



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

**JAMES PALMER**  
CAMBRIDGESHIRE &  
PETERBOROUGH MAYOR

Agenda Item No: 3.2

## Adult Education Budget – COVID-19 Response

To: Skills Committee

Meeting Date: 15 March 2021

Lead Member: Councillor John Holdich OBE, Lead Member for Skills

From: Parminder Garcha, Senior Responsible Officer, AEB

Key decision: No

Forward Plan ref: N/A

Recommendations: The Skills Committee is recommended to:

- a) Note the ongoing challenges faced by Adult Education providers due to the COVID-19 pandemic and the reduction in enrolments
- b) Approve the planned approach to in-year commissioning of programme underspend. This is Subject to the Combined Authority Board approving carry-forward of AEB underspend into 2021/22 financial year.
- c) Note the update on the Innovation Fund programme and the projects supporting learners in the pandemic.

Voting arrangements: A simple majority of all Members

# 1. Purpose

- 1.1 To advise the Skills Committee of the impact of COVID-19 on delivery of the devolved Adult Education Budget (AEB) within the region and the ongoing support to AEB funded providers, to mitigate against further impact of under-delivery. As the economy recovers from recession, AEB provision provides support to help residents into work and to upskill.
- 1.2 To provide assurance to Members that a proactive and proportionate approach to monitoring and performance management of AEB providers is being taken, which is cognisant of the impact of the national lockdowns. Flexibilities available to the CPCA under devolution are being implemented as well as allowing providers to revise their delivery plans.
- 1.3 To update Members on the AEB Local Innovation Fund. Most of the projects are supporting learners during the pandemic, such as measures that enable digital inclusion, redundancy support or interventions to equip unemployed adults to access work.
- 1.4 To drive-up enrolments, promotion of the learning offer is being supplemented through a Marketing and Communication Plan, developed with the CPCA Marketing team. This includes increasing Social Media output as well as improvements to the CPCA website to promote AEB courses.

# 2. Background

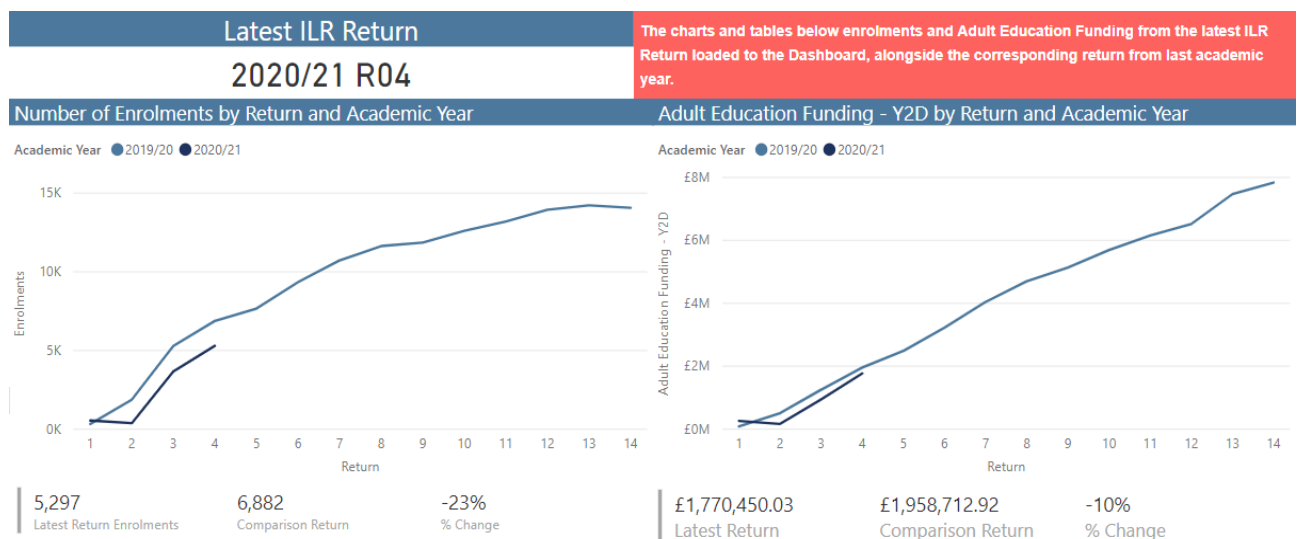
- 2.1 On 23 March 2020, during the 2019/20 academic year, the Prime Minister announced what was to become the first of three national lockdowns in England. Workers were sent home as businesses and education settings across the country were forced to close. All residents were told to stay at home, and all non-essential retail including restaurants and pubs were closed.
- 2.2 During this time, adult learning providers had to rapidly transition to online delivery, to meet the changing needs of learners and to continue to access funding. It's acknowledged that some forms of learning, including Community Learning and specialist vocational courses are better suited to a classroom/workshop environment and distance-learning did not work well for all learners.
- 2.3 There are many low-skilled adult learners in our region without access to digital devices and/or basic digital skills and this has become a barrier to many of our residents. Providers have worked diligently to keep learners engaged. However, the National Careers Service data in the area suggests finding employment is the major priority for adults. Providers report that caring responsibilities, with children being home-schooled, has also contributed to reduced enrolments in Autumn 2020.
- 2.4 Providers were permitted to utilise some of their Learner Support Funds to purchase devices for learners who otherwise would not have access to digital channels for learning. Approximately £100,000 was spent during 2019/20 and on laptops, dongles, and tablet devices, with 'loan' schemes set-up to enable learners to continue their studies.

2.5 Funding to support the additional costs of transport to college during the Autumn term, ensuring social distancing was put in place for FE learners aged 16-19. This funding has been allocated directly to colleges in the region from the funding supplied by DfE to the CPCA for this purpose.

### COVID-19 Effect

2.4 The graph overleaf shows the impact of COVID-19 on AEB participation, for the first quarter of the current 2020/21 academic year. New enrolments from Autumn 2020 have decreased by 23% compared to 2019/20, and funding earned by providers has decreased by 10%:

### 2019/20 and 2020/21 Individualised Learner Record (ILR) comparison



### National Context

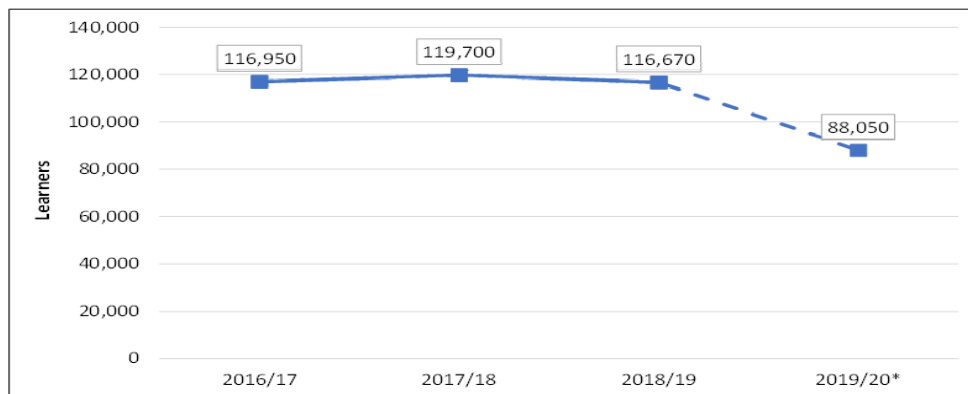
2.6 Recent research published from the Learning and Work Institute shows during the first lockdown two in five adults (42%), an estimated 22 million people across the UK, embraced the opportunity to engage in some form of learning or training, with most of this (60%) taking place completely online.

2.7 While many learners said they were learning for work-related reasons, others were learning for their own personal development, or to pursue an interest or hobby. Around one in ten said the reduced time and work pressures of lockdown meant that they were now able to commit to learning, when this had previously not been possible.

2.8 However, this type of informal learning did not translate into more adults completing courses that led to qualifications or acquiring new skills that would help them retrain or move into a new job. One in five found that previously planned learning had to be postponed or cancelled. Others struggled to balance their learning with work pressures, childcare or home schooling, or access to technology.

2.9 National data also shows a similar picture of reduced participation:

**Covid-19 effect on AEB participation**



Source: ESFA ILR

### 3. AEB Innovation Fund

3.1 On 27 April 2020, Skills Committee approved the creation of the AEB Innovation Fund, including the carry forward of 50% of the 2019-20 academic year underspend. In October 2020, the scheme was opened to existing AEB providers for additional funding to deliver innovative provision that meets the AEB Commissioning Strategy priorities. The aim is to reduce the skills and employment gaps of CPCA learners disproportionately underrepresented in the labour market, with special priority given to the COVID-19 pandemic and the impact on the delivery of learning for residents.

3.2 To date, twelve projects worth £524,531 out of the budget of £660,400 have been approved. These include:

- Peterborough City Skills Hub
- Construction Training Hub
- ESOL in the community
- Enhancing digital literacy in areas of high deprivation
- A dedicated adult careers advisor
- Digital bootcamps leading to apprenticeships
- Response to redundancy Hub.

3.3 On 3 January 2021, the Prime Minister announced the third national lockdown, with a stay-at-home order and the closure of schools and colleges to most pupils. This has impacted Innovation Fund projects being able to start, and we are working with providers to ensure as many as possible can still go ahead.

#### **Quarter Two Review Meetings**

4.1 The second quarterly review meetings for 2021/22 with all AEB providers will take place during March, to review delivery for the first half of this year. As a response to COVID-19 and to help ensure we maximise AEB investment, a mid-year reconciliation point will be implemented. The mid-year reconciliation will allow a comparison to be made between funding provided and service delivered, thereby giving early indications of the efficacy of the

service provider. We will review these figures in conjunction with Finance at the end of March and establish parameters that ensure all providers are treated fairly. This will allow providers to vary contracts, reprofile expected delivery and increase or decrease the grant or contract value accordingly.

## **Marketing and Communication**

- 4.2 We are working closely with the CPCA Communications and Marketing team, preparing press releases on the Innovation Fund projects, and cascading social media messaging and promotional videos to promote the learning offer. We are working on the design of a new webpage which is set to launch early March, during National Careers Week, with a 'course-finder' tool and information on what's on offer locally, linking to provider websites.

## **Commissioning New Provision**

- 4.3 Work has commenced to identify gaps in provision and target AEB funding more effectively. It is proposed to commission new provision from current and expected underspend, with a new agile, local commissioning approach being adopted. The proposed 'lots' are under development but will fall into the following themes:
- Level 3 Adult Offer - additional qualifications in Growth and Foundation Sectors
  - Levelling-Up – targeting specific postcodes within Peterborough, Fenland and wider Cambridgeshire and/or specific groups of residents.
  - Sector Based Work Academies
  - High Value Courses for 19-year-olds
  - Digital Inclusion

## **5. Financial Implications**

- 5.1 The financial impacts of under-delivery by existing AEB providers is actively monitored. The Quarter Two Review will provide an opportunity to agree contract and grant increases and decreases to maximise spend and investment in CPCA priorities. Given the current trajectory at R04, a potential underspend of approx. £2m is forecast for the academic year 2020/21. However, this will be updated further to the mid-year reviews referred to in 4.1 above. Commissioning of new provision and the option for CPCA to carry forward unspent AEB into 2021-22 will be considered, and should this be required, it will be proposed to the Combined Authority Board when the year-end budget is reported.
- 5.2 There are no financial impacts on wider CPCA budgets as AEB is provided as a ring-fenced grant.

## **6. Legal Implications**

- 6.1 The Cambridgeshire and Peterborough Combined Authority (Adult Education Functions) Order 2018 (SI 2018/1146) transferred functions from the Secretary of State to the Combined Authority.

## 7. Other Significant Implications

7.1 There are no other significant implications.

## 8. Appendices

8.1 None

## 9. Background Papers

9.1 None