



<b>Skills &amp; Employment Committee</b>		Agenda Item
<b>5 July 2023</b>		<b>6</b>
Title:	AEB Local Innovation Fund Allocations 2023/24	
Report of:	Parminder Singh Garcha, Senior Responsible Officer – Adult Education	
Lead Member:	Cllr Lucy Nethsingha	
Public Report:	Yes	
Key Decision:	Yes KD2023/028	
Voting Arrangements:	Choose from the following: A A simple majority of voting Members	

<b>Recommendations:</b>	
A	Recommend the Combined Authority Board approve allocations from the Local Innovation Fund 2023-24 to the organisations listed in this report.
B	Recommend that the Combined Authority Board delegates authority to the Assistant Director - Skills in consultation with the Chief Finance Officer and Monitoring Officer, to enter and sign grant funding agreements with the organisations set out in this report.
C	Recommend that the Combined Authority Board delegates authority to the Assistant Director - Skills in consultation with the Chief Finance Officer and Monitoring Officer, to procure, tender and award and sign a three-year contract for services for the ESOL Single Point of Contact (SPOC) following conclusion of procurement.

<b>Strategic Objective(s):</b>	
The proposals within this report fit under the following strategic objective(s):	
✓	Achieving ambitious skills and employment opportunities
✓	Achieving good growth
	Increased connectivity
✓	Enabling resilient communities
The Combined Authority's devolution agreement and commissioning of skills programmes contributes to the above strategic objectives, aligned to the pillars within the Employment and Skills Strategy (2022):	
<ul style="list-style-type: none"><li>• <b>Pre-work learning and formal education:</b> improving learning and experiences of work, including quality careers information, advice, and guidance, during formal education; providing a strong foundation for labour market entry and future working lives.</li><li>• <b>Employer access to talent:</b> developing priority skills that support sustainable growth, improving employers' engagement with education and improving job quality</li><li>• <b>Life-wide and lifelong learning:</b> improving access to life wide careers guidance and a rich learning and skills offer to upskill and reskill residents through their life-course</li></ul>	

- **Support into and between work:** Supporting the unemployed residents to transition into training and then employment and support to disadvantaged groups to access the labour market.

## 1. Purpose

- 1.1 As a key decision, this report requests that the Skills and Employment Committee recommend to the Combined Authority Board:
- Approval and delegations for funding allocations from the Local Innovation Fund to the organisations set out in the report
  - Authority and delegations to the Assistant Director of Skills to enter into grant funding agreements and sign contracts for services with organisations.

## 2. Proposal

- 2.1 Since 2020/21 academic year, the Combined Authority has provided an Innovation Fund, taken as a 'top-slice' from the main devolved Adult Education Budget (AEB) allocation. The purpose of the Local Innovation Fund (LIF) is to provide discretionary funding to learning and other local organisations to build capacity and infrastructure, pilot new approaches, strengthen partnership working and provide leverage of additional funding.

In the Medium-Term Financial Plan for the 2023/24 financial year, £955,000 is allocated to LIF from the Adult Education Budget (AEB). This consists of a recurrent £500,000 'top-slice', plus carry-forward of underspends from previous years. Not all the funding has been assigned to specific providers to date but was allocated to themes in a report to the Skills Committee in September 2022.

Thus, now approval is sought allocate **£820,000** out of the £955,000 of available LIF to the organisations set out in Table A below. Approval to enter into grant funding agreements with the organisations is requested. Note that the ESOL SPOC will be procured and the ESOL Planning Partnership allocation will be centrally administered by the Combined Authority. A summary of the projects is provided in sections 2.2 – 2.9 below.

Approving this allocation will leave £135,000 of 2023/24 LIF unallocated; as priorities emerge which support the implementation of the Employment and Skill Strategy these will be brought to the Committee to consider for support.

**TABLE A:**

	Theme	Project	Allocation	Organisation	Agreement type
1.	Life-wide and Lifelong Learning	Third Sector Lifelong Learning Commission	£240,000 of AEB £100,000 of Multiply Total = £340,000	Cambridgeshire Community Foundation	Grant funding agreement
2.	Life-wide and Lifelong learning	Infrastructure Support for Third Sector Organisations across Cambridgeshire delivering	£40,000 for 2023/24	Cambridge Council for Voluntary Service	Grant funding agreement

		Employment and Skills projects			
3.	Life-wide and Lifelong learning	Infrastructure Support for Third Sector Organisations across Peterborough delivering Employment and Skills projects	£20,000 for 2023/24	Peterborough Council for Voluntary Service	Grant funding agreement
4.	Pre-work learning and formal education and Life-wide learning	Enhancing Equity, Diversity, and Inclusion across the Skills System	£50,000 for 2023/24  (£50,000 planned for 2024/25) *	Inspire Education Group	Grant funding agreement
5.	Life-wide and Lifelong learning	Development of an Essential Skills Route Map (Adult Literacy, Numeracy, Digital and Work Readiness)	£20,000	Learning and Work Institute	Grant funding agreement
6.	Life-wide and Lifelong learning and Support into and between work	ESOL Single Point of Contact	£50,000  (£120,000 per year planned for 2024/25 and 2025/26)	Procurement process to be launched in July	Contract for Services
7.	Life-wide and Lifelong learning and Support into and between work	ESOL Planning Partnership	£10,000	Administered by CPCA	N/A
8.	Life-wide and Lifelong learning	Learning & Skills Hub at Viva in Soham	£30,000	Workers Education Association or West Suffolk College (in partnership with Viva and ECDC)	Grant funding agreement
9.	Support into and between work	Ring-fencing of 'Match' funding towards external funding proposals	£300,000	tbc	Grant funding agreement or Contract for Services
10	All themes	Development of the Regional Curriculum	£50,000	tbc	Grant funding agreement or Contract for Services
		<b>Total AEB LIF allocated</b>	<b>£820,000</b> <b>(+ £170k in 2024/25 and £120k in 2025/26)</b>		

2.2

**Third Sector Lifelong Learning Commission**

	<p>The Skills Committee of September 2023 approved the approach to allocate £300,000 of Local Innovation Fund and £100,000 of Multiply towards establishing a Third Sector Lifelong Learning Commission. This programme aims to administer small grants of between £5,000 to £30,000 to local voluntary and community sector organisations across the Mayoralty who are working with under-served or 'disadvantaged' communities; to provide adult learning opportunities closer to communities to enable re-engagement or progression onto our mainstream courses. Grants may be awarded for up to two years, to enable the projects to deliver and track positive outcomes.</p> <p>The objective is to deepen the reach of Combined Authority funded learning programmes into rural, under-served and communities of interest. This includes both accredited and non-accredited courses and engagement activities which aim to motivate and inspire individuals into education, training, volunteering and/or employment. Wider outcomes include improved health and wellbeing, improved community connection, resilience and active citizenship.</p> <p>Working in partnership with Cambridge Council for Voluntary Service, Hunts Forum and Peterborough Council for Voluntary Service, an Expression of Interest process was launched in February 2023 to identify a suitable local 'Lead Organisation' to co-design and implement the programme. Two local organisations submitted strong applications and Cambridgeshire Community Foundation (CCF) was successful.</p> <p>Developmental work with CCF is underway in creating an innovative small grants scheme that brings learning and opportunities closer to communities. The grants programme is set for a September launch. Co-production with CVSs and constituent councils will help to shape the grants scheme and ensure it does not duplicate other grant funding programmes.</p>
2.3	<p><b>Infrastructure Support for Third Sector Organisations delivering Employment and Skills programmes</b></p> <p>At the Skills Committee of 7 November 2022, a report setting out the approach to working together with the third sector was approved by members. This included a £300,000 allocation from LIF. Consultation with CVSs and stakeholders identified there is a gap in infrastructure and developmental support to the sector. Therefore, it is proposed to allocate £20,000 to PCVS and £40,000 to CCVS to deliver this support across the sub-region, out of the original £300,000 allocated in November 2022. This will fund the delivery of short courses to support capacity building, technical support with compliance, delivery best practice and training for volunteering.</p>
2.4	<p><b>Enhancing Equity, Diversity, and Inclusion across the Skills System</b></p> <p>Following publication of Census 2021 data, discussions at our Annual FE Think Tanks and with the Association of College; partners identified the need to improve practice across the skills system, with the aspiration of Cambridgeshire and Peterborough being an inclusive place for all learners. Inspire Education Group (IEG) offered to host a regional EDI Co-ordinator to facilitate a programme of best practice on behalf of other providers. ing for two years has been allocated to enable embedding of best practice.</p>
2.5	<p><b>Development of an Essential Skills Route Map (Adult Literacy, Numeracy, Digital and Work Readiness)</b></p> <p>Preparation for Work and Life is the largest subject area that is funded through AEB. This includes Essential Skills and employability programmes. The Combined Authority has not reviewed the impact and efficacy of the courses and activities funded under this subject, to ensure the best value for our investment and outcomes for Citizens. Our target is to reduce the number of residents with no qualifications and so improving practice would help accelerate this. The Institute for Learning and Work are nationally recognised as the leading policy and research organisation in this space. They will be</p>

	commissioned to undertake qualitative and quantitative review of our provision, drawing on national best practice and provide recommendations for funding policy, provider practice and commissioning.
2.6	<p><b>ESOL Single Point of Contact (SPOC)</b></p> <p>The Annual Report for the ESOL Local Planning Partnerships was presented at the January 2023 Skills Committee. This set-out the case for commissioning a SPOC for the sub-region, building on national best-practice and consultation with local stakeholders. A procurement exercise is planned subject to Board approval, for a three-year contract, with an allocation of £50,000 from 2023/24 LIF and up to a further £200,000 for subsequent years.</p>
2.7	<p><b>ESOL Planning Partnership development</b></p> <p>ESOL Planning Partnerships have provided successful network governance to improve the ESOL offer. This allocation is to enable, and fund added value initiatives that are agreed by the partnership, that build capacity, pathways, and the quality of provision, such as training and events. The budget will be held centrally by the Combined Authority and expenditure agreed and overseen by the ESOL Planning Partnership.</p>
2.8	<p><b>Soham Learning &amp; Skills Hub</b></p> <p>East Cambridgeshire has a decreasing trend in residents participating in adult learning. The district has been identified as a 'cold-spot' for wider FE infrastructure, including 16-18 provision. This project builds the partnership of the District Council, WEA, West Suffolk College and Viva Arts in Soham through co-ordination, outreach, and promotion of the learning offer.</p>
2.9	<p><b>Ring-fencing of Match funding towards external funding proposals</b></p> <p>At the June 2023 Skills Committee, members approved the proposal to ring-fence £300,000 as potential 'match' funding to strengthen proposals to external funders such as the National Lottery, DWP and Youth Futures Foundation. Subject to approval at Board and further consultation with constituent councils and stakeholders this funding will be ring-fenced in the budget for 'match'. An external bid-writer with suitable experience will be engaged to prepare applications.</p>

### 3. Background

3.1	<p>At the Skills Committee of 27 April 2020, the creation of a recurrent AEB Innovation Fund was approved and the process for allocating funding agreed on 14 September 2020. A separate budget line for the Innovation Fund was created for the 2020/21 financial year. The budget included an additional allocation from the Local Growth Fund of £323,700 to be spent on capital expenditure plus £336,700 to be spent on revenue expenditure (taken from AEB unallocated funds from 2019/20) making a total of £660,400 available for existing AEB funded providers to bid into through a grant funding process. A total of 18 projects were funded in 2020/21 and £571,339 claimed from the £660,400 budget.</p> <p>For the 2021/22, a budget of £1m was allocated from 'recycled' AEB for the 2021/22 financial year with expenditure of £0.6m reported. There were 15 projects that proceeded, and underspend carried forward into 2023/24.</p>
3.2	<p>At the Skills Committee of 7 November 2023, a review of the Innovation Fund was tabled and recommendations for allocations for the 2022/23 academic year were made, including £406,000 that remained unallocated.</p>
3.3	<p>An Impact Evaluation of the first three years of AEB has been commissioned, with Euonia Associates undertaking this work over the summer. The Innovation Fund will be included in the evaluation findings. This is due to report at the Autumn meetings of the Skills and Employment Committee.</p>

## 4. Appendices

4.1	<i>Add appendices to cover detail related to the proposal – in this section insert the links to those appendices</i>
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## 5. Implications

### Financial Implications

5.1	The Combined Authority received its annual Section 31 Funding Letter from the Department for Education (DfE) on 9 February 2023, for the Adult Education Budget. Funding of £12,054,361 (2022/23: £11,977,722) is confirmed for the 2023/24 academic year for AEB. There is a budget of £955,000 allocated to Local Innovation Fund for 2023/24 within the Medium-Term Financial Plan.
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### Legal Implications

6.1	The recommendations and activities outlined in this paper are to discharge the Combined Authorities' statutory duties under the Apprenticeships, Skills, Children and Learning Act 2009. Under the devolution agreement of 2016, specified adult education functions from the Secretary of State were transferred to the Combined Authority.
6.2	Following Board approval, legal and finance will undertake due diligence on the four charities before issuing Grant Funding Agreements for the Third Sector Commission and the Essential Skills Route map. A procurement exercise is planned for the ESOL SPOC and a contract for services will be awarded to the successful organisation following completion of due diligence and subsidy control.

### Public Health Implications

7.1	The report recommendations have positive implications for public health. Participation in adult learning improves the health and wellbeing of participants and wider society. In addition, the AEB funds skills training for professionals in the health care sector as well as short courses for adults on managing physical, mental health and wellbeing.
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### Environmental & Climate Change Implications

8.1	The report recommendations have positive implications for the environment. Environmental Conservation courses and Carbon literacy are funded by AEB. In addition, training for retrofit occupations (in construction trades) and electric vehicle maintenance and charging and digital skills are also funded by AEB, FCFJ and Skills Bootcamps.
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### Other Significant Implications

9.1	The recommendations in this report have due regard to the Combined Authority's Equalities duties under the Equality Act 2010 in implementing funding policies which seek to widen participation and make learning opportunities more accessible for all citizens including all protected characteristics.
9.2	Within their funding allocation, all Learning Organisations have Learner Support Funds to enable them to discharge their duties under the Equalities Act 2010. Funding is provided to enable reasonable adjustments and additional support to be provided for learners with learning difficulties and disabilities, to access and progress in learning.

### Background Papers

10.1	<a href="#">Employment and Skills Strategy 2022</a> <a href="#">Skills and Employment Committee 5 June 2023 – Proposals for External Funding</a> <a href="#">Skills Committee Report 9 January 2023 – ESOL Local Planning Annual Report</a> <a href="#">Skills Committee Report 7 November 2022 – Review of Innovation Fund and Proposals for 2022/23</a>
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[Skills Committee Report 7 November 2022 – Working Together with the Third Sector](#)

[Skills Committee Report 13 Sept 2021- AEB Reserve and Innovation Fund 2021/22](#)

[Skills Committee Report 14 Sept 2020 - AEB Innovation Fund](#)