



CHILDREN AND LEARNING OVERVIEW AND SCRUTINY SUB-COMMITTEE, 30 APRIL 2019

Subject Heading:

Adult Education: Devolution and Outcomes

SLT Lead:

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Policy context:

This relates to the implementation of the pan-London Skills for Londoners Strategy in the academic year 2019-2020

Financial summary:

It is anticipated that there is no significant change to the external grant allocation, based on GLA briefings and publications. A potential for growth bids is anticipated. Havering Adult College currently is funded purely through the Adult Education Budget earned through performance and fee income levied as appropriate for community learning opportunities. Additional income is sourced through commercial activity (usually bespoke staff development and training programmes) commissioned by local authorities.

The subject matter of this report deals with the following Council Objectives

Communities making Havering
Places making Havering
Opportunities making Havering
Connections making Havering

SUMMARY

This Report provides a detailed context in which Havering Adult College (the council department established over 50 years ago to deliver adult learning opportunities) presently operates, including performance outcomes for 2017-18, and an overview of the published intentions of the Skills for Londoners Strategy. This strategy outlines the priorities that the Mayor of London, through the devolved Adult Education Budget (AEB), intends to optimise through delivery of Adult & Community Learning. The Report includes the areas of the curriculum that Havering Adult College has already positioned itself to deliver, such as support for learners with disabilities, the unemployed and economically inactive, and those for whom English is not their first language, for example, that directly link to the strategic outcomes illustrated in the Skills for Londoners Framework.

RECOMMENDATIONS

- **Members to note the content of the report**

REPORT DETAIL

1. Presently, the London Borough of Havering delivers adult and community learning (ACL) through its Havering Adult College, a department of the Council established over fifty years ago. Havering Adult College receives a direct grant from the Education and Skills Funding Agency (ESFA) that enables the service to deliver a range of courses aimed at learners aged 19+ who can be resident in the borough, or attend from outside of the borough. In the academic year 2017-18, Havering Adult College delivered learning opportunities to 4612 learners. The achievement rate for learners overall was 97.82%, based on the Management Information System data returned to the ESFA for that year. It is too early to comment on recruitment and performance for 2018-19, as enrolments continue through the year, with courses starting at various points. The last three Ofsted inspections have found the provision to be Good, and with some excellent features.
2. For context, Havering Adult College presently offers a broad curriculum to the public, covering key areas of learning; specifically, Digital & Computer Skills, Languages (including BSL), Creative & Performing Arts, GCSEs (English, Maths, Science, Psychology), English for Speakers of Other Languages (ESOL), Floristry & Horticulture, Personal Wellbeing and Fitness, Counselling, Food & Drink, Teacher Training, History & Modern Culture, and Teaching Assistants. In addition, Family Learning, Employability provision and Skills for Life (functional English and maths), are also offered and are free at point of delivery to support groups and individuals with challenges and needs. In addition, the College also has a constantly developing 'Education for Independence' department, providing around the year learning for learners with learning disabilities and difficulties.
3. The above provision is mostly funded by the Adult Education Budget, which is comprised of two streams; firstly, Adult Skills provision, whereby participants are working towards a nationally recognised qualification and are, potentially, eligible for full fee remission (if current eligibility criteria are met), and receipt of the full skills allocation is dependent on successful achievement of the qualifications. Secondly there is the Community Learning allocation, which is to support the provision of non-accredited learning opportunities. The majority of Community Learning courses have fees payable to participate, and are more to (i) encourage harder to engage groups and communities back into education, and (ii) support the development and maintenance of community cohesion, social inclusion, personal growth and esteem building. The Adult Skills courses are linked, in most instances, to qualifications that increase life and career chances. Additional funding, to sustain adult education provision, is provided by fee income.

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4. For 2018-19, the total Adult Education Budget allocated to Havering Adult College is £1,211,100, which is comprised of:

£612,012 – Adult Skills allocation

£599,088 – Community Learning allocation

5. In addition, £30,000 is nominally safeguarded as Additional Learner Support funding (within the overall budget) to provide those on accredited provision with essential support (such as learning support assistants, digital equipment, etc) to allow them fair access and equality. Havering Adult College currently rents all of its office and delivery premises which places an additional demand on the grant that use of traditional council facilities would help to minimise. In 2017-18, the cost of hiring venues was £61,890.

6. Havering Adult College also has an Adult Learning Loan allocation of £416,607, which is provided through the Student Loans Company on behalf of the ESFA. This is available to learners who are 24 years old or older, and using it to access approved level three or level four provision. This sits outside of the AEB allocation.

7. In 2015-16, a series of devolution arrangements were agreed between the government and regions (combined authorities), assuming that the sector would be fit for purpose. As of 1st August 2019, AEB will be devolved to the Greater London Authority (GLA), Cambridgeshire & Peterborough, Greater Manchester, Liverpool City Region, Tees Valley, West Midlands, and West of England region. At this point, the GLA will allocate the grant funding to the providers within Greater London, which includes Havering Adult College.

8. No additional activity is required for this implementation on the part of Havering Adult College, as the contract presently held will automatically transfer. Regular meetings with the GLA representatives have confirmed that no changes or adjustments to the routine data returns, eligibility criteria, and funding values are planned for the first year of implementation. In addition, it has been made clear that the GLA envisage opportunities for providers to place growth bids, where a sound business case is demonstrable. This is linked to core focal points of interest to the Mayor of London, who is committed to using the AEB to:

- Empower all Londoners to access the education and skills to participate in society and progress in education and in work
- Meet the needs of London's economy and employers, now and in the future
- Deliver a strategic, city-wide technical skills and adult education offer

9. A key objective of the Skills for Londoners Strategy is to increase the number and diversity of adult learners in London gaining skills to participate in society, and also progress into further/higher or additional education. City Hall has published eight areas to be reformed under the devolution of the AEB in London. They are:

1. Eligibility for full-funding for people in low-paid work

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2. Basic English and maths skills
 3. English for Speakers of Other Languages (ESOL)
 4. Basic digital skills
 5. Adult & Community Learning (ACL)
 6. Support for disadvantaged learners
 7. Support for learners with Special Educational Needs and Disabilities (SEND)
 8. Addressing London's sectoral and occupational skills needs
10. As part of the reform, City Hall has acknowledged that local authority funding through the block grants of the ESFA are based on historical formulae, with no direct relationship between the current allocations and the number of learners who could potentially benefit. City Hall published in the Skills for Londoners Framework (2018) that, whilst there were no plans to set local targets for levels or types of provision, as the Learning and Skills Council had done previously, the intention to incentivise better occupational targeting of provision and the introduction of outcome-related payments as part of the devolved budget is clearly stated.
11. It is understood that the following are key occupational areas that the incentivising will focus upon:
- Health and social care
 - Construction
 - Tourism, hospitality and retail
 - Creative and digital
 - Finance and professional services
12. As part of the Local London (Eastern London) Region, Havering Adult College is aligned to the priority outcomes identified through the Local London Steering Board. These include:
- Supporting in-work low paid residents to up-skill, secure new qualifications and progress into higher paid work
 - Supporting unemployed and economically inactive residents (particularly those with disabilities and long term health conditions)
 - Supporting lone parents who are struggling to secure and maintain part-time/full-time work at a reasonable wage
 - Supporting residents whose first language is not English, for whom it is a barrier to employment and accessing educational opportunities
 - Supporting residents both younger and older with SEND needs
 - Supporting skills development for: construction, digital, health and social care, cultural and creative industries
13. A bid from Local London for additional procurement of up to £10m in terms of extra AEB allocation to support work with ESOL learners and those who are unemployed across the region has been submitted, with Havering Adult

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College identified as the local lead provider within the borough. It is too early to comment on the outcome of this bid.

14. City Hall has confirmed that, at this stage of the devolution process, the following outcome areas are to be the primary focus in terms of delivery measures (although it should be noted that much is at the draft stage presently, and as such is subject to change):
 - i. Labour market outcomes
 - ii. Social outcomes
 - iii. Quality of educational facilities
15. Havering Adult College has, through strategic engagement with partners aligned with targeted curriculum planning, positioned itself well to deliver a range of high quality courses (both accredited and non-accredited) within the mayoral priorities, many targeted at up-skilling unemployed residents. This includes a range of digital skills programmes, TV and Film production, digital music manufacture, employability skills (including individually tailored packages which include 1:1 mentoring, all of which have been heavily praised by Ofsted), a growing ESOL provision (including work taking place on-site at schools and children's centres to optimise participation and reach).
16. In addition, the Education for Independence department works specifically with residents who have learning disabilities and difficulties, with much focus on the acquisition and development of skills and nationally recognised qualifications to boost esteem and acknowledge achievement. At their last inspection, Ofsted noted that, as a particularly impressive service for residents, it was surprisingly under-utilised as a point of referral internally, which is captured in their last inspection report.
17. A responsive and flexible service, Havering Adult College is positioned well to embrace the impact of devolution, and continues to forge productive relationships with external partners as well as the GLA. It is anticipated that, over the coming year, the service will return to offering apprenticeships within professional service areas (such as level three and level five apprenticeships for department heads that could be used to serve the local authority's need to make use of its apprenticeship levy). In addition to the grant and fee funded work, Havering Adult College will continue to develop and offer bespoke training for other local authorities (such as inspection preparation, observation training, recruitment and selection training etc) to increase its own commerciality, whilst also offering high quality staff development training to the council as best value.

IMPLICATIONS AND RISKS

Financial implications and risks:

18. There are no new financial implications to the transition from the ESFA to the GLA's devolved budget, other than the extended opportunities to access, through the Local London partnerships, additional income to support the delivery of learning that is targeted at Skills for Londoners strategic priority groups, such as ESOL learners and the unemployed (both areas the College has significant, high-quality experience in).
19. The financial risks to Havering Adult College are no different to the annual risks attached to being externally grant funded, with aspects of the funding linked to service outcomes. In the event Havering Adult College underperforms, there is a risk of a reduction in the core budget. This is an ongoing issue and not one that will be enhanced by devolution.
20. The need for Havering Adult College, as a council department, to directly lease office space and rent facilities to provide course delivery (usually secondary schools), reduces the amount of core grant that is then available to support direct delivery to residents and presently restricts the commercial viability of positioning itself more directly in central Romford, which could potentially make some provision more accessible.
21. Additionally, through face-to-face discussions with GLA representatives at our termly meetings, it is clear that the team overseeing devolution will be more open to flexible use of the AEB to deliver the priorities, meaning that risks presently associated with the inflexibility of the ESFA's approach to the split strands of the AEB (Adult Skills and Community Learning) could be reduced. Until implementation takes place, it is impossible to confirm this.
22. The service will continue to monitor developments and report back any material risks as they arise, including the development of mitigating plans to limit the financial risk from proposed changes to the funding arrangements.

Legal implications and risks:

23. The Authority has a power in relation to adult education as follows:

15B. Education Act 1996 — Functions in respect of education for persons over 19. A local authority may secure the provision for their area of full-time or part-time education suitable to the requirements of persons who have attained the age of 19, including provision for persons from other areas.

As there are no changes to the operation and delivery of the service, the staffing requirements, or any contractual agreements as the transition period is confirmed to replicate the current arrangements for at least the first

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academic year of implementation (1st August 2019 – 31st July 2020), there are no legal implications at this time.

Human Resources implications and risks:

24. As there are no changes to the operation and delivery of the service, the staffing requirements, or any contractual agreements as the transition period is confirmed to replicate the current arrangements for at least the first academic year of implementation (1st August 2019 – 31st July 2020), there are no Human Resource implications or risks.

Equalities implications and risks:

25. As there are no changes to the operation and delivery of the service, the staffing requirements, or any contractual agreements (as the transition period is confirmed to replicate the current arrangements for at least the first academic year of implementation (1st August 2019 – 31st July 2020), there are no perceived equalities implications or risks, as there is no change to the status quo, and as such a further Equalities Impact assessment is not necessary.