

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD3035

Title: Management and administration of the 2022-24 Multiply programme: improving adult numeracy skills

Executive summary:

This Mayoral Decision (MD) form asks the Mayor to approve the GLA's receipt of funding and proposed approach to administer the £40,945,591 grant allocated by the Department for Education (DfE) to deliver the Multiply programme in London from the 2022-23 financial year (FY) to the 2024-25 FY. This includes the allocation methodology to be used to award up to £35,001,044 of funding to existing Adult Education Budget (AEB) grant-funded providers; and the proposed use of £3,545,795 for growth and supporting activity for delivery from the 2023-24 academic year (AY).

London has been allocated a £40.9m budget to deliver the Multiply programme, which was nominally allocated as part of the UK Shared Prosperity Fund (UKSPF). The Multiply funding will be administered by the GLA, who will receive funding as a section 31 ringfenced grant under the Local Government Act 2003. The government has issued the GLA's Multiply allocation as a three-year settlement but retains the right to reclaim any unspent funding at the end of each FY. The DfE funding letter is attached at Appendix A.

To maximise programme delivery, the GLA will aim to allocate 85 per cent of Multiply funds (circa £35m) to existing AEB grant-funded providers with established numeracy provision. A further circa £3.55m (9 per cent) will be reserved for growth and to procure further activity to meet additional Multiply aims from the 2023-24 AY. The remaining funding of £2.39m (6 per cent) will be used to meet management and administration (M&A) costs covering staffing and related support costs.

Decision:

That the Mayor:

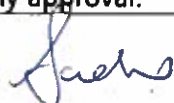
1. approves the GLA's receipt from the DfE, and expenditure, of up to £40,945,59 of grant-funding to deliver the Multiply programme in London, and its proposed approach to the same, including the award of up to £35,001,044 grant-funding to existing AEB grant-funded providers, expenditure of up to £3,545,795 to deliver additional Multiply activity from the 2023-24 AY, and £2,398,752 to cover the M&A costs of the programme over up to three years
2. delegates authority to the Assistant Director – Skills and Employment to make all further programme-level decisions via Assistant Director Decision (ADD) Form as necessary.

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:

3/10/22

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

Decision required – supporting report

1. Introduction and background

- 1.1. The UKSPF¹ is a central pillar of the UK government's levelling-up agenda. It provides £2.6bn of new funding for local investment by March 2025, with all areas of the UK receiving an allocation from the Fund via a funding formula rather than a competition.
- 1.2. The government has committed that the first priority of the UKSPF will be Multiply – a programme designed to improve adult numeracy skills. The Multiply programme will be managed separately to the wider UKSPF programme and it makes up to £559m of funding available to deliver targeted interventions that support improvements in adult (19+) numeracy, up to and including Level 2 qualifications, over the next three years (ending March 2025).
- 1.3. Total funding (minus £130m for a national digital platform to deliver numeracy skills and a national evaluation) has been spread across the devolved nations, with a total of £270m for England. London has been allocated £40,945,591.
- 1.4. The GLA submitted an investment plan to the DfE for Multiply in June 2022 as requested by government. The investment plan set out the GLA's plans to administer the London Multiply Programme. The criteria that the GLA was required to fulfil are detailed in an investment prospectus² for the programme, published by the government in April 2022.
- 1.5. The prospectus sets out the following success measures for the whole programme at a national level:
 - more adults achieving maths qualifications and increased participation in numeracy courses
 - improved labour market outcomes, such as fewer numeracy skills gaps reported by employers, and an increased proportion of adults progressing into sustained employment and/or education
 - increased adult numeracy across the population.
- 1.6. A key condition of Multiply is that it cannot duplicate activity funded by the AEB.
- 1.7. The GLA engaged AEB providers, and wider skills and employment stakeholders, in March 2022 to understand their interest in the programme, and their priorities for delivery, to complement current AEB-funded activity.
- 1.8. The GLA will receive funding for Multiply as a section 31 ringfenced grant under the Local Government Act 2003. The DfE funding letter is attached at Appendix A.

2. Objectives and expected outcomes

- 2.1. The GLA's delivery of the Multiply programme in London will help to deliver the national programme aims whilst supporting Mayoral and London Recovery Board priorities. This will ensure the programme is tailored effectively to meet local need and it will work alongside, and add value to, existing programmes in London. This includes supporting Londoners into good work and mitigating the impact of the increasing cost of living on Londoners, by improving numeracy skills.
- 2.2. The investment plan that the GLA submitted to the government in support of its application for the funding covers 10 Multiply interventions, estimated to reach a minimum of 31,000 Londoners over the three-year period of the programme.

Proposed approach to administering Multiply funding

¹ Department for Levelling Up, Housing and Communities (DLUHC), [UK Shared Prosperity Fund: How the fund will be delivered](#), updated 1 August 2022.

² DfE, [Multiply: Investment Prospectus](#), April 2022.

- 2.3. The government has set out that Multiply allocations to local areas will be a multi-year settlement (up to three years). However, the government also retains the right to reclaim any unspent funding at the end of each FY. Therefore, it is imperative that delivery of funded activities is delivered in each year of the programme.
- 2.4. Additionally, as Multiply nominally forms part of the UKSPF, which replaces European Structural and Investment Funding, it is necessary to consider how local authorities can be best supported to address local skills needs for their residents, including low numeracy skills.
- 2.5. In light of these considerations, the GLA is proposing to award the majority of Multiply funds (85 per cent) to existing AEB grant-funded providers (including local authority adult education services) as a contribution to their costs of delivering eligible activities to complement current AEB-funded activity. The rationale for the proposed award of funding to these providers is that they are well placed, and have capacity, to quickly expand upon existing numeracy provision and engagement of Londoners. The GLA's funding award methodology considers previous AEB grant allocations, existing delivery of maths provision, and local skills needs.³
- 2.6. This methodology involves the award of up to 26 per cent of the Multiply budget (£8.97m) to local authorities over the three years. The proposed award exceeds the current share of AEB allocations to local authorities which is 21 per cent in this AY (2021-22). The proposed increase is recommended on the basis of local authorities' ability to more easily reach local communities, a higher level of engagement with the GLA at the Expression of Interest stage of the Multiply development process, and the ability to support London's recovery by giving local authorities the opportunity to use Multiply to actively engage with the communities they serve.
- 2.7. It is proposed that some local authorities will not receive a Multiply allocation, as they do not currently receive an AEB grant from the GLA. These are the London boroughs of Barnet, Enfield and Richmond upon Thames. Residents in these boroughs are supported through provision delivered by associated skills providers who receive the respective borough's AEB allocation. A full breakdown of the proposed awards to providers, broken down by year, is set out in Appendix B.
- 2.8. The GLA wrote to existing AEB providers to inform them of their indicative Multiply allocations. Providers were asked to set out how they would deliver activity using those allocations in London, through submission of an investment template detailing their planned interventions and outputs. To ensure funding is administered in line with the Mayor's [Skills for Londoners Strategy](#), [Skills Roadmap for London](#), and the Helping Londoners into Good Work recovery mission, the GLA will also set out requirements for the award and use of Multiply funding in a guidance as part of the grant agreement. Where possible, the eligibility criteria set out for Multiply programme in London will align to those in the AEB.
- 2.9. The GLA will also reserve a proportion of London's Multiply allocation (9 per cent/circa £3.55m) to procure supporting activity that will improve the impact of the London Multiply Programme and top up provider funds, where a clear business case for these activities can be demonstrated.
- 2.10. As the GLA will only receive confirmation of its final Multiply allocation from the DfE in September 2022, there is insufficient time to procure additional activities for delivery during the remainder of the 2022-23 FY. Therefore, we expect to procure additional supporting activities to existing provision from the 2023-24 FY onwards.
- 2.11. To support the M&A of the Multiply programme, a sum of £2,398,752 was included in the investment plan to cover M&A of the programme over three years. This includes provision for creation of nine new fixed-term posts, which have all been signed off by the GLA internal processes (Head of Paid Service Decision CO-384 384); recruitment is ongoing.

³ In practice, the allocations have been weighted using grant allocations in 2021-22; the number of AEB maths enrolments in 2020-21; and the number of people with low attainment (below Level 2) by borough (Annual Population Survey, 2021).

- 2.12. The GLA will also commission its own evaluation of Multiply in London. This will complement the DfE's national evaluation. The GLA's evaluation will focus on how the programme meets local priorities such as learner progression at an approximate cost of circa £210,000. Furthermore, the London Learner Survey will be extended to include Multiply learners.
- 2.13. Programme M&A costs also contain GLA overhead charges; system development and maintenance of the GLA Open Project System; marketing; and other necessary support activity. The proposed programme budget is set out in Appendix C.
- 2.14. It is recommended therefore, that in order to maximise the efficiency with which the programme can be commenced, managed and administered, the authority to make future Multiply programme level decisions is delegated to the Assistant Director – Skills and Employment via ADD Form as necessary.

3. Equality comments

- 3.1. Section 149(1) of the Equality Act 2010 provides that, in the exercise of their functions, public authorities 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.

Relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

- 3.2. Multiply will support all adults aged 19 or over who are in need of maths skills support. In London, the programme will focus on supporting Londoners most in need of adult education. These groups are often those that faced persistent inequalities prior to the pandemic, and have now been further disadvantaged by its impact. They include Londoners with no or lower-level qualifications; Londoners in low-paid work; older Londoners (aged 50+) and young Londoners; Londoners from Black, Asian and Minority Ethnic communities; disabled Londoners; Londoners with English-language needs; people seeking asylum; and adults with experience of the criminal justice system. An Equality Impact Assessment is being prepared, and is scheduled to be published ahead of entering into grant agreements.

4. Other considerations

Links to Mayoral strategies and priorities

- 4.1. The Multiply programme outlined in this MD aligns with commitments made in the Mayor's Skills for Londoners Strategy, Skills Roadmap for London, and the Helping Londoners into Good Work recovery mission.

Risks arising/mitigation

- 4.2. Key risks and mitigations are outlined below.

Risk description	Planned mitigations	RAG Rating
Timescales are too short for grant-funded providers to effectively prepare for delivery. This could create a delay to delivery start dates; lead to resulting underspend being reclaimed by the government at the end of the first FY (i.e. April 2023); and prejudice future provision.	The GLA has been working with proposed London Multiply providers since the announcement of the programme, to enable them to prepare for delivery from September 2022. The GLA will also ensure a regular and rigorous performance management process, so that issues of underperformance and related underspend are flagged early; and, where necessary, reclaimed by the GLA and (to the extent permitted under the DfE's terms of the Multiply funding) redistributed to providers that are performing more effectively.	A
Conditions of the grant award have now been received with the funding letter received from DfE only committing to £12,378,899.73 for the 22-23 financial year. There is a risk that future funding is reduced especially due to underspend in the first year.	The GLA grant letter with providers will be clear that the future funding is subject to available funding for those years.	G
Due to the content required in the DfE's investment plans, the GLA will be required to communicate providers' indicative allocations before funds have been approved. This may lead to providers spending their allocation before the DfE confirms that the GLA's investment plan has been approved.	Care will be taken to make it absolutely clear that any indicative allocations communicated are subject to DfE and GLA approvals and confirmation; no reliance should be placed upon them until agreements have been executed by the GLA and providers. Expenditure incurred before that is entirely at providers' risk.	G
As funding has been allocated to AEB grant providers, there is a risk that they may duplicate or offset fully funded maths courses delivered through the AEB statutory entitlement. This action is prohibited under the Multiply programme; and, as such, may lead to clawback if discovered during an Education and Skills Funding Agency audit.	<p>The GLA plans to mitigate this risk through the following measures:</p> <ul style="list-style-type: none"> • Conducting routine comparative analysis of 2021-22 AEB delivery, captured through the Individual Learner Record, against 2022-23 delivery. This comparison will identify instances where Multiply interventions might be offsetting AEB delivery; and allow the GLA to take mitigative action as needed. • The GLA has received delivery plans from AEB providers in May 2022, before Multiply allocations were issued. The delivery plans set out estimated provision for the 2022-23 AY. This includes planned numeracy provision. The GLA will compare estimated levels of AEB maths delivery for 2022-23 and subsequent years against actual delivery to monitor delivery trends and ensure no displacement of learners. 	A

	<ul style="list-style-type: none"> • As a requirement of funding, the GLA requires all Mayor of London Multiply providers to set out and take clear measures to prevent duplication and off-setting within their investment templates. 	
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- 4.3. There are no conflicts of interest to declare from those involved in the drafting or clearance of this decision.

5. Financial comments

- 5.1. Mayoral approval is sought for the receipt and expenditure of £40.9m awarded to the GLA towards the London Multiply programme as a section 31 ringfenced grant under the Local Government Act 2003. This programme has been designed to improve the numeracy skills of in need adults age 19+ living within London, addressing the skills shortage of these individuals. Multiply is a fully externally funded programme managed by the DfE. As this is a multi-year programme, it is imperative that all funding is spent in-year. No carry forward of funding will be permitted and the DfE retains the right to clawback any unspent funds at the end of each financial year as stated within the funding letter sent by DfE. The Multiply programme will span across three financial years (2022-23, 2023-24 and 2024-25) with the detailed funding allocations from DfE for each year shown in Appendix B. Underspends from each year will be clawed back by the DfE and will not lead to a call on GLA core resources.
- 5.2. The proposed allocation methodology is towards current AEB providers who have the capacity to deliver the multiply objectives. In summary, £11.5m (2022-23 FY), £11.6m (2023-24 FY) and £11.8m (2024-25 FY) will be awarded in grant allocations to the providers in each financial year. The indicative expenditure profile and recipients of the grant awards for each of the three FYs is also shown in Appendix A. It is anticipated that the funding agreements will be signed in September 2022. Funding has also been set aside for management and administration (£2.3m over three years) and growth and support activities (£3.5m) with a detailed breakdown also contained in Appendix B. The funding envelope will be contained within the Skills and Employment budget with allocations for 2023-24 and 2024-25 subject to approval through the annual budget setting process.
- 5.3. Further approval is also being sought to delegate authority to the Assistant Director – Skills and Employment to make any further programme level decisions.

6. Legal comments

- 6.1. The foregoing sections 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 that are facilitative of, or conducive or incidental to, the promotion of economic development and wealth creation in Greater London
 - in formulating the proposals in respect 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
 - consult with appropriate bodies.

- 6.2. In taking the decisions requested, the Mayor must have due regard to the Public Sector Equality Duty – namely, the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010; and to advance equality of opportunity, and foster good relations, between persons who share a relevant protected characteristic (race, disability, gender reassignment, age, sex, sexual orientation, religion or belief) and persons who do not (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to section 3 (above) of this report.
- 6.3. If the Mayor makes the decisions sought, officers must ensure that:
- no reliance should be placed or commitments made based on the DfE Multiply funding (whether for third-party allocations, GLA recruitment or service commissioning) until the DfE has approved all proposed investment plans, and entered into a legally binding commitment to provide the funding to the GLA on terms with which the GLA is confident it can comply (it should be noted in particular that whilst the GLA applied for funding of up to £40,945,59 for a 3 year period, the funding letter received from DfE only commits to £12,378,899.73 for the 22-23 financial year – officers must take care therefore, to structure any expenditure commitments accordingly).
 - to the extent that expenditure concerns the award of grant-funding, it is distributed fairly, transparently, in manner that affords value for money and in accordance with the requirements of the GLA's Contracts and Funding Code and grant-funding agreements (containing such provisions as required to enable the GLA to comply with its own obligations to the DfE), are put in place between and executed by the GLA and recipients before any commitment to fund is made
 - to the extent that expenditure concerns the payment for services, those services are procured in liaison with TfL Procurement and in accordance with the GLA's Contracts and Funding Code, and contracts are put in place between and executed by the GLA and contractors before commencement of such services
 - to the extent that it is proposed decisions be made in respect of the creation of new posts, all applicable GLA HR protocols and procedures are followed.
- 6.4. In addition, as the proposals in respect of which decisions are sought involve the making of commitments that extend beyond the current Mayoral term, officers must ensure that the terms of all agreements entered into in respect of the expenditure do not have the effect of fettering the discretion of any successor administration, considering in particular the London elections taking place in May 2024. Accordingly, officers must ensure that all agreements which involve making such commitments include a GLA right to terminate at any point for convenience (at no cost to the GLA), and all such agreements are managed in such a manner; and any deliverables, milestones and/or output requirements are structured so as to mitigate risks of the GLA incurring abortive expenditure (which might be reasonably be taken to fetter, practically, the exercise of such discretion).

7. Planned delivery approach and next steps

- 7.1. The next steps following consideration by the Board are summarised below:

Activity	Timeline
Indicative allocation letters sent to providers	1 June 2022
Stakeholder engagement	20 May – 17 June 2022
Submission of investment plans to the government	30 June 2022
Approval of GLA investment plans	September 2022
DfE grant signing	September 2022
Grant agreement signing with London providers	September 2022
Delivery start	September 2022

Appendices and supporting papers:

- Appendix A – DfE funding letter
- Appendix B – Multiply grant-funded indicative allocations to providers
- Appendix C – Multiply budget.

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:

Ododo Edigbonya 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 26 September 2022.

✓

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

D. Gane

Date: 26/9/22

CHIEF OF STAFF:

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

Signature

D. Bellamy

Date 26/9/22

