
Report to: Employment and Skills Panel

Date: 23 February 2021

Subject: **Adult Education Budget Update**

Director: Brian Archer, Director Economic Services
Alan Reiss, Director of Policy, Strategy and Communications

Author: Craig Moffatt, AEB Manager and Mark Temple, LDSP Manager

1. Purpose of this report

- 1.1 To update the Panel on progress with devolved Adult Education Budget (AEB) preparation and next steps.
- 1.2 To update the Panel on LDSP programme and next steps

2. Information

Adult Education Budget (AEB)

- 2.1 On the 29 January Parliament approved the West Yorkshire Combined Authority (Election of Mayor and Functions) Order (2021, No 112) and on the 30 January it came into law. So we are now a Mayoral Combined Authority that also has some immediate additional functions, plus more when the Mayor is elected. Those immediate functions are about **skills** and devolution of the adult education budget (AEB).
- 2.2 On 3 February the Combined Authority received a Funding Letter from Department for Education (DfE) outlining the devolved funding allocation for West Yorkshire.
- 2.3 The project implementation of AEB is progressing well with a significant programme of work underway to enable delivery of AEB from the start of the 2021/22 academic year: All project milestones are on track and includes:
 - AEB Strategy developed and public consultation held
 - Supplier event successful with over 130 ITP's, College and LA's attending
 - AEB governance model developed and approved by Combined Authority
 - IT system procured and due to be in place early 2021
 - First round of AEB commissioning complete and second round live end of January 2021

- Planning underway for permanent staff resources to deliver AEB
 - Funding rules and contracts all complete and ready for final approval
- 2.4 In line with the approved strategy, we have met and consulted with all local authorities to gain input into the gaps in provision, within their locality. However, they have all raised concerns that the current pandemic is restricting them from providing the latest information on gaps in provision. This is because priorities are changing and unemployment is increasing, the sectors of need are changing, and it is difficult to establish what is required. This is being factored into the second round of commissioning.
- 2.5 Procurement for Lots 1 and 2 for those providers who had been approved onto the Dynamic Purchasing System went live on 29 January and will close at 10.00 am on 1 March 2021.
- 2.6 During February meetings are being held with grant providers, eight FE colleges, five local authorities and eight Leeds City Region wide providers around indicative allocations and development of individual delivery plans.
- 2.7 The governments Lifetime Skills Guarantee provides for a fully funded first level 3 qualification for anyone aged 24+ (see also agenda item 8). Funding for this programme across West Yorkshire will be delegated to the Combined Authority and will be complementary to the AEB programme.

AEB Governance

- 2.8 The governance structure was approved in November 2020 and will ensure that decision making is member-led, robust, transparent and mitigates any potential conflicts of interest, particularly during the implementation phase which sets the path for delivery. This will be balanced with efficiency within the delivery phase for 'business as usual' decision making, allowing us to achieve our strategic aim of increasing the responsiveness of the funds. These principles underpin the proposals as set out at 2.4 and developed in consultation with local authority partners.

AEB and FE White Paper: Skills for Jobs

- 2.9 The DfE White paper: Skills for Jobs as reported in item 9 does not suggest any direct impact on devolved AEB arrangements.
- 2.10 The paper does reflect that '... Local Skills Improvement Plans will build on the work that Mayoral Combined Authorities and Local Enterprise Partnerships have done through their establishment of Skills Advisory Panels. Local Skills Improvement Plans will be informed by, and in turn inform, national skills priorities as highlighted by the new Skills and Productivity Board. However, we do not expect them to affect the important role that some providers with national reach play in supporting our national skills priorities. **Mayoral Combined Authorities play a vital role across their local skills system and most already have responsibility for delivering certain adult education functions and will continue to do so.** Mayoral Combined Authorities will be

consulted in the development of these plans', which suggests that devolution arrangements for AEB will continue.

- 2.11 However certain statements or proposals in the paper, due to their generalisation need clarification as to impact and position of devolved AEB funding, delivery and responsibilities. Examples include '...reforming funding and accountability of providers...' and '...new powers for the Secretary of State for Education, so the government can intervene quickly and decisively in cases where there are persistent problems that cannot otherwise be addressed, either where colleges are not delivering effectively, or where local providers are consistently unable to deliver the skills priorities for that area' which could be seen as contrary to responsibilities associated to devolved funding.
- 2.12 From September, West Yorkshire Combined Authority will also have delegated responsibilities for the new L3 entitlement as part of the Lifetime Skills Guarantee, a separate paper covers this in greater detail.

Local Digital Skills Partnership

- 2.13 The Local Digital Skills Partnership Board has now been formed with representation from local and national organisations such as C4, Asda, Vanquis Bank, PwC, Good Things Foundation, AND Digital, Exco and BJSS, creating a broad church representing all aspects of the digital skills agenda. See link to recent press release re the launch of Board:-
[Combined Authority works with regional partners to boost digital skills to support economic recovery - Combined Authority | Unlocking potential, accelerating growth \(westyorks-ca.gov.uk\)](#)
- 2.14 The Board will continue to meet bi-monthly, with the formation of sub-groups to agree bespoke actions aligned to agreed priorities.
- 2.15 The Board met on 18th January. This session was focused on agreeing priorities for the Local Digital Skills Partnership through 2021 and beyond and how it supports the wider Combined Authorities strategies. Through a combination of insight and anecdotal evidence and group discussion the following priorities were agreed:
- Preventing Digital Exclusion- the growth/provision of digital skills and supporting the resolution of data poverty and the ongoing challenge of accessibility and connectivity.
 - SME and Charity Digital Growth- The growth of Essential Digital Skills and increasing resilience and sustainability of organisation and supporting the growth of skills to support the digital sector.
 - Supporting Educators and Students to grow digital skill- ensuring greater alignment between business and education to support growth in skills and promoting career ambitions.
 - Development of a regional skills prospectus and mapping of funding opportunities- understanding current provision and current and future needs, in addition to ensuring provision is easy to access for all residents of the region.

- 2.16 The next steps are to create 4 workstreams who will begin to address these priorities and build a program of digital skills support and interventions to grow skills adoption. To ensure impact can be evidenced, evaluation against defined success factors will be key and to build a library of case studies throughout to showcase the impact of digital skills for all those who benefit from skills provision, to enhance future engagement. The panel are asked to provide feedback and approval on these priorities. In addition we are exploring opportunities to partner with Department for Work and Pensions to drive additional activity to support upskill/reskill for those engaged with Job centre plus sites.
- 2.17 Social Inclusivity/Provision of kit; the provision of hardware and data to those most vulnerable has been very high profile because of the pandemic (Laptops for Kids). Work is ongoing with Local Authorities and Headteachers to understand the challenge with vulnerable children, with further exploratory surveys in 16+ education provision and to identify solutions to support greater inclusive learning opportunities. Working with local organisations and NHS to extend this program to the wider population and preventing an increase to the digital divide across all ages of the population.
- 2.18 A recent Department for Education call for evidence on level 2 digital skills closed on 14 February, the proposal is to remove funding for Level 2 digital skills. This will have an impact on the Adult Education Budget provision, but more broadly will have an impact on the support and accessibility of Level 2 digital skills to the population within West Yorkshire. The Local Digital Skills Partnership Board have been made aware encouraged to respond as individual organisations.
- 2.19 SME digital inclusion and support programs have progressed at pace in recent times in the region with a focus on provision of skills and support to those small and micro businesses most exposed to closure due to lack of digital skills. The following have been made available in our region and have had the largest take up relative to other areas.
- A bespoke program run by Clockwork City and funded by Lloyds Bank are supporting a cohort of 17 small BAME/Women led businesses starting 18th January.
 - In November Amazon Small Business Accelerator (ASBA) and Digital Boost are both launched in the region and have seen significant engagement with 600+ SMEs registering with ASBA and 70+ SMEs registering with Digital Boost.
 - Program of 5 webinars to support SMEs re Essential Digital Skills and enhance their foundation digital skills. The program will be provided by Google and is being run in conjunction with other regional DSP's beginning on 5th March. This will be followed by a program of further webinars to enhance individuals' digital skills and support re-employment, beginning in Q2 2021.
 - Funding has been secured to host a Virtual Tech festival during late May/early June. The festival will be organised by Teen tech who will host a range of sessions to enhance 8-19 years old understanding of

the tech sector and the importance of digital skills. Aspiration to engage 1000 students.

3. Tackling the Climate Emergency Implications

- 3.1 AEB: There are no climate emergency implications directly arising from this report.
- 3.2 LDSP: The tangible benefits of growing digital skills and therefore changing working methods and patterns across SME's will drive some small impacts for climate implications e.g., reducing the number and amount of journeys where technology can facilitate meetings.

4. Inclusive Growth Implications

- 4.1 AEB: There are no inclusive growth implications directly arising from this report.
- 4.2 LDSP: The program to support home schooling through laptop provision for pupils, and the activity to build sustainable programs across the region to reduce the digital divide and greater wider digital inclusion. This will remain a key priority to reduce the gap for those most disadvantaged and support their return to work.
- 4.3 LDSP: increasing digital skills amongst individuals will enable more people to access services to participate in society such as paying a bill, job search as well as progression to the workplace

5. Financial Implications

- 5.1 There are no financial implications directly arising from this report.

6. Legal Implications

- 6.1 There are no legal implications directly arising from this report.

7. Staffing Implications

- 7.1 There are no staffing implications directly arising from this report.

8. External Consultees

- 8.1 Public consultation took place in developing the AEB Strategy in summer 2020 [AEB Strategy & consultation](#)

9. Recommendations

- 9.1 The Panel is asked to note the progress to date and next steps in preparation for AEB devolution.

9.2 The Panel is asked to note the progress to date and next steps for LDSP programme.

10. Background Documents

None.

11. Appendices

None.