

Report of Head of Projects and Programmes

Report to Chief Officer Employment & Skills

Date: 14 July 2017

Subject: Adult Learning Programme - 2017-18 Provider Awards

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number: 1 CONFIDENTIAL AEB Provider Awards 2017-18, rule 10.4 (3)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Summary of Main Issues

- 1 The Best Council Plan 2017/18, sets out the Council's ambition for Leeds to have a strong economy and to be a compassionate city, tackling poverty and inequalities. Supporting residents into work, including apprenticeships, is an important contributor to this ambition. In 2016/17 the Employment and Skills service helped 6,204 people into work and 384 people into apprenticeships.
- 2 In the same year, 6639 local residents were supported to acquire new skills through the Council's Adult Learning Programme. Funded by the Education and Skills Funding Agency (ESFA) under the Adult Education Budget (AEB), this provision makes a significant contribution to the delivery of the Best Council Plan 2017-18 ambitions. This includes supporting economic growth and access to economic opportunities, supporting communities and raising aspirations, providing skills programmes and employment opportunities and, building a Child Friendly City by helping to improve the progression and achievement of children at school.
- 3 In July 2017, the Chief Officer Employment and Skills accepted the new ESFA Conditions of Grant Funding for the academic year 2017-18.
- 4 This report seeks authorisation to award provider funding allocations for the academic year, commencing on 1 August 2017 and running through to 31 July 2018.

5 **Recommendations**

5.1 The Chief Officer Employment and Skills is asked to approve:

- The proposed funding allocations for external delivery of the Council's Adult Learning Programme to the total value of £1.6 million for the 2017-18 academic year, and one year call-off contracts to 21 providers on the extended Adult Learning Framework, as set out in the Confidential Appendix 1
- The recommended maximum funding allocation variations set out in the Confidential Appendix 1 allowing individual provider allocations to be varied in accordance with Contract Procedure Rules to enable effective programme management to maximise delivery outcomes.

1 Purpose of this report

- 1.1 This report seeks authorisation to award Year 4 call-off contracts for the academic year 2017-18 to 23 providers on the Council's Adult Learning Framework 2014-17 (extended to 31 July 2018.)
- 1.2 The recommend awards to individual providers and learner targets are set out in the Confidential Appendix 1.

2 Background information

2.1 Leeds City Council receives a funding allocation from the Education and Skills Funding Agency (ESFA) each academic year to deliver a broad and balanced programme of adult learning in Leeds. Managed by the Employment and Skills Service on behalf of the Council, this funding enables delivery of a wide range of activity, the majority of which is commissioned out to external providers including third sector organisations. An element of the provision, Family English, Maths and Language Learning, is delivered internally by the Employment and Skills Service.

2.2 The purpose of the Council's Adult Learning Programme is to:

- Re-engage people who are marginalised and least likely to participate in learning, including workless adults, people on low incomes with low skills and those who did not achieve at school or disengaged from learning at school.
- Provide a broad range of learning that brings together adults, often of different ages and backgrounds to address a need, acquire a new skill, become healthier, pursue an interest or learn how to support their children;
- Maximise access to entry level learning for adults, bringing new opportunities to improve lives, whatever people's circumstances;
- Promote social renewal by bringing local communities together to experience the joy of learning and the pride that comes with achievement and;
- Maximise the positive impact on the social and economic well-being of individuals, families and communities.

2.3 For the academic year 2017-18, the total funding available for external delivery is £1.6 million. The programme is expected to support up to 8,000 learners and will continue to be targeted at disadvantaged individuals and communities across the City. A greater focus will be given this year to working with residents experiencing mild to moderate mental ill-health and digital inclusion activities in line with Council priorities.

2.4 Earlier this year, the ESFA changed its funding model, bringing together the former Community Learning and Adult Skills Budgets with other skills programmes into a single Adult Education Budget (AEB). The Council's Adult Learning Programme is funded entirely under the new AEB, enabling a continued focus on supporting local residents aged 19 years plus with skills development through a broad and balanced range of activities. Adult learning also provides a

progression gateway to more formal learning, social mobility and longer term employability opportunities.

2.5 The Council's Adult Learning Programme 2017-18 will comprise a range of activities delivered under the following themes:

- Personal and Community Development Learning (PCDL) – activities for personal and community development, cultural enrichment, intellectual or creative stimulation and enjoyment. This provision does not usually involve any formal qualifications. This year, there will be a stronger focus on digital inclusion in line with Council priorities.
- Family English, Maths and Language (FEML) – aimed at Mothers, Fathers and Carers and designed to improve English, Maths and language skills in families.
- Wider Family Learning (WFL) – supports different generations of family members to learn together in order to support children's learning and development.
- Skills for Jobs (SFJ) – activities aimed at adults aged 19 and over, with low skills levels, who are not currently in employment but want to work. This provision will offer tailored, individual support and where possible, will be aligned with other services/opportunities. A key element of the Skills for Jobs programme is to support progression to employment opportunities.
- Targeted Learning Projects (TLP) - targeted learning provision for learners who have multiple and/or complex needs/or are difficult to reach e.g. recovering from drug abuse, at risk of offending, socially isolated etc. This provision also supports activities that are innovative and delivers added value to the wider programme e.g. includes a work placement or residential element and/or delivers high levels of individual support.
- Accredited Learning – these activities help learners to achieve eligible qualifications as defined by the Skills Funding Agency e.g. level 1 and level 2 ICT, English and Maths courses and create opportunities for individuals to progress into employment including Apprenticeships.

2.6 For the academic year 2017-18, the activities and learner groups prioritised have been informed by the objectives of the ESFA and the Council's refreshed Adult Learning Plan 2016-19. The programme has also been aligned with the priorities set out in the Best Council Plan, namely to 'promote sustainable and inclusive economic growth by improving the economic wellbeing of local people and businesses' with a specific focus on improving skills and, building a Child Friendly City by helping to improve the progression and achievement of children at school.

3 Main Issues

3.1 In July 2017, the Chief Officer Employment and Skills accepted the new ESFA Conditions of Grant Funding for the academic year 2017-18. £1.6M of the ESFA funding is being awarded to providers on the Framework to deliver Adult Learning.

3.2 Award of Funding Allocations

3.2.3 This report seeks approval to award funding allocations to providers on the Council's Adult Learning Framework, for the academic year commencing 1 August 2017 to 31 July 2018, as set out in the Confidential Appendix 1 and summarised below.

Provision in 2017-18	Number of Providers	Total Value of Orders (£)	Enrolment Numbers (minimum)
Personal and Community Development (PCDL)	15	£757,615	4,343
Family English and Maths (FEML) <i>Incl. crèche & tutor support</i>	2	£126,130	416
Wider Family Learning (WFL)	4	£27,350	145
Skills for Jobs (SfJ)	11	£456,405	2,078
Targeted Learning Projects (TLP)	8	£298,375	1,103
Accredited Learning	1	£15,500	36
Totals		£1,681,375	8,121

3.2.4 21 organisations on the Framework who applied to deliver activities in 2017-18 are recommended to receive an award following the evaluation panel meeting in June 2017. One provider elected not to bid to deliver in 2017-18 as they are undergoing a significant reorganisation.

3.2.5 At the request of five providers their allocations have been reduced. The recommended allocations have been increased for 11 providers who exceeded last year's contractual targets, bid for more funding and have the capacity to deliver a larger provision this year.

3.2.6 To enable the Council to maximise grant expenditure and programme impact, recommended allocations are over-programmed by up to a maximum of 10% for each provider. This is compliant with Contract Procedure Rules and supports effective programme management to enable individual allocations to be varied throughout the year within the total funding allocation of £1.6m.

3.3 Compliance with the ESFA's Conditions of Funding

3.3.1 For 2017-18 there are no changes to ESFA Adult Education Budget (AEB) funding rules. ESFA 2017-18 funding rules changes are primarily focused on the Apprenticeship Levy introduced on 1 May 2017.

3.3.2 Adult Learning provider 2017-18 call-off contracts terms and conditions will remain the same as 2016-17. Any subsequent in-year ESFA AEB funding rules amendments will be cascaded to providers call-off contracts to ensure compliance.

3.4 Alignment with Council Priorities

3.4.1 To ensure alignment with recent revisions to Council priorities the 2017-18 Project Brief introduced additional requirements for providers to recruit learners from priority neighbourhoods comprising the SOA's in the 1% most deprived areas and especially the Council-wide **6 Priority Localities** at:

- Stratford Street, Beverleys, E01011372, City & Hunslet
- Crosby St, Recreations, Bartons, E01011368, Beeston & Holbeck
- Lincoln Green, E01033035, Burmantofts & Richmond Hill
- Cliftons, Nowells, E01011347, Burmantofts & Richmond Hill
- Boggart Hill, E01011658, Killingbeck & Seacroft
- Holdforth, Clyde Approach, E01011363, Armley

3.4.2 Local priorities, identified in the Council's refreshed Adult Learning Plan 2016-19, continue to determine this year's provision. There will be increased focus on digital inclusion, improving impact measures and further development of progression pathways, including into employment. Adults who are marginalised and least likely to participate will continue to be prioritised including workless adults, people on low incomes with low skills, those who did not achieve at school and people residing within communities that lie within the 20% most deprived nationally on the Indices of Multiple Deprivation.

3.4.3 Recruitment from deprived areas will be facilitated through increased programme allocations to target priority localities and groups under Skills for Jobs (£56K), Family English and Maths (£13K) and Targeted Learning Projects (£81K). These changes will widen participation for marginalised and underrepresented groups, including people with mental ill-health. As the total funding allocation remains the same, funding for Wider Family Learning has been reduced plus additional savings due to operational efficiencies have been identified.

3.4.4 The mix of providers, types of activity and target groups will enable the Council to continue to provide a broad and balanced programme for a range of adult learners. The ESFA does not provide a set target for learner numbers but there is an expectation that learner numbers will, as a minimum, be maintained year on year. It is anticipated that the proposed awards to providers including the in-house provision will support up to 8,000 learners in 2017-18.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 The allocation of resources between activities under the programme has been informed by feedback from elected members, providers and learner forums. This includes information obtained through community committee champions' briefings, the annual Adult Learning self-assessment reporting (SAR) process, from classroom observations and learner surveys.

4.1.2 The Executive Member for Employment, Skills and Opportunity was consulted in July 2017 on the proposals set out in this report.

- 4.1.3 A member of the Adult Learning Trust Board (includes providers and representatives from other Council services, FE and HE learning institutions and the third sector) was included on the Evaluation Panel to assess bids received and recommend the allocation of awards to providers on the Council's extended Adult Learning Framework for 2017-18.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 All providers are required to submit Equality Diversity and Community Cohesion (EDCC) information as part of their contractual reporting to demonstrate that equality issues have been considered and will be embedded in the planning, delivery and review of provision. The process for reporting and monitoring equality and diversity information is clearly defined in the Adult Learning Programme provider handbook that is updated annually.
- 4.2.2 The provision is also subject to Ofsted requirements through the Common Inspection Framework which are built into the contract monitoring and quality assurance processes. This includes a key focus on equality and diversity including providing quality inclusive services, identifying and removing barriers and narrowing any gaps in learner participation and achievement.
- 4.2.3 An equality screening was carried out on 11 July 2017 and is detailed in Appendix 2. The findings from this assessment are that equality, diversity, cohesion and integration issues have been appropriately considered in relation to the proposed allocation of awards to providers on the Council's Adult Learning Framework.

4.3 Council Policies and Best Council Plan

- 4.3.1 The proposals set out in this report contribute to the Best Council Plan 2017-18 priorities around supporting economic growth and access to economic opportunities, supporting communities and raising aspirations, providing skills programmes and access to employment opportunities. The proposals will also support the Council's ambitions to build a Child Friendly City by helping to improve the progression and achievement of children at school.
- 4.3.2 The objectives of the Council's Adult Learning Programme will also help to deliver outcomes under the Best Council Plan's More Jobs, Better Jobs Breakthrough Project, in particular supporting the integration of skills support and health interventions including people with mild to moderate mental ill-health.

4.4 Resources and Value for Money

- 4.4.1 The activities proposed will be funded through the 2017-18 AEB allocated to the Council by the ESFA. A total amount of £1.6 million will be awarded to external providers on the Council's Adult Learning Framework 2014-17 that was extended for one additional year to support the delivery of activities detailed in the Confidential Appendix 1 for the academic year 2017-18.
- 4.4.2 The awarding of year 4 call-off contracts to providers was informed by a robust contract management process led by the Employment and Skills Service which assessed factors such as quality of provision, learner outcomes and cost per learner to ensure the programme delivers value for money.

- 4.4.3 The set tariff rates for standard provision under the Adult Learning Programme are comparable with those set by other local authority districts where provision is externally commissioned. Payments made to providers will be subject to the submission of invoices and satisfactory evidence of delivery and learner achievement. Courses being proposed or delivered where learner numbers fall below the minimum target threshold will not normally be funded without good reasons.
- 4.4.4 The Employment and Skills' Finance Manager has been consulted on the proposed awards to ensure financial integrity of the 2017-18 budget.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 Providers were selected from the Council's Adult Learning Framework 2014-17 that has been extended for one additional year and will be awarded one year call-off contracts for the next academic year 2017-18 in accordance with the Council's Contract Procedure Rules and Financial Procedure Rules.
- 4.5.2 This is an officer delegated key decision which was notified in May 2017 on the Forward Plan for July 2017 and is subject to "call-in".
- 4.5.3 Officers in Legal Services were consulted on the changes proposed to contract terms and conditions in response to the ESFA's Conditions of Grant.
- 4.5.4 Subject to approval, processing of call-off contracts for the academic year 2017-18 will be undertaken by officers in the Employment and Skills Service in conjunction with Legal Services and PPPU.
- 4.5.5 The information contained in the Confidential Appendix 1 relates to the financial or business affairs of provider organisations and is therefore considered to be commercially sensitive. This information has been obtained through the framework contract management process which is still subject to negotiation in some areas. It is therefore considered that this element of the report should be treated as exempt under rule 10.4 (3) of the Access to Information Procedure Rules.

4.6 Risk Management

- 4.6.1 For the 2017-18 academic year, the ESFA AEB funding rules allow a continuation of the existing delivery arrangements. This academic year, therefore provides an opportunity for the Council to understand the implications of a potential new per learner payment AEB delivery model that could arise as part of future devolution changes e.g. there may be future need to increase minimum class sizes and increases fees for those learners who are ineligible for AEB funded provision.
- 4.6.2 Advice on the terms and conditions, award methodology and criteria to award contracts for the 2017-18 academic year has been sought from the Procurement Governance and Regulation Manager.
- 4.6.3 Advice on maximum award amounts for the 2017-18 academic year has been sought from the Finance Manager in conjunction with the overall budget.

- 4.6.4 All contracts awarded will be subject to robust financial and quality monitoring procedures led by officers in the Employment and Skills Service and in accordance with the Council's and the ESFA's regulations.
- 4.6.5 To enable the Council to maximise grant expenditure and programme impact, recommended allocations could be varied by up to a maximum of 10% for each provider where required to absorb any underperformance that may arise elsewhere. Contracts are closely monitored throughout the year and where necessary, adjustments will be made to ensure the programme is delivered within budget and that learner targets are achieved by the end of the academic year.
- 4.6.6 A privacy impact assessment was carried out on 11 July 2017 to ensure that the Council and its external providers on the Adult Learning Framework remain compliant with information governance policies and statute. The Privacy Impact Analysis is detailed at Appendix 3.

5 Conclusions

- 5.1 Through the undertaking of an open and competitive tender process in July 2014, a number of organisations were appointed to a three year framework 2014-17 to deliver the Council's Adult Learning Programme, funded by the ESFA. The contract option to extend the framework by one year was taken up in May 2017.
- 5.2 This report deals with the award of call-off contracts for the academic year starting on 1 August 2017 to 31 July 2018. The funding available for external delivery is £1.6 million and along with a small internal provision, is expected to support up to 8,000 learners across the city.
- 5.3 The recommendations contained in this report will ensure the Council can continue to deliver a broad and balanced programme of adult learning across Leeds, targeting priority learner groups and those living in priority neighbourhoods.

6 Recommendations

- 6.1 The Chief Officer Employment and Skills is asked to approve:
- The proposed funding allocations for external delivery of the Council's Adult Learning Programme to the total value of £1.6 million for the 2017-18 academic year, and one year call-off contracts to 21 providers on the extended Adult Learning Framework, as set out in the Confidential Appendix 1
 - The recommended maximum funding allocation variations set out in the Confidential Appendix 1 allowing individual provider allocations to be varied in accordance with Contract Procedure Rules to enable effective programme management to maximise delivery outcomes.
- 6.2 The Head of Projects and Programmes, Employment and Skills Service will be responsible for the implementation of the recommendations set out in this report and, the management of the Adult Learning Programme on behalf of the Council.

7 Background documents¹

7.1 There are no background documents

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.