

LONDON BOROUGH OF HARROW

Meeting:	Lifelong Learning Scrutiny Sub-Committee
Date:	13 October 2004
Subject:	Harrow Teachers' Centre
Key decision:	No
Responsible Chief Officer:	Director of Learning & Community Development
Relevant Portfolio Holder:	Education and Lifelong Learning and Human Resources
Status:	Part I
Ward:	All
Enclosures:	Appendix A, London Borough of Harrow People First Directorate, Fees and Charges to Operate from 1 April 2004.

1. **Summary/ Reason for urgency (if applicable)**

- 1.1 The purpose of this report is to present the Lifelong Learning Scrutiny Sub-Committee with a progress report as a result of the changed funding arrangements of the Harrow Teachers' Centre for the financial year 2004-2005.

2. **Recommendations**

- 2.1 To note the progress made on implementing the pay-as-you-go system.
2.2 To note the budget implications of the pay-as-you-go system.

REASON:

The new system of pay-as-you-go for room use at the Teachers' Centre has produced changes to the budget structure of the Teachers' Centre.

3. **Consultation with Ward Councillors**

- 3.1 None

4. **Policy Context (including Relevant Previous Decisions)**

- 4.1 On 20th April 2004, Cabinet supported the approval given by the Best Value Advisory Panel on 25th March 2004 that there would be a change to the rate of fees and charges as laid out in Appendix A of Appendix 1 of Cabinet papers. These show the increase of fees and charges to be increased above the rate of 2.8% previously agreed at Cabinet. This change was aimed at recovering the income lost as a result of the cessation of the Service Level Agreement with schools.

5. **Relevance to Corporate Priorities**

5.1 Best Value. Lifelong Learning.

6. **Background Information and options considered**

6.1 Following the cessation of the Service Level Agreement with Schools on 31st March 2004, the new pay-as-you-go system was initiated for all room use at the Teachers' Centre.

6.2 The Best Value Advisory Panel requested that a report be made to the Lifelong Learning Scrutiny Sub-Committee in order to review the progress of this new system as it related to budget implications. This report is the response to that request.

6.3 The 2.8% increase in fees covered the first five months of the financial year. As this 2.8% increase was below that needed to cover the income lost from the cessation of the Service Level Agreement with schools, it has already been reported to Cabinet on 20th April 2004 that this is likely to result in a loss of £72k. Fees were increased by approximately 30% for internal Harrow Council users and by approximately 45% for external users from 1st September 2004 for the remaining seven months of the financial year.

6.4 An analysis of the budget reports covering the period April to August 2004, shows a potential budget improvement with the possibility of the loss being reduced to £55k, assuming that the level of use of the Teachers' Centre remains constant for the remaining seven months of the financial year.

6.5 The demand for rooms at the Teachers' Centre remained high amongst internal Harrow Council users. Despite this, there are times when the facilities are underused especially during evenings, weekends as well as during school holiday periods. It was reported to Cabinet on 20th April 2004 that there would be a campaign to publicise facilities in order to increase use of the Teachers' Centre, particularly by targeting external users. There has been a publicity campaign that has included

- Advertisement in the Harrow People Magazine
- Advertisement in the Harrow Observer and the Wembley Observer
- Advertisement in the Harrow Show Magazine
- Mail-shot to 400 local business and community organisations
- Summer Savers Special Rates (during the school summer holiday period)
- Production and distribution of a leaflet publicising the Teachers' Centre facilities for training, conferences and meetings as well as for corporate, community and private celebrations, launches and events.

6.6 There have been positive discussions with a number of organisations regarding new or increased use of the Teachers' Centre and these have included

- Colleges
- Harrow Mencap
- Athene Consultancy
- Whitefire Coaching
- BBC
- Citisolutions
- Private training providers
- College courses and community organisations who formerly used Grant Road Youth and Community Centre to relocate to the Teachers' Centre
- University of the Third Age

6.7 The potential for increased income has been created during August 2004 by minor internal building works that have

- increased the capacity of the Teachers' Centre restaurant by 18 places
- improved storage space for supplies for the restaurant
- changed the function of the bar into a self-contained new fully equipped training room with a maximum capacity of 35 people

The potential for greater income will increase through the following proposed future developments

- redesigning an ICT room to create two self-contained rooms on the ground floor thus increasing the number of training places to 50 on the ground-floor with full disabled access
- modernising the changing and toilet facilities in the hall/gym block
- developing underused space on the first floor of the hall/gym block for office and storage thus releasing significant space in the main building that is currently being used for office accommodation, that will be changed into more meeting/training room space with disabled access.

These will increase the potential for greater income.

- 6.8 Expenditure on catering supplies is being reduced by researching new suppliers. A comparison is being undertaken between existing suppliers and new suppliers, especially supermarkets with on-line ordering facilities. This is now possible with the use of the Procurement Cards and the delivery service available through on-line shopping. This will also increase the variety and range of menus.
- 6.9 A new computerised room and resource booking system is being obtained to improve management of this essential facility. This will give improved data-analysis to enable more efficient monitoring of booking, resources (including technician and caretaking) usage and potential income. The original implementation date of August 2004 has been delayed due to the need for thorough research to ensure that the best computerised package is purchased. The implementation date for this system is now set for January 2005.
- 6.10 Under the previous Service Level Agreement system, only those schools who opted into this system could use the facilities of the library, including the loan of the topic boxes and story sacks to be used in schools. Alternative methods are being considered for pay-as-you-go funding for some aspects of the library such as charging for loans of poster packs, topic boxes, story sacks and special resource packs. The income from this will be used towards refreshing and enlarging the collection.
- 6.11 A separate Service Agreement with the Harrow Early Years Partnership is still in place for early years providers to have access to their the topic boxes and story sacks. This is expected to continue unchanged.
- 6.12 Harrow Teachers' Centre is a satellite Skills for Life Professional Development Centre. Over £20k of resources to support the professional development of Skills for Life teachers has been supplied to the library. This project attracts £2,500 towards library staffing costs. In addition the Teachers' Centre is used for training and resource development sessions for Skills for Life Teachers. This generates income from room rental.

7. **Consultation**

None

8. **Finance Observations**

- 8.1 The following table shows the expected expenditure and income for the year compared to the budget. It shows that while spending is expected to be very close to budget, income is considerably down, accounting for virtually all of the £55,000 shortfall.

	Budget	Projected outturn	Variance
Income	£578,550	£525,400	£53,150
Expenditure	£828,150	£829,997	£ 1,847
Net cost	£249,600	£304,597	£54,997

- 8.2 This position may improve if the marketing campaign to increase usage attracts new customers thereby creating increased income.
- 8.3 There is a low risk of the situation getting worse unless there are unexpected items of major expenditure.
- 8.4 Expenditure is being closely monitored to minimise the problem.
- 8.5 It is very difficult to see scope for additional savings or extra income to bridge the gap this year. Discussion will need to be held with the Director of Learning and Community Development to try to identify areas of underspending in other budgets which can be used to fund the shortfall on the Teachers' Centre.

9. Legal Observations

- 9.1 None

10. Conclusion

- 10.1 The new system for pay-as-you-go is in place. The new higher rates of charging started on 1st September 2004 and at the time of writing this report (September 2004) it is too early to see the impact of this on level of use and subsequent income. Early indicators suggest that there has not been a reduction in use of the Teachers' Centre as a result of the increased charges. If this continues it is expected that there will be an improvement to the budget situation for the Teachers' Centre. However, it should be noted that as the lower hourly rates were in place for the first five months of the financial year, there may be a budget deficit of approximately £55k. This will be closely monitored. Publicity has increased the profile of the Teachers' Centre and has created the potential for increased usage by external organisations that will create additional income.

11. Background Papers

- 11.1 London Borough of Harrow People First Directorate, Fees and Charges to Operate from 1 April 2004.

12. Author

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