

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2904

Title: Proposed Adult Education Budget and National Skills Fund grant allocations for the 2022-23 academic year

Executive Summary:

This Mayoral Decision (MD) form seeks approval of the proposed indicative Adult Education Budget (AEB) grant allocations for the 2022-23 academic year. The 2022-23 indicative allocations have been based on the final 2021-22 AEB grant allocations.

Decision:

That the Mayor approves the indicative Adult Education Budget grant allocations for the 2022-23 academic year set out in Appendix A.

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:

8/12/21

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

Decision required – supporting report

1. Introduction and background

- 1.1. Final Adult Education Budget (AEB) Grant allocations for the 2021-22 academic year were agreed by the Mayor under MD2763, and these were set out in letters sent to AEB grant providers in March 2021. Subsequently, grant agreements for the 2021-22 academic year were sent to providers in July 2021 ahead of the commencement of the academic year.
- 1.2. MD2763 also approved grant awards to Independent Training Providers (ITPs) through the National Skills Fund (NSF) as a contribution to the costs of delivering provision eligible through the NSF Level 3 Adult Offer for the period April - July 2021 and for the 2021-22 academic year.
- 1.3. In June 2021, the Mayor agreed through MD2826 to grant fund 40 organisations successfully through the AEB Good Work for All Fund, amounting to £32,079,412 over two years. This comprised £20,002,938 of AEB Grant funding and £12,076,474 of NSF grant funding, subject to budget availability. In September 2021, in line with the thresholds set out in the AEB Assurance Framework, the Skills for Londoners Programmes Board approved adjustments to 2021-22 allocations for some providers through the Good Work for All programme and this was reported back to the AEB Mayoral Board for noting. A reduction in NSF grant funding for one provider was also approved.
- 1.4. MD2846 approved the use of up to £6m (£2m per academic year from 2021-22 to 2023-24) from the AEB for bonus payments relating to job outcomes to eligible providers through the Mayoral Academies Programme.

2. Objectives and expected outcomes

- 2.1. In line with the funding approach adopted by the Mayor in the 2019-20, 2020-21 and 2021-22 academic years, the GLA will issue indicative allocations in December 2021 in order to provide AEB Grant-funded providers with an early indication of funding for the 2022-23 academic year for planning purposes.
- 2.2. The allocation approach is as follows:
 - 2.2.1. Following approval by the Mayor, the GLA will write to providers in early December 2021 to set out the allocation process and the indication of allocations.
 - 2.2.2. Providers will be asked to submit any exceptional business cases in respect of funding to the GLA by mid-January 2022.
 - 2.2.3. Final allocations including recommendations on exceptional cases will be considered at the AEB Mayoral Board meeting in March 2022.
 - 2.2.4. The Mayor approves the final allocations via a further MD and these will be issued to providers in March 2022.
- 2.3. Seventy-six AEB grant providers will be funded in the 2022-23 academic year, equal to the 2021-22 academic year.
- 2.4. It is proposed that the AEB Grant funding is allocated in proportion to the final allocations for the 2021-22 academic year, excluding any additional funding awarded in-year. The proposed provider allocations are included in Appendix A. This will include the 'London Factor', a 10 per cent funding uplift applied to the weighted base rate of all AEB-fundable qualifications up to and including level 2, which formed part of the 2021-22 academic year AEB Grant allocations.

- 2.5. The indicative AEB Grant allocations for the 2022-23 academic year, set out in Appendix A, align to the AEB Grant providers' final allocations for the 2021-22 academic year, approved in February 2021.
- 2.6. The final 2022-23 AEB Grant allocations will be recommended to the AEB Mayoral Board in March 2022, prior to the issuing of final allocations in March 2022.
- 2.7. This decision form also considers the indicative NSF grant allocations for the 2022-23 academic year. The provider allocations are based on the final NSF allocations for the 2021-22 academic year and are included in Appendix A.
- 2.8. The final 2022-23 NSF allocations will be recommended to the AEB Mayoral Board in March 2022 and subject to a further MD, prior to the issuing of final allocations in 2022.

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
 - 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 the decision set out and any future decisions relating to the AEB made pursuant to those arrangements which will be subject to separate decision forms.
- 3.4. In determining the GLA's grant allocations approach for the 2021-22 academic year, due consideration was given to its impact on learners with protected characteristics. The approach to use the 2021-22 academic year allocations for AEB Grant funded providers as the basis for 2022-23 academic year allocations will ensure that funding arrangements will not reduce the existing range and breadth of provision available to London residents. This approach means that no groups of learners should be disadvantaged as funding will continue in line with prior actual delivery.
- 3.5. The aim of the AEB and European Social Fund (ESF) is to improve opportunities for people who are disadvantaged in the labour market. Many potential AEB participants have protected characteristics listed above. The GLA's AEB provision will support a range of groups, particularly the most disadvantaged people not currently receiving sufficient support into employment or education. These include young adults who are not in employment, education or training (NEET), people without basic skills and people who are workless. It will also support Londoners in low paid/low-skilled jobs.

4. Other considerations

- 4.1. The AEB and NSF allocations set out in Appendix A are subject to confirmation of the GLA's budget from the Department for Education (DfE) in January 2022 and subsequent approval by the Mayor. The GLA may need to reduce AEB Grant allocations subject to the outcome of the 2020-21 reconciliation or in case the AEB or NSF budgets confirmed by the DfE are less than anticipated. The

indicative allocation letters to be sent in December 2021 will explicitly warn providers that the values of the indicative allocations are subject to the AEB being confirmed by the DfE in January 2022 and subsequently approved by the Mayor.

Links to Mayoral Strategies and priorities

- 4.2. Both AEB Grant and NSF funding will support Londoners to develop the skills needed to move into employment in some of the sectors considered critical to London's Recovery Programme.

Risks arising/mitigation

- 4.3. The key risk associated with the AEB Grant allocation approach is that the GLA's final AEB and/or NSF allocations are lower than anticipated. The GLA would need to reduce grant allocations if the overall budget sent by the DfE is less than anticipated.
- 4.4. There are no conflicts of interest to declare from those involved in the drafting or clearance of this decision.
- 4.5. This decision was considered by the AEB Mayoral Board on 30 November 2021.

5. Financial comments

- 5.1. The total value of the AEB grant programme as per the proposed indicative allocations amounts to £270,626,131 and the final amount will be recommended to the AEB Mayoral Board in March 2022, prior to the issuing of final allocations in 2022.
- 5.2. The total value of the DfE funded NSF grant programme as per the proposed indicative allocations amounts to £14,217,202 and the final amount will be recommended to the AEB Mayoral Board in March 2022, prior to the issuing of final allocations in 2022.

6. Legal comments

- 6.1. The foregoing sections of this report indicate that certain of the decisions requested of the Mayor concern the exercise of the:
 - 6.1.1. 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 in respect of which a decision is sought officers have complied with the GLA's related statutory duties to:
 - (a) pay due regard to the principle that there should be equality of opportunity for all people
 - (b) 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
 - (c) consult with appropriate bodies
 - 6.1.2. ministerial functions delegated, by the Secretary of State for Education, to the Mayor pursuant to section 39A of the Greater London Authority Act 1999.
- 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, sex, age,

sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to section 3 of this report.

- 6.3. Should the Mayor be minded to make the decisions sought officers must ensure that they:
- 6.3.1. do not commit to any expenditure which relies upon delegated AEB before the grant of the same has been made to the GLA
 - 6.3.2. liaise with the DfE/Education and Skills Funding Agency (ESFA) to ensure that the funding may be used in respect of expenditure proposed
 - 6.3.3. make very clear (in express terms) to proposed recipients that:
 - (a) the sums are indicative only and not confirmed
 - (b) they should not place or act in reliance upon any AEB for the periods concerned until and unless those sums are reflected in (standard AEB) funding agreements entered into and executed by the GLA and the recipient
 - (c) any earlier activity undertaken in reliance of indicative allocations is entirely at their risk.

7. Planned delivery approach and next steps

- 7.1. The below table outlines future activity related to the AEB and NSF grant allocations process for the 2022-23 academic year.

Activity	Timeline
2022-23 indicative allocations sent to Providers	December 2021
Exceptional circumstances business cases submitted by Providers	January 2022
Mayoral approval sought for final 2022-23 allocations	March 2022
2022-23 final allocations sent to Providers	March 2022

Appendices and supporting papers:

Appendix A: GLA AEB proposed indicative allocations for grant-funded providers for the 2022-23 academic year

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? YES

If YES, for what reason: Indicative allocations are subject to change ahead of final allocations for the 2022-23 academic year, which are expected to be approved by the Mayor in March 2022 and subsequently issued to providers.

Until what date: 30 April 2022

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:

Harry Sanders has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Sarah Mulley/Halima Khan 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 6 December 2021

✓

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

Date

D. Gane

6/12/21

CHIEF OF STAFF:

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

Signature

Date

D. Bellamy

6/12/21