



Author/Lead Officer of Report:

Head of Lifelong Learning, Skills and Employment
Service Manager Adult Community Education

Tel: 07867 199853

Report of: Executive Director, People Services

Report to: Councillor Paul Turpin, Executive Member for Inclusive Economy, Jobs & Skills

Date of Decision: 21st July 2021

Subject: Approval to receive the Adult Education Budget Grant from Sheffield City Region

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>	
- Affects 2 or more Wards	<input checked="" type="checkbox"/>	
Which Co-operative Executive Member Portfolio does this relate to? Inclusive Economy, Jobs and Skills.		
Which Scrutiny and Policy Development Committee does this relate to? Children, Young People and Family Support		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given? 925		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		
"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."		

Purpose of Report:

To seek the Individual Co-operative Executive Member's approval for the receipt of the Adult Education Budget (AEB) Grant amounting to £2,123,148

Recommendations:**That the Individual Co-operative Executive Member**

1. Approves receipt of the Adult Education Budget Grant amounting up to £2,123,148
2. Approves that Sheffield City Council act as the accountable body for this grant from Sheffield City Region.

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>M. Wassell</i>
		Legal: <i>D Cutting / Louise Bate</i>
		Equalities: <i>E. Sexton (EIA Reference Number 925)</i>
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	EMT member who approved submission:	<i>John MacIlwraith, Executive Director People Services</i>
3	Co-operative Executive Member consulted:	<i>Cllr Jayne Dunn and Cllr Paul Turpin</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: <i>Kevin Straughan</i> <i>Ellie Churchward</i>	Job Title: <i>Head of Lifelong Learning, Skills and Employment</i> <i>Service Manager, Family, Adult and Community Education Service</i>
	Date: 12 th July 2021	

1. PROPOSAL

- 1.1 For many years the City Council has received the Adult Education Budget (which includes the Community Learning Grant) from the Education and Skills Funding Agency ('ESFA') as an executive agency sponsored by the Department for Education ('DfE').
- 1.2 From 1st August 2021 this budget will be managed by the Sheffield City Region ('SCR') as part of the devolution deal. SCR will then provide funding guidance and implement any necessary monitoring of the service performance and delivery of the Adult Education Budget for the City of Sheffield.
- 1.3 The learning that is delivered under this budget is available across all wards in Sheffield, for adults aged 19+. The offer includes what is called the 'legal entitlements' for adults to gain their first full Level 2 and/or Level 3, this includes up to Level 2 in English or Maths, up to Level 1 Essential Digital Skills, and funding/co-funding of ESOL (subject to specific criteria).
- 1.4 This grant funding also contributes towards the Community Learning programme which is a necessary foundational basis for adults to gain confidence, maintain health and well-being, and very basic skills. This will enable them to enter a pathway to gain various regulated qualifications aligned to the Service' strategic intent and/or legal entitlements that subsequently support progress to employment.
- 1.5 This learning is targeted at the hardest to reach and most vulnerable, aiming to work with those that do not have the financial means to fund courses in which they can gain basic skills (maths, English, ESOL, digital) that will lead to employment, further learning and/or training. Those that can pay, do pay, based on a minimum annual income
- 1.6 To deliver this budget appropriately it will require some modernisation of the Family, Adult and Community Education Service to maintain an Ofsted Good rating and meet the SCR priorities – this work is ongoing as part of Service's quality improvement plans.
- 1.7 Delivery models that are aligned to the Service strategic intent will also align and work with Local Area Committees to ensure the curriculum is consistent and fit for purpose for the adult population in relation to the pathways that will lead to skills and employment.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 This funding forms part of the national offer for Adult Education Budget funded learning, to ensure access for all adults. It is designed to help them thrive, prosper, and develop skills that enable access to higher level learning, further employment skills, and support with mild anxieties that could be barriers to personal progress.

- 2.2 This funding empowers and enables those potential adult learners who lack the very basic skills for education and work to access learning which then prepares them for higher levels of learning. It offers a scaffolded or step by step approach, for those without any qualifications or confidence, to enter a 'learning journey' through promotion of equality, diversity, and inclusion.
- 2.3 The Family, Adult and Community Education Service has contributed to, and embedded as part of this funding, the national Community Learning Outcomes Framework, to promote and protect first steps into learning for the most vulnerable. Working with South Yorkshire colleagues, this enables community learning to bring consistency into the measures of progress for adults.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 Ongoing information and consultation have been undertaken with our current community partners who are subcontracted as part of the Adult Education Budget funding.
- 3.2 There has been consultation with previous and current members of the Cabinet and Co-Operative Executive to ensure all parties are fully informed of the implications for this funding.
- 3.3 This initiative has been led by Sheffield City Region Combined Mayoral Authority in ongoing discussion at the Sheffield City Region Employment and Skills Executive Board, then cascaded at every level through the SCR Officer's Group, and officers representing all four Local Authorities (this includes the three Local Authorities that hold this budget, as Rotherham Council are not a delivery partner).

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 The proposal to make use of the funding to advance educational opportunities for adults who may otherwise suffer disadvantage is fully consistent with the Council's general duties under the Equality Act 2010.
- 4.1.2 Specifically, it supports the Council, in the exercise of its functions, to have due regard to the need to:
- eliminate discrimination, harassment and victimisation,
 - advance equality of opportunity, and
 - foster good relations

4.2 Financial and Commercial Implications

4.2.1 Background

- Adult education and skills training have been devolved to SCR
- This has been facilitated by a Memorandum of Understanding between DfE/ESFA and SCR.
- SCR now has the statutory delegated functions for adult education and skills training.
- The amount of devolved AEB coming from SCR to SCC is provided to enable SCC to provide adult education and skills.

4.2.2 **Key Terms and Conditions**

Key features (not exclusive) of the draft terms and conditions are summarised below. The Grant Manager will need to read, understand and comply with all of the grant terms and conditions.

- Funding period: 1/8/21 to 31/7/22
- Grant (£2.2m) for the Delivery Plan cannot be used for any other purposes
- Changes to the Delivery Plan/Payment Profile to be agreed in advance
- SCC to ensure appropriate governance arrangements (See Schedule 3).
- Rates payable are in the Funding Rates Document and may not be exceeded unless agreed prior.
- Ensure adult education centres/ maintained schools with sixth forms comply with the ESFA's Post-16 Audit Code.
- Grant cannot be used to deliver Provision which has received other funding
- Grant must comply with the terms/conditions or it is subject to clawback
- SCC to advise SCR of other funding streams received:
- SCR may impose additional conditions where necessary (see criteria)
- Comply with Subsidy Rules (UK-EU TCA Rules /WTO-ASCM Rules together)
- Comply with ESFA/SCR regarding audit/assurance procedures.
- Comply with monitoring, reporting and grant claim requirements (see details)
- Grant is outside the scope of VAT but if it is chargeable then it is inclusive of VAT.
- SCR may require SCC to obtain contributions (and evidence of) from employers and the Grant maybe adjusted accordingly.
- Records to be kept for at least 6 years following receipt of Grant monies.
- Grant subject to external audit
- Grant may be adjusted If SCC fails to deliver provision as per Delivery Plan.
- SCR may recover any unused /uncommitted Grant.
- SCC to ensure/maintain premises are properly equipped to deliver Provision.
- If approved by SCR, the Grant can be used as match funding for ESF

Grant cannot be used for (not exclusive):

- Pay for any expenditure entered into before the Commencement Date
- Deliver any adult education, skills or training for anyone living outside of the Combined Authority Area.
- Deal with circumstances from economic shock events without prior approval.

Subsidy Rules

- SCC to do an independent assessment of the compatibility of the Provision with Subsidy Rules and confirm compliance.
- Ensure Grant complies with Subsidy Rules/maintains records of compliance.

4.2.3 **Commercial Implications**

All public sector procurement is governed by and must be compliant with UK National Law and the grant funder requirements. In addition, all procurement in SCC must comply with its own Procurement Policy, and internal regulations known as 'Contracts Standing Orders' (CSOs).

Contracts Standing Orders requirements will apply in full to the procurement of services, goods or works utilising grants. All grant monies must be treated in the same way as any other Council monies and any requirement to purchase /acquire services, goods or works must go via a competitive process.

The Grant Manager will need to develop a viable exit strategy for when the grant funding ends to ensure that there are no unfunded ongoing costs.

4.3 **Legal Implications**

- 4.3.1 The Secretary of State has a duty under the Apprenticeship, Skills, Children and Learning Act 2009 to secure the provision of such facilities considered appropriate for adults aged 19 or over (other than those with an EHC Plan). The Act contains a power for the Secretary of State to secure the provision of financial resources to persons providing or proposing to provide education or training; goods or services in connection with education or training; and information, advice or guidance about education or training.

The Council has a general power under Section 1 of the Localism Act 2011 to do anything that an individual may generally do provided it is not prohibited by other legislation and the power is exercised in accordance with the limitations specified in the Act, this gives the Council the ability to accept the funding. Accepting the funding allocation from the ESFA is therefore considered to be an appropriate step for adults to gain confidence, maintain health and well-being, and obtain very basic skills through the Community Learning programme.

Key terms of the draft Funding Agreement so far reviewed are as follows.

- Any unused or uncommitted funds will need to be repaid to the

SCR.

- Grant payments can be reduced, suspended or withheld or the grant monies paid back in full or in part to the SCR if the Council breach any terms and conditions of the grant.
- The Council must comply with the Funding and Performance Management Rules and with the Recipient Governance requirements.
- The Council must comply with the Financial Reporting and Audit Requirements
- The SCR reserves the right to impose additional conditions of funding where it considers it is necessary to do so.
- The Council must perform its obligations under the Agreement in accordance their Public Sector Equality Duty under the Equality Act 2010.
- The Council must comply with all applicable legislation and regulations including but not limited to the Public Contracts Regulations (PCR) 2015, Subsidy Control.

Where any procurement arises, the Council must also comply with its Contracts Standing Orders. Compliance with the Subsidy Rules can be achieved by compliance with the PCR and any Subsidy Control issues arising can be advised upon as required.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 There are no alternative options to the proposed funding to support the Adult Education programme as outlined in this report. If the City Council does not accept the SCR grant, access to the national Adult Education Budget grant funding for the City Council as the Local Authority will cease.

6. REASONS FOR RECOMMENDATIONS

- 6.1 To retain access to the national Adult Education Budget for the benefit of adult citizens of Sheffield and their families. This funding currently supports working with approximately 4000 adults every year and these opportunities for advancement of adult education would potentially be lost if the City Council did not accept this funding.