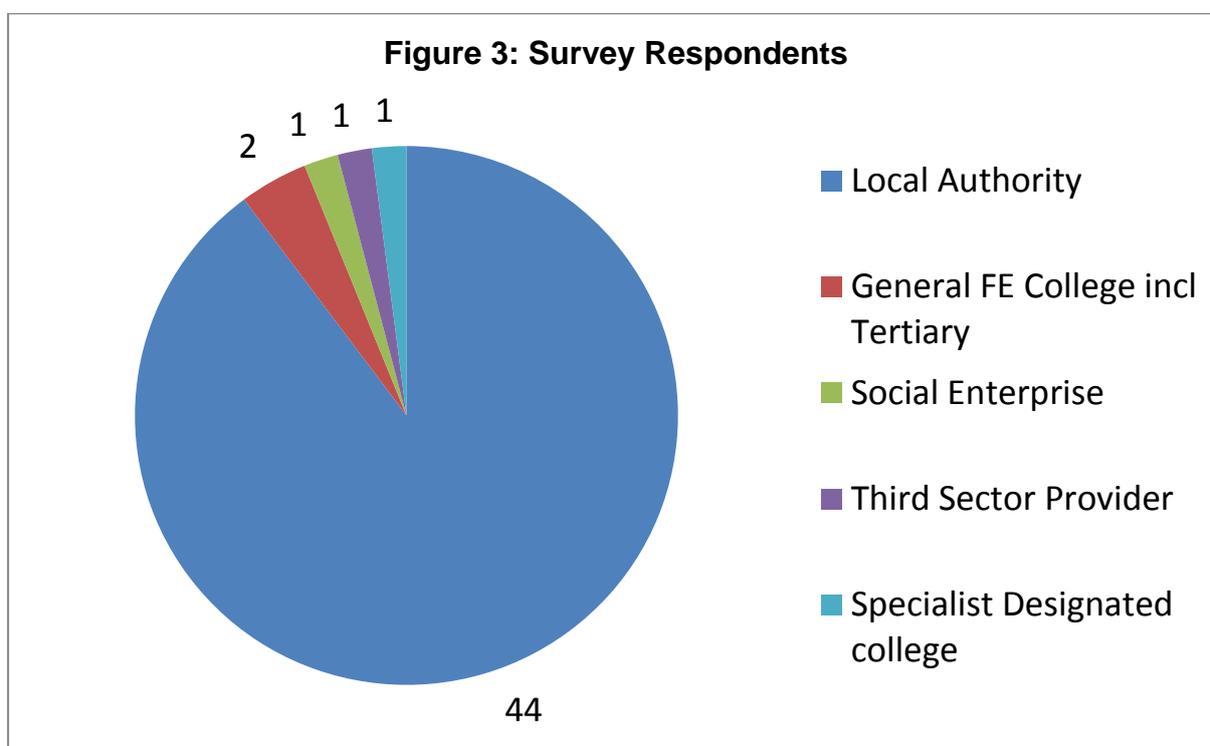
The tool provided detailed explanations of the pound plus categories and numerical examples where appropriate. RCU also provided telephone support for providers during the data collection period.

Appendix 1 provides details of the pound plus categories and the definitions that were used.

Section 2: Survey Respondents

Overview of Survey Respondents

A total of 49 providers responded to the survey (the provider names are listed in Appendix 2). The vast majority of these providers were Local Authorities (44), with responses also received from two General Further Education Colleges, one Social Enterprise, and one Third Sector Provider (Figure 3). Returns from providers listed an additional 243 partners/subcontractors. In addition a detailed response was returned by the Workers' Educational Association (WEA⁴). WEA data has been excluded at this stage from aggregate analysis charts and tables because they have different funding arrangements from other providers.



Almost a third (32%) of all Local Authorities who received a community learning allocation (44 out of 138) responded to the survey, suggesting that the results presented in this report are reasonably representative of Local Authorities as a whole.

⁴ The WEA is one of the UK's larger charities, and operates at local, regional, and national levels. The WEA has nine regions and over 400 local branches in England.

Survey Respondents by Provider Characteristics

The sample of Local Authority respondents by factors such as Local Authority type, size, deprivation and region is also fairly representative of all Local Authorities. Figure 4⁵, for example, shows the proportion of survey respondents by London Borough, Unitary Authority and County Council and compares this to the national profile for all Local Authorities who receive community learning funding – the survey sample and national profile are very similar.

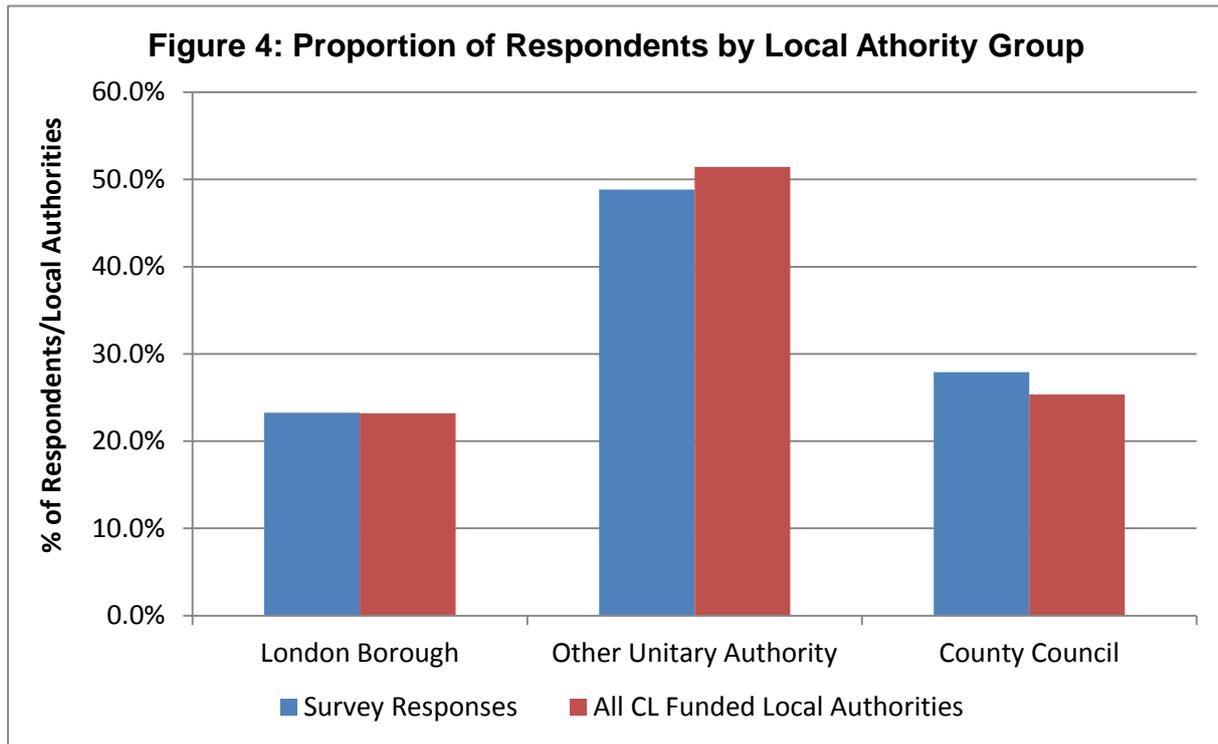


Figure 5 shows respondents and non-respondents to the survey by the size of their SFA community learning funding allocation (each line represents a Local Authority: Red lines = survey respondents, blue lines = Local Authorities not responding). The chart shows that the survey was successful in capturing data from both large and small providers, with a slightly higher proportion of the larger providers responding (e.g. providers with allocations of £1.5 million or higher).

⁵ The chart is comparing the proportion of the survey responses and all Local Authorities by Local Authority Group not the total numbers

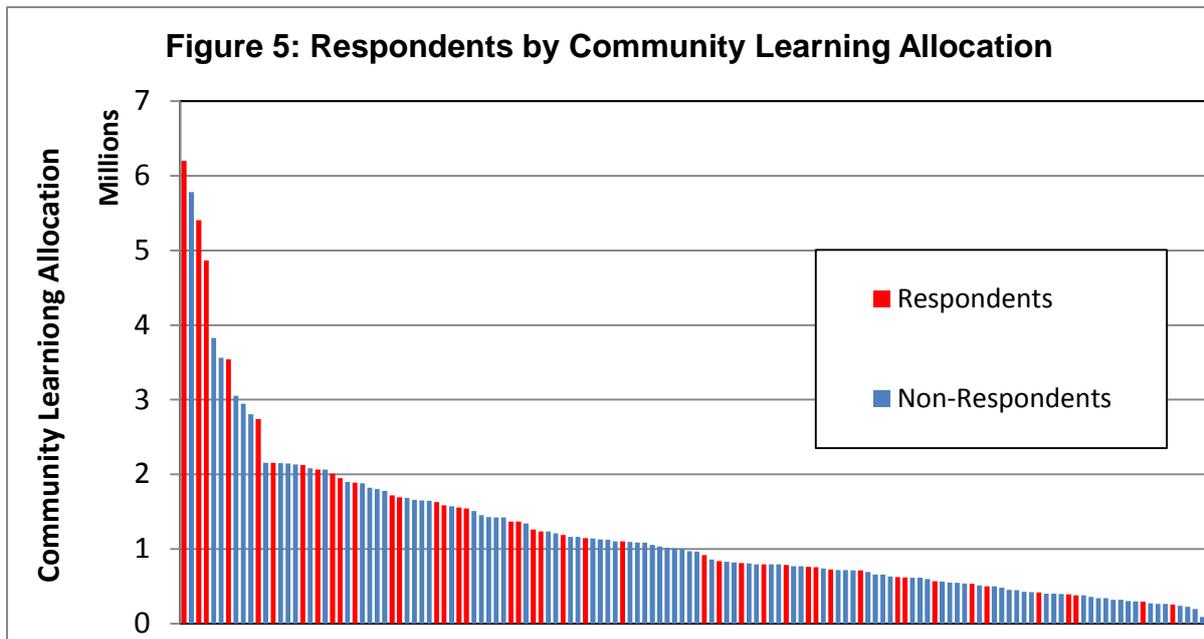
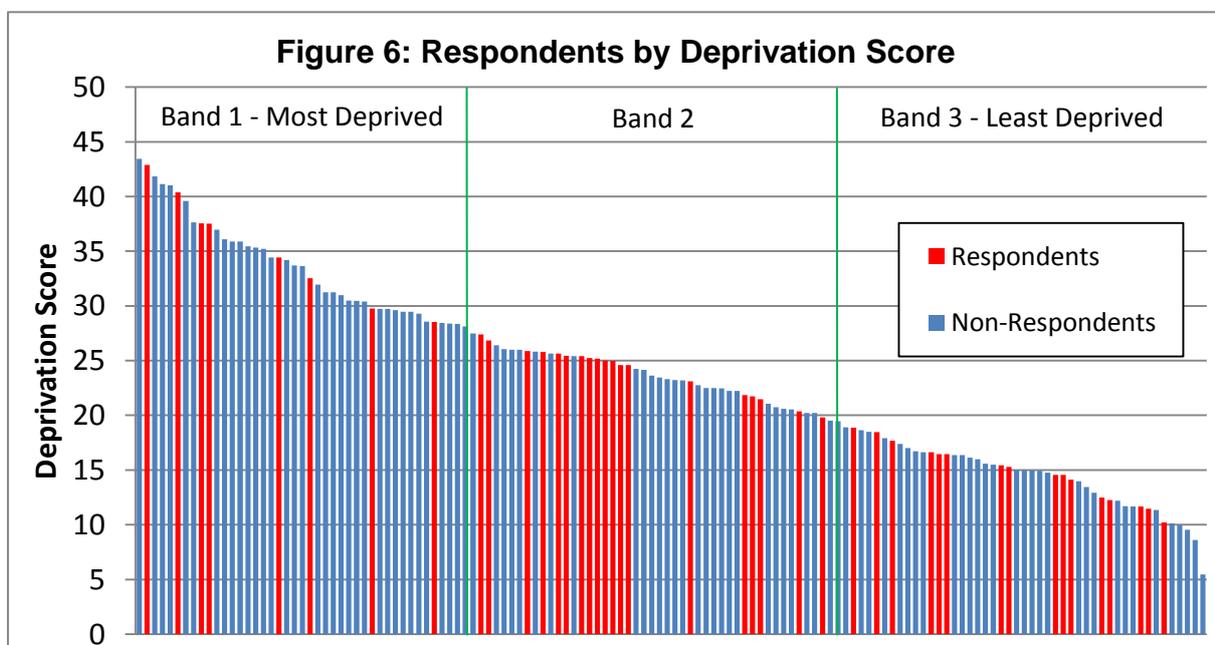


Figure 6 shows respondents and non-respondents to the survey by Deprivation Score⁶ for each Local Authority (highest score = most deprived). The chart shows that the survey successfully captured data from a wide range of both deprived and affluent Local Authorities.



⁶ A Local Authority Deprivation Score is taken from the English Indices of Deprivation 2010 County Summaries www.gov.uk/government/statistics/english-indices-of-deprivation-2010

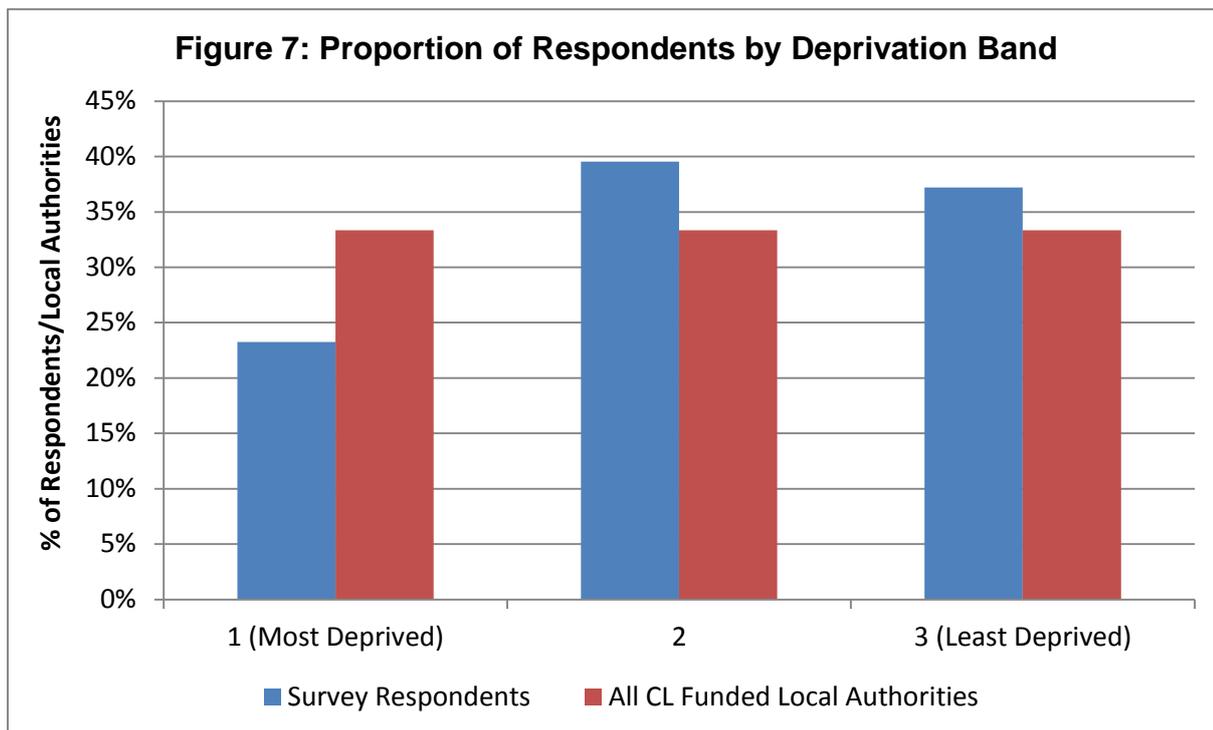
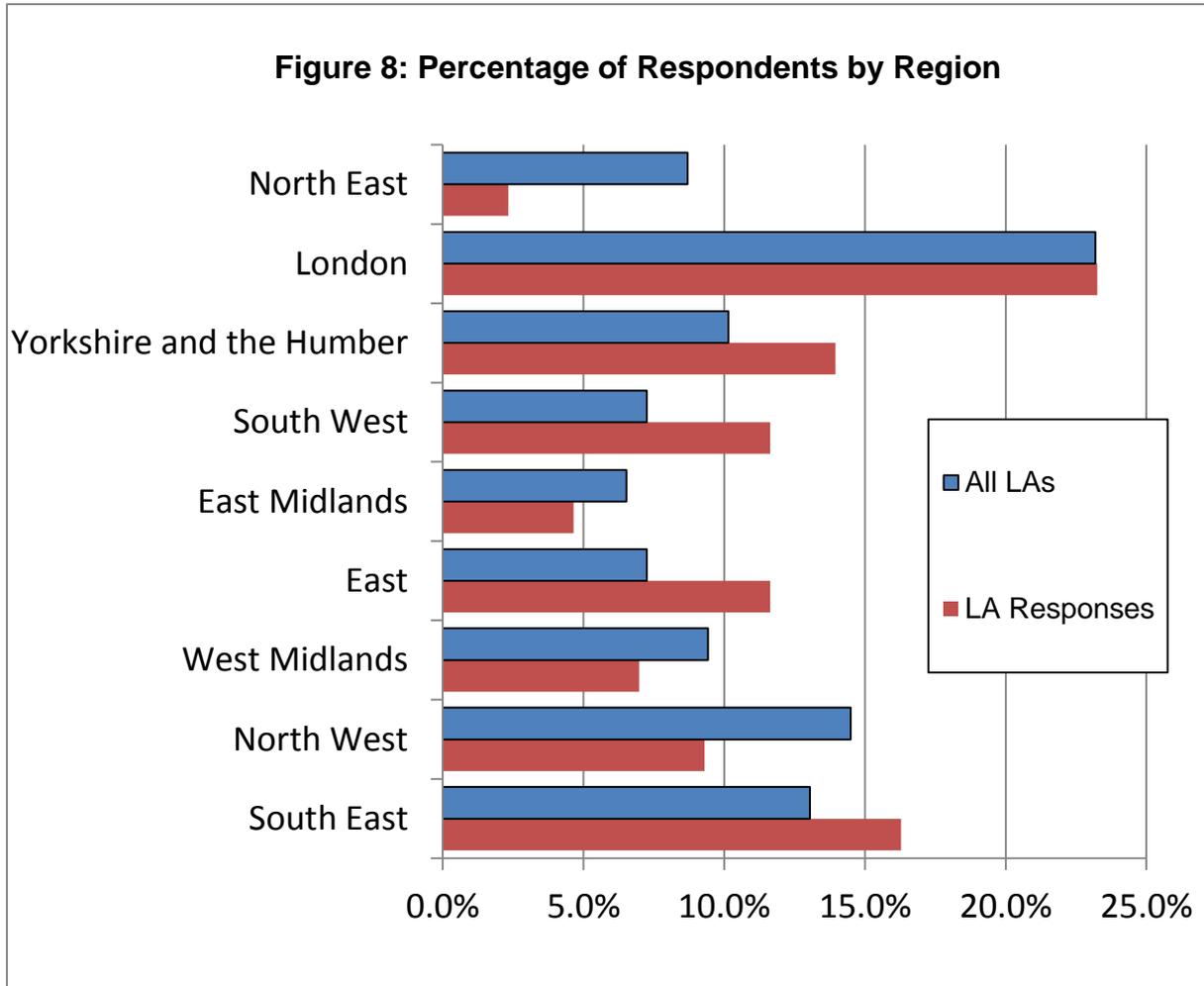


Figure 7 compares the proportion of Local Authorities (survey respondents and all Local Authorities) within three different deprivation bands⁷ (band 1 = most deprived; band 3 = least deprived). Approximately 23% of respondents were in the most deprived band (band 1), compared to 33% of all Local Authorities. This slight under representation of deprived Local Authorities would need to be taken into account if the pound plus survey results were used to predict the total amount of pound plus collected nationally.

The percentage of Local Authority survey respondents by region is shown in Figure 8. All regions were represented in the survey sample, but the North East and North West were under-represented compared to, for example, Yorkshire and the Humber and the South West.

⁷ Deprivation bands have been chosen to have equal numbers of Local Authorities (36) in each band. Band 1 includes Local Authorities with deprivation scores of 26.5 and above, band 2 includes Local Authorities with deprivation scores from 18.9 to 26.5 and band 3 includes Local Authorities with deprivation scores of less than 18.9.

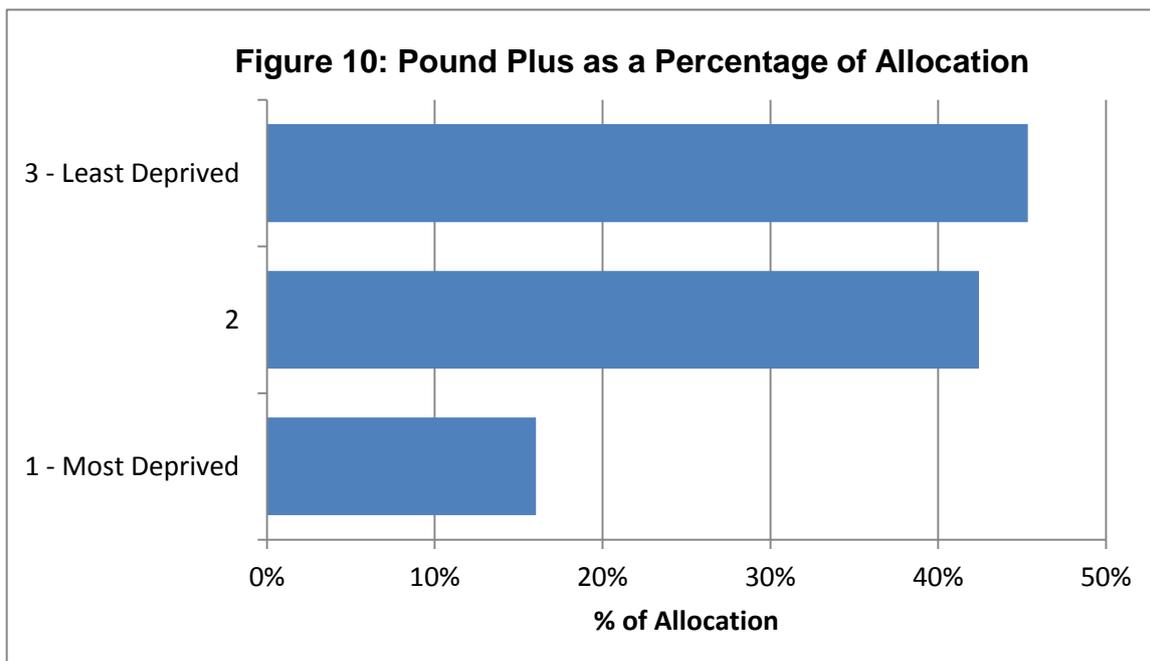
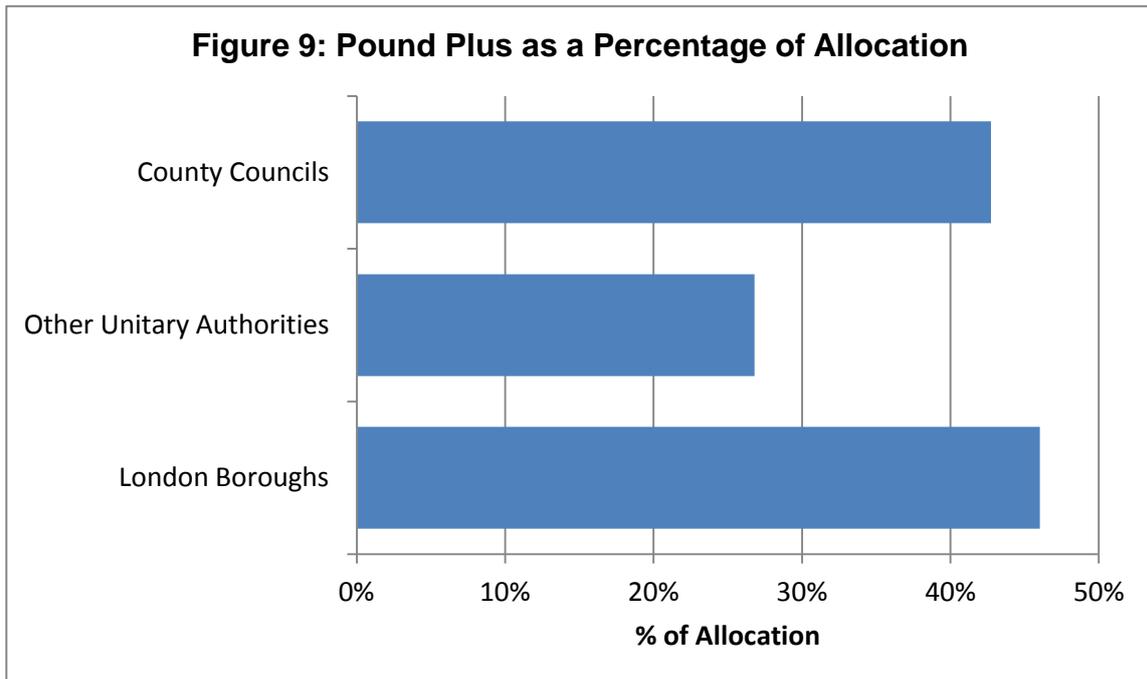


In summary, almost a third of all Local Authorities responded to the survey and these authorities are reasonably representative in terms of Local Authority type, provider size and deprivation of the communities that they serve (with a slight under representation of the most deprived areas and in the North East). The very small number of General Further Education Colleges and private/voluntary organisations who responded to the survey means that it is not possible to make any general conclusions about pound plus collected from these provider types.

Section 3: Summary of Pound Plus Survey Findings

Total Pound Plus Generated

The total pound plus income and savings recorded by the 48 providers who completed the survey (excluding the WEA) was £24.89 million. This is equivalent to 38% of the 2013/14 SFA community learning funding allocation for these organisations (£66.23 million). Figures 9 and 10 show the percentage of the SFA community learning allocation collected as pound plus by Local Authority type and deprivation band.



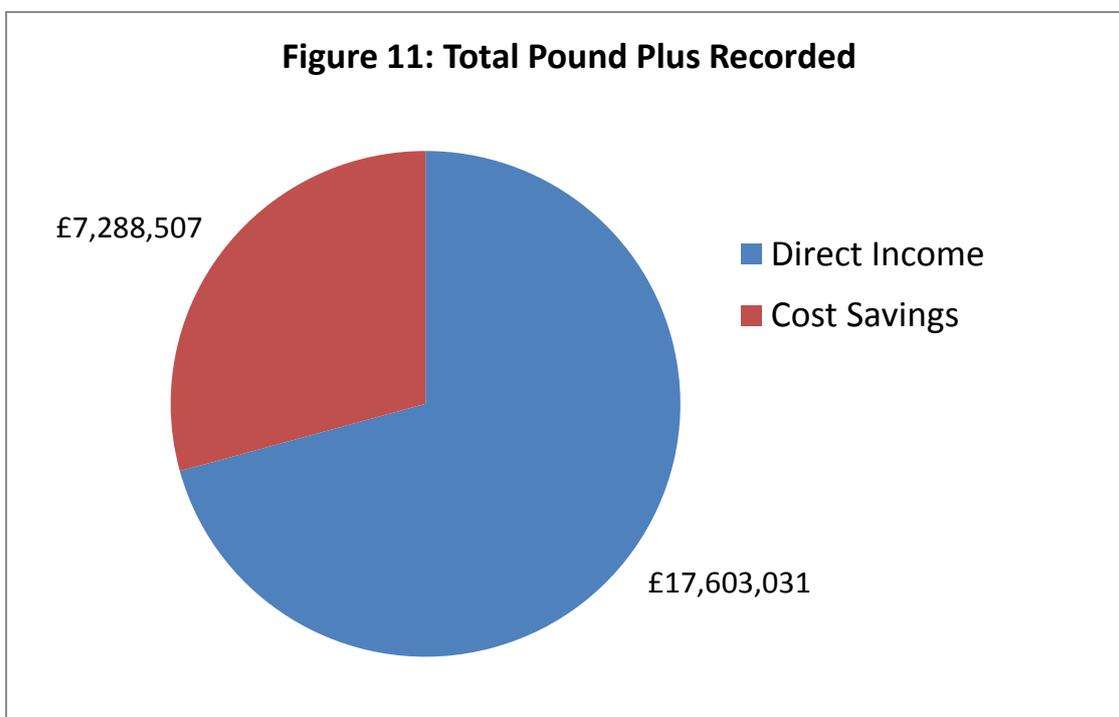
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RCU ref. 13.203

Final Report

Both County Councils and London Boroughs collected pound plus income and made savings equivalent to more than 40% of their community learning funding allocation (Figure 9). Lower values of pound plus in Unitary Authorities outside of London is probably related to the high levels of deprivation in these areas. In the most deprived areas of the country (Figure 10) pound plus was equivalent to 16% of the community learning funding allocation.

Approximately 70% of the pound plus recorded by providers was from direct income sources such as fees and grants (£17.6 million or 26% of the SFA community learning funding allocation for these providers) and 30% from cost savings (£7.28 million or 11% of the SFA community learning funding allocation for these providers). This is shown in Figure 11.

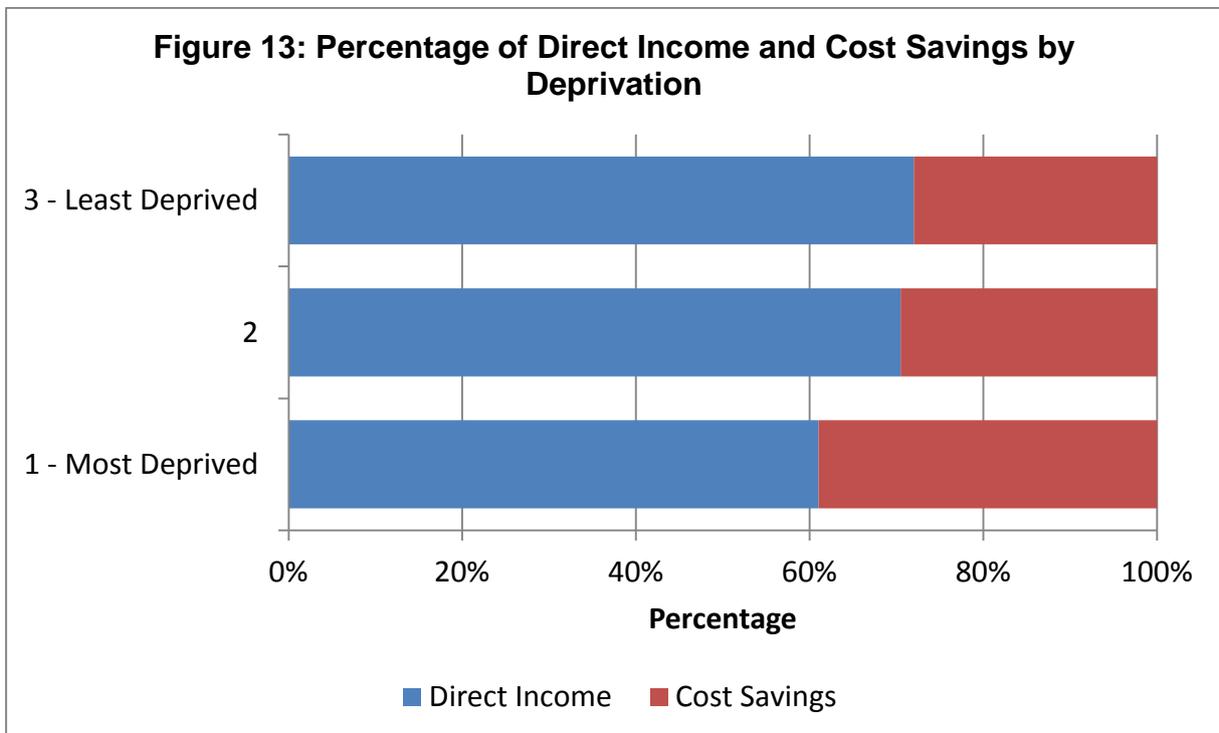
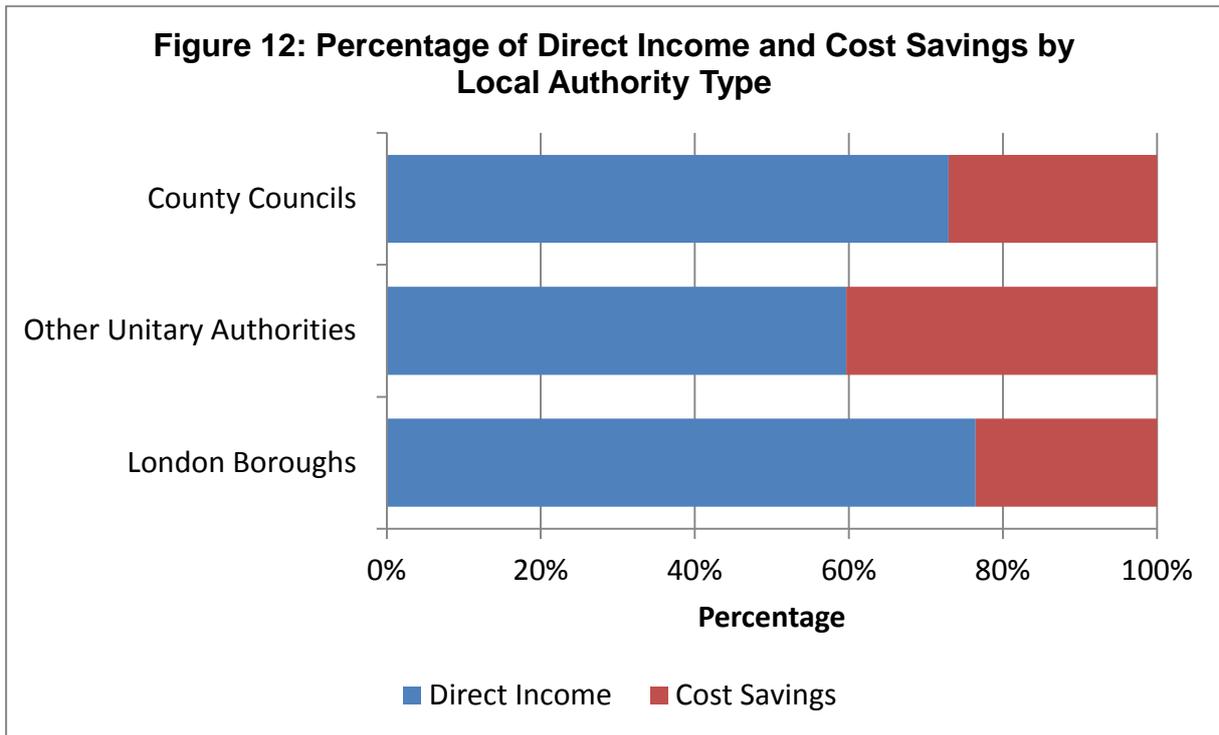


Direct Income and Cost Savings

The balance between direct income and cost savings varied between different types of Local Authority (Figure 12). London Boroughs collected the largest proportion of pound plus as direct income.

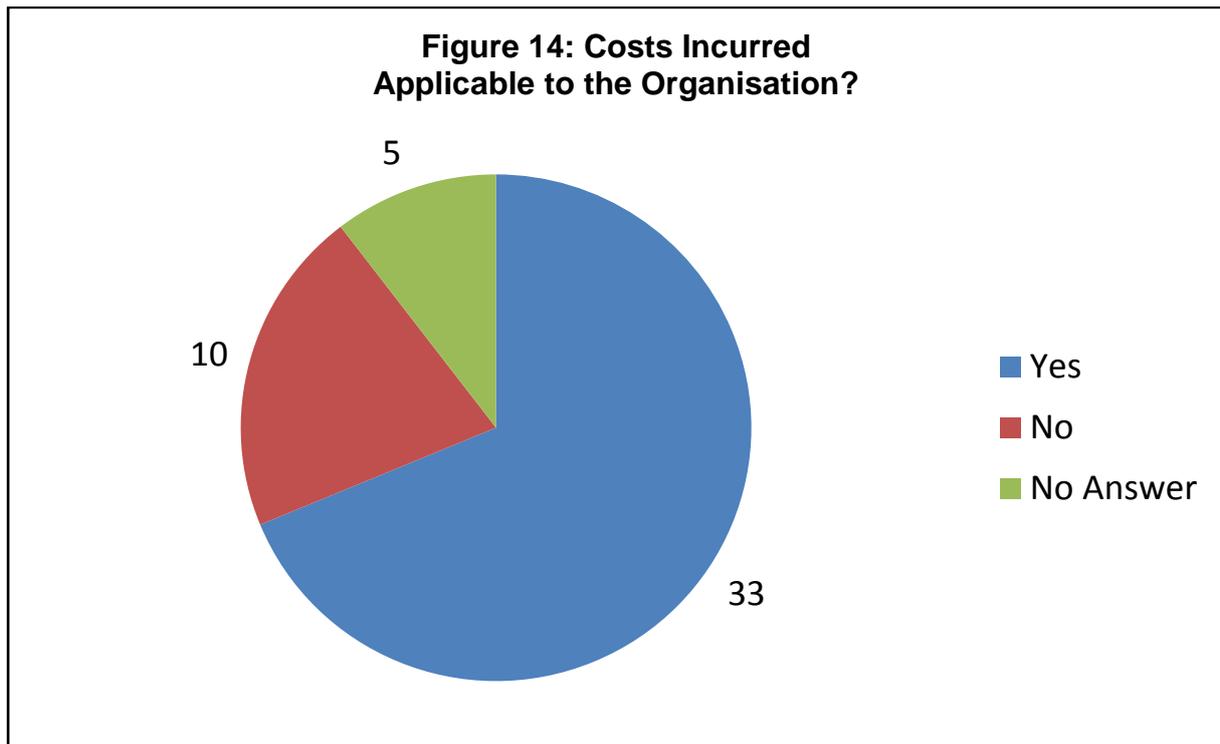
The less deprived Local Authorities collected a higher proportion of pound plus as direct income compared to the most deprived Local Authorities (Figure 13). On average almost 40% of pound plus in the most deprived areas came from cost savings.





Costs Incurred with Collecting Pound Plus

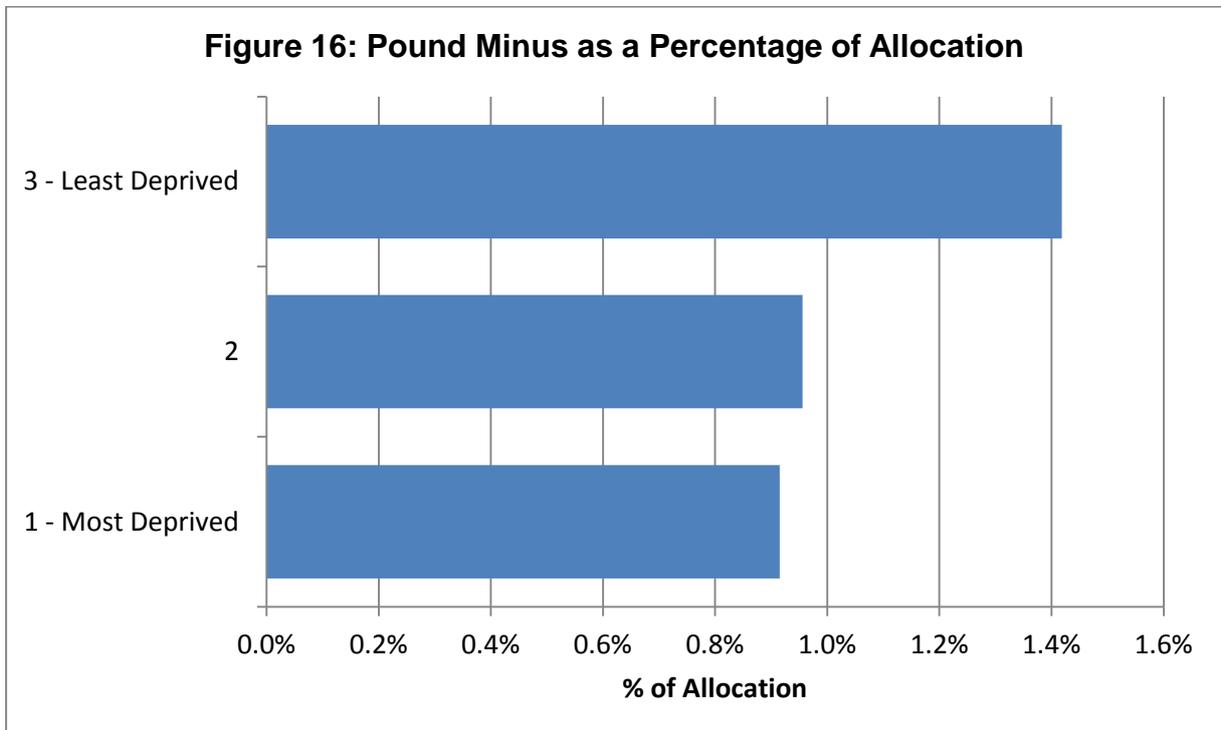
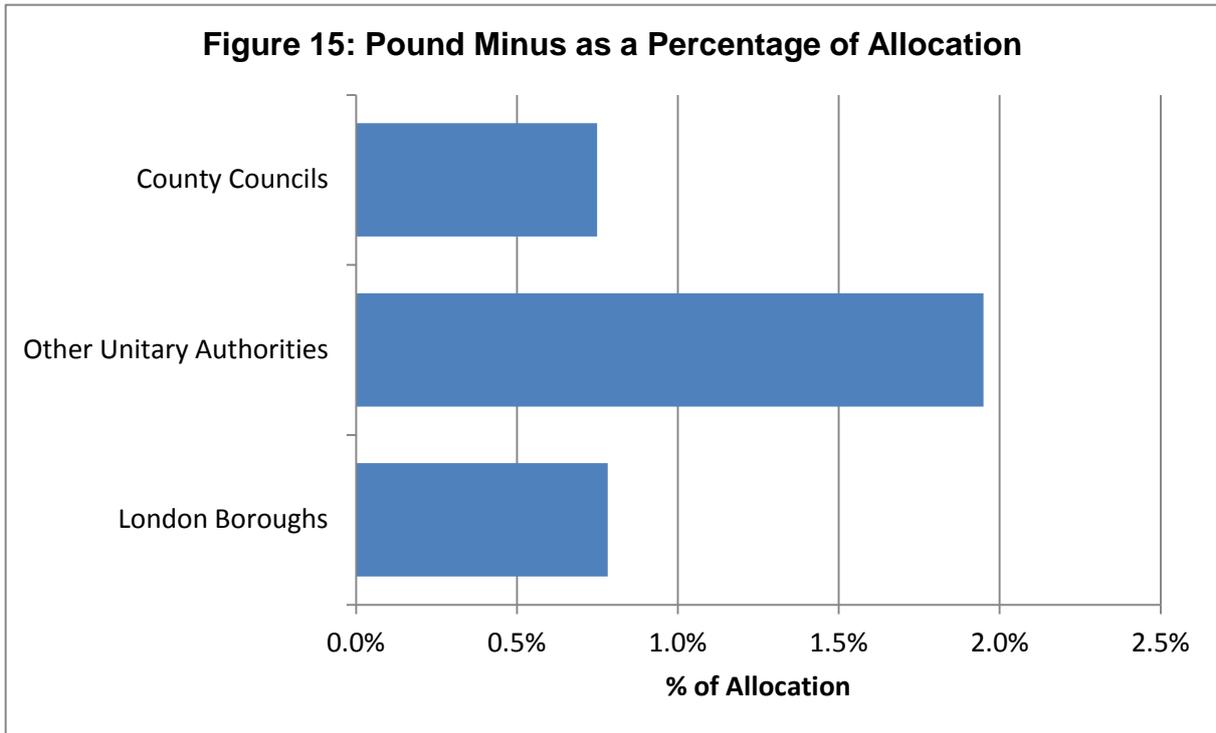
Approximately 69% of providers responding to the survey (33 out of 48) said that additional costs were associated with generating pound plus (Figure 14). The total additional costs (which could be called *pound minus*) mentioned by providers amounted to £568,332, which is equivalent to less than 1% of the SFA community learning allocation for all 48 providers and 1.2% of the allocation for the 32 providers who reported additional costs.



Figures 15 and 16 show the additional costs, as a percentage of their community learning allocation, by provider type and deprivation band. Pound minus appeared to be higher in the least deprived areas and within Unitary Authorities outside London. However, in all cases additional costs were less than 2% of their community learning allocation.

Costs reported varied by provider and were not recorded in a consistent way. However, the main categories of costs mentioned were:

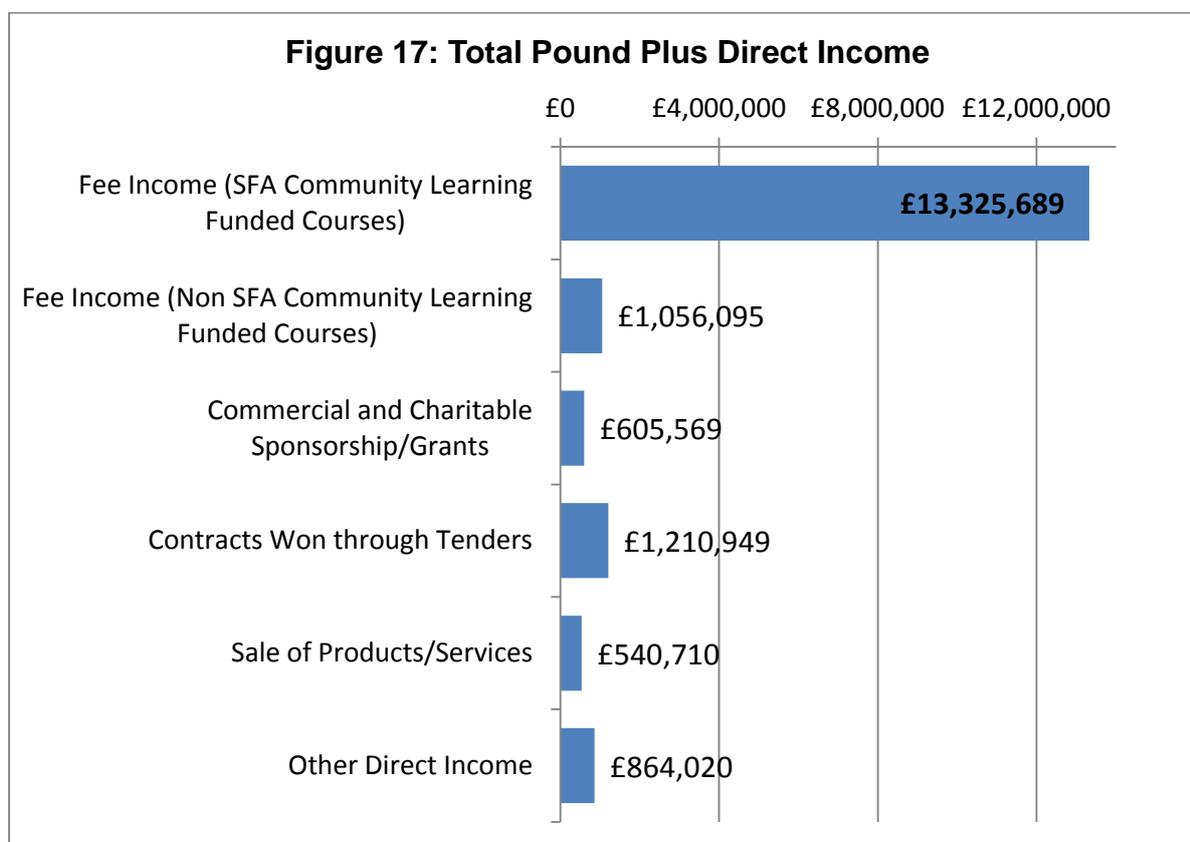
- Volunteer training and co-ordination including network meetings
- Staff time in collecting and managing data
- Costs of stakeholder and partnership meetings
- Providing accommodation for partners
- Management and coordination time



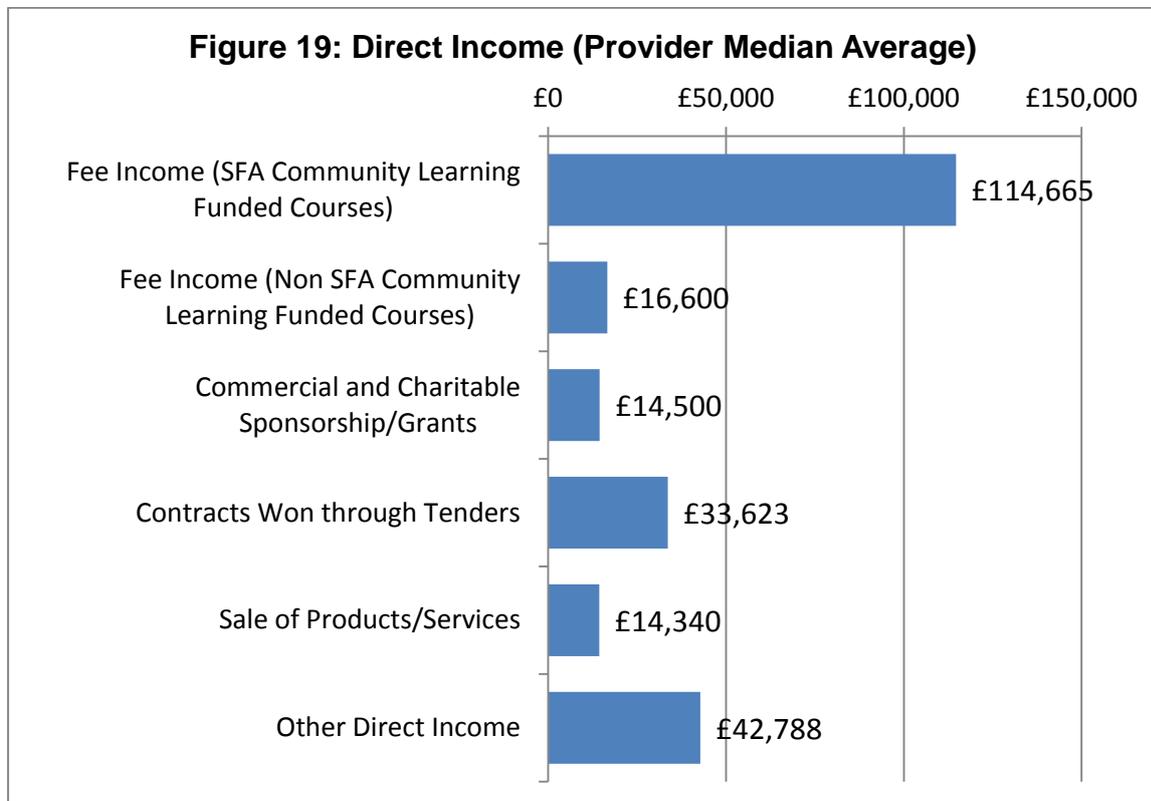
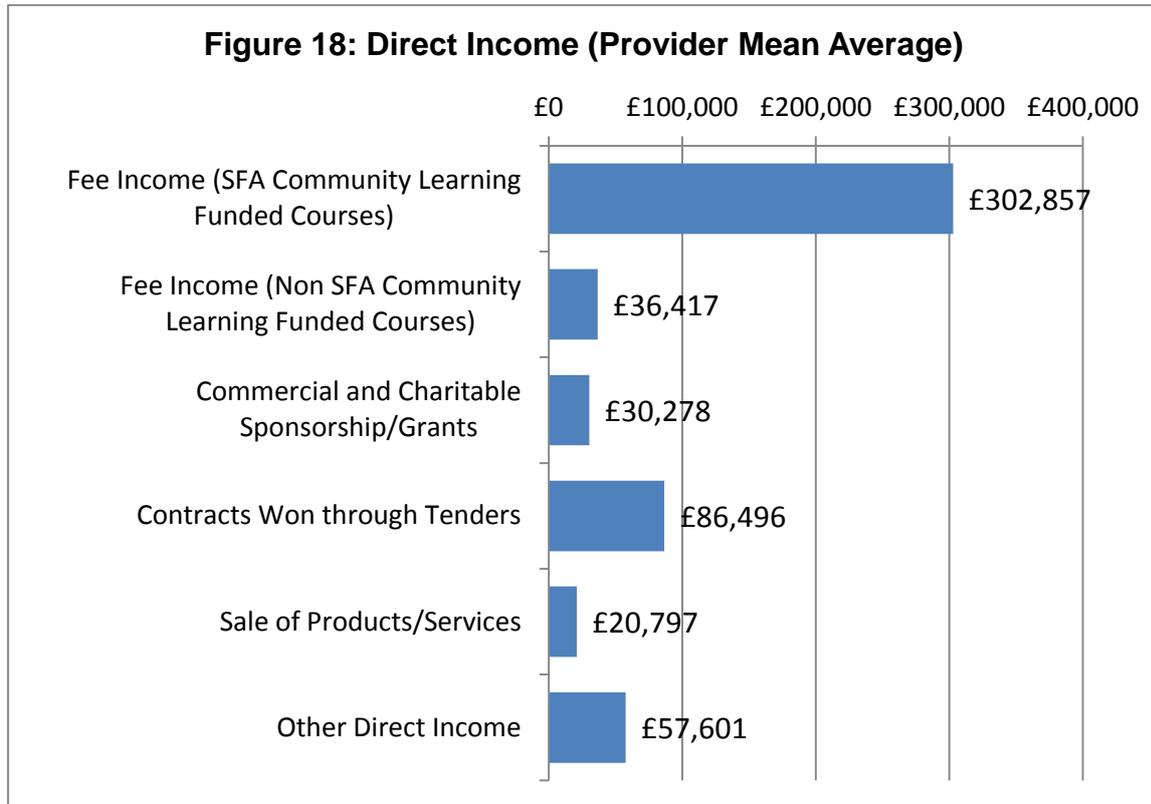
Section 4: Details of Pound Plus Direct Income

Introduction

Figure 17 shows how the total value of Pound Plus direct income (£17.6 million) is broken down by sub-category. Fee income from courses funded by the SFA community learning budget (£13.3 million) represented over 75% of the total. However, all of the other categories generated a significant amount of pound plus income, ranging from £0.6 million for commercial and charitable sponsorships/grants to £1.2 million for tender income. These income streams are discussed in detail within this section of the report.

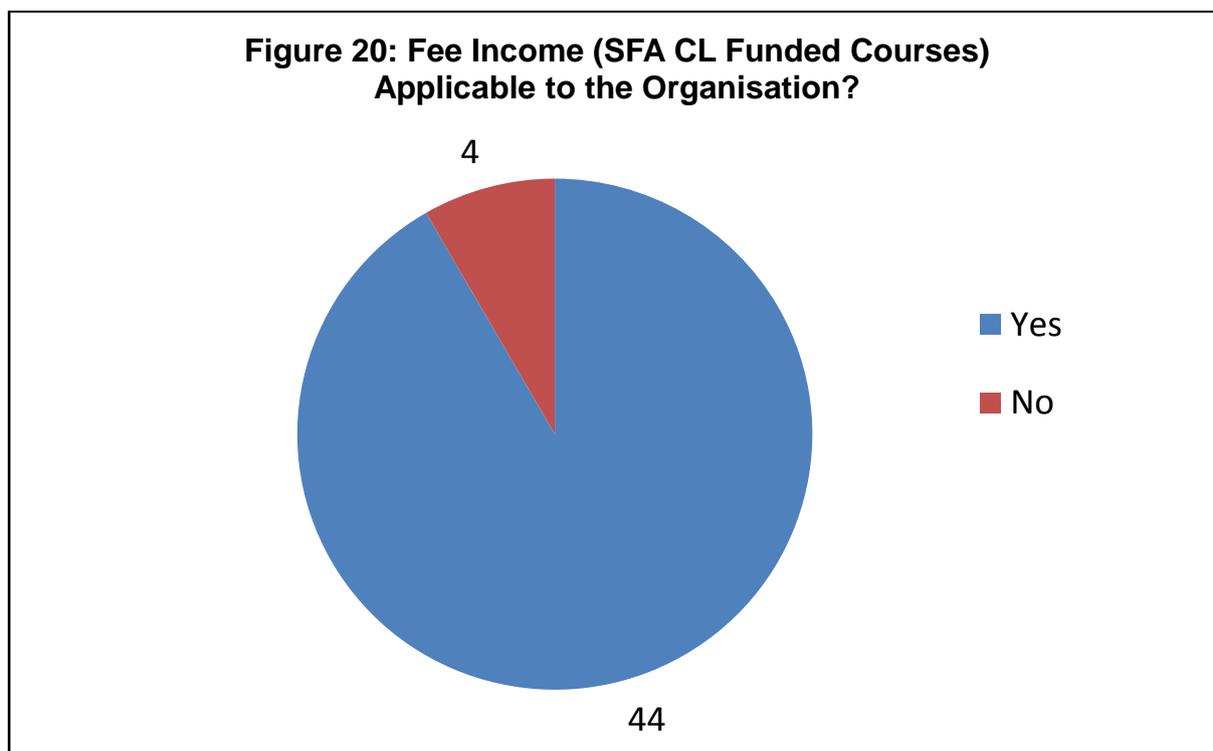


Figures 18 and 19 show the mean average and median average pound plus direct income collected by provider, for providers who responded to individual categories. The mean average fee income collected, from SFA funded community learning courses, was just over £300,000. Income from contracts won through tenders was the next largest category, with a mean average per provider of £86,496.



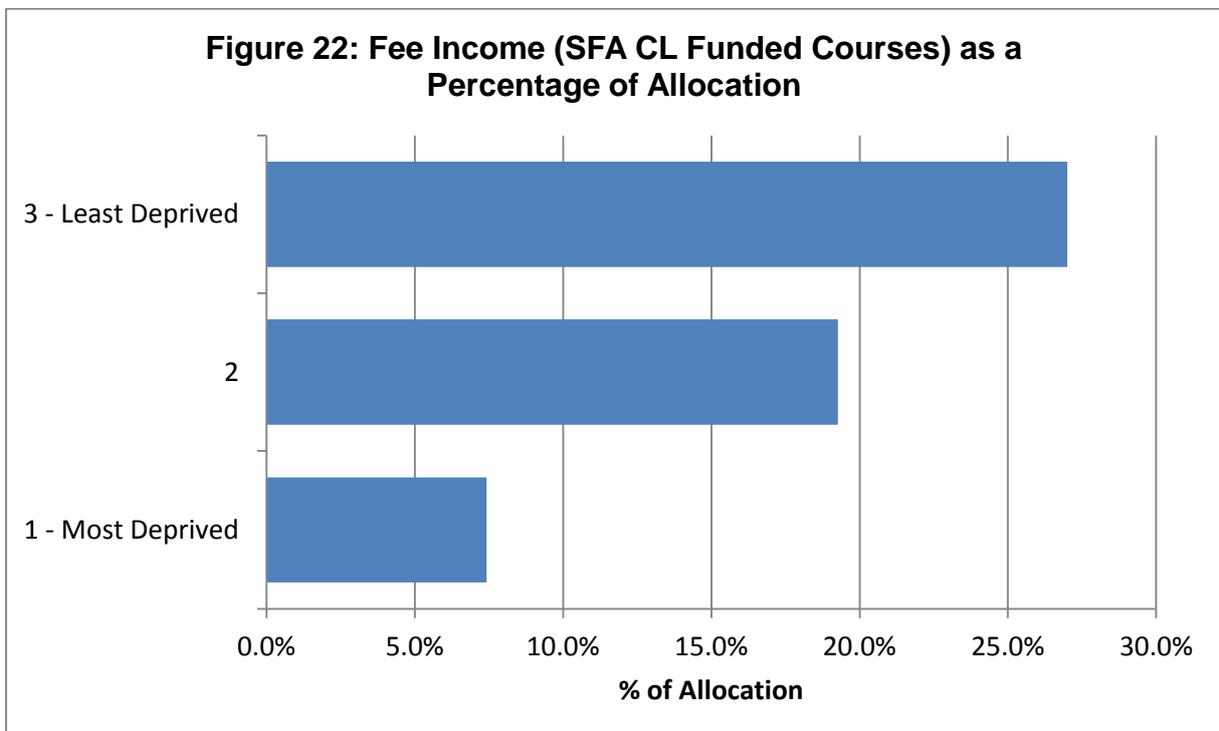
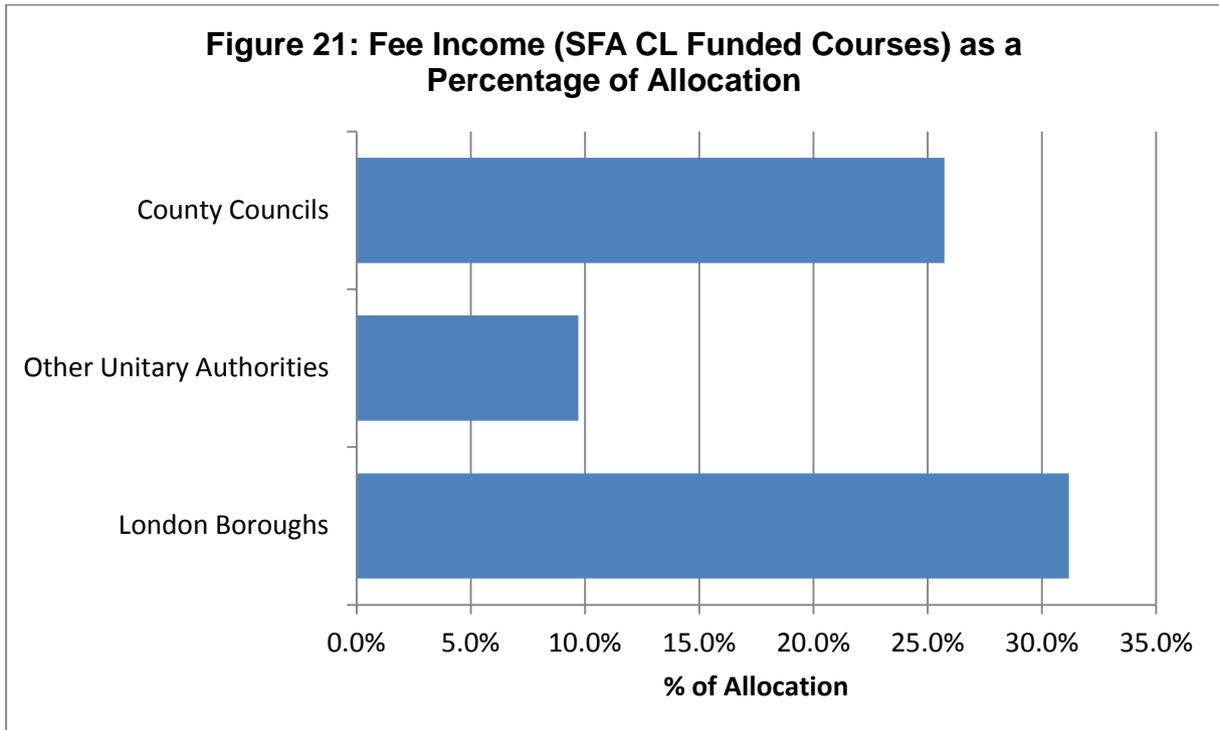
Fee Income (SFA Community Learning Funded Courses)

This category relates to fee income collected for courses which are funded by the SFA community learning budget and are recorded on the Individualised Learner Record (ILR). The vast majority of providers (44 out of 48) confirmed that they collected fees for some or all of these types of courses (Figure 20).



Figures 21 and 22 show fee income collected as a proportion of SFA Community Learning allocation (local authorities only). The first chart focuses on local authority type and the second chart on deprivation band.

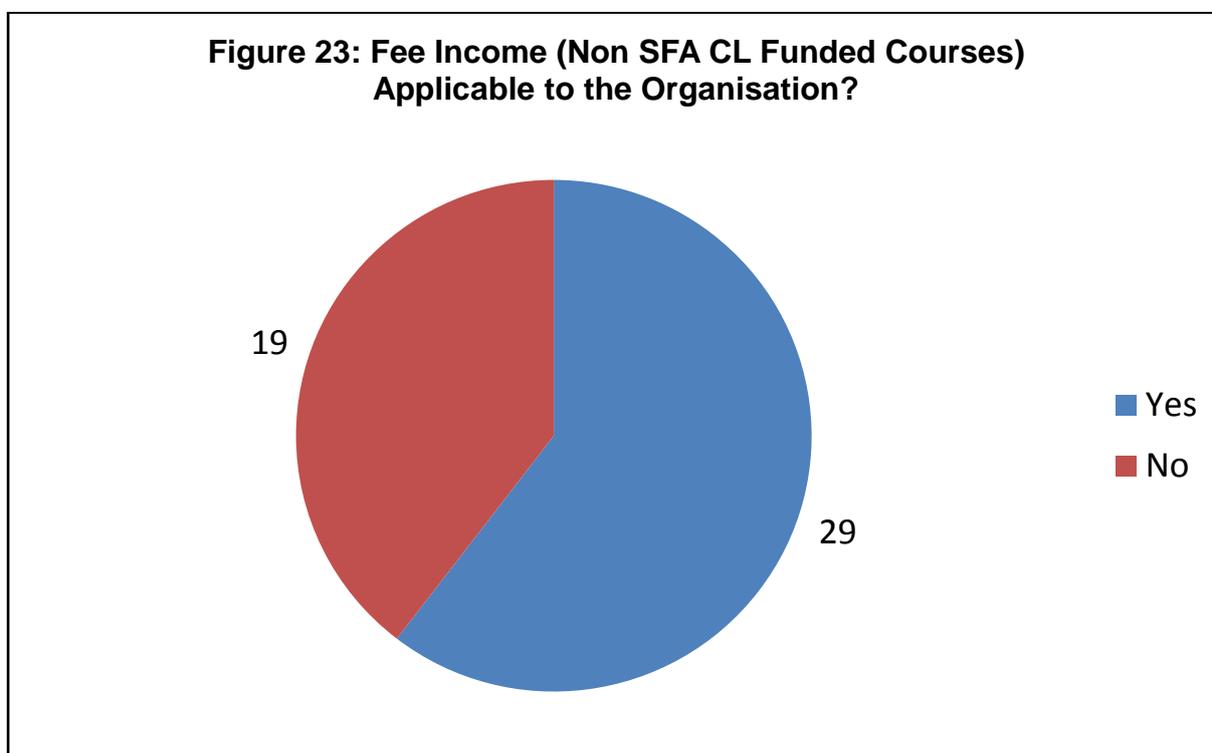
Figure 21 shows that London Boroughs on average collected the highest proportion of fee income (equivalent to over 30% of their funding allocation), whilst Unitary Authorities outside of London collected the least (less than 10%). This is likely to be partly explained by the different deprivation levels in the communities that they serve (Figure 22). In the most deprived areas, fee income was approximately 7.5% of funding allocation, whereas in the most affluent areas fee income was over 27% of the funding allocation. Unitary Authorities outside of London include some of the large urban conurbations in the North and the West Midlands, where there are significant levels of deprivation.



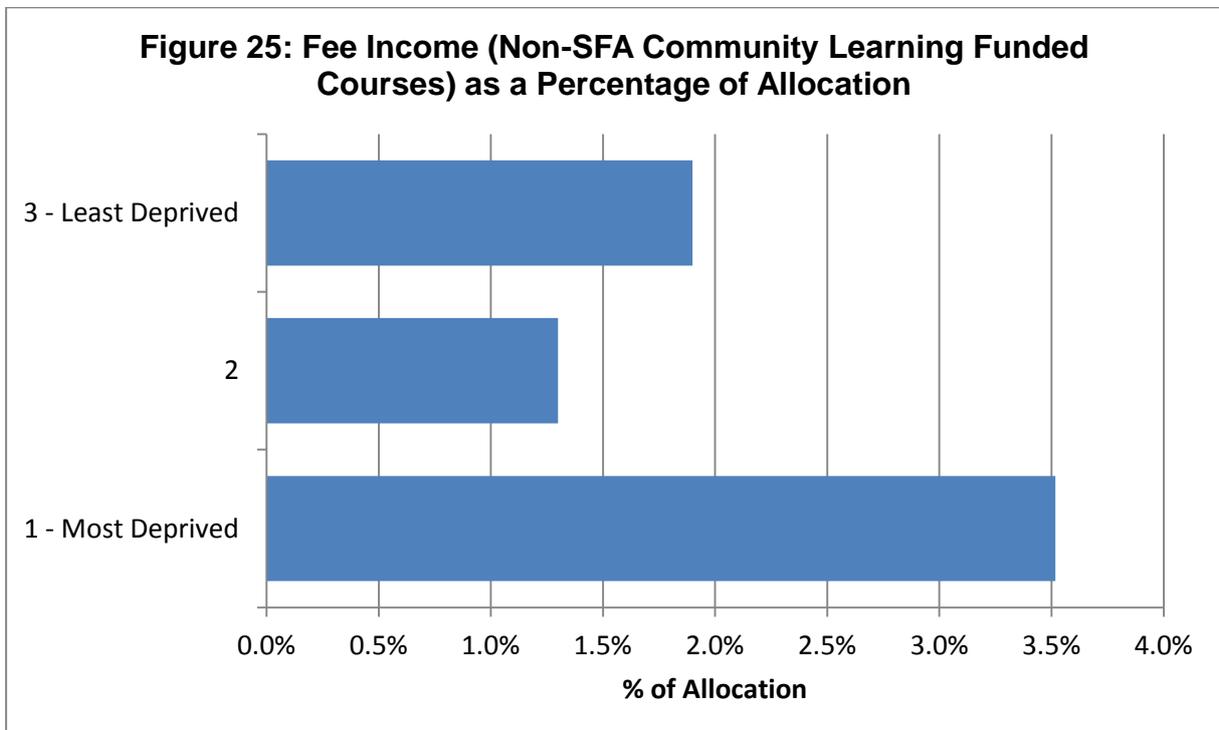
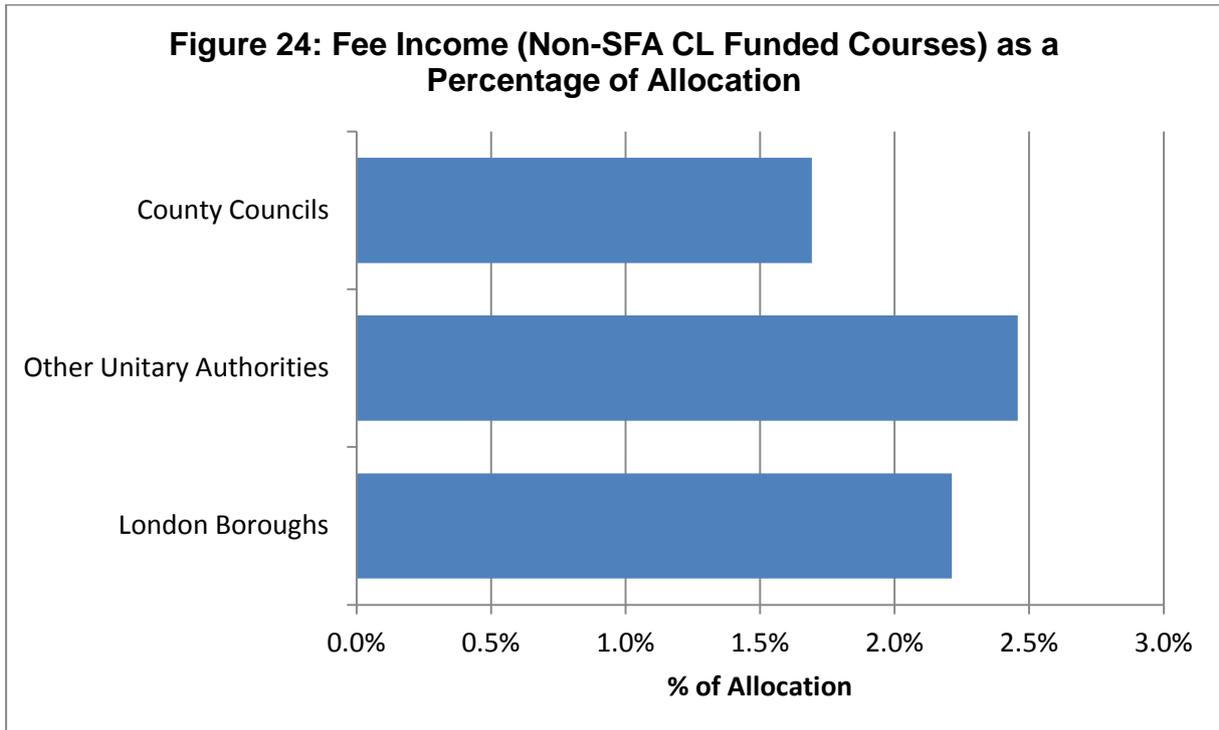
Fee Income (Non-SFA Community Learning Funded Courses)

This category includes fee income collected for any other community learning course, not directly funded by the SFA. A wide range of different types of courses were mentioned by providers including short courses, full cost recovery/commercial courses and specialist provision for a specific audience. Examples of courses included first aid, pre-retirement planning, fitness sessions at private care homes, taster courses in languages/crafts, career planning and career re-entry, ESOL for taxi drivers, full cost language courses and courses supporting educational trips. Some of the courses were delivered in partnership with community groups and charities (such as Mencap).

Approximately two thirds of Local Authorities who responded to the survey said that they collected fee income from these types of courses (29 out of 44). This is shown in Figure 23.



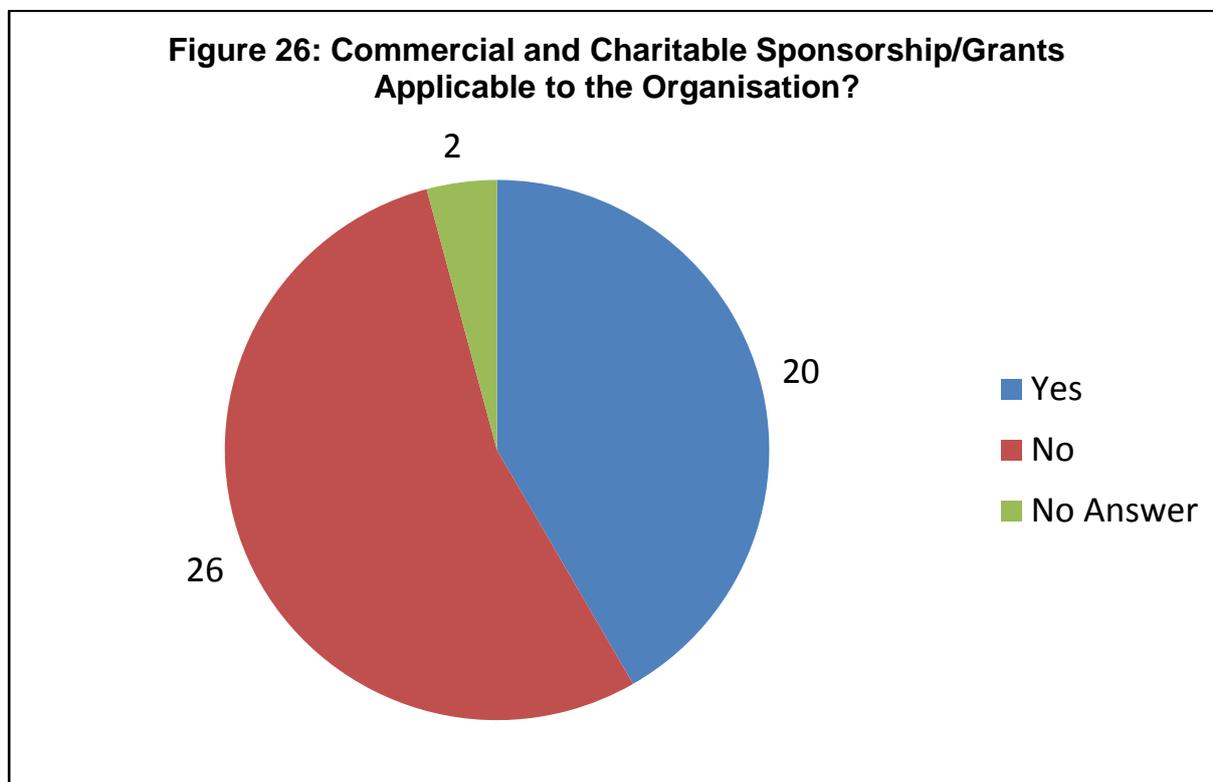
The wide range of different types of courses in this category means that we need to be cautious in drawing general conclusions. However, Figures 24 and 25 suggest that deprived areas, particularly those served by Unitary Authorities, are generating a higher proportion of pound plus income from this source than more affluent areas. This may reflect a greater range of partnership activity with community groups in deprived areas as well as less opportunity for generating fee income from more traditional community learning provision.

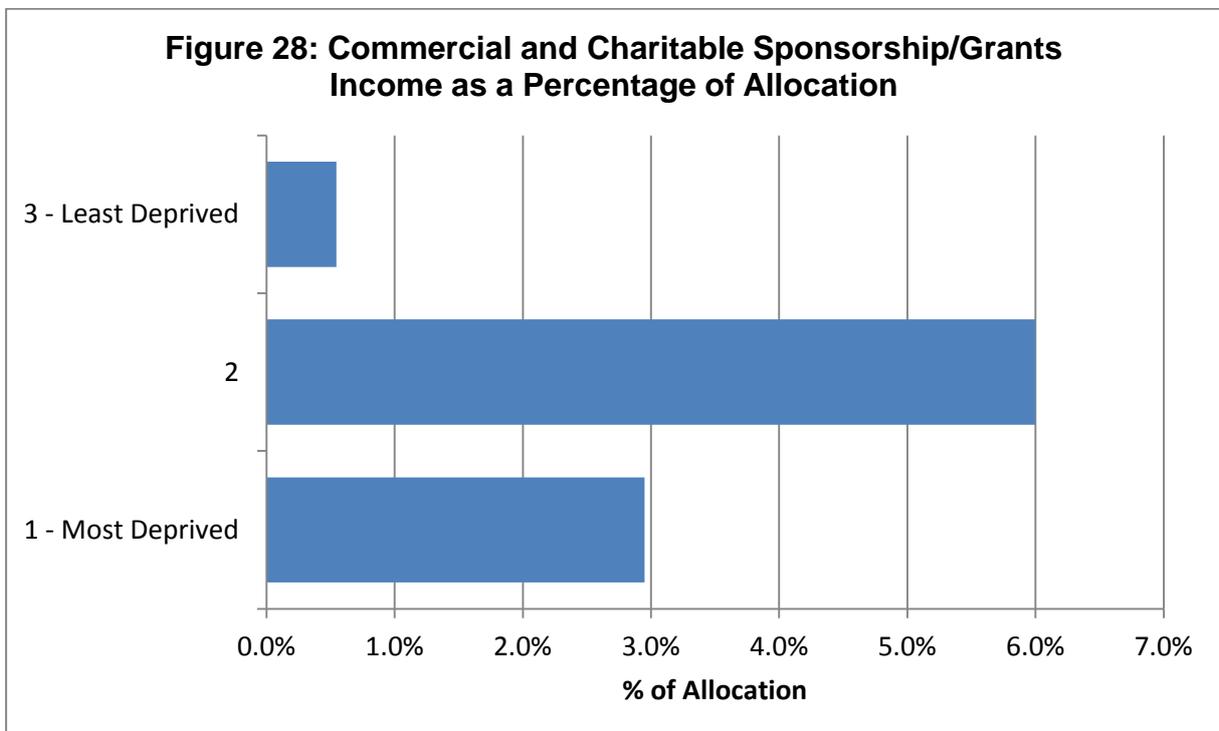
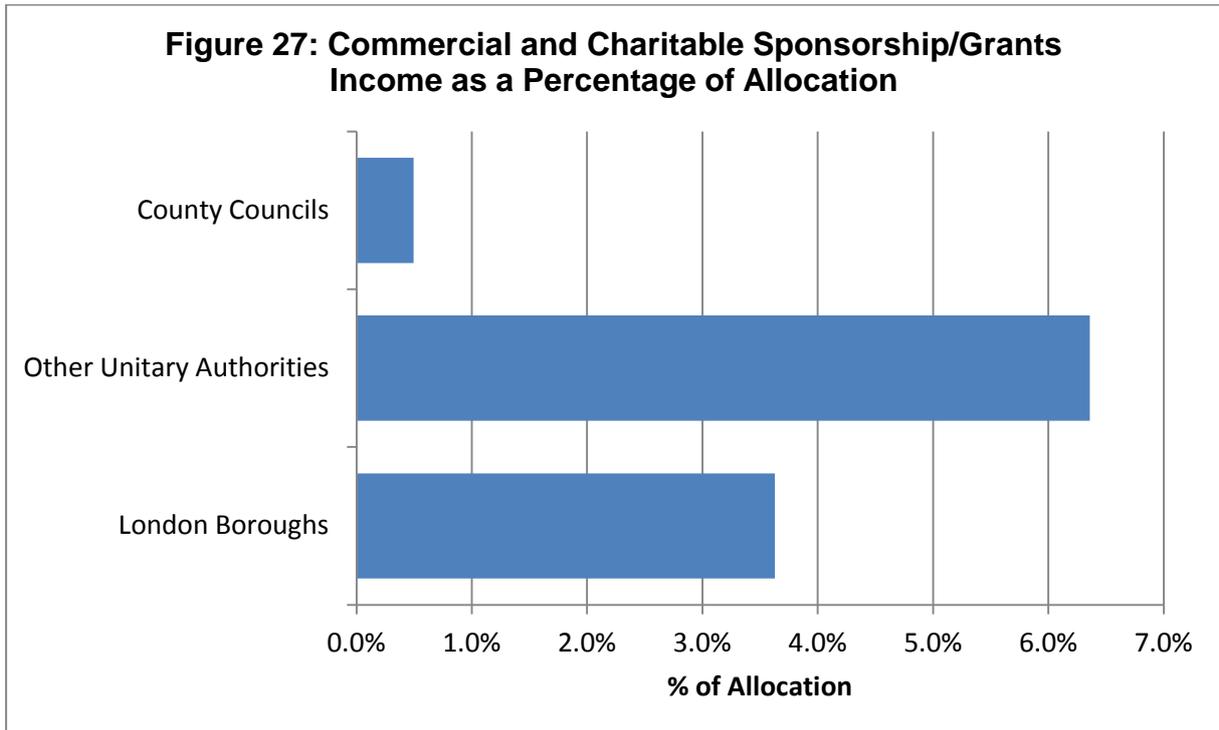


Commercial and Charitable Sponsorship and Grants

This category includes cash sponsorship, donations or grants (specific to the 2013/14 academic year) to support the aims of community learning (note: contributions in kind are recorded under cost savings). This category does not include income gained from tenders where the provider (or group of providers) have won a contract to deliver specific project work on behalf of another external organisation. Examples of sponsorship/grants cited by providers in this category included charitable trust income, private donors, Arts Council grants, Heritage Lottery Fund grants, Olympic Legacy Fund, the Chamber of Commerce and NIACE grants. Income from this source was used by providers for a wide range of different purposes including the refurbishment of buildings and classrooms, the purchase of equipment, piloting new types of provision, building an eco-garden to support the delivery of gardening courses, and running community clubs.

Just under 42% of providers (20 out of 48) said they received sponsorship, cash donations or grants in 2013/14 (Figure 26). This included three London Boroughs, eight Unitary Authorities and nine County Councils. Figure 27 shows the relative size of this form of direct income (as a percentage of SFA community learning funding allocation) by local authority type. The chart indicates that Unitary Authorities collected a much higher amount of pound plus from grants and donations than County Councils. Figure 28 shows that most income of this type is collected in areas of high or medium deprivation. This suggests that grants, donations and sponsorship are likely to be addressing specific social needs and/or specific disadvantaged communities.

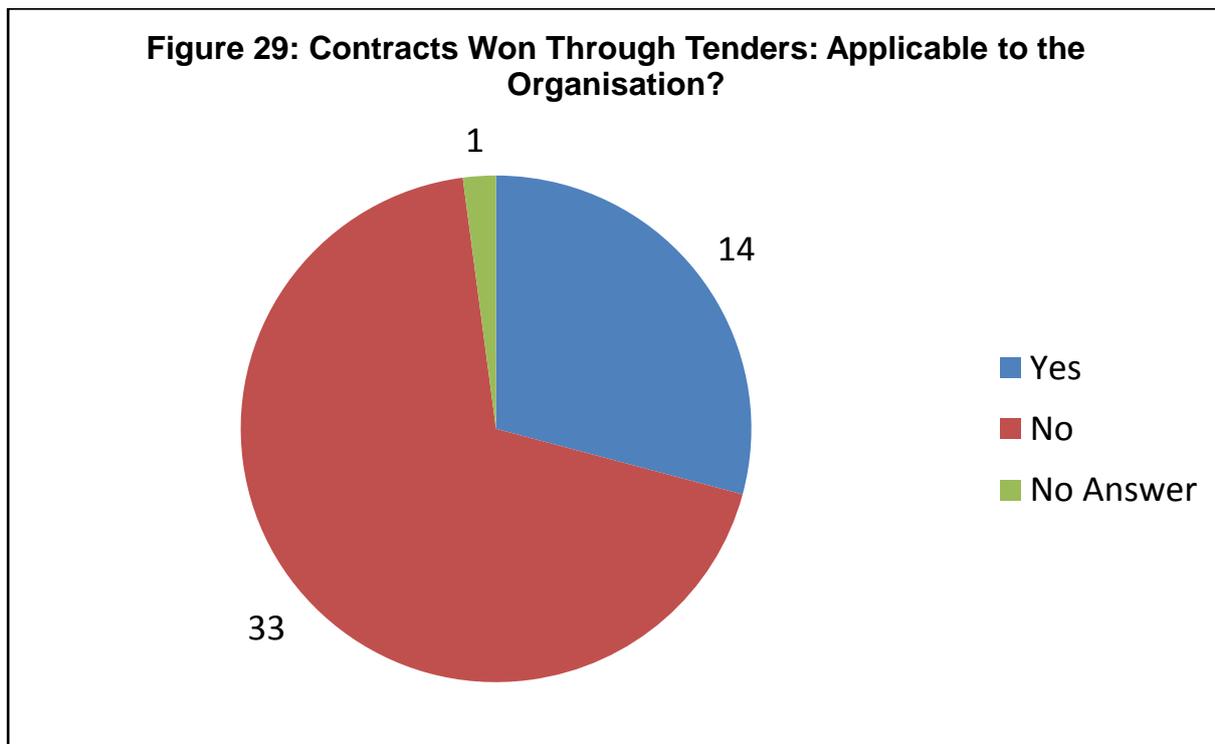


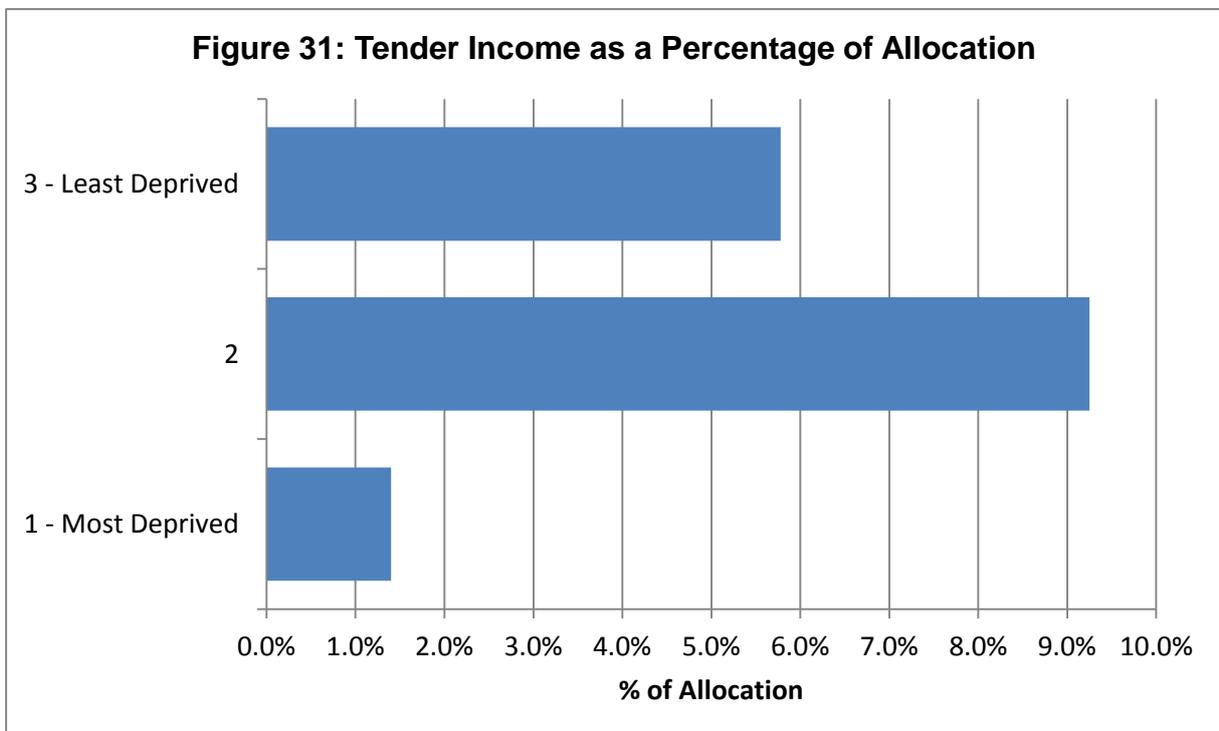
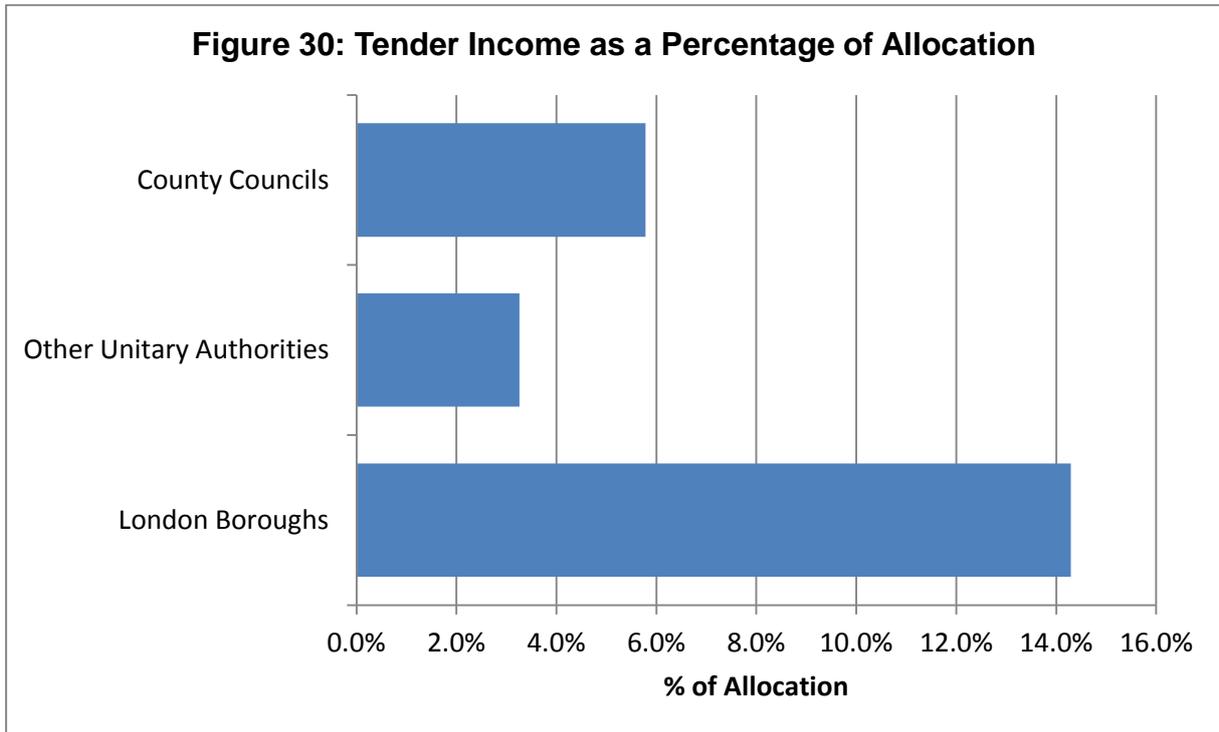


Contracts Won Through Tenders

This category includes income received for specific community learning projects over and above work funded by the SFA community learning budget. Providers (often in partnership with other organisations) would have successfully tendered to an external organisation to carry out this work. Examples given by providers included European Projects, NIACE EDIF projects, UK Online and a range of projects funded by Local Authorities. This category does not include subcontracting operations within a local area (where subcontractors are 'tendering' to the main contractor for the delivery of SFA funded community learning provision).

Only 29% of providers who completed the survey said that they received income as a result of successful tendering (Figure 29). This included three London Boroughs, eight Unitary Authorities and three County Councils. Figures 30 and 31 show the amount of tender income pound plus collected as a percentage of SFA allocation by local authority type and by deprivation. The small number of respondents in this category means that we should be cautious in using these results for predicting the behaviour of the sector as a whole. However, for those local authorities that are receiving income from tenders, this source represents a significant income stream and can provide important additional community learning investment within a local area.





Pound Plus Survey 2013/14

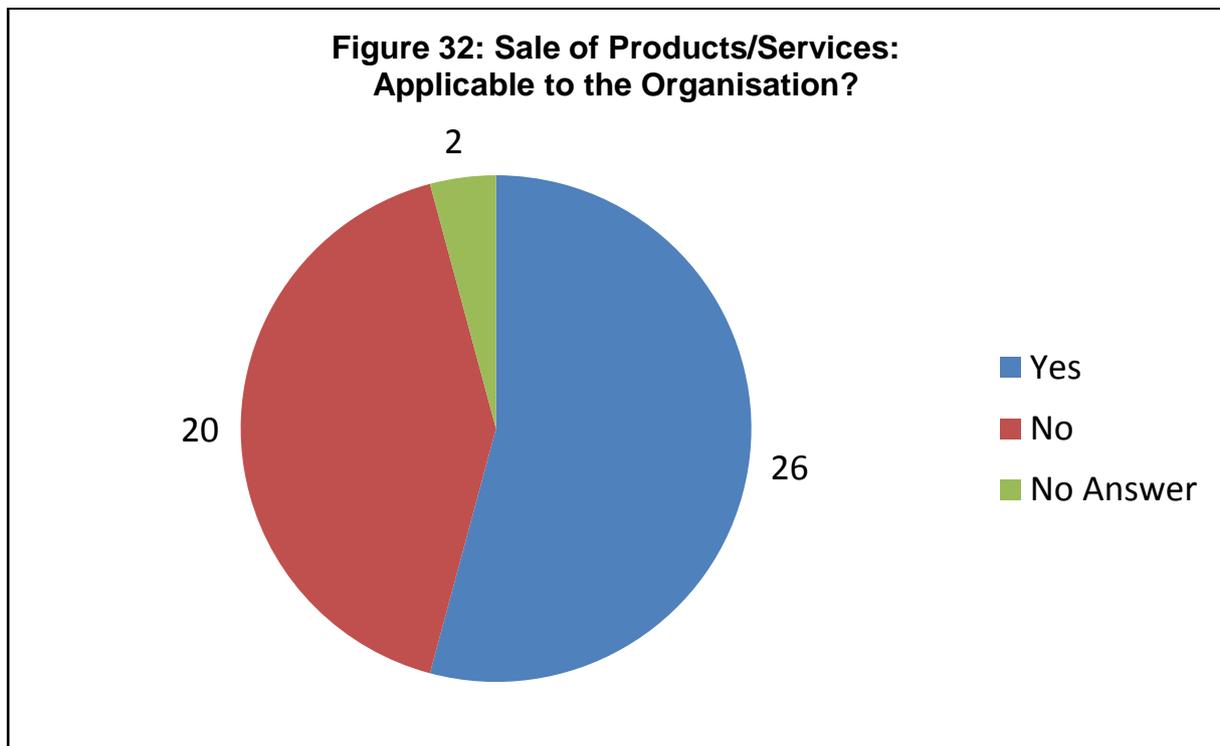
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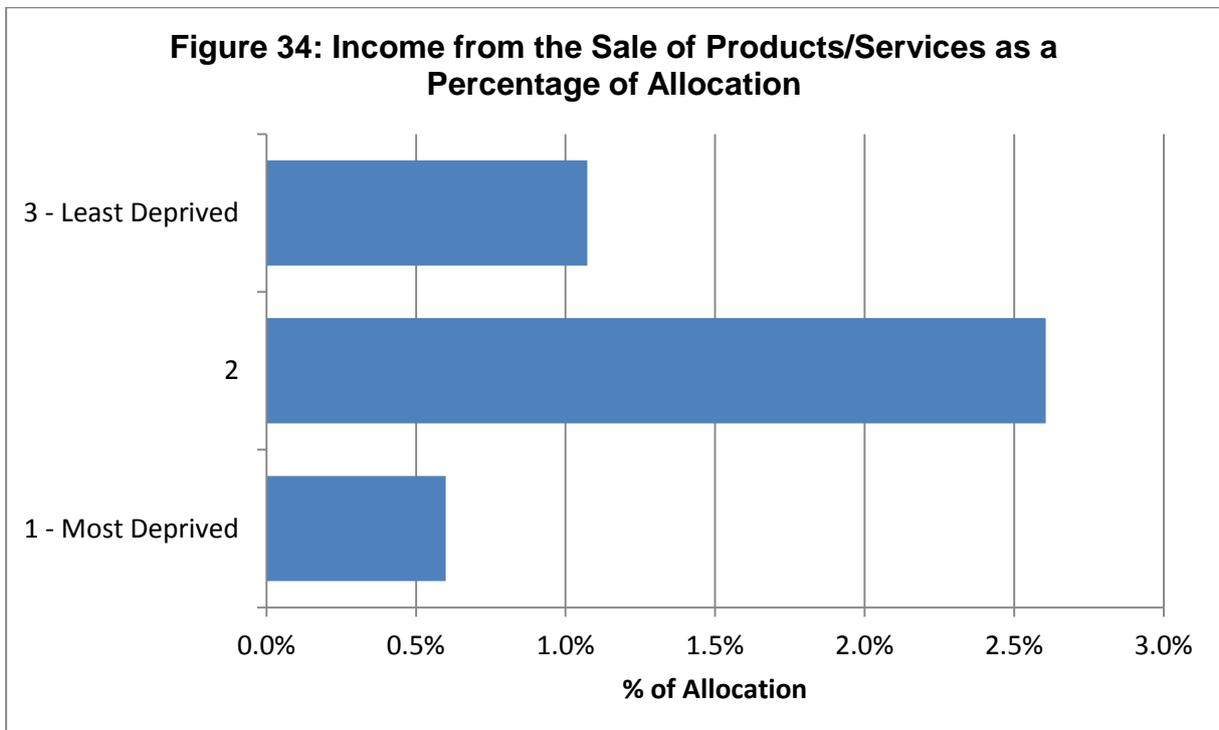
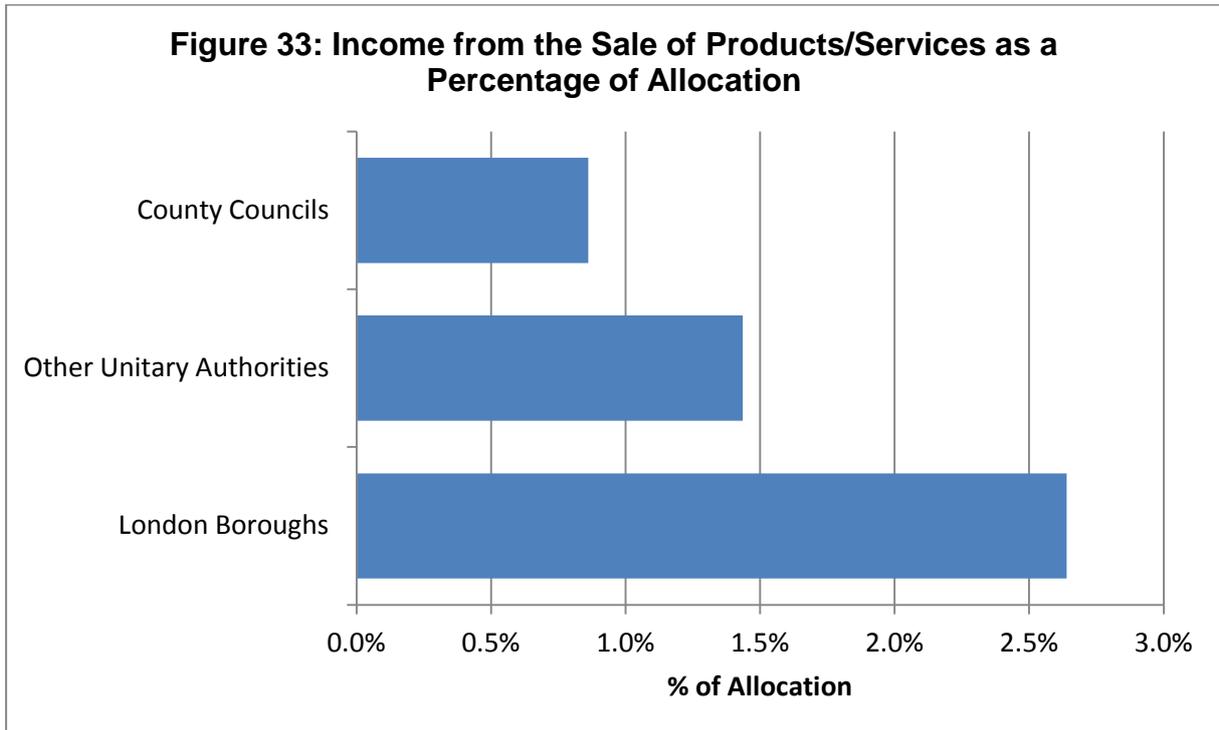
Final Report

Sale of Products and Services

This category includes income generated from the sale of goods (e.g. books, craft items etc.), room hire or other services such as events, conferences, café etc. Over 54% of providers said that they generated income in this category. Providers listed a wide range of different products and services that they sold, including garden ornaments, pottery items, cakes etc. but room hire, where it occurred, represented the largest income stream in this category.

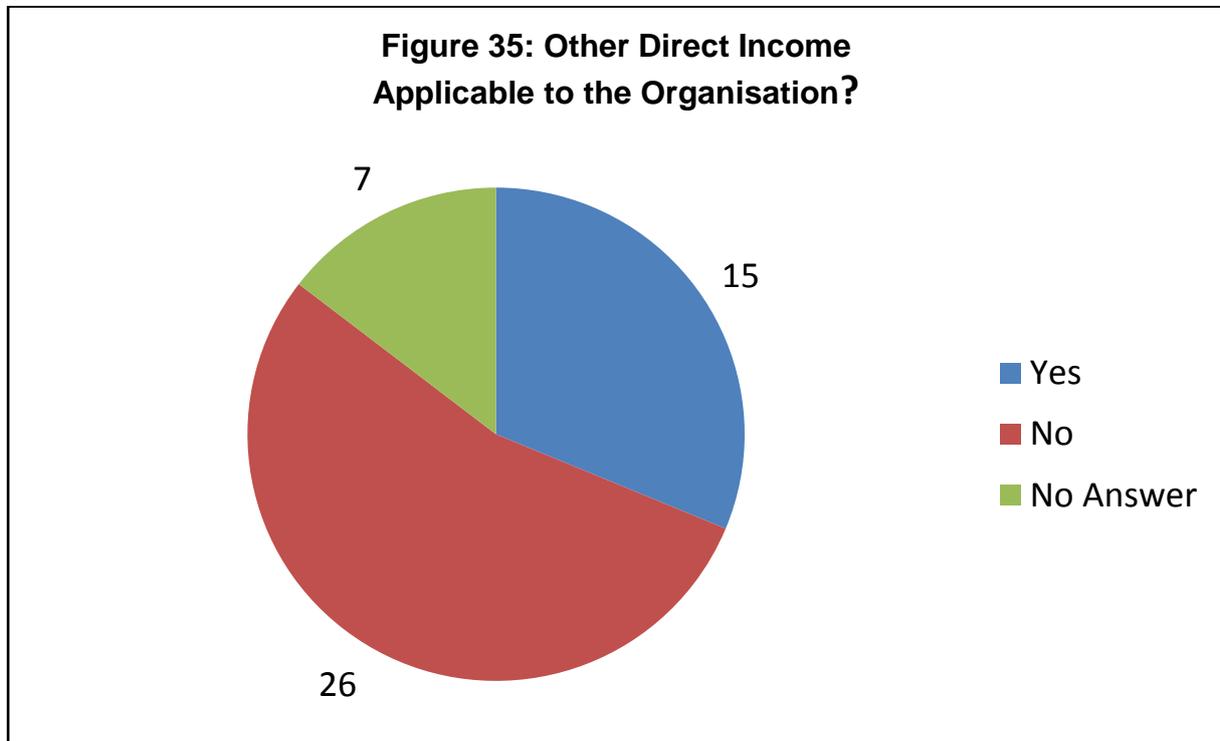
Approximately 54% of providers reported that they received income from the sale of goods and services (Figure 32) and for these providers the income received was equivalent to about 1.2% of their SFA allocation. London Boroughs generated more income in this area (approximately 2.5%) than other Unitary Authorities and County Councils (Figure 33). Local authorities in the most deprived areas generated the smallest amount of income in this category, equivalent to 0.6% of their SFA Allocation (Figure 34).





Other Direct Income

In this section providers were asked to record any other direct income not included in other categories. Just over 31% of providers recorded other direct income (Figure 35).



Examples of other direct income sources mentioned by providers included:

- Foster carers funding
- Funding to support provision of services to families
- Funding from the local authority to support family learning
- Income from a special council fund supporting learners affected by the closure of day centres).
- Professional Development Coaching Service
- Commissioned internal delivery from Children's Centres and Work Programme providers.
- Provision of creche funding
- Partner income,
- National Careers Service
- University public engagement

Pound Plus Survey 2013/14

RCU ref. 13.203

Final Report

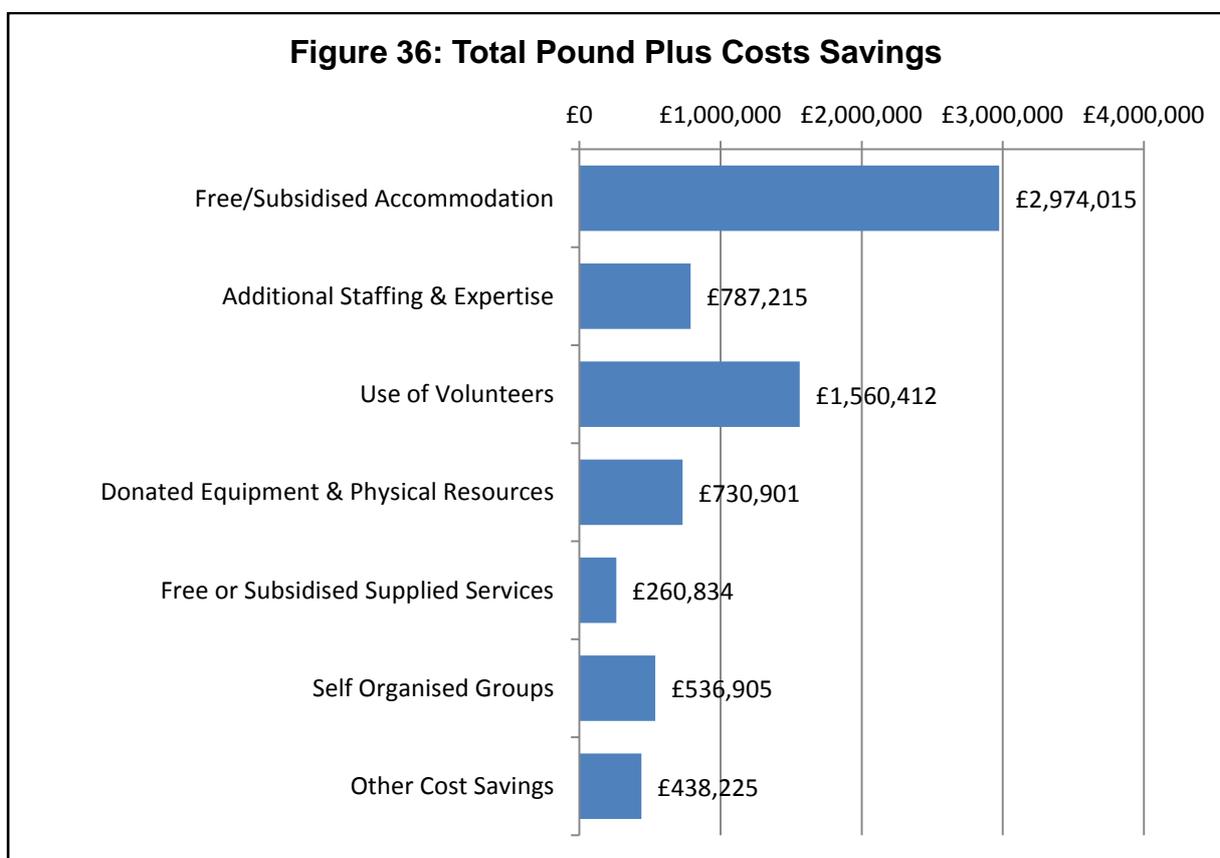
Other examples listed in this category related to grants, tenders and charges made for room hire or car parking, and would have been better recorded under other categories. However, individual income sources were not itemised so it was not possible to re-allocate these income streams to more relevant categories. This suggests that the total amount of income recorded under 'other direct income' is likely to be an over-estimate whilst direct income recorded elsewhere may have been an under-estimate.



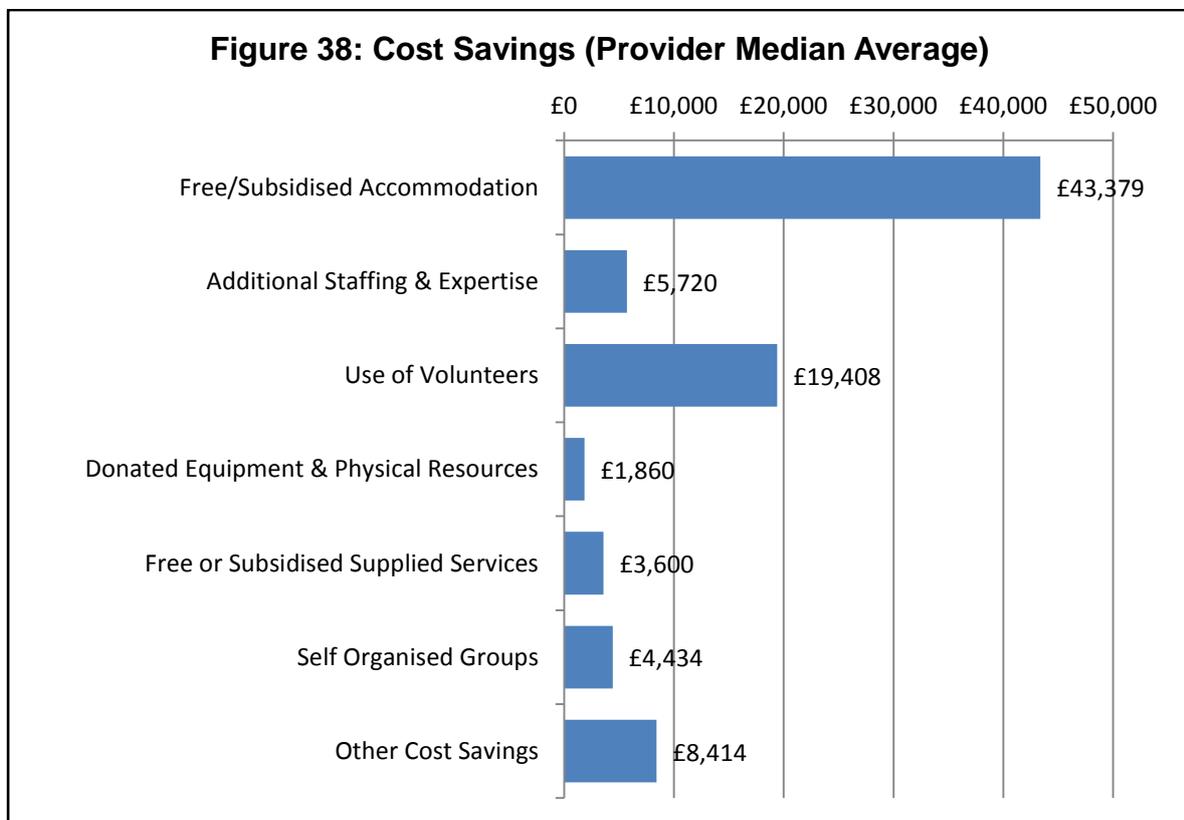
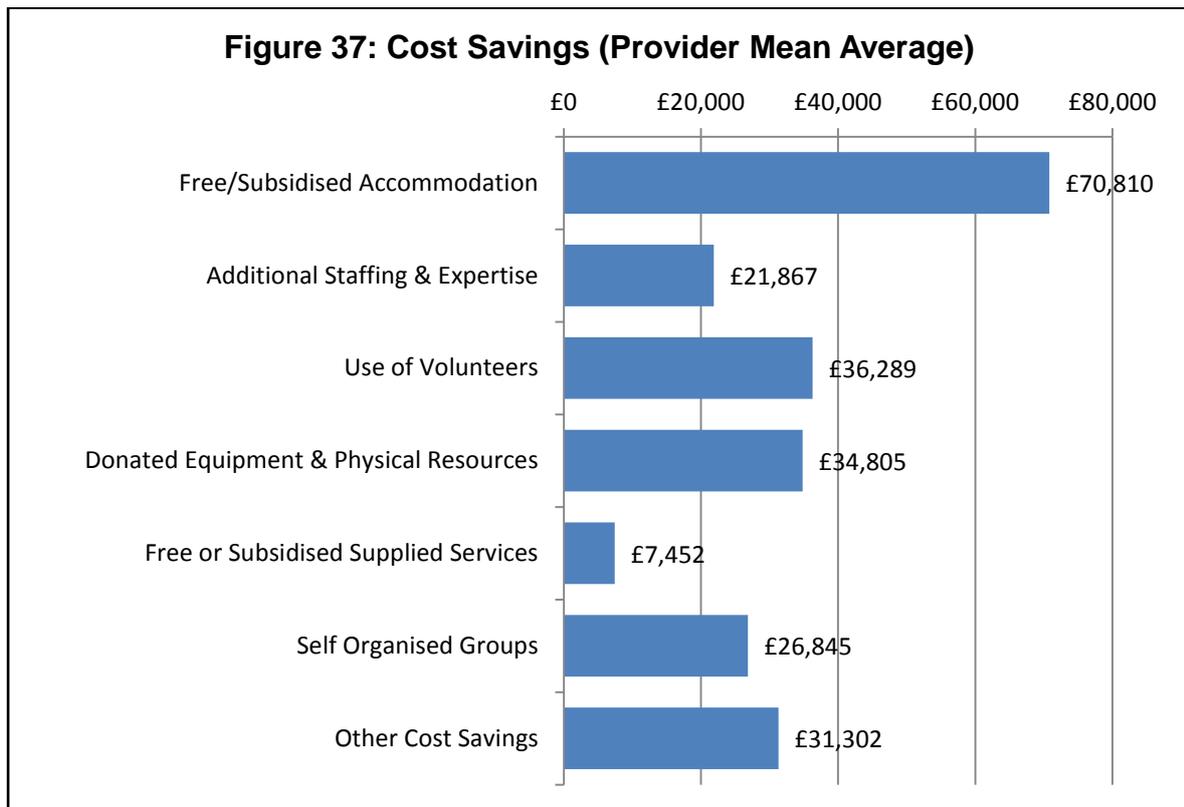
Section 5: Details of Pound Plus Cost Savings

Introduction

The total value of pound plus recorded by providers, by cost saving category, is shown in Figure 36. Free/subsidised accommodation represented over 40% of the total, with the use of volunteers, the next largest category, representing over 21% of the total. All of the other categories also generated a significant amount of pound plus, ranging from £787,215 for additional staffing and expertise to £1260,834 for free or subsidised supplied services. These cost savings are discussed in detail within this section of the report.

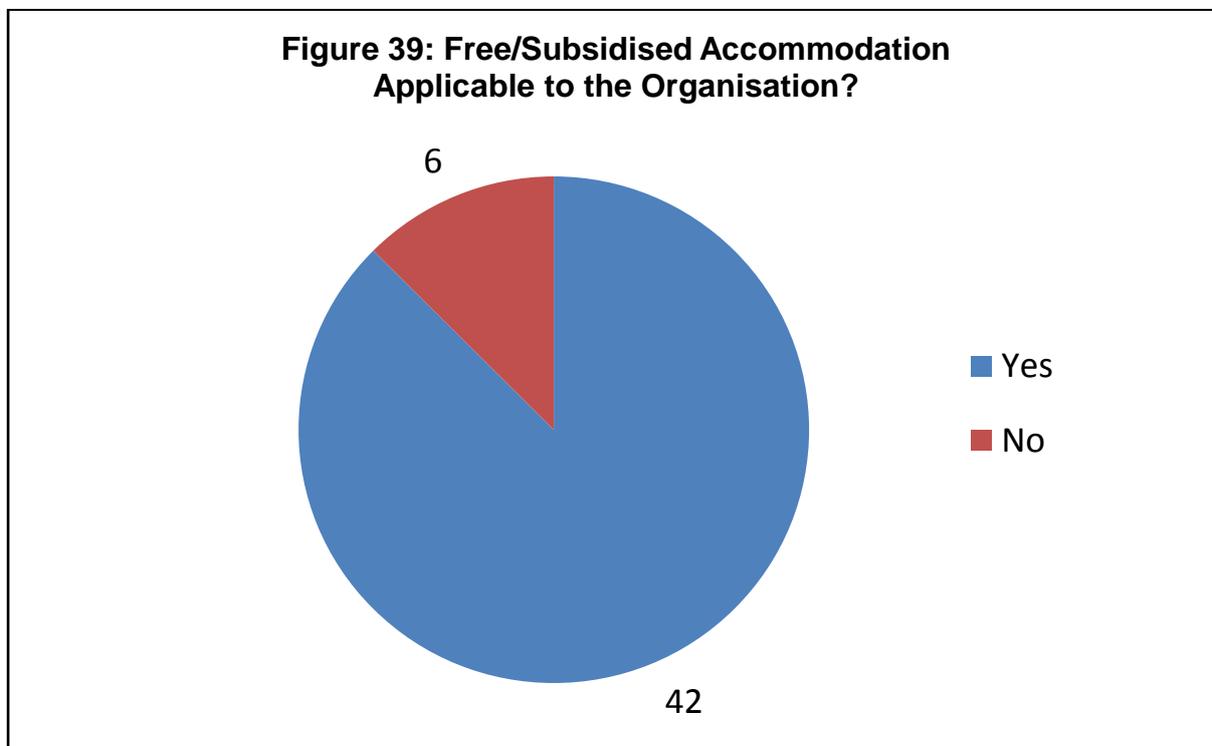


Figures 37 and 38 show the mean average and median average pound plus cost savings recorded by provider, for providers who responded to individual categories. The mean average saving for free or subsidised accommodation, was just over £70,000. Savings from the use of volunteers was the next largest category, with a mean average saving per provider of £36,289.

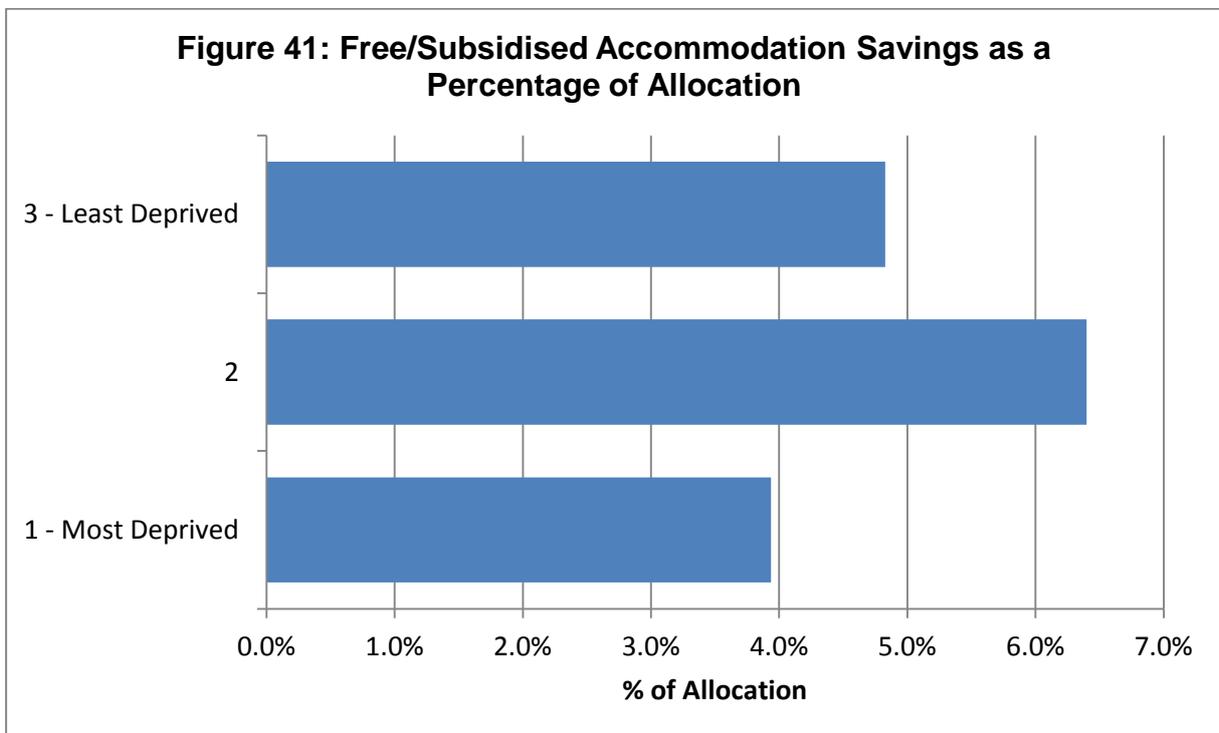
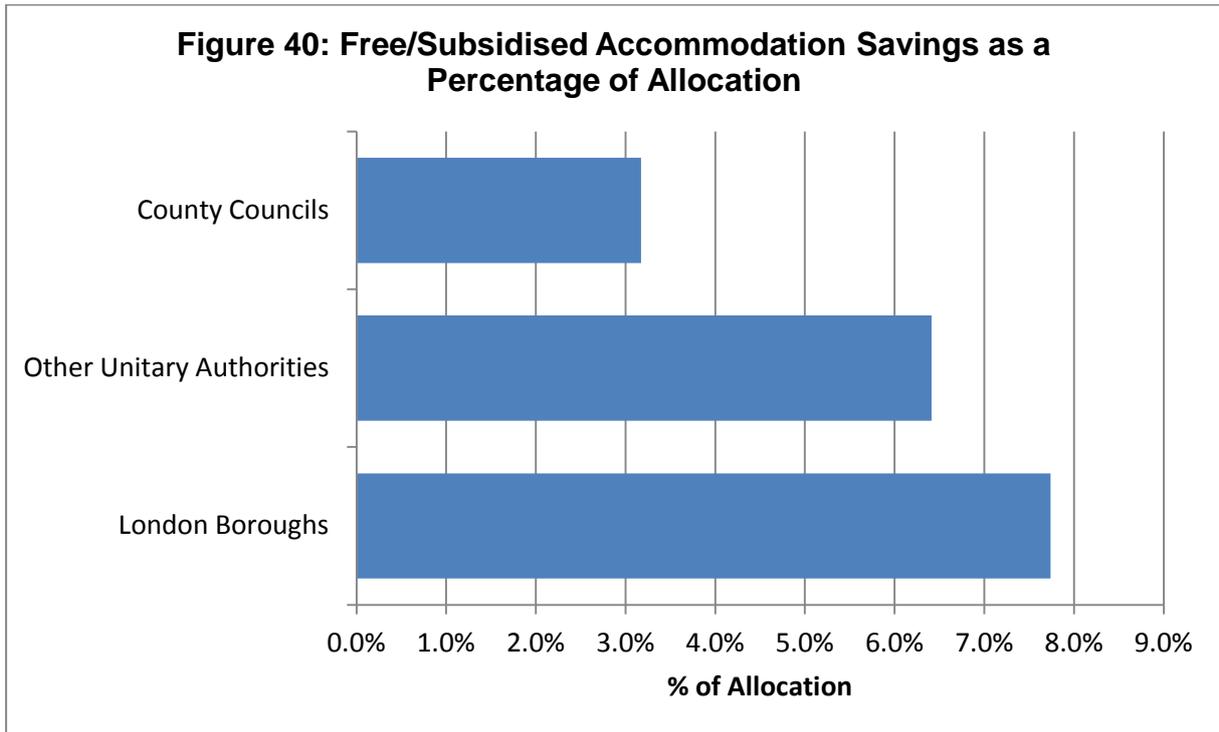


Free/subsidised Accommodation

This category relates to savings made by providers as a result of community learning classes being delivered in venues that were provided by another organisation either free of charge or at a subsidised rate. The pound plus saving for each provider was calculated as the average room hire equivalent hourly rate (or saving) multiplied by the number of hours the room was used for (this was the cost that the provider would have had to pay if the room was paid for at commercial rates). Over 87% of providers said that they made cost savings in this area (Figure 39). Providers listed a wide range of different community learning venues that were available at free or subsidised rates including children's centres, libraries, schools, colleges, community centres, the Salvation Army, Welcome Centre, voluntary group venues, Mosques etc. Equivalent room hire rates listed by providers ranged from £7.50/hour to £35/hour with an average rate of £15.34/hour.



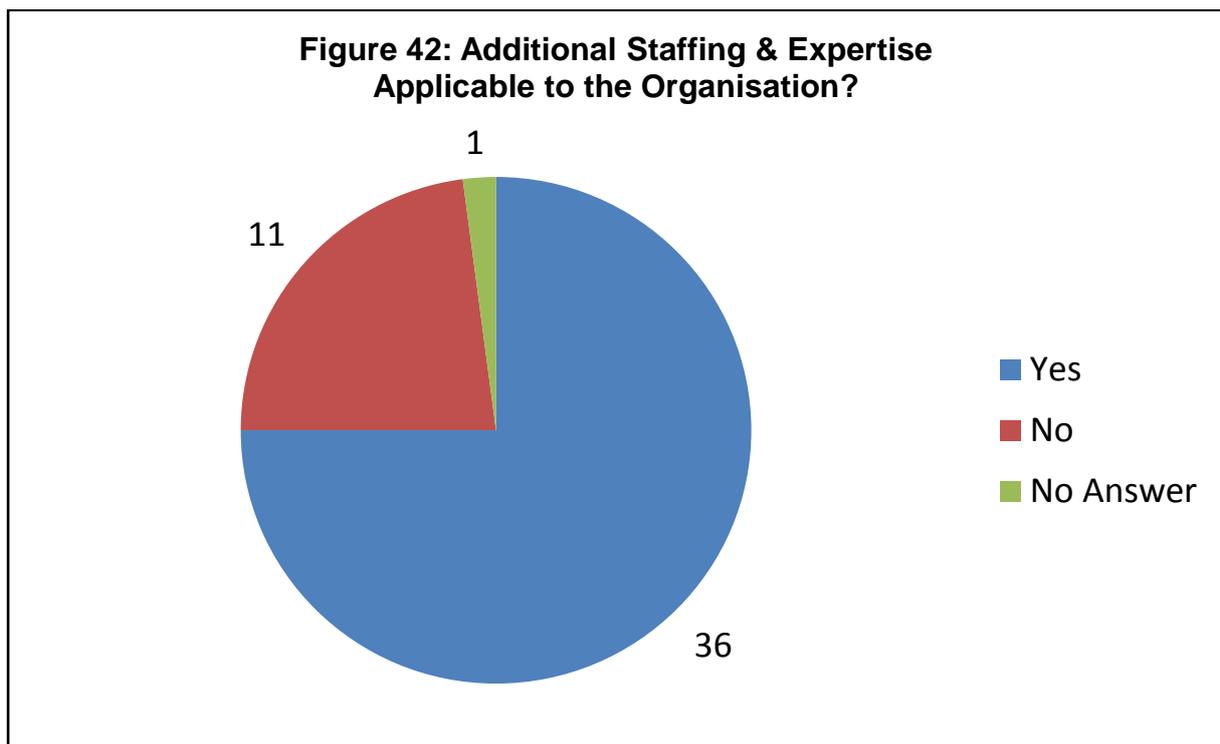
London Boroughs generated the most savings from free or subsidised accommodation, equivalent to 7.7% of their SFA community learning allocation (Figure 40). This could be related to the increased cost of accommodation in London. County Councils in contrast saved the equivalent of 3.2% of their SFA allocation from this source. Figure 41 shows the relationship between cost savings from free or subsidised accommodation and the levels of deprivation of local authority communities. Free or subsidised accommodation appeared to provide cost savings in all areas including those that are most deprived and those that are most affluent.

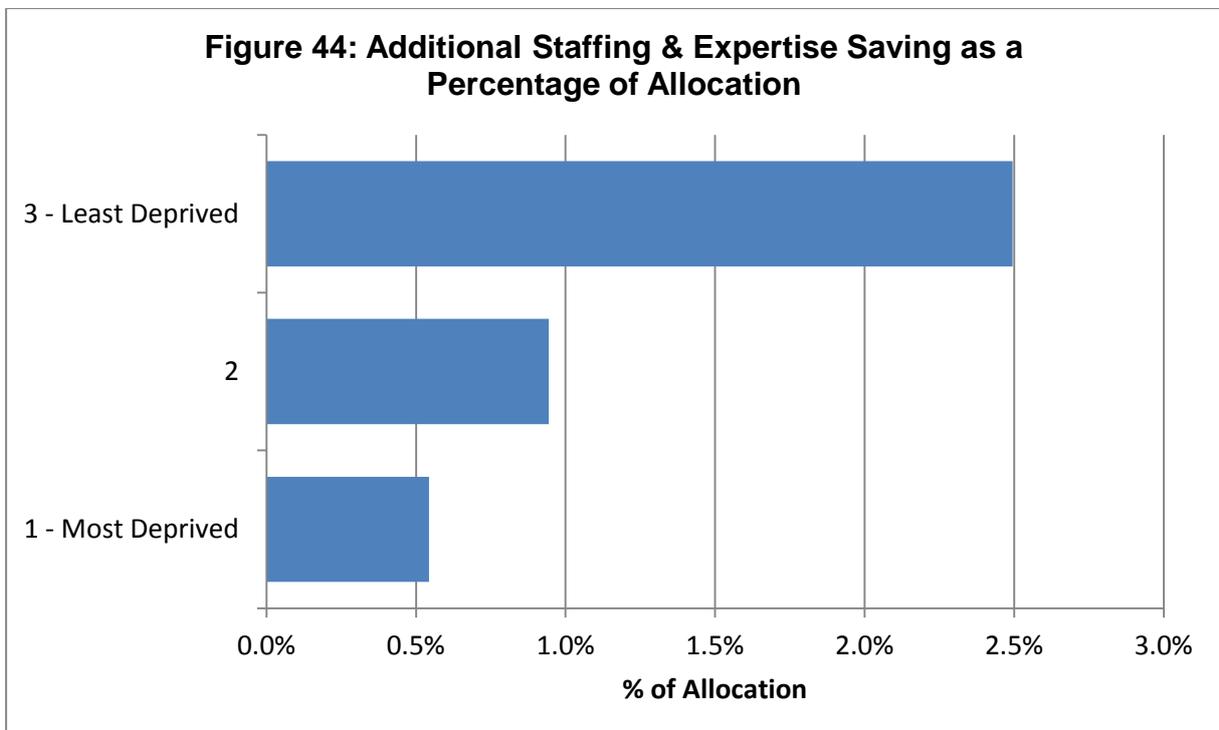
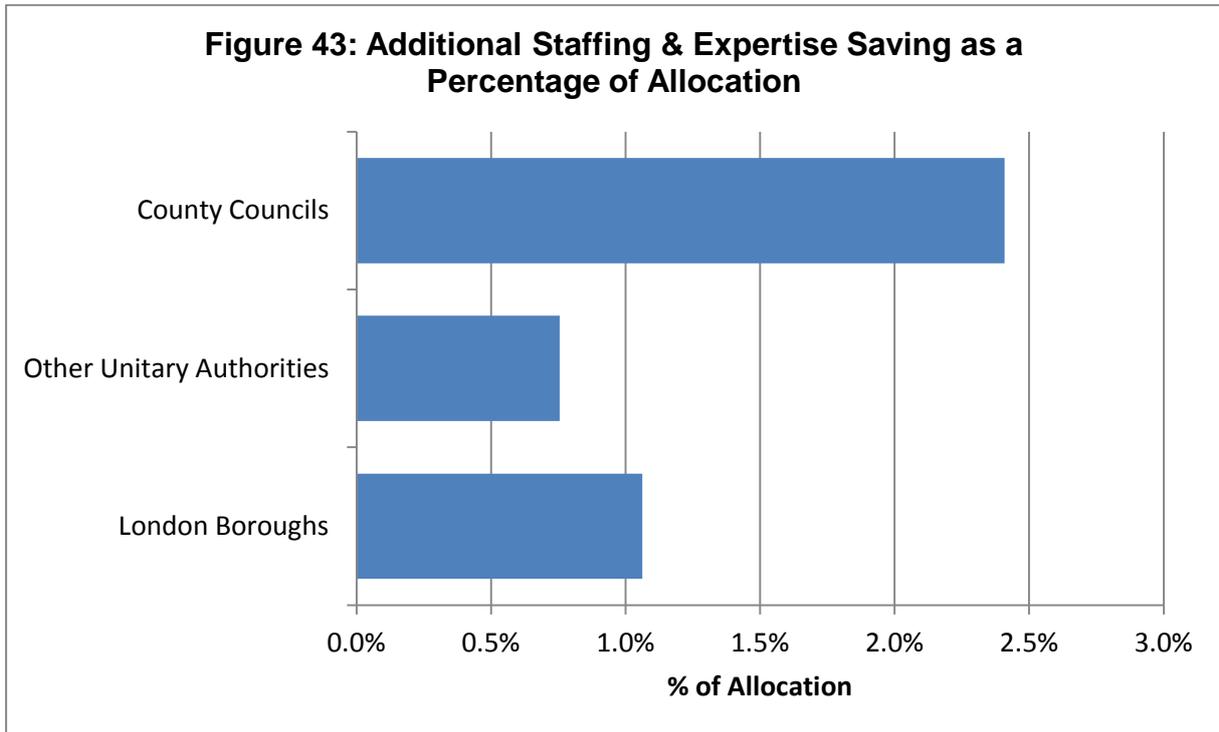


Additional Staffing and Expertise

This category relates to savings made by providers as a result of external organisations (e.g. voluntary organisations, schools, businesses, Local Authority services etc.) providing additional (non-teaching) expertise at zero or reduced cost. Providers listed a wide range of different types of expertise available including marketing and promotion, enrolment and information and guidance, administrative support, bid evaluation and consultancy support, mentoring, counsellors, translators, management support, career support, support staff for learners with learning difficulties and technical support etc. The equivalent savings from this contribution was calculated by multiplying the number of additional staff hours by the equivalent hourly rate. Equivalent hourly rates listed by providers ranged from £8.00/hour to more than £100/hour with an average rate of approximately £25/hour.

Three quarters of providers recorded pound plus savings for this category (Figure 42) with a mean average saving of over £21,000 per provider. County Council adult education services recorded the largest savings with on average a saving equivalent to 2.4% of their SFA Community Learning budget (Figure 43). Savings were most significant in areas of the least deprivation (Figure 44).





Pound Plus Survey 2013/14

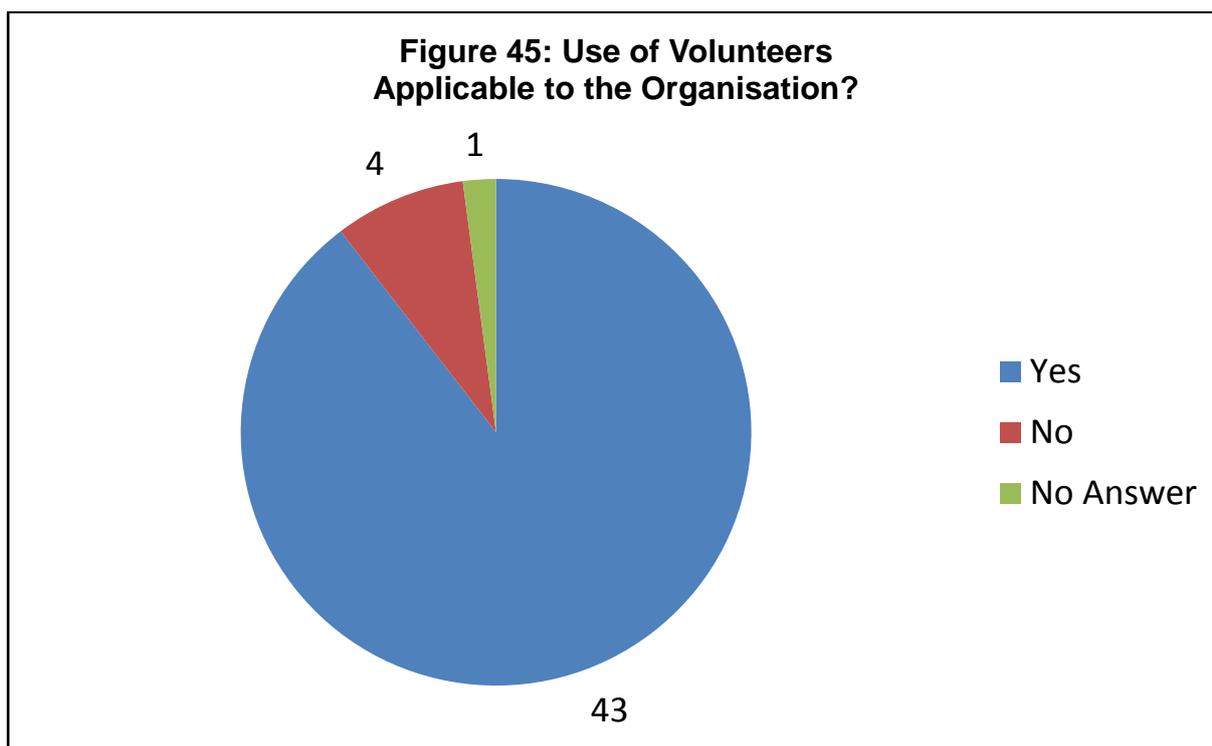
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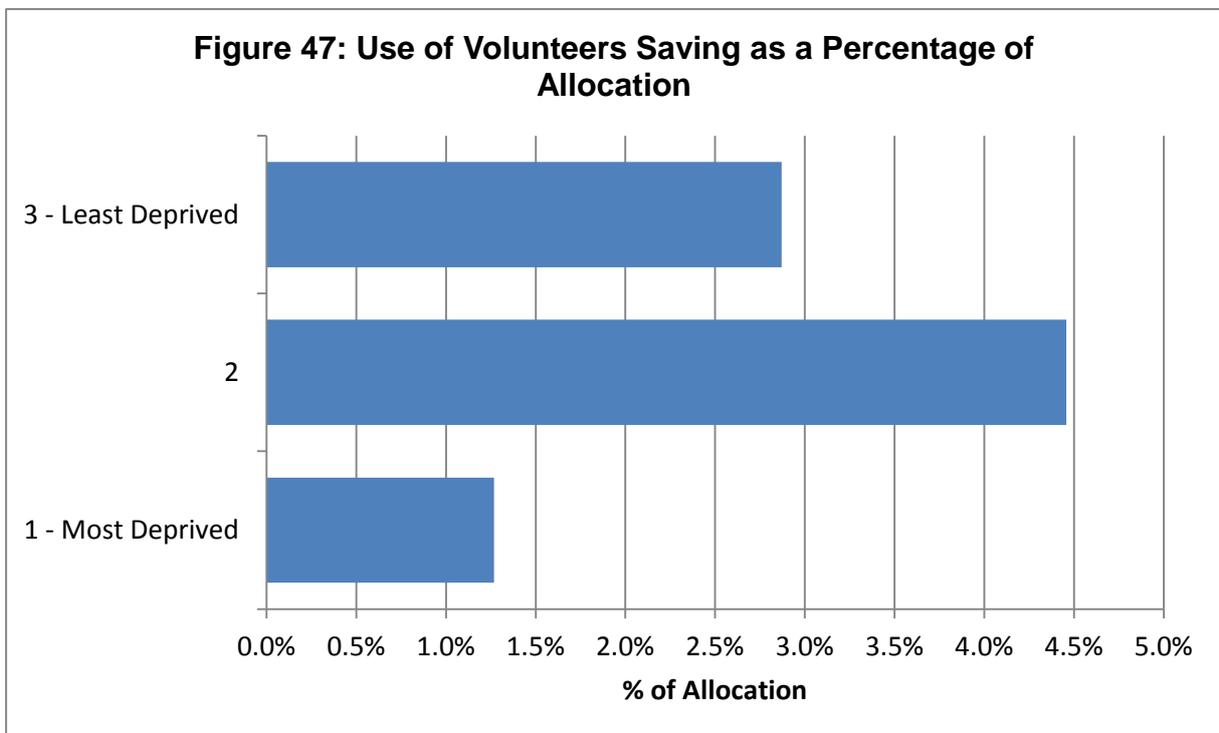
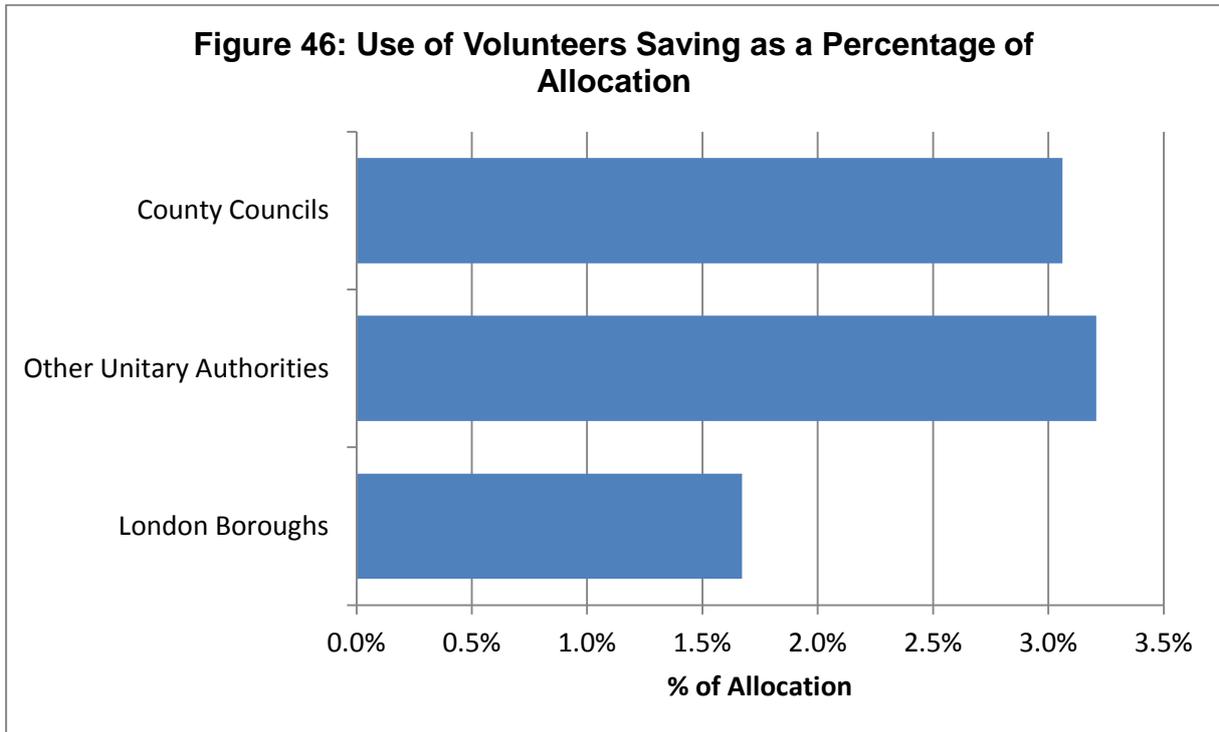
Final Report

Use of Volunteers

This category relates to savings made by providers as a result of using volunteers to support the delivery of community learning. Providers listed a wide range of different activities carried out by volunteers including classroom support/assistants, administration, enrolment, community learning champions, promotion, event management, mentoring, and market research. The equivalent savings from this contribution was calculated by multiplying the number of volunteer staff hours by the equivalent hourly rate for volunteering. Most organisations used the Community Development Foundation's financial proxy for one hour's volunteering of £11.09/hour. This is based on the 2010 ONS Annual Survey of Hours and Earnings (ASHE) median gross hourly earnings rate.

Approximately 90% of providers recorded pound plus savings for this category (Figure 45) with a mean average saving of over £36,000 per provider. County Council and Unitary Authorities outside London recorded the largest savings from the use of volunteers with an equivalent average saving of over 3% of their SFA community learning budget (Figure 44). Savings were highest in areas of the least deprivation (Figure 47), although savings were significant in all areas.





Pound Plus Survey 2013/14

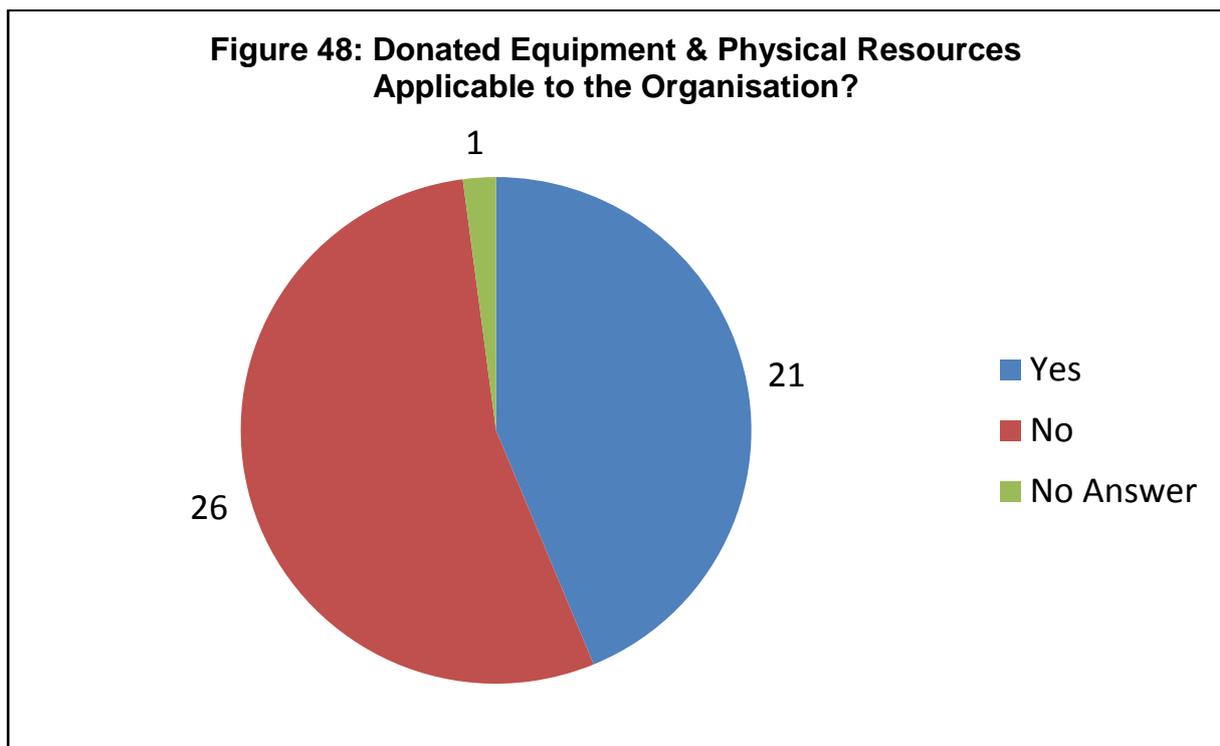
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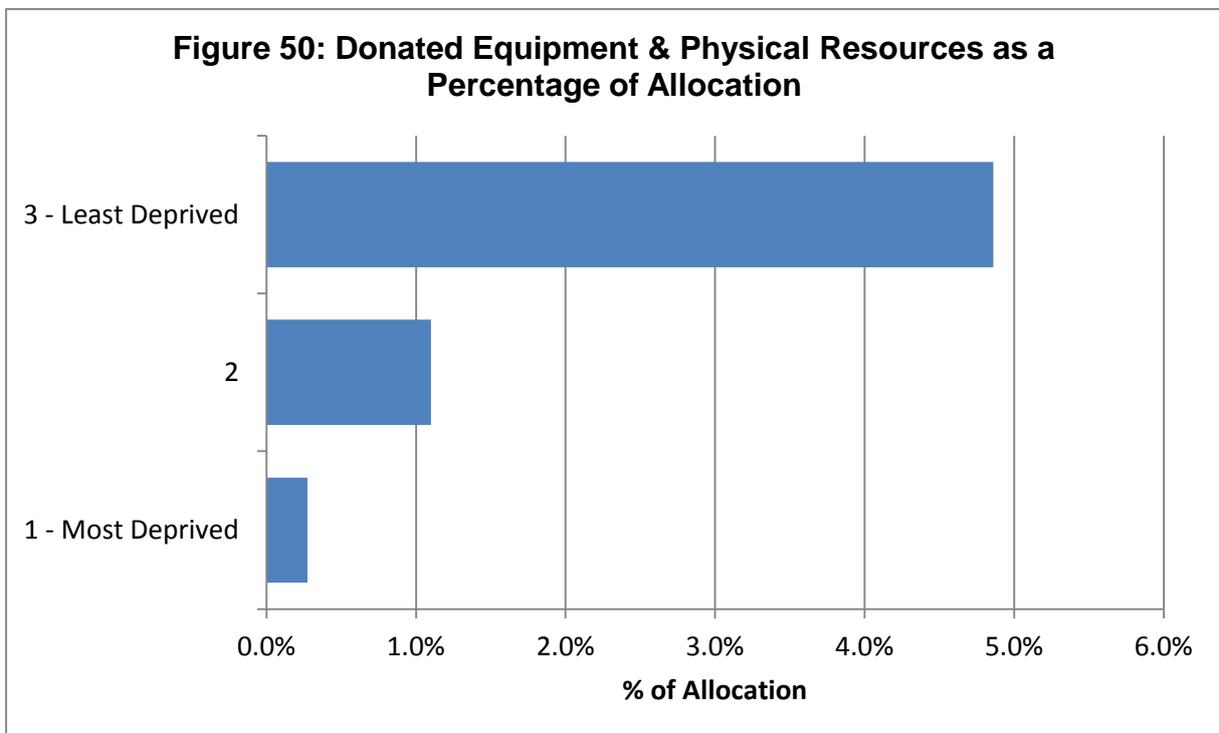
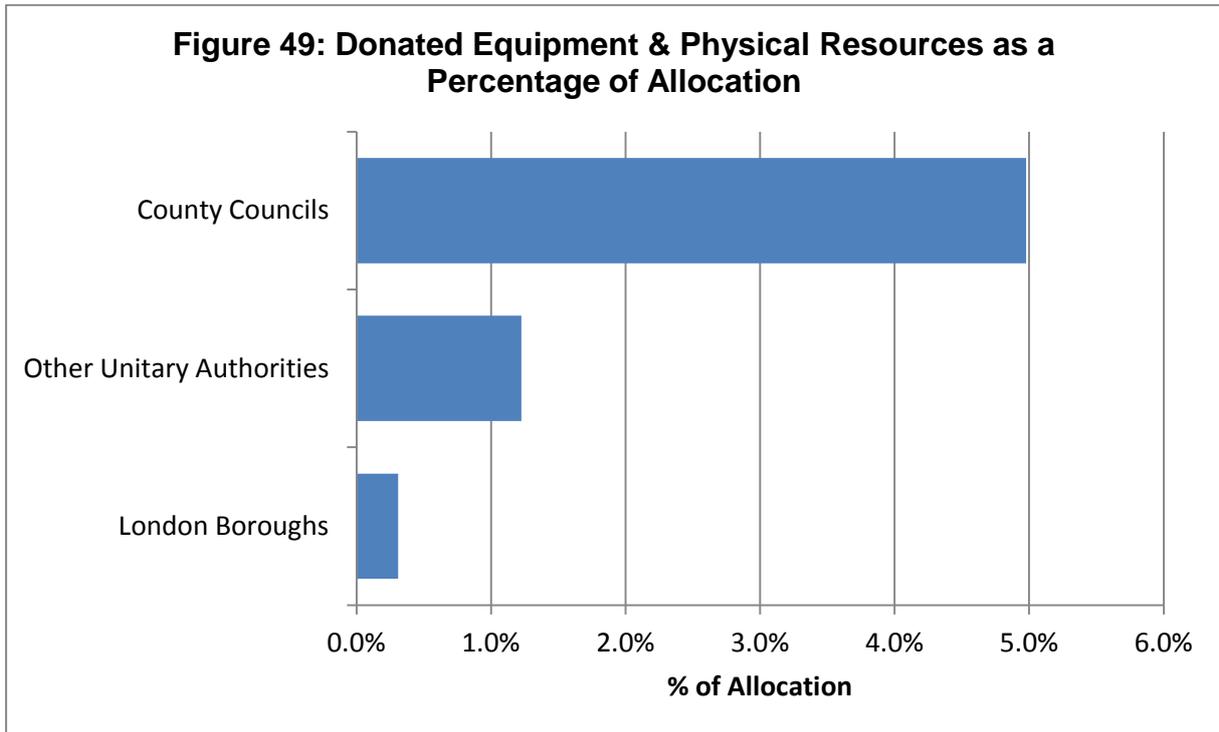
Final Report

Donated Equipment and Physical Resources

This category recorded financial savings resulting from the donation, by external organisations, of free (or subsidised) capital equipment or consumables. Examples given by providers included craft materials, furniture, IT equipment, stationary, garden equipment and plants, pottery kiln, electricity bills, sewing machines, food items and cookers. Examples of organisations donating equipment and resources include community partners, other council services and supermarkets. Providers were asked to identify the equivalent value of donated equipment apportioned to the 2013/14 academic year (IT equipment for example may have a 3 year life span so its value would need to be spread over 3 years).

Approximately 44% of providers recorded pound plus savings for this category (Figure 48) with a mean average saving of £34,805 per provider. Savings were calculated as the equivalent in-year cost if these items had to be purchased from the SFA community learning allocation. County Council recorded the largest savings from the donation of equipment and physical resources with an average saving of 5% of their SFA community learning budget (Figure 49). Savings were highest in areas of the least deprivation (Figure 50).

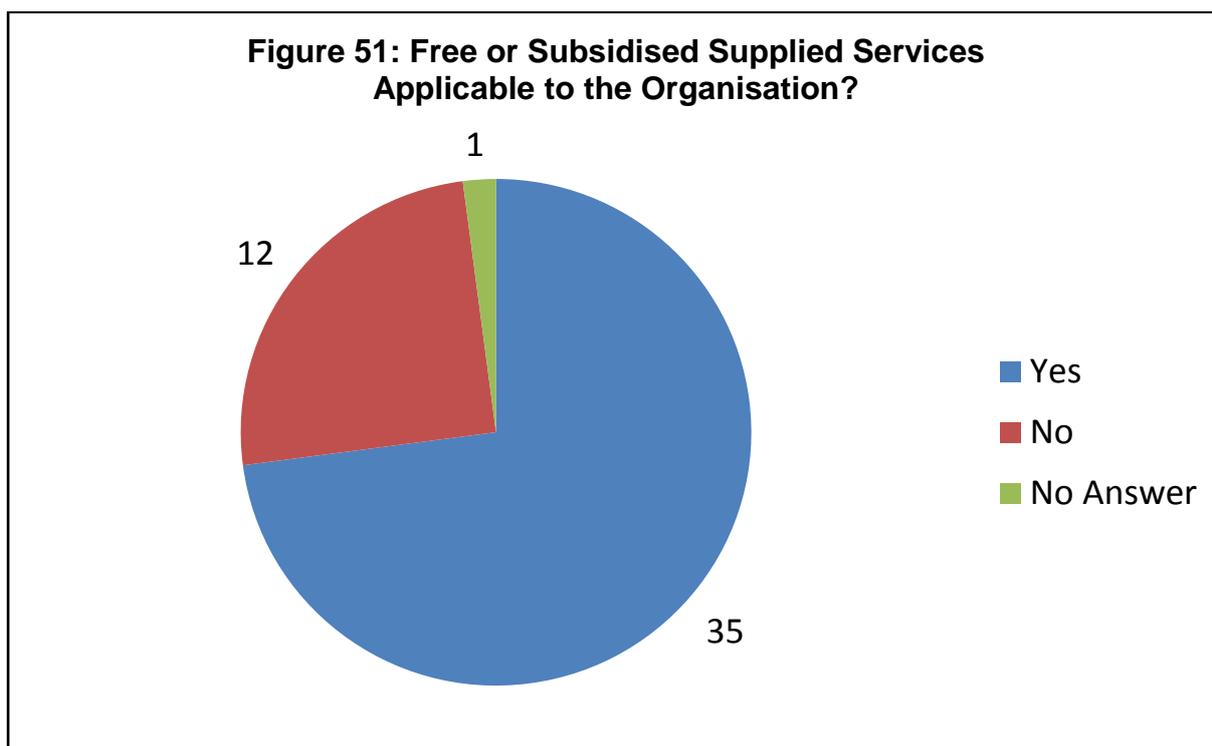


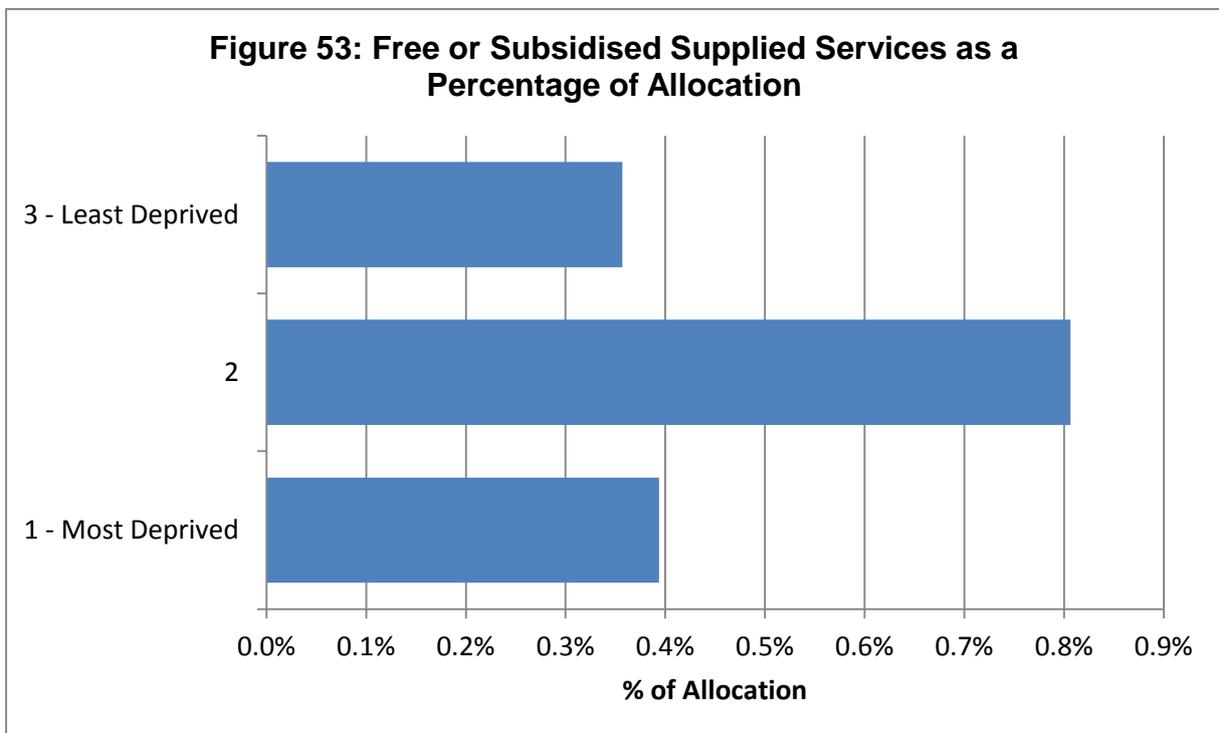
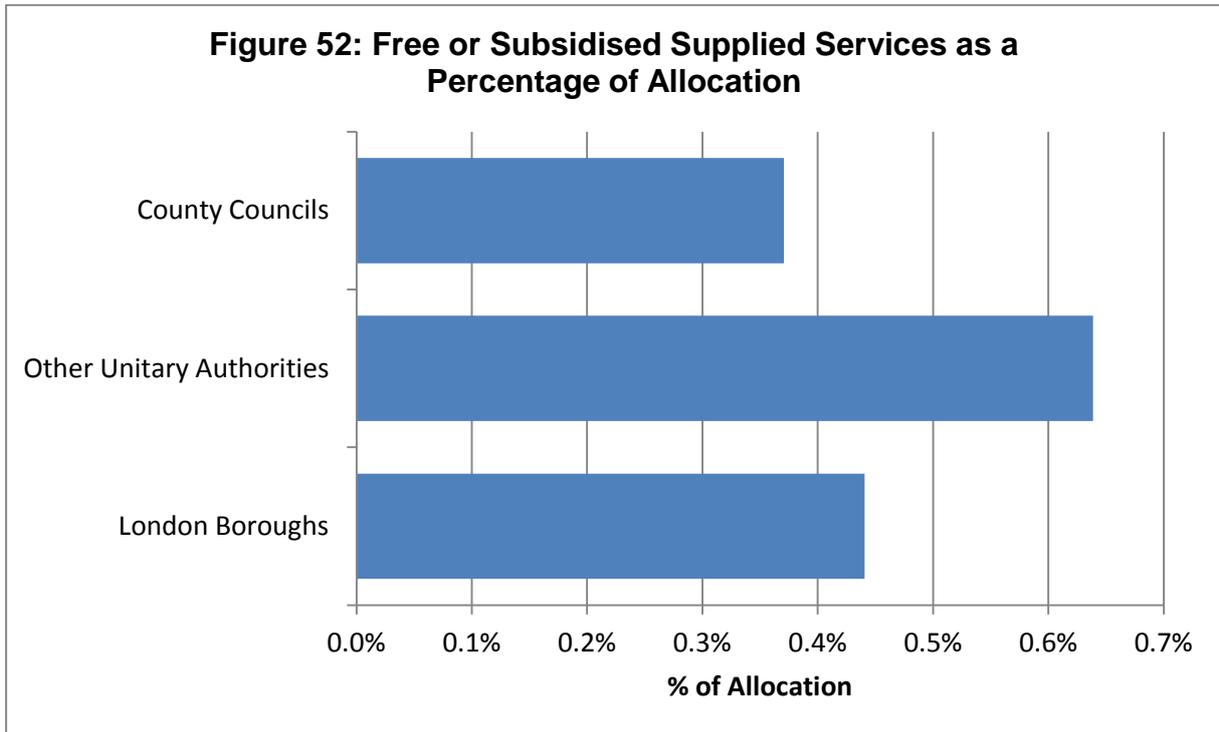


Free or Subsidised Supplied Services

This category relates to savings made when external organisations provide a complete service free of charge or at a subsidised rate. A good example is where marketing and promotion for specific community learning courses is carried out entirely by community organisations who have well established links with the target audience. Another example is where marketing, promotion and enrolment for community learning courses is carried out by the library service. Other free or subsidised services cited by providers included printing and distribution services, crèche facilities and data analysis. The pound plus saving from these services was calculated as the equivalent cost if providers had to provide these same services themselves from the SFA community learning budget.

Approximately 73% of providers said that they made cost savings in this area (Figure 51) with the mean average saving per provider being £7,452. The saving for each provider was on average equivalent to 0.5% of their SFA community learning allocation, with the largest percentage saving coming in Unitary Authorities outside of London (Figure 52). The relative deprivation of the local community did not appear to be a significant factor for this pound plus category (Figure 53).



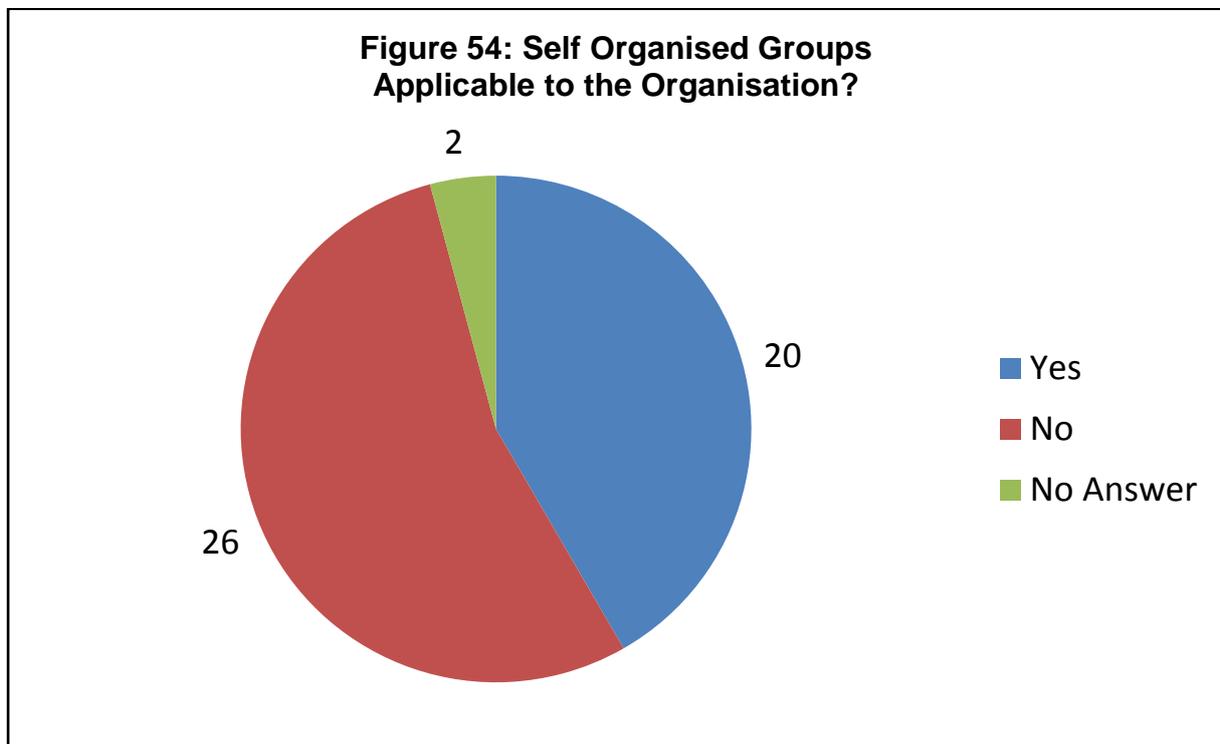


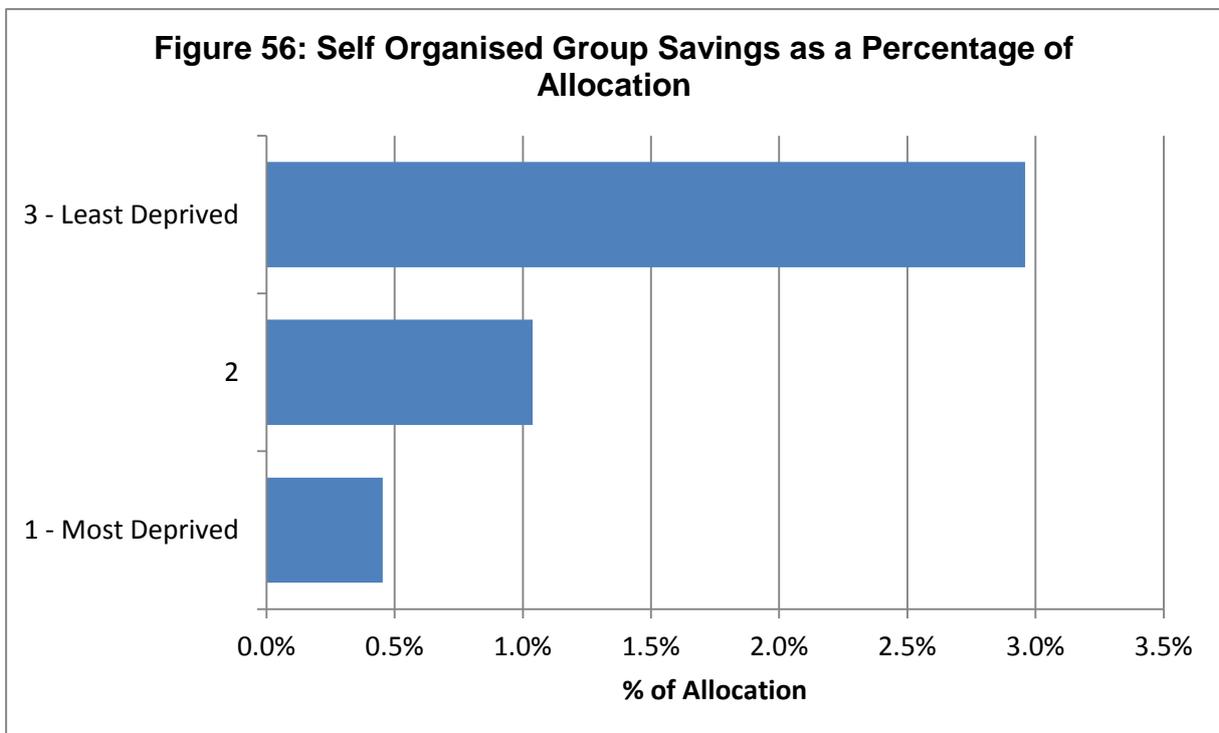
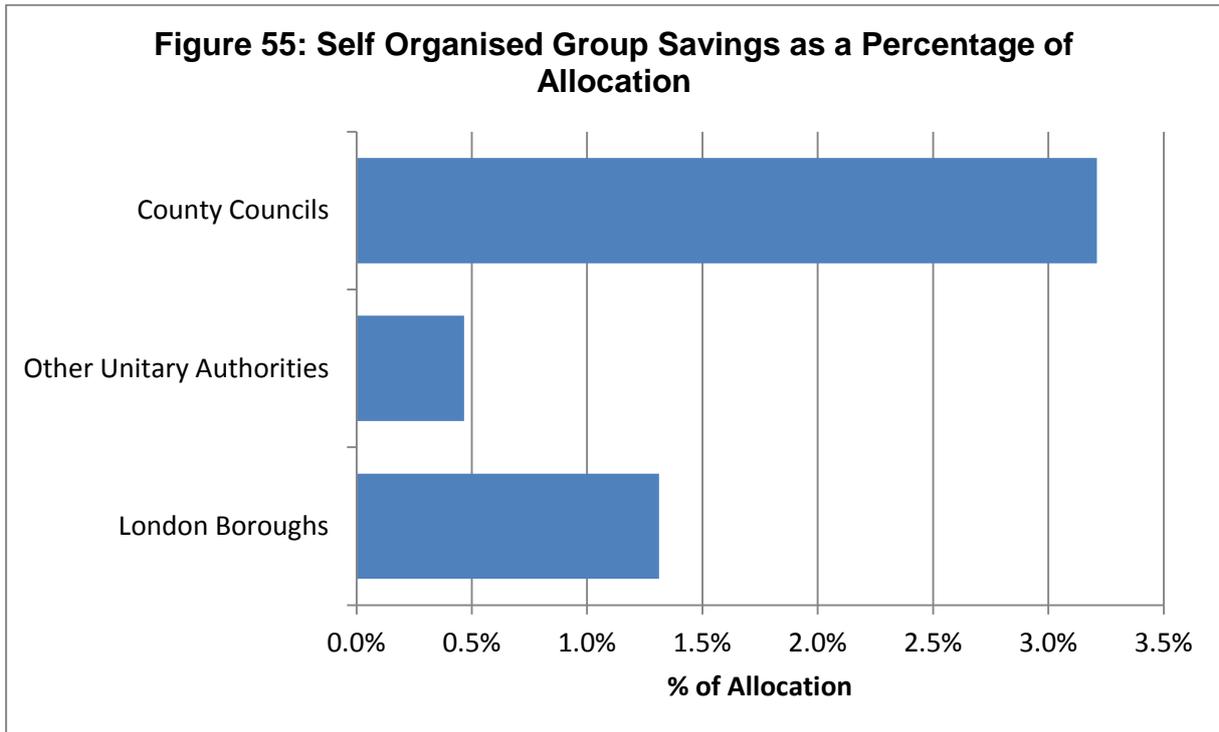
Self-Organised Groups

The provider may have helped tutors and learners set up self-organised community learning groups that are not funded directly by the SFA community learning budget or the provider themselves. Learners typically pay the tutor directly. In many instances self-organised groups may be 'club' type provision where the same learners continue to attend the same courses for many years. Whilst these courses can be very popular with learners they can act as a barrier to entry for new learners and converting them into self-funded courses can ensure that the SFA community learning budget is better targeted. Examples given of self-organised groups included book clubs, family history, arts and crafts, keep fit, yoga, languages, gardening clubs, photography, guitar classes and film appreciation.

The pound plus cost saving from helping to set up these self-organised groups can be estimated by calculating the saving in tutor costs if the provision was still being delivered by the provider. Overhead costs from setting up or supporting the self-organised group is deducted from the total saving.

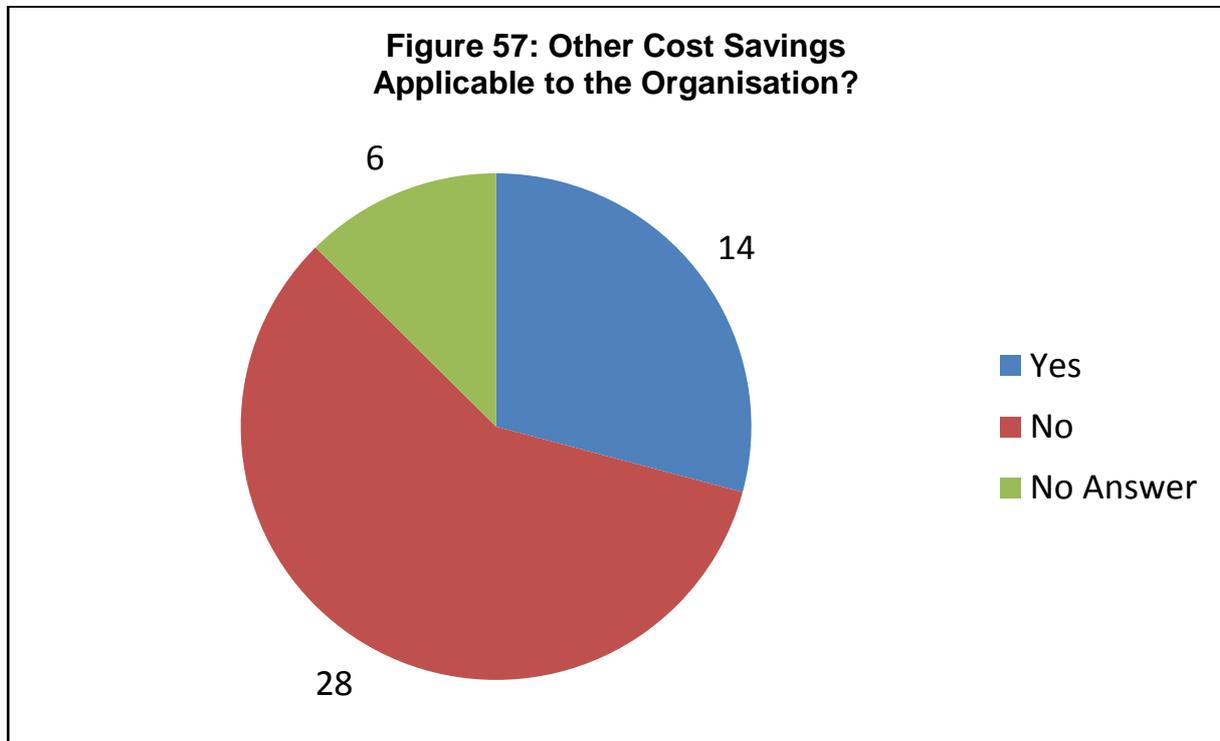
Approximately 42% of providers cited self-organised groups as a source of pound plus savings (Figure 54), with a mean average saving per provider of £26,845 and a median average of £4,434 (Figure 36). Savings from setting up self-organised groups were highest in least deprived areas and county councils (Figures 55 and 56).





Other Cost Savings

In this section providers were asked to record any other cost savings not included in other categories. Just under 30% of providers recorded other cost savings (Figure 57).



Examples of other cost savings mentioned by providers included:

- Creche facilities provided by venue and not charged.
- Reduced materials costs as students required to contribute.
- Use of equipment, photocopying and shared resources.
- Activities organised by stakeholder groups to support Derby Festival of Learning, Adult Learners' Week and Inspiring Derby Week.
- Free CPD.
- Some classes, particularly FEML and Keeping Up With Children, could only be delivered if we provided creche facilities which equalled £9640 in 2011-12. Since then, this cost has been reduced to zero by negotiating to deliver courses in children's centres and schools.
- Materials, resources, refreshments, educational visits, learner transport, CPD and other costs provided by sub-contracted providers and partners.
- 238 creche hours @£12(E)/hour provided for IT, Parenting and Community English courses delivered in Children Centres: Albert Road, Aldersbrook, Oakdale Children's Centre, Cranbrook, Loxford, Christchurch, Hainault, Peabody, Orchard, Thackeray Drive, RayLodge, Redbridge School CC, Newbury Hall, All Saints & Winston Way,

Pound Plus Survey 2013/14

RCU ref. 13.203

Final Report

Primary schools providing Creche for Family English & Maths: Aldersbrook, Manford, Goodmayes, Cranbrook and Uphall, Chadwell, William Torbitt, Christchurch & Fairlop; Nine Redbridge primary schools provided additional Creche staff - 468 hours across the year plus administrative support to the value of £646 to support Family English & Maths provision.

- Match Funding / Contributions in Kind.
- This figure is for the HR, Accountancy, Legal and other services that are provided by the local authority but that are not recharged to the grant income.
- Some Gardening groups have been awarded grants from other sources to support them, £500, £300, £200, £500. Other wider benefits to the area: One gardening group worked with the Blind Society to make a garden for them for free, est. cost of gardening would be £1200.
- Contributes to partner outcomes in value for money and encourages more collaborative planning, that increase the stretch of partner budgets as well as our own. Estimated value brought to partners contribution per course we deliver in their centre = 619 courses average 5 learners per course at a value of £75 per learner
- Theory Test Costs per person.
- Saving of promotion & recruitment costs for courses by close linking with clients of our work club. Staff saving 2 hours per week @£17 for 32 weeks.
- Red Cross First Aid trainer assists the main tutor as a subject specialist. We are charged below commercial rates.
- Utilities i.e. energy.



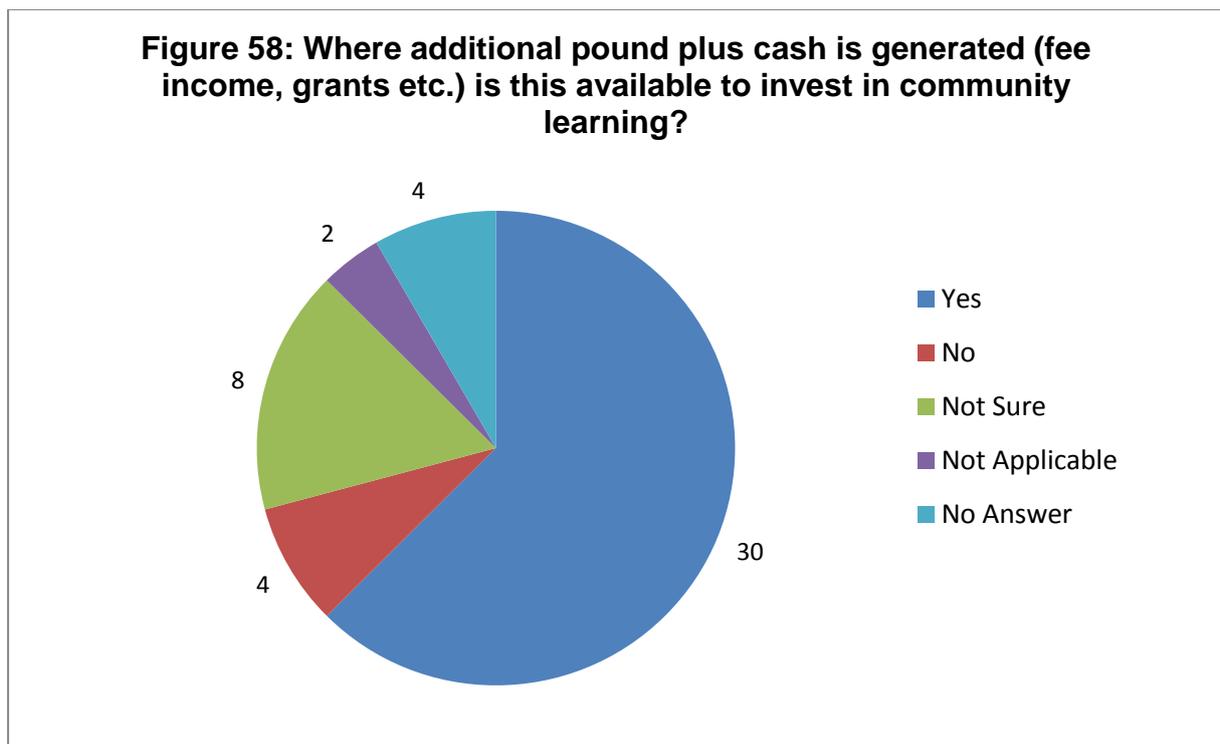
Section 6: Conclusion - Re-investing Pound Plus

Re-investing Pound Plus

This report includes detailed information on pound plus income and savings, generated by providers who were in receipt of a SFA community learning funding allocation. As discussed in Section 3, the pound plus income and savings reported by survey respondents in 2013/14 was equivalent to 38% of their total allocation. Much of the pound plus activity was a direct result of community engagement and partnership work.

Pound plus should, in theory, provide local learners with additional resources or benefits over and above those paid for directly from the core funding allocation. However, in order for these benefits to be fully realised the additional pound plus cash would need to be re-invested in community learning, rather than used for some other purpose (e.g. within some central council budget).

The pound plus survey asked providers whether pound plus cash (i.e. fee income, grants etc.) is available to invest in community learning. The results are shown in Figure 58.



Almost two thirds of providers (62.5%) said that pound plus cash would definitely be re-invested, with a further 17% not sure. These percentages were virtually identical in areas of high deprivation and low deprivation. There was also little difference between County Councils, London Boroughs and Unitary Authorities. In the majority of cases providers who

Pound Plus Survey 2013/14

RCU ref. 13.203

Final Report

answered yes to the above question, said that this applied to 100% of the pound plus cash generated (including full cost income).

The survey asked providers to give details on how pound plus had been re-invested and the resulting benefits for local learners and communities. Listed below is a selection of the responses:

- Provision of additional outreach work to target and engage with families of young children. Improved resources to support classes for ALDD, FL and outreach group. Stronger learner support as a result of use of additional volunteers, particularly for ALDD groups.
- Learner support and additional provision for the most disadvantaged to access accredited programmes. This is particularly significant where there are small groups of learners who need high levels of support.
- Expanded and/or extended provision with Bristol Drug Project, Adults in Recovery provision, ESOL for Health courses, Dance & Gentle Exercise courses, courses for Adults with Mental Health problems, Teenage Parents provision, and garment making courses.
- Support for additional activities such as celebration activities during Adult Learners' Week, social events and visits e.g. World Book Night. The service also operates a weekly Work Club for unemployed learners. This provides disadvantaged learners with opportunities that support their learning that they would not otherwise be able to access.
- All income and cash, from all sources, is invested in our core provision. The pound plus income is not differentiated in its impact from the rest of our provision. Impacts and outcomes are reported in our community learning self assessment report.
- Reduced course fees and or free courses to those most in need.
- A series of employability workshops, 1-1 advice and guidance for unemployed residents; the 'Hope Project' for adults with learning difficulties/disabilities; a wide range of new courses for adults with learning difficulties and disabilities. We have also been able to continue to deliver our community learning ('universal') offer at the same level as previous years, despite cuts in funding. We have also been able to keep fees low for people who cannot afford to pay higher fees; and finally we have been subsidising our First Steps/Qualification courses with the pound plus savings.
- All savings are redirected to programme delivery including new pilot programmes.



Pound Plus Survey 2013/14

RCU ref. 13.203

Final Report

- Money is used to subsidise other provision but we are unable to identify, at this point, how much.
- Pound plus is recycled back into the service for the development and delivery of community learning. Focus is on the elimination of child poverty through a wide range of family learning provision. Focus on improving employability across the borough. Focus on improving our main centre in the south which is closest to most deprived areas.
- In consultation with partners (including service users where appropriate) new provision is developed to engage new service users with health, mental health, drug and alcohol problems and disabilities. Case studies demonstrate that learners gain new knowledge and skills and develop their self-confidence/esteem and intend to progress to further learning. One partner has indicated that they plan to purchase new computers to extend the training opportunities for their users.
- Increased investment in mobile technology to support delivery in non-Centre based courses.
- Development of outreach marketing and consultation with local communities and partner organisations resulting in increased participation from learners within disadvantaged areas. Feedback indicates increased confidence and satisfaction. We have established improved progression routes and have been able to engage hard to reach learners by offering accessible training within their local community.
- The money generated through pound plus is directly reinvested in delivering a broader curriculum and increasing the amount of provision available.
- All funding/funds generated are re-invested to support service delivery, whether it is additional classes/sessions, development of learning resources, replacing kit, consultation activity, setting up a small community project etc.
- Investing in upgrading facilities e.g. one classroom remodelled to provide facilities to deliver healthy eating courses. Using funding to support the Community Learning Trust Partnership network and promoting services such as Work Club and Skills Health check. Providing additional new provision for the homeless to create a community garden in their centre. Purchase of one set of iPads for community learning use.
- All pounds plus savings generated are wholly used to support community learning and have allowed for many new courses to take place in some of our most disadvantaged areas and also new courses with new groups of learners Pounds plus gained through partnership marketing has also increased awareness of our service in our communities.



Pound Plus Survey 2013/14

RCU ref. 13.203

Final Report

- Pound plus is used to either fund courses or pay for training and the quality improvement of tutors.
- Learner Support; new equipment and expansion of Community Learning Partnerships.
- Extended provision for learners with mental health problems/outreach work focusing on the most deprived areas locally.
- All income is recycled into additional delivery.
- Allows us to put on free course for vulnerable/disadvantaged learners.
- Any income generated enables additional classes to run.
- Allows students/groups to receive financial support focussing on reducing isolation, providing social interaction, supporting mental health/ALDD groups, providing family learning and staying healthy. Priority courses such as Lip Reading are also identified as receiving a subsidy due to their importance within the community. The majority of income generated is reinvested. However an element is retained for staff development and investment into the organisation.
- Additional courses for hard to reach groups, teaching, materials, and learner support.
- Tailored provision to meet the needs of learners, more provision, smaller accessible classes, good quality equipment and resources.
- Support for learners, investing staff time in developing new courses, resources to ensure better quality provision and increase impact on learners, volunteer training, project development, opening of a new learning hub. Income provides additional learning activity and job search support outside of formal learning sessions.



Conclusions

The pound plus survey provides detailed information on pound plus income and savings collected by 49 different institutions in 2013/14. The sample of providers included 44 Local Authorities, which is almost a third of all Local Authorities who receive a SFA community learning allocation. Some of the key findings from the survey were:

- The pound plus income and savings recorded by providers was equivalent to 38% of the SFA community learning allocation for these providers;
- A higher relative amount of pound plus was collected in the most affluent areas and in London Boroughs;
- Approximately 70% of the pound plus was collected from direct income sources such as fees, grants, sponsorship and tenders. Affluent areas and London Boroughs collected the highest amount of fee income;
- About two thirds of providers collected fee income from community learning courses not funded by the SFA;
- Just under 42% of providers received income from sponsorship, grants and donations and 29% received income from external tenders;
- Approximately 54% of providers received pound plus income from the sale of goods and services and this was equivalent to about 1.2% of their SFA community learning funding allocation;
- Pound plus cost savings in 2013/14 was equivalent to just under 11% of the SFA community learning funding allocation for these providers;
- The most significant areas of cost savings were the use of free/subsidised accommodation and the use of volunteers. Free/subsidised accommodation represented over 40% of the total cost savings and the use of volunteers over 21%;
- London Boroughs recorded higher savings (relative to their funding allocation) for free or subsidised accommodation than other Local Authorities. In contrast County Councils recorded the highest relative savings for the use of volunteers;
- Other areas of pound plus cost savings included the provision of additional staffing and expertise from other organisations, donated equipment and physical resources and the availability of free or subsidised services (such as marketing and promotion);
- Approximately 42% of providers cited the setting up of self-organised groups as a source of pound plus savings. (this is where the provider has helped learners and tutors set up classes or activities that are funded and organised by the learners themselves);
- Approximately 69% of providers said that additional costs were associated with generating pound plus. The total additional costs for these providers was equivalent to less than 1.2% of their SFA community learning funding allocation;

Pound Plus Survey 2013/14

RCU ref. 13.203

Final Report

- Almost two thirds of providers said that pound plus would be re-invested into community learning within their area, providing learners and communities with additional benefits over and above those paid for directly from the core funding allocation. Providers listed a wide range of different ways in which pound plus was re-invested and the resulting benefits.



Appendix 1 – Details of Pound Plus Categories

Direct Income (Data collection)	<p>A. Fee Income (ILR courses) Fee income collected for courses which are funded by the SFA community learning budget and are recorded on the Individualised Learner Record (ILR).</p>
	<p>B. Fee income (Non-ILR courses) Fee income collected for any other community learning course, not directly funded by the SFA.</p>
	<p>C. Commercial sponsorship/grants Cash sponsorship, donations or grants (specific to the 2013/14 academic year) to support the aims of community learning.</p>
	<p>D. Contracts Won through Tenders Income received for specific community learning projects over and above work funded by the SFA community learning budget. Providers (often in partnership with other organisations) would have successfully tendered to an external organisation to carry out this work.</p>
	<p>E. Sale of products/services Income generated from the sale of goods (e.g. books, craft items etc.), room hire or other services such as events, conferences, café etc.</p>
	<p>F. Other direct income Any other direct income not included in other categories.</p>
Cost Savings (Data collection)	<p>G. Free/subsidised accommodation Savings made by providers as a result of community learning classes being delivered in venues that were provided by another organisation either free of charge or at a subsidised rate. The pound plus saving for each provider was calculated as the average room hire equivalent hourly rate (or saving) multiplied by the number of hours the room was used for (this was the cost that the provider would have had to pay if the room was paid for at commercial rates).</p>
	<p>H. Additional staffing and expertise Savings made by providers as a result of external organisations (e.g. voluntary organisations, schools, businesses, Local Authority services etc.) providing additional (non-teaching) expertise at zero or reduced cost.</p>
	<p>I. Use of volunteers Savings made by providers as a result of using volunteers to support the delivery of community learning. Providers listed a wide range of different activities carried out by volunteers including classroom support/assistants,</p>

Pound Plus Survey 2013/14

RCU ref. 13.203

Final Report

	<p>administration, enrolment, community learning champions, promotion, event management, mentoring, and market research. The equivalent savings from this contribution was calculated by multiplying the number of volunteer staff hours by the equivalent hourly rate for volunteering.</p>
	<p>J. Donated equipment and physical resources Savings resulting from the donation, by external organisations, of free (or subsidised) capital equipment or consumables.</p>
	<p>K. Free or subsidised supplied services Savings made when external organisations provide a complete service free of charge or at a subsidised rate.</p>
	<p>L. Self organised groups The provider may have helped tutors and learners set up self organised community learning groups that are not funded directly by the SFA community learning budget. The pound plus cost saving from helping to set up these self organised groups can be estimated by calculating the saving in tutor costs if the provision was still being delivered by the provider. Overhead costs from setting up or supporting the self organised group is deducted from the total saving.</p>
	<p>M. Other cost savings Any other cost savings not included in other categories.</p>



Pound Plus Survey 2013/14

RCU ref. 13.203

Final Report

Appendix 2 – List of Providers who Responded to the Survey

Lead Provider Name (subcontractors included in return)
Adult Community Learning Essex
Birmingham Adult Education Service
Blackpool Borough Council
Skills and Learning Bournemouth, Dorset and Poole
Buckinghamshire County Council
Cambridgeshire County Council
City of Bristol College
Derby City Council Adult Learning Service
Derbyshire Adult and Community Education Service. Derbyshire County Council
Adult, Family & Community Learning, DMBC
Ealing London Borough Council
Freedom KDC
Gloucestershire County Council
London Borough of Hackney
Halton Borough Council - Employment, Learning and Skills
London Borough of Hillingdon
London Borough of Hounslow
Kingston upon Hull City Council
Kent Adult Education, Community Learning and Skills - Kent County Council
Provider Name (no subcontractors included in the return)
Luton Adult Learning
Merton Adult Education
North Lincolnshire Adult Community Service
Bristol City Council (North Somerset subcontracted portion)
Oxfordshire skills and Learning Service
Plymouth City Council
Portsmouth City Council
Redbridge Institute(Redbridge London Borough Council)
Redcar and Cleveland Adult Learning Service
SHEFFIELD CITY COUNCIL, LIFELONG LEARNING SKILLS AND COMMUNITIES(LLSC)
Somerset County Council
Southend Adult Community College
Stockport MBC
Community Learning and Skills - Surrey County Council
Sussex Coast College Hastings



Pound Plus Survey 2013/14

RCU ref. 13.203

Final Report

Sutton College of Learning for Adults
Swindon Borough Council
V Learning Net
Wakefield Council
Wandsworth Borough Council - Lifelong Learning
West Sussex County Council/Aspire Sussex
Westminster Adult Education Service
Wirral Lifelong and Family Learning Service
Wolverhampton Adult Education Service
Worcestershire County Council, Libraries and Learning
Camden ACL Service
Kirklees Council
Hertfordshire County Council
Southampton City Council
Workers' Educational Association

These results include 243 additional partners/subcontractors .

