

Education Skills and Employability Board

31 August 2021

Devolved Adult Education Budget Commissioning Update

Is the paper exempt from the press and public?	No
Purpose of this report:	Policy Decision
Is this a Key Decision?	No
Has it been included on the Forward Plan?	Not a Key Decision

Director Approving Submission of the Report:
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Executive Summary

This report provides members of the Education, Skills and Employability Board with an update on the commissioning process for devolved Adult Education Budget (AEB) funded learning. The paper sets out how the balance of provision is starting to shift as a result of the priorities set by the Board. It also describes some of the challenges in managing the transition and what the Authority is doing in response including the intention to run a Lessons Learned exercise. The paper also seeks approval to undertake an analysis of any gaps in skills and employability provision to inform and develop proposals for the use of the remaining 2021/22 Adult Education Budget funding.

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

Responsibility for the Adult Education Budget for residents in South Yorkshire has been devolved to the Authority from 1st August 2021. The Authority believes its commissioning approach will result in providers having an increased sense of accountability for delivery within Barnsley, Doncaster, Rotherham and Sheffield with a stronger focus on collaborative working which supports learner progression. We are seeking to place AEB funded provision at the heart of skills and employability activity across South Yorkshire which helps:

- residents develop skills, find work and lead fulfilling lives
- employers attract and retain staff with the skills needed for performance and growth and
- local communities to thrive and grow based on increasing prosperity, social mobility and civic engagement.

Recommendations

- Note the positive changes in the balance of provision across South Yorkshire that we expect to come out of the devolved approach;
- Note the steps being taken in conjunction with local authorities to stimulate collaboration between providers and accountability for delivering in a place;
- Note the need to step up our transition arrangements to support learners;
- Note the proposal for a Lessons Learned exercise and consider any specific elements to review;
- Approve the approach to undertake an analysis of any gaps in skills and employability provision to inform and develop proposals to make full use of AEB and maximise provision for residents.

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

None

1. Background - Update on AEB devolution

1.1 As of 1st August, the Adult Education Budget was devolved for South Yorkshire residents. A total of £30.6m has been committed through grants to South Yorkshire based FE Colleges and local authority providers and contracts for provision worth £10.2m have now been let for procured provision. All grant agreements and contracts have been issued and the initial commissioning phase is complete.

1.2 AEB Commissioning Outcomes

More work will need to be done to analyse data on performance as the academic year gets underway. However, there are some really positive messages emerging from analysis of delivery plans which show a shift in provision consistent with the Authority's priorities. High level examples include:

Grant funded provision

- An increase of over 20% in all regulated / entitlement basic skills provision
- A much more significant increase of 284% in basic Level 1 digital entitlement provision
- Almost double the number of Full Level 2 learning opportunities for 19-23 year olds
- A 51% increase in Full Level 3 learning programmes for 19-23 year olds
- Almost 1000 places for adults aged 24+ to study on programmes leading to high value Level 3 qualifications or qualification units.

Procured provision

- A shift in provision for people who are unemployed with a significant focus on Sector Work Academy Programmes offering rounded skills support, work experience and a guaranteed interview. Over 3,200 places are expected to be available.

- A moderate increase in the number of enrolments available for low skilled employees over the baseline year of 2018/19, both in basic skills and in progression learning. Within this overall figure, there is a significant shift in enrolments towards regulated progression learning including:
 - o increases in Full Level 2 provision from around 10 (estimate) to 1060
 - o 462 new opportunities for second Level 2 provision (baseline 0)
 - o 452 new opportunities for first Full Level 3 provision (baseline 7)
 - o 513 new opportunities for Level 3 units, with a baseline of 0.
- 430 new programmes to support vulnerable young people including those not in education, employment or training (NEET) across South Yorkshire delivered as a Test and Learn pilot
- 721 integrated employability / key worker learning opportunities across South Yorkshire as part of the key-worker Test and Learn pilot.

1.3 Overall, this package represents significant progress in moving towards fuller qualifications and away from short, repetitive learning and is consistent with the Authority's view that this approach will better support progression for residents across South Yorkshire.

ESE Board members are invited to note the expected shift in the balance of provision.

2. Key Issues Transition

2.1 The process of commissioning devolved AEB has had an impact on the pre-devolution provider base and this has resulted in representation being made to the Mayor, MPs and members of the ESE Board about the outcomes of the procurement exercise. However, devolution is the catalyst for change in the approach we take and the outcomes we are looking for and in order to achieve those changes some degree of disruption and discomfort in the system is an inevitable consequence. Where disruption is unavoidable, the challenge to the Authority is to ensure that the disruption is explained, justified by the outcomes, and mitigated.

2.2 In order to do this, we are working hard with local authorities to maximise the benefits of the provision that we have commissioned for residents across South Yorkshire and to develop signposting to help new learners and those who wish to continue learning find new programmes. Two strands of activity are underway.

Learner transition

There are three key actions here.

- Ensure that information is available in as many different settings as possible to help potential learners find the learning opportunities we have commissioned. We will add to the information already uploaded to the MCA website to help residents navigate the offer.
- Work with third parties, such as DWP and the local authority START platform, to ensure that information about courses is available to them for referrals.
- Work with those providers who will no longer be providing AEB funded activity to help them understand where to signpost new provision for learners they may have relationships with.

ESE Board members are invited to note learner transition as a priority issue.

'Place making' sessions

Sessions have been arranged for each of the local authorities (as local authorities rather than as training providers) to meet with the grant and procured providers who will be delivering on their patch. Sessions have taken place to date with Rotherham, Sheffield and Barnsley and the Doncaster session will follow shortly.

The sessions have provided the Authority with an opportunity to describe the kind of relationship we would like with providers in each place – strategic and focused on learner progression - and the need for collaborative rather than competitive working. Each of the local authorities has had a chance to set out their strategic drivers and to talk through the way in which they would like to work with providers.

This is an important opportunity for local authorities to think about how the newly commissioned activity fits with the needs of priority groups within their area. For example, Lot 3 provision for those who are not in education, employment or training (NEETS) includes delivery that will be focused on care leavers. The local authority role in making effective use of that provision is critical.

Feedback from the sessions so far has been very positive and plans are in development for further contact between local authorities and providers in each area.

ESE Board members are invited to note the ongoing place making work and to support this approach within individual authorities.

2.3 Lessons Learned

Now that we have reached the end of the initial commissioning process, the Mayor has requested that we carry out a 'Lessons' Learned' exercise. This will be an exercise in listening, learning and improving for the future and will be an important opportunity to review whether we can do more or do things differently in future to secure an even greater impact on the priorities set for devolved AEB. Timing of this exercise will be this Autumn and we will report back on progress to the Board in October.

Do Board members support this approach? Do ESE Board members have specific questions they would like included?

2.4 Following the allocation of grant funding and the end of the procurement exercise, the Authority has approximately £400k AEB unallocated. This is a substantial pot of funding if allocated to a relatively tightly defined set of priorities and measurable outcomes. It is proposed that the Authority carry out an analysis of gaps in skills and employability provision to inform the approach to allocating the remaining funds.

2.5 The recommended approach to allocating the remaining AEB funds will be brought to the October Board and will take consideration of the following:

- If the gap analysis demonstrated priorities consistent with the type of provision sought under Lots 1 and 2 of the previous exercise, it would be possible to go out to the providers already on our AEB framework contract. However, we would want to be sure of the link between the additional

provision and our development priorities. Lots 3 and 4 would be out of scope because allocations to providers under those Lots have reached the maximum value of the procurement. Other priorities would need to be addressed through a completely new procurement which would need time to run.

- It would be possible to distribute remaining funds through additions to existing grants. This would add further capacity into FE College and / or local authority provision, but it is worth noting that growth funding has already been added to the 18/19 baseline for these providers.

Do Board members support this approach to developing plans for the remainder of the Adult Education Budget? Do Board members have an early view on areas they may want to prioritise, subject to evidence confirming there are gaps in provision?

3. Options Considered and Recommended Proposal

3.1 This is not an options paper.

4. Consultation on Proposal

4.1 Stakeholder consultation not appropriate for this decision.

5. Timetable and Accountability for Implementing this Decision

5.1 ESE Board members are invited to give a view about the remaining AEB funding so that the MCA Executive Team can develop a plan and return to the Board in October for approval. Given the timeframe needed for a procurement exercise, any delay to the start of that exercise is a delay to provision being available and increases the risk of under-performance at the end of the year.

6. Financial and Procurement Implications and Advice

6.1 A budget of at least £400k is currently available for any additional commission in this financial year. An additional internal budget would also need to be identified to be used to fund the costs of any procurement process, both internally and externally.

7. Legal Implications and Advice

7.1 There are no specific legal implications arising from the report. Any future procurement will follow appropriate procedures to ensure compliance with procurement regulations

8. Human Resources Implications and Advice

8.1 HR have read the paper and at this stage based on the paper presented do not have any comments from a HR perspective.

9. Equality and Diversity Implications and Advice

9.1 No new equality and diversity implications are expected since the previous update.

10. Climate Change Implications and Advice

10.1 This will be kept under review as our Climate Change review processes evolve.

11. Information and Communication Technology Implications and Advice

11.1 New provision / providers will involve adapting the systems that have been developed to manage the current AEB system. It depends on the provision as to how straightforward this will be to manage.

12. Communications and Marketing Implications and Advice

12.1 The MCA Executive Team will be pulling together a South Yorkshire Mayoral Combined Authority AEB comms and marketing strategy – collaboratively as partners. This sits alongside a marketing toolkit for the providers. Aligned with PR around the Education, Skills and Employability Agenda, and in this instance the Adult Education programme. We are building a profile page for service providers across South Yorkshire to enable clear signposting, this promotes who and what is covered.

The aim is to deliver the message through the lens of the learner journey, so that it demonstrates how the Adult education provision can have an impact and provide a greater level of support for adult communities and people in South Yorkshire.

Reiterating this through cases of learner progression, what that actually means and how it can inspire others to seek upskilling.

List of Appendices Included

None

Background Papers

None