



Report to:	Economic Scrutiny Committee
Date:	17 November 2023
Subject:	Adult Education Budget
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1. Purpose of this report

1.1 To provide an update on the Adult Education Budget, detailing:

- Spend, outcomes and outputs
- Provider management
- Role in improving basic literacy
- Identifying and supplying local skills demands

2. Background Information

2.1 West Yorkshire Combined Authority's role is as a strategic commissioner of devolved and delegated Adult Skills funding streams, working with Local Authorities and partners to ensure the most appropriate funding is utilised for the greatest impact.

2.2 The purpose of Adult Skills funding in West Yorkshire is to ensure residents can gain the skills they need to progress and to improve their life chances.

The table below highlights the adult skills funding streams and values for 2022-23:

Adult Skills Programmes	22-23 Allocations
Adult Education Budget	£66,421,247
Free Courses for Jobs	£5,517,499
Multiply	£4,354,772
Skills Connect	£ 2,000,000
Skills Bootcamps	£ 3,600,000

2.3 **Appendix 1** includes background information on devolution and the Adult Education Budget.

2.4 West Yorkshire has now entered its third academic year of devolved AEB funding. Through the devolution of funds, the Combined Authority aims to continuously improve the impact

of the investment of funding. This includes focusing the funds on disadvantaged areas, and individuals most in need of support, i.e., with low or no qualifications, unemployed, on low wages; and increasing the supply of skills to support key sectors and improve West Yorkshire's resilience by identifying and delivering the skills needed for the future.

2.5 The Combined Authority is not permitted to release data publicly ahead of DfE therefore year 2 data cannot be shared until December 2023. It can be reported that over 47,000 West Yorkshire residents have been supported in upskilling across a range of sectors and in preparation for life and work in year 2, an increase from 21/22.

2.6 Once the data collection has been completed in November, a full report on Year 2's performance will be published to consider the impact that has been made through funding devolution.

2.7 22/23 Utilisation

22/23 allocation was £66,421,247, responsiveness pot £4,300,000

22-23 Learners	22-23 Utilisation	Learners achieving a higher qualification	22-23 Progression
47,284	£66,444,502	45%	34%

2.8 Although final reconciliation takes place in November, indications for funding utilisation in 22/23 demonstrates the vast majority of providers fully utilised their allocation.

2.9 Providers are reporting an increase in demand from adult learners especially in English for Speakers of Other Languages (ESOL), literacy, numeracy and sector specific employability programmes linked to employers with vacancies.

2.10 Targeted growth in these areas from the responsiveness pot enabled in-year demand to be met as it arose.

2.11 For 45% of learners their course offered progression i.e. they undertook a course with a level higher than their prior attainment.

2.12 34% of learners with a known destination made a positive progression i.e. following their course they progressed into employment (where there were previous unemployed), further learning or volunteering. Further analysis and development of destination data is planned for year 3.

Devolved Delivery 21/22

- 2.13 The full analysis of West Yorkshire's devolved delivery during 2021/22 is provided in the AEB End of Year Report which can be found [here](#). The West Yorkshire devolved AEB programme supported 46,000 learners during the academic year, an increase of 3% on the previous year.
- 2.14 The number of providers delivering AEB in West Yorkshire was reduced from 259 to 38 allowing for a closer and more strategic relationship.
- 2.15 West Yorkshire's learner profile was more diverse than nationally – 52% of learners were from a non-white ethnic minority in West Yorkshire compared with 36% nationally for the same period.
- 2.16 West Yorkshire's learner profile was also more diverse compared with the previous year: the proportion of non-white ethnic minority learners increased from 42% to 52%. The proportion of learners with a learning difficulty / disability /health problem also increased slightly from 16% to 17%.
- 2.17 There was a stronger focus on digital skills – the number of enrolments on digital courses grew by 60% in 2021/22 compared with the previous academic year, to over 4,000.
- 2.18 There was a strong focus on disadvantage:
- 6,600 enrolments funded through AEB (12% of the total) were for people on a low wage
 - the proportion of learners who were out of work increased from 58% to 63%
 - The proportion of learners from the most acutely deprived neighbourhoods increased from 37% to 41%.
- 2.19 There was an increased targeting of people with no qualifications or existing skills and qualifications at the lowest level and also focus on promoting progression:
- Enrolments on basic skills courses increased by 34% year on year with a 60% increase for ESOL enrolments
 - The proportion of learners with no qualifications or qualified at Entry level only increased from 47% to 54%
 - For 43% of learners their course offered progression i.e. they undertook a course with a level higher than their prior attainment.
 - 11% of Community Learning learners progressed to an Adult Skills course during the academic year.
- 2.20 A success rate of 86% was achieved for formal Adult Skills courses.

2.21 Destination data is not as plentiful as participation data, however the available information shows positive progression:

- 1,662 learners who were unemployed at the start of learning had a destination of paid employment
- 3,577 unemployed learners had a destination of part-time FE
- 264 inactive learners had a paid employment destination whilst 1,867 had an education destination

2.22 Literacy

Improving basic literacy is a key focus of AEB. Literacy is a national legal entitlement enabling all adults who do not have a level 2 (GCSE C/4) in English to improve their literacy fully funded.

2.23 Around 4,000 learners started a literacy course during 2021/22 (12% of the total) with 4,400 enrolments (8% of total Adult Skills enrolments). 40% of literacy learners were in employment reflecting the commitment to enable learners to progress in employment.

2.24 Basic skills learners are more likely to be from an ethnic minority group. 73% of basic skills learners are from a non-white ethnic minority compared with an average for Adult Skills of 52%. The proportion of Language learners from a non-white ethnic minority is 87%¹; and the proportions for Literacy (63%) and Numeracy (62%) are also above average.

2.25 Local Partnership Management

Prior to devolution the Combined Authority would not have had visibility of delivery occurring in West Yorkshire until months after the year had ended. Through devolution, the Combined Authority now obtains up front delivery plans from providers, has access to monthly data, and officers meet regularly with deliverers to discuss progress and challenges.

2.26 Regular meetings are held with Local Authority officers, given their role as key place shapers in West Yorkshire. Data is analysed and shared regularly on a provider and area basis to help inform provision and steer partnership discussions, improving the targeting of the funding towards priority areas and groups.

2.27 Partnership meetings bring providers together to focus on a place-based approach. The team facilitates links to key providers in order to ensure AEB funds meet needs – this includes linking providers to NHS trusts to provide basic English and maths skills, linking providers to the WY Police service to provide recruitment training programmes.

¹ When White minority groups are included this proportion rises to 93%.

- 2.28 Collaboration with DWP has led to bespoke procurement which include the licence to practice certificate that individuals require to gain employment in some key employment sectors, previously these were not available for AEB funding. The specification has been co-designed with DWP due to significant demand for these competencies and large numbers of vacancies across West Yorkshire. Delivery will commence by late 2023.
- 2.29 AEB grants AEB funding to seven West Yorkshire Colleges and five providers from outside WY to support travel to learn patterns and those who had established delivery in West Yorkshire.

WEST YORKSHIRE COLLEGES	LEEDS CITY REGION PROVIDERS
BRADFORD COLLEGE	CITY OF YORK COUNCIL
CALDERDALE COLLEGE	ASKHAM BRYAN COLLEGE
KIRKLEES COLLEGE	BARNESLEY COLLEGE
LUMINATE EDUCATION	CRAVEN COLLEGE
LEEDS COLLEGE OF BUILDING	NORTHERN COLLEGE
SHIPLEY COLLEGE	YORK COLLEGE
HEART OF YORKSHIRE EDUCATION GROUP	WORKERS' EDUCATIONAL ASSOCIATION (WEA)

- 2.30 Colleges complete a delivery plan detailing the provision they intend to deliver including sector, qualification types and numbers of engagement.
- 2.31 Performance reviews are undertaken to measure actual delivery against the forecast. Understand the successes and challenges and to support delivery to meet local skills needs.
- 2.32 Colleges are supported to work closely with the Local Authority Adult Skills team, DWP and employers with vacancies to support clear progression routes, provision that complements and never duplicates addressing under represented areas and groups.
- 2.33 Increasing the Focus of Funding on the Most Disadvantaged
- In March 2022 the Combined Authority increased the low wage threshold from national living wage to real living wage. This means that anyone currently earning less than £23,400 has access to free training that can support in-work progression. This is calculated annually and in October 2023 has increased by £2,145.
- 2.34 An additional 2,100 enrolments for low wage learners were supported in 2021/22 compared with the previous year, an increase of 46%.
- 2.35 The Combined Authority approved the following flexibilities to adopt in Year 2. The flexibilities open up access to the funding, reducing complex eligibility criteria and investing funding in residents who most need support to upskill.
- Expanding the age of entitlement for a 'first full level 2' from 19-23 to 19+

- Providing full funding for eligible asylum seekers
- Increasing the number of courses 19-23s are entitled to.
- Waiving the '3 Year UK Residency' status for full funding

2.26 Trialling New Programmes to meet local skills needs

A £4.3 million responsiveness fund was retained for year 2 to respond to emerging economic problems. Through this funding we were able to offer contract growth to providers who were successful in engaging with residents and meeting their needs.

2.27 For 2022/23 the Combined Authority also approved the following flexibilities to trial new programmes:

- Expanding the digital entitlement – making more qualifications available for free to residents looking to increase their digital skills
- Bridging Programmes - supporting residents to engage with and enrol on a level 3 programme: this may include refreshing skills, undertaking a taster to level 3, understanding the study skills required to succeed at level 3.

2.28 Impact of these will be reviewed as part of the year 2 review although in year 1 digital was the fastest growing subject area with the number of enrolments on digital courses growing by 1,700 (78%) year on year in 2021/22, to almost 4,000.

2.29 A Bus Driver Training scheme was procured and developed in collaboration with WY bus operators with now 100 drivers trained. Demand is increasing and delivery is continuing into year 3 to support the driver shortages.

2.30 In 22/23 procurement opportunities for Telecoms and Rail Track Engineers took place to address high levels of vacancies and skills gaps within these sectors. Providers have targets to progress learners into work and recruit from underrepresented groups e.g. increase the number of women entering the sectors

3. Tackling the Climate Emergency Implications

3.1 There are no climate emergency implications directly arising from this report. However, in the plans to support “green skills” through the responsiveness pot, there is an opportunity to grow the skills base required in order to tackle the climate emergency.

4. Inclusive Growth Implications

4.1 The overall aim of AEB funded provision is to support those citizens who have a skills deficit and need to access learning opportunities to progress them towards further learning, employment or a better way of life.

5. Equality and Diversity Implications

5.1 This fund seeks to address inequality in skills acquisition. AEB is targeted towards individuals with low skills and who are unemployed. The funds frequently support underrepresented groups through training provision.

6. Financial Implications

6.1 There are no financial implications directly arising from this report.

7. Legal Implications

7.1 There are no legal implications directly arising from this report.

8. Staffing Implications

8.1 There are no staffing implications directly arising from this report.

9. External Consultees

9.1 No external consultations have been undertaken.

10. Recommendations

10.1 That the Committee notes the report and provides any feedback or comments.

11. Background Documents

[AEB End of Year Report 2021-22](#)

[AEB Strategy](#)

[AEB Funding Rules](#)

12. Appendices

Appendix 1 – AEB Background