GREATER**LONDON**AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2421

Title: Adult Education Budget Data Funding to Support Systems Development

Executive Summary:

A data and delivery management information IT system is required to support the Adult Education Budget (AEB) which is being delegated to the Mayor of London from central government. Key functionality of this system must be in place by 1 August 2019.

The GLA Open Project System, (GLA OPS), is the GLA's existing grant, contract and project management system. Using GLA OPS will result in efficiencies, as the underlying architecture is already in place and many of its functions can be configured in-house by GLA officers. This decision seeks approval of expenditure of up to £650,000 to make the necessary enhancements to the system to support delivery of the AEB programme.

This work will be completed by Keytree Ltd., the external supplier already in place to support GLA OPS development (in line with the decision taken under MD2293). Keytree Ltd. will ensure key functionality such as provider registration, grant/contract management and provider payments is in place for 1 August 2019, when the GLA's first AEB grants and contracts start.

This approach was endorsed by the AEB Mayoral Board on 10 April 2019.
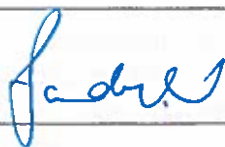
Decision:

That the Mayor approves:

- expenditure of up to £650,000 for GLA OPS systems development and changes required to support the AEB programme; and
- a related virement from the AEB Implementation Budget, and GLA reserves if required, to the GLA Development Reserve budget, which holds the funding for corporate rollout of the GLA OPS system (as approved by MD2293).

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: 12/4/19

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

Decision required – supporting report

1. Introduction and background

1.1. From the academic year 2019-20, the Adult Education Budget (AEB) in London will be delegated to the Mayor of London, transferring responsibility for the delivery of certain adult education provision to London's residents from the Secretary of State for Education acting through the Department for Education (DfE). To date, this has been administered by the Education and Skills Funding Agency (ESFA) on behalf of the DfE. London has been awarded an AEB allocation of circa. £306.4 million for the 2019-20 academic year, which was confirmed by DfE on 31 January 2019.

1.2. The GLA has not managed skills and employment programmes on this scale before so requires data and delivery management systems, similar to the systems currently used by the Education and Skills Funding Agency (ESFA), from 1 August 2019. This will ensure that data required for AEB programme management and delivery, including the national Individualised Learner Record (ILR) dataset collected from providers of AEB-funded education, is readily available and that processes remain robust, standardised and user-friendly.

1.3. The GLA Skills and Employment Unit, which manages the AEB programme, has identified the need for two types of systems:

    A. A **grant and contract management system** to launch funding application programmes, receive and manage applications, register successful grant or contract providers, process payments and provide the wider delivery management functions needed; and

    B. A **management information system** to collect, store, process and analyse large volumes of complex data relating to AEB programme delivery.

1.4. The GLA has an in-house grant, contract and project management IT system, called GLA Open Project System (GLA OPS)[1]. This system is intuitive and easy to use, having been delivered using an Agile development approach where software is delivered incrementally based on input from real users. GLA OPS is currently supporting 27 programmes across the GLA Group.

1.5. The GLA Skills and Employment Unit and GLA OPS Delivery Team, working with an external team of developers from KeyTree Ltd., initiated a period of initial systems discovery in April 2018. This discovery period mapped the high-level data management approach currently used by the ESFA and confirmed that GLA OPS provided a good fit for both types of system required for AEB delivery management purposes.

1.6. Use of GLA OPS to manage the AEB programme will deliver efficiency through using and reconfiguring the existing infrastructure rather than building an entirely new system. It will also have the benefit of streamlining processes and implementing common standards across GLA projects, embedding best practice, supporting fraud prevention, driving efficiencies, and capturing provider information in a single corporate database.

1.7. The GLA is currently in contract with Keytree Ltd., who were appointed to support the corporate rollout of the GLA OPS system as per MD2293. Under this arrangement, expenditure of £1.882m was approved to support the rollout of the system to the wider GLA, with GLA teams required to reimburse any expenditure for team specific changes exceeding £30k. At the time of that decision, many of the requirements for AEB were unknown.

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[1] The GLA's project management IT system was initially implemented for the Housing & Land and Regeneration Units under MD2007 with Keytree Ltd. appointed as the development supplier.

1.8. The agile project management approach to systems development means that the exact level of resource required to develop new functionality is not clear until after the detailed business requirements have been explored with Business Analysts, work which in itself generates cost. As such, a portion of this Mayoral Decision is, of necessity, retrospective and relates to costs incurred in understanding the level of KeyTree Ltd. resource required to develop the core system functionality needed to be in place by 1 August 2019.

1.9. The AEB Mayoral Board, chaired by the Mayor, met on 10 April 2019 and endorsed this approach to funding AEB systems development.

2. Objectives and expected outcomes

2.1. A project review point at the end of February 2019 identified the work completed to date and the remaining business-critical system developments required for managing the AEB programme. This work highlighted that resource should be increased from an average of £54k per month to £105k per month to ensure work is completed by the start of AEB delivery on 1 August 2019. This allows for 'twin tracking' of both the grant and contract management and the management information work-strands.

2.2. As such, approval of expenditure of up to £650k comprises £209k for the current programme of work to develop existing functionality in GLA OPS up to 31 March 2019, with the remaining expenditure of £441k sought to fund development from 1 April to 31 July 2019:

	2018/19	2019/20*	Total
Year total	£209,000	£441,000	£650,000

*to 31 July 2019

2.3. Actual expenditure may vary due to the flexible nature of the agile project management approach as the scope of individual elements of work within the overall plan may increase or decrease, generating increases or reductions in the associated discovery and development resource costs. However, £650k is expected to be sufficient to achieve all business-critical functionality by 1 August 2019; actual costs will be reported back to the AEB Mayoral Board in due course.

2.4. The GLA Skills and Employment Unit and GLA OPS Delivery Team are seeking to continue their twin track approach to AEB system discovery and development. On 10 April 2019 the AEB Mayoral Board considered further detail on development work completed to date and work still to be completed, as well as a GLA OPS 'Roadmap' which orders development of the remaining functions by prioritising items that will enable the registration of providers and the capability to pay them, before development of additional functionality. As a part of the development process, providers will also be actively involved in system design and testing of GLA OPS prototypes before they are activated in the live system.

3. Equality comments

3.1. In carrying out any functions in respect of the AEB, the Mayor will 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; and

- 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 re-assignment, pregnancy and maternity, race, religion or belief, sex and sex orientation.

3.4. The GLA OPS Delivery Team will also consider those with protected characteristics when analysing business requirements and system design. The minimum requirement for the GLA OPS system is for the site to meet the internationally recognised WCAG 2.0[2] level content accessibility guidelines for system developers. Any future development will comply with this requirement.

4. Other considerations

Links to Mayoral strategies

4.1 The Adult Education Budget funds the delivery of education and training for learners aged over 19. The delegation of the AEB to the Mayor of London means that for the first time London will have the opportunity to tailor the skills and education system to better address local priorities, to create a post-16 technical and vocational education and skills system that meets the needs of Londoners and businesses.

4.2 This decision links to the Mayoral strategic priorities and vision for skills and education in London which have been laid out in the Skills for Londoners Strategy, and are supported by the Skills for Londoners Framework.

Impact assessments

4.3 The recommendations in this decision have resulted from input and discussions between the OPS Delivery Team, the Skills and Employment Unit, KeyTree Ltd. system architects, the Technology Group, and GLA Governance & Finance. To enable an impact assessment of the system feedback will be sought from individual users of OPS on an ongoing basis and officers within the Skills and Employment Unit who will use the system. IT system implementation will also be included in the evaluation of the AEB programme implementation.

Risks arising / mitigation

4.4. The GLA Skills and Employment Unit systems working group will monitor risks and issues throughout the project, and these will be highlighted in weekly meetings for quick resolution. The key risks for the project are detailed below.

Risk Description	Mitigation Actions
That the scope of what is required to deliver business-critical functionality to the GLA has been significantly under estimated. As a result, the development cost and/or the time taken could increase.	Agile system development methodology will be properly applied to ensure that the key elements are prioritised, and complexity is kept to a minimum. This is reviewed weekly.
That changes in scope lead to the business-critical functions not being delivered in time or in budget.	Scope decisions will be flagged and addressed early in the process to avoid any delivery surprises further down the line. This will be led by the GLA Skills and Employment Unit

[2] Web Content Accessibility Guidelines (WCAG) 2.0 https://www.w3.org/TR/WCAG20/

	systems working group. The group will monitor progress, scope and complexity to keep the project on track. Regular information on spend and spending forecast will be provided to Finance.
That the core functionality requirements to be able to register and pay providers are not ready for go-live 1 August 2019.	This risk has been identified on the GLA's Corporate Risk Register. The ability to register and pay providers drives the prioritisation order of the systems development. This is currently on track. To ensure that this element is not overlooked key configurability features have been prioritised by the GLA OPS Delivery Team. Weekly systems working group meetings are taking place within the GLA Skills and Employment Unit, as well as regular meetings with the GLA OPS Delivery Team, to keep track of development, expenditure and to reassess timelines.
That the built system does not meet the need of the GLA and providers.	GLA officers will be heavily involved in the initial planning and design workshops to ensure that GLA requirements are captured accurately. The ongoing design/build/test approach outlined in the Agile methodology adopted by the developers will begin to involve providers in workshops from March 2019.
That the ESFA Service Offer on national AEB data collection requirements and systems for year one is delayed, or it is not fully comprehensive, impacting the available timeframes to build relevant systems.	The GLA will continue to maintain close contact with ESFA officers. The GLA will also ensure that the flexible approach to system design continues, such that that the impact of any future changes to the Offer on systems is minimised will provide additional mitigation. GLA has received an outline of what the ESFA service offer will include in the first year of delegation, however we have not yet received the official documentation.
That the complexity of collecting supplementary data directly from providers for AEB Procured provision to meet their ESF-eligibility requirements increases the required development time.	The GLA will ensure close working between the systems working group and the CFO officers within the GLA Skills and Employment Unit, such that requirements are identified in as far advanced as possible, enabling the GLA OPS Delivery Team to manage them alongside the priorities of the other systems workstreams and that of other GLA teams.

That the GLA OPS Delivery Team capacity is insufficient to deliver the business-critical functionality within the required timeframe.	The GLA are in the process of recruiting new staff to join the GLA OPS Delivery Team. Alongside this, the GLA agreement with KeyTree Ltd. includes a degree of flex, which enables the GLA OPS Delivery Team to request short term increases in KeyTree developer resource during periods of time-sensitive work, or peak demand.
That there may be insufficient AEB implementation budget available to cover the cost of full systems development.	The GLA has committed to funding full GLA OPS development and will seek funding from other budgets if necessary (see financial comments below).
That delivery of AEB functionality diverts resources from other areas of the GLA that could benefit from using GLA OPS.	Delivery of AEB functionality has been scheduled alongside work for other areas of the GLA by the GLA OPS Delivery Team in their Corporate development plan. The GLA OPS Delivery Team and GLA OPS Programme Board will monitor progress of work on AEB functionality and plan resources to minimise the impact on other potential GLA workstreams.

5. Financial comments

5.1 The proposed expenditure of £650,000 spans two financial-years:

- 2018-19 - £209,000
- 2019-20 - £441,000

5.2 MD2293 approved an expenditure envelope of £1.882m to support the roll out of GLA OPS across the GLA, with GLA teams required to reimburse any specific system developments exceeding £30,000. As a result, costs for 2018-19 totalling £209,000 will be funded from the existing AEB implementation budget, which is comprised of GLA core budget and implementation funding from DfE.

5.3 There is currently no specific provision in the GLA budget to fund expenditure of up to £441,000 from April 19 to 31 July 2019. Officers will seek, as far as possible, to contain the costs within the available 2019-20 AEB implementation budget, which is made up of implementation grant from DfE of £478,287 and an approved GLA budget carry forward from 2018-19 of £543,000. If this budget proves insufficient – for example, because of wider pressure on the budget – then in the first instance a call will be made on Directorate under-spends to ensure this system works is resourced sufficiently.

6. Legal comments

6.1 Section 1-4 of this report indicate that the decisions requested of the Mayor concern the exercise of the GLA's general powers, falling within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development and wealth creation, social development or the promotion of the improvement of the environment in Greater London; and in formulating the proposals of which a decision is sought officers have complied with the GLA's related statutory duties to:

- Pay due regard to the principle that there should be equality of opportunity for all people;

- Consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and

- Consult with appropriate bodies.

6.2 In taking the decisions requested, as noted in section 3 above, the Mayor must have due regard to the Public Sector Equality Duty under section 149 of the Equality Act 2010, namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010, and to advance equality of opportunity between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it and to foster good relations between persons who share a relevant protected characteristic and persons who do not share it. To this end, the Mayor should have particular regard to section 3 (above) of this report.

7. Planned delivery approach and next steps

Activity	Timeline
Further Discovery & Build period	March – July 2019
GLA Skills and Employment Unit and Provider testing sessions	March / April 2019
Provider registration	April 2019
Subcontracting plans submitted	May 2019
Providers submit Learning Grant block for approval	May 2019
Systems readiness review	May 2019
AEB programme go-live	Aug 2019

Appendices and supporting papers:

None.

Background documents:
- MD2007 - Housing and Land IT System Replacement

- MD2293 - Corporate roll-out of the Open Project System (OPS)

- 10 April 2019 AEB Mayoral Board report 'AEB data and contract management systems: funding to support system development' is available on request, noting that the appendices are reserved from publication.

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 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:	
Caroline Jackson has drafted this report in accordance with GLA procedures and confirms the following:	✓
Sponsoring Director:	
Debbie Jackson 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 the 12 April 2019	

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature *M. D. elle*   **Date**

CHIEF OF STAFF:

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

Signature *NBouch*   **Date** 12-04-19