

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2500

Title: Skills for Londoners Innovation Fund 2019/20

Executive Summary:

Under MD2462, the GLA agreed to create a Skills for Londoners Innovation Fund using up to £6.4m of unallocated funding from London's overall Adult Education Budget (AEB) allocation for 2019/20.

The Fund will support AEB grant-funded providers to bid for additional funding in 2019/20 (with scope to carry forward committed funding in 2020/21) to deliver activity that meets the Mayor's priorities for skills and training in London, demonstrates innovation and is outcome-focused.

In line with the governance arrangements for the AEB (as set out in the AEB Assurance Framework), the principles relating to the SFL Innovation Fund were considered by the AEB Mayoral Board at its meeting on 11 July 2019.

Decision:

That the Mayor approves:

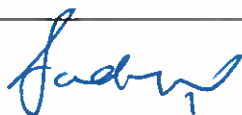
The operational detail relating to the function of the Skills for Londoners (SfL) Innovation Fund, which will use up to £6.4 million of unallocated funding from London's overall AEB allocation for 2019/20, to support all GLA AEB grant-funded providers to bid for additional funding in 2019/20 to deliver activity that meets the Mayor's priorities for skills and training in London, demonstrates innovation and is outcome-focused.

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:

27/8/19

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

Decision required – supporting report

1. Introduction and background

- 1.1 Since 1 August 2019, the Mayor is responsible for the commissioning, delivery and management of London's annual Adult Education Budget (AEB) allocation. For the 2019/20 academic year, this is £306,444,875.
- 1.2 As set out under MD2462, of this overall allocation, approximately £6.4 million will be unallocated when all funding for delivery and management and administration costs are accounted for.
- 1.3 To support the growth of the GLA's AEB grant-funded provider base and to encourage innovation, this funding will be used to create the Skills for Londoners Innovation Fund for all AEB grant-funded providers to apply for during the 2019/20 academic year.
- 1.4 The Fund will support additional activity in 2019/20 (with scope to carry forward committed funding in 2020/21) that meets the Mayor's priorities for skills and training in London, demonstrates innovation and is outcome-focused.
- 1.5 The Fund will replace the Education and Skills Funding Agency's (ESFA) approach of funding over-delivery of up to 103% of a provider's grant allocation.
- 1.6 The funding allocated through the Fund will be additional to the amount already allocated to grant-funded providers delivering to London learners in 2019/20.
- 1.7 The Fund will only be available to GLA AEB grant-funded providers. For GLA AEB procured providers, separate arrangements are in place for making requests for additional funding.
- 1.8 The prospectus for the Fund (attached as **Appendix 1**) will be published in September 2019, when the Mayor's *Skills for Londoners: a call for action* will also be launched, which sets out the case for a new skills devolution and funding deal to come to London, as well as a partnership with business to deliver inclusive growth.
- 1.9 The principles relating to the SfL Innovation Fund were considered by the AEB Mayoral Board at its meeting on 11 July 2019 and the Board were consulted on this decision by email under the Board's urgency procedure in August 2019.

2. Objectives and expected outcomes

- 2.1 The purpose of the Skills for Londoners Innovation Fund is to support additional activity funded by the GLA's AEB that:
 - 2.1.1 meets one or more of the Mayor's priorities for skills and training in the capital as identified in the Mayor's Skills for Londoners Framework and consulted on in April-May 2019 (see MD2463);
 - 2.1.2 demonstrates innovation, in the areas specified at paragraph 2.4 below; and
 - 2.1.3 delivers tangible employment, learning and/or social outcomes for individual Londoners, communities and businesses.

Mayoral priorities

- 2.2 The proposed activity must deliver against one or more of the following Mayoral priorities:

2.2.1 Widening participation for disabled Londoners to access provision funded by the AEB;

2.2.2 Preventing future violence;

2.2.3 English for Speakers of Other Languages (ESOL);

2.2.4 Addressing sectoral priorities in London's economy;

2.2.5 Supporting those affected by jobs displacement and redundancies;

2.2.6 Improving participation in digital skills training; and

2.2.7 English and maths.

2.3 A full description of each Mayoral priority is set out in the Fund prospectus attached at Appendix 1.

Innovation

2.4 The Fund will only support applications that demonstrate innovation. Applicants will be expected to demonstrate innovation in at least one of the following areas:

- Engagement – the method through which the provider engages with or targets learner groups;
- Learning content – the approach taken by the provider to the delivery or content of the curriculum;
- Progression – how the provider supports learners to achieve employment, learning or social outcomes; and
- Measurement – how the impact and outcomes of adult learning are captured and measured.

2.5 The Fund will support both the testing of new approaches through piloting, and the scaleup of previously successful small-scale projects which are not eligible to be funded through the current GLA AEB funding rules.

Outcomes

2.6 Through the application process, providers will need to identify the employment, learning and/or social outcomes the provision will deliver for individual Londoners, communities and businesses as set out in the Fund prospectus. These outcomes have been developed as part of work being led by the GLA's Outcomes for Londoners Advisory Group.

Eligibility

2.7 Only existing grant-funded providers eligible for continued funding in 2021/22, as defined by recent changes to AEB eligibility requirements for out-of-London providers (see MD2513), will be able to apply for the Fund. This reflects the Mayor's intention to direct more AEB funding to those providers delivering directly to London learners, as they have the local knowledge and understanding to ensure it meets the needs of the local community most effectively. Providers must also be delivering in line with or above their existing allocation for 2019/20 to qualify for the Fund.

2.8 The Fund will support both AEB formula-funded and non-formula funded provision.¹ However, funding for non-formula provision will only be awarded where the provider can set out a clear rationale for why their planned provision could not be delivered in line with the AEB formula-funded methodology.

¹ Non-formula funding provision is paid on a monthly profile where the provider is responsible for attributing costs for additional for eligible learners.

- 2.9 Only in exceptional circumstances will the Fund be used to increase subcontracted provision: where a provider can demonstrate that the planned innovative delivery relies on engaging with niche and/or specialist organisations to address the Mayor's priorities.

Evidence

- 2.10 To apply for funding, providers will be required to complete an application form and submit a summary of their performance related to London learners in 2019/20. The criteria applications will be assessed against are set out in the Fund prospectus. Only those providers eligible for funding will be considered for assessment.

Payment

- 2.11 Providers will be asked to set out how the funding they are bidding for will be delivered across the two academic years (if applicable). Total allocations for either year or both years will then be adjusted based on the additional funding bid. Payments will be made in line with the payment profile for grant-funded providers.
- 2.12 To ensure the Fund supports a diverse range of projects, applicants can apply for up to 10% of their existing allocation to a maximum value of £500,000, with a minimum value of £100,000 set for each project.
- 2.13 Providers with a grant allocation of less than £1 million will be able to apply for a Fund grant of £100,000 but will need to demonstrate that they have sufficient capacity to deliver the increased provision.

Awarding

- 2.14 All bids will be reviewed by officers from the GLA's Skills and Employment Unit and moderated by a member(s) of the Unit's senior management team. Final recommendations will then be made to the AEB Mayoral Board in February 2020 before providers are notified of the outcome of their bid.

Evaluation

- 2.15 Successful providers will be required to agree an evaluation plan for their provision and to work with any evaluators appointed by the GLA. This is likely to include the submission of an interim report describing progress to date against the targets set during the application stage. Providers will also be required to submit a final report which will be used to evaluate the effectiveness of the project. This information will help inform future approaches to supporting innovation.

3. Equality comments

- 3.1. 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; and
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 3.2. Relevant protected characteristics are age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

- 3.3. The Mayor is required to comply with the duty set out above in making this decision and any future decisions relating to the AEB made pursuant to those arrangements – including the allocation of the innovation fund – which will be subject to separate decision forms.
- 3.4. Contractual agreements with delivery partners for this programme will require them to comply with all applicable existing and future equal opportunities laws, regulations and guidance, and GLA guidance in relation to race, nationality, ethnicity, disability, gender, sexual orientation, age, religion or belief.
- 3.5. GLA officers will periodically monitor successful projects to verify that equalities policies, procedures and processes are understood and applied by staff and project participants; that they are being monitored and reviewed; and that any underperformance against agreed equalities targets is being investigated and relevant mitigation actions are being taken.

4. Other considerations

4.1. Key risks associated with this approach are:

- 4.1.1. *The value of applications exceeding the funding available.* To support a broad range of projects, the providers will be allowed to bid for up to 10% of their existing allocation to a maximum value of £500,000, with a minimum value set of £100,000 for each project. This will ensure a minimum of 12 projects will be supported through the Fund. The GLA does not expect to receive fewer bids than the funding available but if this were to happen the GLA would either use the remaining funding to support overperformance by a provider where they could demonstrate it was aligned to the Mayor's priorities and/ or carry forward the funding to the academic year 2020/21.
- 4.1.2. *Difficulty in assessing applications that deliver against different Mayoral priorities.* This risk will be mitigated by adopting a standardised approach to the assessment process. All applications will be scored against set criteria. Additionally, providers will be required to submit a summary of performance related to London learners in 2019/20 which the GLA will validate using providers' in-year data returns.

4.2 There are no interests to be declared from those involved in drafting this decision.

5. Financial comments

- 5.1 This proposal has no direct financial implications to the GLA. Funding for the SFL Innovation Fund was approved under MD2462.

6. Legal comments

- 6.1. This paper sets out the operational detail relating to the function of the Skills for Londoners Innovation Fund, using up to £6.4m of unallocated funding from London's overall AEB allocation for 2019/20, with the intention of supporting AEB grant-funded providers to bid for additional funding in 2019/20.
- 6.2. Section 39A of the Greater London Authority Act 1999 permits the delegation of ministerial functions to the Mayor, subject to certain limitations and conditions, and AEB functions have been delegated from the Secretary of State for Education to the Mayor.
- 6.3. In taking the decision requested, the Mayor must have due regard to the Public Sector Equality Duty under section 149 of the Equality Act 2010. The Mayor should therefore have particular regard to section 3 (above) of this report.

7. Planned delivery approach and next steps

7.1 The timeline of the delivery of the Fund is set out below.

Activity	Timeline
Fund prospectus published to ensure early notice of the process for the sector	September 2019
Applications from grant-funded providers received	December 2019
Growth requests assessed and considered by AEB Mayoral Board	February 2020
Grant-funded providers notified of outcome of requests and any adjustments made to allocations.	February 2020
Final evaluation reports submitted	Summer 2021

Supporting papers:

Appendix 1 – Skills for Londoners Innovation Fund prospectus

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and such forms will normally 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? Yes

If YES, for what reason: The Skills for Londoners Innovation Fund prospectus (attached as Appendix 1) will need to be reserved from publication until it is launched in September 2019.

Until what date: (a date is required if deferring) 16 September 2019

Part 2 - Sensitive information

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

Is there a part 2 form - Yes

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Matt Bailey has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Michelle Cuomo Boorer 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 19 August 2019.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

Date

19-08-19

Tom Middleton on behalf of Martin Clarke

CHIEF OF STAFF:

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

Signature

Date

19/8/2019.

D. Bellamy

