

## Mayoral Combined Authority Board

Tuesday, 10 September 2024

### Skills Programme Approvals

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**Is the paper exempt from the press and public?** No

**Reason why exempt:** Not applicable

**Purpose of this report:** Funding Decision

**Is this a Key Decision?** Yes

**Has it been included on the Forward Plan of Key Decisions?** Yes

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**Portfolio:** Education, Training & Skills

**Portfolio Holder:** Cllr Sir Steve Houghton CBE

**Lead Chief Executive:** Kate Josephs

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**Director Approving Submission of the Report:**

Tom Bousfield, Executive  
Director, Growth, Business and Skills

**Report Author(s):**

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**Executive Summary**

This paper seeks approvals linked to maximising delivery across current and future academic years for Adult Skills Fund (ASF) and Free Courses for Jobs (FCFJ) budgets, and approvals for expanded Skills Bootcamps and Working Win programmes for future financial years.

**What does this mean for businesses, people and places in South Yorkshire?**

Through the strategic delivery of its programmes, SYMCA is investing in the people and businesses of South Yorkshire to deliver economic growth, improve living standards and

provide the skills needed for residents to live productive and resilient lives. ASF, FCFJ and Skills Bootcamps are key programmes to deliver the South Yorkshire Skills Strategy Mission Areas to:

1. Move those far from the labour market into work or ready for work.
2. Raise attainment of core knowledge and skills.
3. Increase the supply of a high-skilled workforce.

## **Recommendations**

That the Board:

1. Delegate authority to the Portfolio Lead for Skills and Employment, in consultation with the Section 73 and Monitoring Officer to agree revised in year increases to ASF and FCFJ grant and procured learning organisations, in line with the proposed performance management flexibilities from 2023/24 academic year onwards.
2. Approve an allocation of up to £1m from ASF reserves to fund overperformance in academic year 2023/24 if total delivery exceeds annual allocation.
3. Note the decision of the Head of Paid Service made in consultation with the Portfolio Lead for Skills and Employment to make an application for up to £5m of funding from the Department of Education to deliver Skills Bootcamps Wave 6 made as a matter of urgency to meet the deadline for grant applications of the 31st August 2024.
4. Delegate authority to the Portfolio Lead for Skills and Employment, in consultation with the Section 73 and Monitoring Officer to accept grant from the Department for Education (DfE) for up to £5m to deliver Skills Bootcamps Wave 6 in financial year 2025/26.
5. Note the decision of the Head of Paid Service made in consultation with the Portfolio Lead for Skills and Employment to provide indicative figures for up to £3m of funding from the Department for Work and Pensions to deliver an extension to the Working Win (Individual Placement and Support in Primary Care) programme. The decision to extend IPSPC is subject to Ministerial approval within the Department for Work and Pensions
6. Delegate authority to the Portfolio Lead for Skills and Employment, in consultation with the Section 73 and Monitoring Officer to agree a final proposal, and if successful accept grant from the Department for Work and Pensions for up to £3m to deliver an extended Working Win (Individual Placement and Support in Primary Care) programme across financial years 2024/25 – 2026/27.
7. Delegate authority to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to accept grant, negotiate the terms and approve entering into legal agreements for the schemes above.

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**Consideration by any other Board, Committee, Assurance or Advisory Panel**

N/A

## **1. Background**

## Adult Skills Fund (ASF) and Free Courses for Jobs (FCFJ)

- 1.1 South Yorkshire Mayoral Combined Authority (SYMCA) has managed devolved ASF funding of c. £40m per year from DfE to support residents aged 19 plus, since academic year 2021/22. Separate delegated funding of c. £3m per year for FCFJ exclusively for Level 3 provision is managed alongside this.
- 1.2 To note Adult Skills Fund is the name of devolved adult education funding from August 2024 onwards. This was previously known as Adult Education Budget (AEB).

## Skills Bootcamps

- 1.3 Skills Bootcamps is delegated funding from DfE which delivers accredited or bespoke skills training at Level 3 (or equivalent) and above (Level 2 or equivalent and above for Construction, Logistics and Green Skills sectors) for up to 16 weeks for in-demand sectors, with the aim of securing positive job outcomes for learners. SYMCA received £0.7m under Wave 4 in financial year 2023/24 and is currently delivering £3m under Wave 5 in the current financial year.

## Working Win: Individual Placement and Support in Primary Care (IPSPC)

- 1.4 IPSPC is a Department for Work and Pensions led initiative offering employment support to both employed and unemployed people with low / moderate physical or mental health conditions or disabilities in primary care settings (locally branded as Working Win). SYMCA currently delivers IPSPC under a grant of £5.83m from DWP. The programme supports 3000 participants through the service to obtain or sustain employment. This programme is due to end in March 2025.

## 2. **Key Issues**

### Adult Skills Fund (ASF) and Free Courses for Jobs (FCFJ) – Performance Management Flexibilities

- 2.1 For academic year 2023/24 (August 2023 – July 2024) a new performance management framework was introduced across all grant funded and procured learning organisations delivering ASF and FCFJ. This enabled regular review points for delivery, and the opportunity to reduce allocations for specific learning organisations in the event of underperformance. Alongside this the MCA Board approved the delegation to agree, within annual budget, in-year increases to individual contracts and grants to the Portfolio Lead for Education, Training and Skills.
- 2.2 The introduction of the performance management framework in 2023/24 has proved to be successful. SYMCA is on track to achieve spend of over 95% of its academic year allocations for both ASF and FCFJ for this academic year. In 2022/23 ASF achieved 89% and FCFJ 36% spend.

- 2.3 Current delegated flexibilities enable increases to be agreed, subject to:
- 2.3.1. A maximum of an additional 10% of the grant learning organisation's allocation; or
  - 2.3.2. For contracted activity, increases to individual contracts within the overall allocation for procured provision.
- 2.4 Existing flexibilities have enabled funds to be repurposed between learning organisations based on their performance and local need, however current limitations prevent grant changes exceeding a 10% cap per learning organisation, or the total value of all grants or procured exceeding the respective overall allocations.
- 2.5 Approval is sought to adopt a revised set of performance management flexibilities for ASF and FCFJ for academic year 2023/24 onwards, which delegate authority to the Portfolio Lead for Skills and Employment, in consultation with the Section 73 and Monitoring Officer to agree the below revisions:
- 2.6
- 2.6.1. The ability to increase grant learning organisations' allocations in year, removing the cap at 10% of the allocation.
  - 2.6.2. The ability to Increase an individual learning organisation's allocation within the overall budget for ASF (£38.8m) and FCFJ (£3.48m) respectively, removing the overall caps on increases to grant learning organisations (£31.8m ASF and £1.28m FCFJ) and procured learning organisations (£7m ASF and £2.2m FCFJ).
  - 2.6.3. All changes to be subject to a review of affordability, strategic fit of activity delivered, evidence of local need, and learning organisation prior performance.

#### Adult Skills Fund (ASF) and Free Courses for Jobs (FCFJ) - Overperformance

- 2.7 In both 2021/22 and 2022/23 academic years, SYMCA has not spent its full in year allocation for ASF and FCFJ. Delivery has been maximised through payments for overperformance to individual learning organisations, in excess of their allocation, within the overall funding envelope.
- 2.8 The successful application of a new performance management framework and flexibilities during 2023/24 has meant delivery is on track to achieve close to the full annual allocation for ASF (c.£40m) and FCFJ (c. £3m).
- 2.9 Any overperformance is undertaken at risk by a learning organisation. Currently a number of learning organisations are overperforming against their individual allocations. If this forecast is realised at the end of the academic year, there is insufficient annual budget remaining to cover the cost of this.
- 2.10 Approval is sought to allocate up to £1m of ASF reserves to fund overperformance in 2023/24 in excess of the in-year budget, subject to a review of strategic fit of activity delivered and evidence of local need. This is proposed

as a one-off allocation, with all delivery for 2024/25 and future years to be managed within the overall annual budget.

### Skills Bootcamps

- 2.11 Prior to Level 4 Devolution, Skills Bootcamps funding is delegated and SYMCA is required to submit proposals to the DfE annually. SYMCA has delivered under Wave 4 of the programme (£0.7m in 2023/24 financial year) and is currently delivering under Wave 5 (£3m over 2024/25 financial year).
- 2.12 On 31<sup>st</sup> August 2024 SYMCA submitted a proposal to DfE for Wave 6 activity, worth £5m in 2025/26. Successful applicants are due to be informed Autumn 2024 with grant award to follow for delivery in 2025/26 financial year. The quantum awarded to SYMCA will be decided by Government and funded in full – no SYMCA funding is required.
- 2.13 The proposal has support of both the Portfolio lead for Education, Training and Skills and the Chief Executives of SYMCA and the 4 South Yorkshire Local Authorities.
- 2.14 Approval is sought to delegate authority to the Portfolio Lead for Skills and Employment, in consultation with the Section 73 and Monitoring Officer to accept grant from the Department for Education (DFE) for up to £5m to deliver Skills Bootcamps Wave 6 in financial year 2025/26.

### Working Win - Individual Placement and Support in Primary Care (IPSPC)

- 2.15 DWP have indicated the current Working Win (IPSPC) programme may be extended (subject to ministerial approval) to align with timescales for a larger Universal Support employment programme. SYMCA has submitted detail of a prospective extension, worth up to £3m for the period December 2024 – September 2025, to support a further 1,500 participants.
- 2.16 Approval is sought to delegate authority to the Portfolio Lead for Skills and Employment, in consultation with the Section 73 and Monitoring Officer to agree final proposals with, and accept grant from, the Department for Work and Pensions (DWP) for up to £3m to deliver an extended Working Win (IPSPC) programme across financial years 2024/25 – 2026/27.

## **3. Options Considered and Recommended Proposal**

### **3.1 Option 1**

Approve recommendations.

### **3.2 Option 1 Risks and Mitigations**

Proposed recommendations require the use of carried forward ASF funding to fund overperformance in 2023/24 only. Proposed enhanced performance management flexibilities to be used to ensure delivery and any overperformance in future years is managed within annual budget allocations.

Skills Bootcamps will form part of any level 4 devolution offer for skills. The proposal submitted to DfE for delegated funding is deliverable under existing delegated model or as part of an expanded devolved skills budget.

### **3.3 Option 2**

Reject some, or all, of the recommendations.

### **3.4 Option 2 Risks and Mitigations**

Rejection of the recommendations in this report would be detrimental to achieving the key missions in the South Yorkshire Skills Strategy, bringing fewer opportunities for South Yorkshire residents to upskill, reskill and secure positive outcomes, plus less funding to support our local businesses to achieve greater productivity and growth.

### **3.5 Recommended Option**

Option 1

## **4. Consultation on Proposal**

4.1 Consultation on proposals with Portfolio Lead for Education, Training and Skills, and South Yorkshire local authorities, colleges, and provider networks.

## **5. Timetable and Accountability for Implementing this Decision**

5.1 For ASF and FCFJ the recommendations in this report will be implemented immediately in delivery for the remainder of academic year 2023/24 and throughout 2024/25 academic year.

5.2 For Skills Bootcamps the recommendations would be implemented following confirmation of funding awarded from DfE in Autumn 2024, for delivery commencing April 2025.

5.3 For Working Win (IPSPC) the recommendations would be implemented following agreement of a final proposal and confirmation of funding awarded from DWP in Autumn 2024, for delivery commencing December 2024.

## **6. Financial and Procurement Implications and Advice**

- 6.1 All recommendations in this report are fully funded from respective grant awards from DfE to SYMCA for ASF, FCFJ and Skills Bootcamps, DWP for Working Win (IPSPC), and carried forward funding from previous ASF grant awards, and will be included in the MCA's budgets for the 2024/25 and 2025/26 financial year.
- 6.2 All procurements will be undertaken in accordance with the requirements of the Public Contracts Regulations 2015, the Procurement Act 2023 and the terms of any pre-existing frameworks used.

## **7. Legal Implications and Advice**

- 7.1 The legal implications of the projects have been fully considered by a representative of the Monitoring Officer.
- 7.2 For ASF, the recommendations are consistent with the MCA's education, skills and training functions under the Barnsley, Doncaster, Rotherham, and Sheffield Combined Authority (Functions and Amendment) Order 2020 and the funding Memorandum of Understanding between the MCA and the Department for Education.
- 7.3 For Skills Bootcamp the recommendations are consistent with the MCA's education, skills and training functions under the Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Functions and Amendment) Order 2020 and the Grant Offer Letter issued by the Department of Education.
- 7.4 For the potential Working Win (IPSPC) grant proposal the recommendations are consistent with the MCA's education, skills and training functions and economic development functions under the Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Functions and Amendment) Order 2020. Any grant offer letter received following agreeing a final proposal for this funding will be reviewed by Legal prior to acceptance.

## **8. Human Resources Implications and Advice**

- 8.1 N/A

## **9. Equality and Diversity Implications and Advice**

- 9.1 Equality Impact Assessments are in place for ASF and FCFJ, Skills Bootcamps and Working Win (IPSPC), these are reviewed annually.

## **10. Climate Change Implications and Advice**

- 10.1 ASF, FCFJ, Skills Bootcamps and Working Win (IPSPC) delivery will be aligned to the South Yorkshire Skills Strategy, and the focus on addressing skills shortages needed to develop a green economy as part of the region's Plan for Good Growth.

**11. Information and Communication Technology Implications and Advice**

11.1 N/A

**12. Communications and Marketing Implications and Advice**

12.1 Communications and Marketing are included in business planning for ASF, FCFJ Skills Bootcamps and Working Win (IPSPC). Implications for marketing for successful procurement will be duly considered and implemented with the support of the Communications team and aligned with current marketing strategies for all programmes.

**List of Appendices Included:**

N/A

**Background Papers:**

N/A