

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD3145

The Adult Education Budget (AEB) Assurance Framework 2023-24 and amendments to Skills for Londoners Board constitution

Executive summary:

This decision seeks approval of the revised Adult Education Budget (AEB) Assurance Framework (the Framework) for the 2023-24 academic year and updates to the Skills for Londoners (SfL) Board constitution.

The Framework has been drafted to provide assurance to key stakeholders, including HM Government, that the Greater London Authority (GLA) has the necessary systems and processes to manage delegated functions and funding relating to the AEB effectively. Changes to the Framework relate to: the inclusion of the Jobs & Skills for Londoners Fund and the closure of the AEB Procured and Good Work for All programmes; and an amendment to the Schedule of Officer Responsibilities in relation to contract or grant terminations. A change is also being made to the way in which decisions taken by the Mayor at AEB Mayoral Board meetings are formally recorded. As a result, amendments to Part G of the Mayoral Decision-Making framework are also required to reflect this change.

A decision is also sought to make amendments to the constitution of the SfL Board to: include oversight and monitoring of the SfL Capital programme and the UK Shared Prosperity Fund People and Skills investment priority; incorporation of certain Skills Advisory Panel (SAP) responsibilities following the cessation of SAP funding; and inclusion of other minor changes.

Decision:

That the Mayor approves:

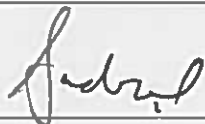
- i. the updated AEB Assurance Framework (at Appendix A) for the 2023-24 academic year
- ii. amendments to Part G of the Mayoral Decision-Making framework (at Appendix B) to reflect the changes to the AEB decision-making process outlined in this MD
- iii. amendments to the SfL Board constitution (at Appendix C), having consulted with the SfL Board, to: include oversight and monitoring of the Skills for Londoners Capital programme and the UK Shared Prosperity Fund People and Skills investment priority; incorporation of certain Skills Advisory Panel (SAP) responsibilities following the cessation of SAP funding; and inclusion of other minor changes.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

25/7/23

PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1 In preparation for delegation of the AEB functions, the GLA was required to meet six readiness conditions to demonstrate to the Secretary of State for Education that the GLA was prepared to carry out these functions effectively. As a part of a submission to the Department for Education (DfE) setting out how the readiness conditions would be met, a commitment was made to publish an AEB Assurance Framework that sets out the processes and procedures the GLA has put in place to manage the AEB effectively.
- 1.2 The Framework has been drafted to provide assurance to key stakeholders, including HM Government, that the GLA has in place the necessary systems and processes to manage delegated functions and funding relating to the AEB effectively. The GLA has committed to reviewing the AEB Assurance Framework annually to ensure it remains consistent with current policy and is up to date in terms of processes and procedures. As the Framework is the primary governance document, it is taken through the GLA's formal decision-making process.
- 1.3 In November 2020, the AEB Mayoral Board approved changes to the AEB decision-making process whereby certain decisions could be taken by the Mayor at AEB Mayoral Board meetings. These changes were confirmed by [MD2736](#) and written into the AEB Assurance Framework in March 2021.
- 1.4 In July 2018 the Mayor approved the re-constitution and re-purposing of the then Sfl Taskforce as the Sfl Board under [MD2328 – Governance arrangements for statutory functions relating to the AEB](#). This was done as part of the changes to the governance arrangements in preparation for the formal transfer of powers relating to AEB provision from the Secretary of State for Education. The Mayor retained the power to make amendments to the constitution in consultation with the Sfl Board or the Sfl Board co-chairs if urgent.
- 1.5 The Board's constitution is being updated to include oversight and monitoring of the Sfl Capital programme and the UK Shared Prosperity Fund People and Skills investment priority; to incorporate certain SAP responsibilities following the cessation of SAP funding, and other minor changes including the removal of the LEAP representative following the closure of LEAP.¹ The Mayor has consulted the Sfl Board on the proposed changes.

2. Objectives and expected outcomes

AEB Assurance Framework

- 2.1 The Framework has been based on the requirements of the readiness conditions set by DfE and contains the following chapters:
 - Governance and Decision-making
 - Financial Assurance and Auditing
 - Data Management
 - AEB Policy: Funding Rules and Learner Eligibility
 - Commissioning and Managing Procured Provision
 - Grant-Funded Provision.

¹ LEAP (London Economic Action Partnership) was the Local Enterprise Partnership for London

- 2.2 The Framework will continue to be reviewed and updated annually, or more frequently if required.
- 2.3 The latest version of the AEB Assurance Framework is attached at Appendix A. Several updates made to this version of the AEB Assurance Framework are administrative such as referring to the relevant academic year or updated hyperlinks to the latest versions of documents and webpages.
- 2.4 Substantive changes are being made to the Framework to include the new Jobs & Skills for Londoners Fund, and closure of the AEB Procured and Good Work for All programmes. These changes are largely at Chapter 5 (Commissioning and Managing Procured Provision); however amendments have been made throughout.
- 2.5 A change is also being made to the Schedule of Officer Responsibilities, to clarify that it includes business as usual matters, as well as the termination of AEB grants or contracts for services, pursuant to the general staff authorisation in the Mayoral Decision-Making in the GLA Framework. For the avoidance of doubt, this would not include if the termination were Novel Contentious or Repercussive (NCR), if the new contract provided worse value for money or came with added risks, or if the original expenditure envelope was insufficient. These exceptions are all included elsewhere in the Schedule of Matters Reserved for the Mayor in the AEB Assurance Framework.
- 2.6 Other amendments have been made throughout to ensure the Framework remains up to date with current processes and in line with policy changes. This includes audit and data management processes.
- 2.7 A further change will also be made to the way in which the decisions made by the Mayor at AEB Mayoral Board meetings are recorded. While the amendments to the Assurance Framework in relation to this change are relatively minor (see paragraph 1.2.4 of the Assurance Framework), the detail and reasoning behind this change is set out in the following paragraphs.
- 2.8 In November 2020 the AEB Mayoral Board approved changes to the AEB decision-making process. These changes were confirmed by [MD2736](#) and written into the AEB Assurance Framework in March 2021. The changes were made to streamline the AEB decision-making process allowing for decisions that would usually be delegated under the Mayoral Decision-Making in the GLA framework (such as Director Decisions and Assistant Director Decisions) but cannot be due to the AEB delegation arrangements, to be made by the Mayor at the AEB Mayoral Board meetings. A 'Schedule of Officer Responsibilities' was also introduced, allowing for operational, 'business as usual' decisions to be made by officers outside of the meeting cycle and reported back to the AEB Mayoral Board for noting.
- 2.9 While the latter has significantly reduced the number of formal decisions required, the process for recording decisions by the Mayor at the AEB Mayoral Board meetings remains complex, with the Mayor being required to sign a separate proforma to agree the decision at the meeting.
- 2.10 To streamline this process further, the minutes of the meeting will be a record of decisions made in this way. This will reduce the need for additional paperwork while still ensuring robust decision-making. All reports shared with the Board currently are required to include finance comments and legal implications and this would continue to be the case. An update on items considered at the meeting is also shared with the Corporate Investment Board. Furthermore, GLA Governance, Finance and TfL Legal colleagues are invited to the internal, officer-level group which considers all AEB reports before they are presented to the AEB Mayoral Board.
- 2.11 In line with current arrangements set out in the Assurance Framework, decisions that usually require a formal MD under the Mayoral Decision-Making Framework would remain subject to this reporting requirement. Only those decisions that would usually be delegated to senior officers but cannot be under the AEB delegation arrangements could be made by the Mayor at the AEB Mayoral Board meetings, as agreed under MD2736.

- 2.12 Under the legislative framework which permits the transfer of the AEB functions to the Mayor, he is required to take all related decisions personally.² The proposed amended arrangements would continue to satisfy the governance arrangements put in place and agreed with the Secretary of State for Education when the AEB in London was delegated to the Mayor, that he will consider all AEB matters, and where appropriate take decisions on them, via the AEB Mayoral Board.
- 2.13 To enable this change to take place, an amendment is required to the Mayoral Decision-Making framework. Appendix B sets out the affected paragraphs and changes to the wording for approval. In accordance with section 2.2 of “Mayoral Decision-Making in the Greater London Authority” framework, this change will take effect when this MD is signed and will be incorporated into the next revision of the Framework.

The SfL Board constitution

- 2.14 Appendix C sets out the proposed changes to the SfL Board constitution and includes:
- oversight of the SfL Capital Fund
 - oversight of the People and Skills investment priority of the UK Shared Prosperity Fund (UKSPF)
 - adoption of selected SAP responsibilities into the main text of the constitution
 - other minor changes, including an amendment to the membership of the Board following the closure of the LEAP, and a commitment to ensuring that the diversity of London’s communities and economy is acknowledged and embedded in all aspects of the Board’s work.
- 2.15 These changes are discussed in greater detail in the following paragraphs.

UK Shared Prosperity Fund

- 2.16 Under [MD3058](#) the Mayor approved the GLA’s management arrangements for the UKSPF in London and tasked the SfL Board to provide oversight and governance for the People and Skills investment priority. The SfL Board will provide an annual delivery report on UKSPF funding under the People and Skills priority to the London Partnerships Board (LPB) (as successor to the London Recovery Board).

Skills for Londoners Capital Fund

- 2.17 The final meeting of the LEAP Board took place on 7 March 2023 with responsibility for ongoing projects to be passed to existing GLA structures (as set out in the integration plan submitted to HM Government).
- 2.18 The SfL Board will provide oversight and make recommendations in an advisory capacity for ongoing SfL Capital Fund projects and the future allocations for the third round of funding as approved by the Mayor under MD3092.³ This will be approximately £10m to be made available to new projects, with delivery anticipated to take place from Autumn 2024. All recommendations will be subject to formal decisions in line with the ‘Mayoral Decision-Making in the Greater London Authority’ framework.

Skills Advisory Panel (SAP) funding

- 2.19 In March 2023 the DfE funded SAP programme came to an end, pending the adoption of Local Skills Improvement Plans (LSIP).
- 2.20 In order to maintain existing governance arrangements, the SfL Board’s constitution has been amended to formally adopt selected SAP responsibilities (previously included in an annex to the

² Section 39A of the Greater London Authority Act 1999

³ MD3092 is deferred from publication until 31 July 2023 in order to allow for the completion of due diligence and to avoid prejudicing the GLA’s commercial interests.

constitution). Doing so will help ensure continuity of oversight on ongoing programmes and work areas.

Membership

- 2.21 LEAP representation on the SfL Board membership is no longer necessary following the winding down of LEAP. This leaves four business and employer representatives (the Federation of Small Businesses, BusinessLDN, the Mayor's Business Advisory Board and the Jobs & Skills Business Partnership) on the SfL Board.
- 2.22 The SfL Board was consulted on these changes at its meeting on 24 May 2023 and endorsed the proposed changes to be taken forward. The updated constitution can be found at Appendix C which incorporates all changes set out above.

3. Equality comments

- 3.1 In carrying out any functions in respect of the AEB, the Mayor must comply with the public sector equality duty under section 149 of the Equality Act 2010.
- 3.2 Section 149(1) of the Equality Act 2010 provides that, in the exercise of their functions, public authorities – of whom the Mayor is one – must have due regard to the need to:
- eliminate discrimination harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 3.3 Relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, and sexual orientation. The Assurance Framework includes a Diversity and Inclusion section that references the Mayor's Equality, Diversity and Inclusion Strategy, and states how implementation of the AEB promotes equal opportunities. This Decision makes no changes to those arrangements and has no impact on those with protected characteristics.
- 3.4 Equalities comments are considered on a case by case basis for each AEB decision prior to it being submitted to the Mayor for approval. All AEB Mayoral Board reports and MD forms contain a section on equality comments and equalities impacts must be considered as a part of this process.
- 3.5 The SfL Board constitution has been updated to include a paragraph setting out the role of members in ensuring that the diversity of London's communities and economy is acknowledged and embedded in all aspects of the Board's work.

4. Other considerations

- 4.1 Delivering the AEB supports the Mayor's commitments made in the Mayor's Skills for Londoners Strategy, the Skills Roadmap for London, and the 'Getting London back on its feet' post pandemic ambition.

Risks arising/mitigation

- 4.2 The AEB Assurance Framework sets out robust governance arrangements for managing the AEB to minimise any programme risks. By reviewing an over-arching framework setting out the GLA's approach to decision-making, transparency, audit, value for money and engagement, stakeholders

can be confident that any decisions are proper, evidence-based and capable of being independently scrutinised.

- 4.3 To ensure AEB decision-making processes are robust, the minutes of the meetings of any AEB Mayoral Board meetings where a decision is recorded will set out any points from the discussion that the Mayor takes into account in making his decision. Furthermore, and as set out in MD2736, should the AEB Mayoral Board require amendments to *any* recommendations in the report in question, the decision would be automatically referred to an MD and submitted once the changes had been made.
- 4.4 Work will be undertaken to ensure any new processes are fully understood by those administering the AEB matters, that they are embedded properly, and that there is engagement with relevant colleagues and stakeholders at the right point.
- 4.5 There are no conflicts of interest to declare from those involved in the drafting or clearance of this decision.

5. Financial comments

- 5.1 This Decision seeks approval for:
- the updated AEB Assurance Framework (at Appendix A) for the 2023–24 academic year
 - amendments to Part G of the Mayoral Decision-Making framework (at Appendix B) to reflect the changes to the AEB decision-making process outlined in this MD
 - amendments to the SfL Board constitution (Appendix C), having consulted with the SfL Board, to: include oversight and monitoring of the Skills for Londoners Capital programme and the UK Shared Prosperity Fund People and Skills investment priority; to incorporate certain Skills Advisory Panel (SAP) responsibilities following the cessation of SAP funding; and include other minor changes.
- 5.2 There are no direct financial implications to the GLA arising from changes to the AEB Assurance Framework, amendments to Part G of the Mayoral Decision-Making framework, and amendments to the SfL Board constitution.

6. Legal comments

- 6.1 Section 39A of the Greater London Authority Act 1999 (the GLA Act 1999) permits the delegation of eligible ministerial functions to the Mayor, subject to certain limitations and conditions. The Secretary of State for Education (SSE) has used powers under section 39A of the GLA Act 1999 to delegate certain functions of the SSE under the Apprenticeships, Skills, Children and Learning Act 2009 (the 2009 Act) to the Mayor. The functions delegated under the 2009 Act are:
- sections 86 to 88 which are to be exercised by the Mayor instead of by the SSE, except any functions relating to apprenticeship training or persons subject to adult detention
 - sections 90 and 100(1) which are to be exercised concurrently with the SSE except any functions relating to apprenticeship training or persons subject to adult detention.
- 6.2 The delegation together with the terms and conditions relating to the exercise of the delegated functions are contained in a letter to the Mayor dated 6 December 2018. Section 39A (6) of the GLA Act 1999 provides that the Mayor is unable to delegate eligible Ministerial functions delegated to him and therefore must take all AEB decisions personally and this is specified in the Mayoral Decision-Making in the Greater London Authority protocol as well as in the AEB Mayoral Board Constitution. In exercising the delegated functions, the Mayor must have regard to the guidance issued by the SSE, as amended from time to time. The Mayor has entered a Memorandum of

Understanding with the SSE, dated January 2019, entitled “Delegation of Certain Adult Education Functions to the Greater London Authority” which sets out the agreed understanding of how the delegation will operate which the Mayor signed on 22 January 2019. The decisions sought above are consistent with the exercise of the delegated functions.

- 6.3 In taking the decisions to be requested, the Mayor must have due regard to the Public Sector Equality Duty and the Mayor is referred to section 3 above.

7. Planned delivery approach and next steps

- 7.1 The next steps are set out below:

Activity	Timeline
Publish the Assurance Framework and the Sfl Board constitution	July 2023
Assurance Framework annual review for 2024-25 academic year	July 2024

Appendices and supporting papers:

Appendix A: Revised AEB Assurance Framework

Appendix B: AEB-related changes to the Mayoral Decision-Making in the GLA Framework

Appendix C: Skills for Londoners (SfL) Board – draft constitution

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 – Deferral

Is the publication of Part 1 of this approval to be deferred? NO

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under the FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer:

Rachel Greenwood has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Tunde Olayinka has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Jules Pipe has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

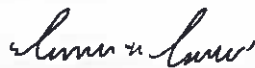
This decision was agreed by the Corporate Investment Board on 17 July 2023

✓

INTERIM CHIEF FINANCE OFFICER:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature



Date

17 July 2023

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor.

Signature



Date

17 July 2023