



## Report of the Chief Officer Employment and Skills

### Report to the Director of City Development

Date: 27 July 2020

Subject: Leeds Adult Education Budget (AEB) Contract 2020/21

Are specific electoral wards affected?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, name(s) of ward(s):	
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Will the decision be open for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If relevant, access to information procedure rule number:	10.4
Appendix number:	1 Local Authority Conditions of Funding Contract for academic year 2020/21

## Summary

### 1. Main issues

- On 23<sup>rd</sup> July 2020, the Council received confirmation of the annual funding allocation of £2.2 million from the Education and Skills Funding Agency (ESFA) under the Adult Education Budget (AEB), for the delivery of Adult Learning in the academic year 2020/21 from 1 August 2020 to 31 July 2021 and an updated Conditions of Grant Funding contract.
- There is one addition to the Conditions of Funding that the Council and its subcontracted providers must have CyberEssentials security accreditation.

### 2. Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

- The Best Council Plan 2020 to 2025, sets out the Council's ambition for Leeds to have a strong economy and to be a compassionate and caring city, tackling poverty and reducing inequalities. Supporting residents into learning and work is an important contributor to this ambition.
- The proposals set out in this report contribute to the Best Council Plan 2020 to 2025 priorities around supporting economic growth and access to economic opportunities, providing skills programmes and employment support and building a Child Friendly

City by helping families to improve the progression and achievement of children at school.

### **3. Resource Implications**

- The decision to accept the £2.2M ESFA AEB funding contract for academic year 2020/21 will ensure the Adult Learning programme can continue. The indicative funding amount was previously announced by the ESFA in April 2020.
- Due to the annual, recurring nature of this adult education funding the required Employment and Skills programme managers, quality officers, tutor and administrative resources are already in post for delivery in academic year 2020/21.

### **Recommendations**

The Director of City Development is asked to

- a) accept the Leeds Adult Education Budget (AEB) funding contract for £2.2 million and associated funding rules for the academic year 2020/21 from the Education and Skills Funding Agency (ESFA). The contract commences on 1 August 2020 and expires on 31 July 2021.
- b) agree that the decision should be exempt from call-in and be considered by the Chair of Scrutiny Board (Infrastructure, Investment and Inclusive Growth) under the Special Urgency provision for the reason detailed in the report.
- c) Note that the Head of Employment and Skills 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.

## **1. Purpose of this report**

- 1.1. This report seeks authority to accept the 2020/21 Education and Skills Funding Agency (ESFA) funding contract for £2,226,985 (£2.2million) awarded to the Council under the Adult Education Budget for the academic year 2020/21.
- 1.2. The report also provides the Local Authority Conditions of Funding Contract for academic year 2020/21, attached as Confidential Appendix 1, an Equality Impact Analysis attached as Appendix 2 and a Privacy Impact Analysis attached as Appendix 3.

## **2. Background information**

- 2.1 Leeds City Council is the fund holder of a local Adult Education Budget (AEB) on behalf of the ESFA, delivering a broad and balanced programme of adult learning each year in Leeds, managed by the Employment and Skills Service. Adult learning re-engages adults 19 years plus in activities to acquire new skills and interests for the benefit of the individual and their wider family networks.
- 2.2 The purpose of the Council's Adult Learning Programme is to develop the skills, confidence, motivation and resilience of adults of different ages and backgrounds to:
  - improve their health and well-being, including mental health and/or
  - progress towards formal learning or employment, and/or
  - develop stronger communities

In July 2020, the ESFA confirmed the Council's AEB allocation of £2.2million and details of the amended Conditions of Grant Funding for the academic year 2020/21. The Conditions of Funding affecting the Council Adult Learning programme are in confidential Appendix 1.

- 2.3 The Adult Learning Programme in Leeds is primarily delivered by the Council through sub-contracting arrangements. Procurement was undertaken for Adult Learning 2020/21 provider contracts through the Employment and Skills Dynamic Purchasing System (DPS) in May 2020. Subject to signing of the ESFA contract, multiple external learning organisations and internal services will be contracted to deliver this learning provision.
- 2.4 The majority of the AEB will be used to procure learning provision from contracted providers with around 10% allocated to develop and deliver Family Learning, managed by the Employment and Skills Service and, 16% to cover management, administration and quality assurance services to meet Ofsted requirements.

## **3. Main issues**

- 3.1 ESFA's Funding Rules and also Conditions of Funding for the academic year 2020/21 have changed. Details of the specific Funding Rules changes are included in confidential Appendix 1. In summary the main issues for the Council arising from the changes are set out below:

- 3.1.1 The ESFA 2020/21 AEB contract is compliant with the General Data Protection Regulation (GDPR). The Council contracts with providers are also GDPR compliant and also the learner enrolment forms have been revised to include the revised ESFA and Council Information Statements and obtain the necessary learner consents.
- 3.1.2 Generally the funding requirements have changed little between academic years 2019/20 and 2020/21. There is one additional condition that the Council and its providers must all have CyberEssentials security accreditation. The Council is part of GovConnect and already exceeds the CyberEssentials security accreditation. Provider contracts for delivery in academic year 2020/21 will be updated to reflect the additional ESFA funding condition.
- 3.2 The remaining AEB 2020/21 Funding Rules and Conditions of Funding changes do not directly affect Adult Learning delivery and mainly concern other AEB delivery models including Apprenticeships, Traineeships and 16 to 19 provision.

#### **4. Corporate considerations**

##### **4.1 Consultation and engagement**

- 4.1.1 The Executive Member for Learning, Skills and Employment has been consulted and informed about the 2020/21 ESFA funding allocation and Conditions of Grant variations.
- 4.1.2 The Procurement Manager has reviewed the new contract and agreed the contents.
- 4.1.3 The Employment and Skills Finance Manager has reviewed the new contract and 2020/21 profile of payments to the Council from the ESFA.
- 4.1.4 Consultation and engagement with service users and providers is focused on the programme content, access and the quality of delivery and integral to service planning and review and is undertaken throughout the academic year.

##### **4.2 Equality and diversity / cohesion and integration**

- 4.2.1 This Key Decision relates to the acceptance by the Council of the £2.2million (Grant) funding allocated to Leeds from the ESFA's Adult Education Budget and acceptance of the new ESFA Conditions of Grant Funding for the academic year 2020/21.
- 4.2.2 An equality screening, attached as Appendix 2, was undertaken on 20 July 2020, the findings of which confirm that the authorisation of the Grant and Conditions of Funding contract has no Equality and Diversity / Cohesion and Integration implications.

##### **4.3 Council policies and the Best Council Plan**

- 4.3.1 The £2.2million funding allocated to the Council from the ESFA's Adult Education Budget to deliver the Adult Learning Programme will contribute to the Best Council Plan 2020 to 2025 priorities around supporting Inclusive Growth by helping adults learn new skills to benefit from the economy to their full potential and tackling poverty in priority neighbourhoods; building a Child Friendly City by supporting families to give their children the best start in life; helping parents and carers improve their young

children's educational attainment and closing achievement gaps for children and young people vulnerable to poor learning outcomes.

### Climate Emergency

- 4.3.2 This decision is to accept the ESFA Adult Education Budget funding contract under an existing programme and delivery model. There are no known adverse impacts associated with this decision to accept the funding. The adult learning programme seeks to build the capacity of individuals and communities. To this end, the curriculum will build on the momentum developing as a result of the pandemic, around greener living, environmental appreciation and effective management of our resources, addressing the issues identified within external emissions, under climate emergency mitigation.
- 4.3.3 The programme is delivered in areas of the city experiencing significant social and economic disadvantage and this curriculum focus will also specifically promote and support positive responses to many of the impacts within climate adaptation, particularly energy, waste, water, food and homes.

### **4.4 Resources, procurement and value for money**

- 4.4.1 The Employment and Skills service manages the £2.2million annual ESFA funding contract and the Adult Learning providers on behalf of the Council. Providers deliver learning to approximately 7,000 residents in Leeds each year and primarily target learners from communities experiencing high levels of deprivation and priority groups identified in the Best Council Plan.
- 4.4.2 Activities managed by the Employment and Skills service help people to make the transition from benefits into work and under the Adult Learning Programme AEB funding learn new skills. This could not take place without the annual ESFA funding allocation.

### **4.5 Legal implications, access to information, and call-in**

- 4.5.1 A delegated Key Decision is required to accept the funding allocation of £2.2million awarded by the ESFA to Leeds City Council and, the ESFA Conditions of Funding (Grant) 2020/21. This decision is exempted from call-in.
- 4.5.2 Notice of the forthcoming delegated Key Decision to accept the ESFA Conditions of Funding (Grant) 2020/21 was published on 12th June 2020.
- 4.5.3 The ESFA's funding conditions requires all fund holders to accept their contracts electronically on the Skills Funding Service secure website by 31 July 2020. Electronic acceptance of the funding contract will be implemented by The Procurement Manager once this decision is taken. Due to the very short time frame from ESFA publishing the contract on 23 July 2020 to the signing deadline on 31 July 2020 this decision is to be taken under the Special Urgency provision and exempted from call-in. This is to avoid loss of funding to the Council and prevent further delay in awarding contracts to providers. Delays in awarding contracts have the potential to affect the longer term viability of providers at this time and the Council's ability to provide a broad and balanced learning offer.

- 4.5.4 The information in Appendix 1 is exempt under Access to Information procedure rule 10.4(3) as it relates to the financial or business affairs of the Council and/or another organisations.

## **4.6 Risk management**

- 4.6.1 The Council and its providers must comply with the new conditions as there is no scope for negotiation on ESFA Conditions of Funding.
- 4.6.2 Provider contracts for delivery in academic year 2020/21 will be updated to reflect the additional ESFA funding condition to have CyberEssentials accreditation. The larger providers already have this security accreditation, however this will pose additional work for the smaller voluntary sector providers who will be able to access guidance from the Council on how to arrange accreditation and to act on any identified gaps.
- 4.6.3 There are no significant risks identified with the key decisions set out in this report.

## **5. Conclusions**

- 5.1 The allocation of funding from the ESFA enables the Council to deliver a broad and balanced programme of Adult Learning across Leeds, targeting priority learner groups, primarily from disadvantaged areas and with provision delivered by a range of public, third sector and specialist organisations.
- 5.2 In July 2020, the Council received confirmation of the annual funding allocation of £2.2 million from the ESFA's Adult Education Budget for the academic year, 1 August 2020 to 31 July 2021 and an updated Conditions of Grant Funding contract.
- 5.2.1 All Funding Rules and Conditions of Funding affecting the AEB components of Adult Learning delivery remain the same as previous years with one additional condition that the Council and its providers must all have CyberEssentials security accreditation. The Council is part of GovConnect and already exceeds the CyberEssentials security accreditation.
- 5.2.2 Subcontracted provider contracts for delivery in academic year 2020/21 will be updated to reflect the additional ESFA funding condition to ensure the Council and its subcontracted providers are able to comply with all Conditions of Funding.

## **6. Recommendations**

- 6.1 The Director of City Development is asked to
- accept the Leeds Adult Education Budget (AEB) funding contract for £2.2 million and associated funding rules for the academic year 2020/21 from the Education and Skills Funding Agency (ESFA). The contract commences on 1 August 2020 and expires on 31 July 2021.
  - agree that the decision should be exempt from call-in and be considered by the Chair of Scrutiny Board (Infrastructure, Investment and Inclusive Growth) under the Special Urgency provision for the reason detailed in the report.

- c) note that the Head of Employment and Skills 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 documents<sup>1</sup>**

7.1 There are no background documents.

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<sup>1</sup> 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.