



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No:3.5

Implications of the Skills and Post-16 Education Bill

To:	Skills Committee
Meeting Date:	13 September 2021
Public report:	Yes
Lead Member:	Councillor Lucy Nethsingha, Chair of the Skills Committee
From:	Fliss Miller, Senior Responsible Officer – Workforce Skills Parminder Singh Garcha, Senior Responsible Officer – Adult Education
Key decision:	No
Forward Plan ref:	N/A
Recommendations:	The Skills Committee is recommended to: <ul style="list-style-type: none">a) Note the potential implications of the Skills and post-16 Education Bill and risks to the Combined Authority’s strategic role for accelerating the improvement of skills in the region.b) Note the Combined Authority will be responding to two of the Department for Education’s open consultations on the National Skills Fund and Reforms to Further Education Funding and Accountability.
Voting arrangements:	A simple majority of all Members

1. Purpose

- 1.1 The purpose of this paper is to inform the Skills Committee of the implications of the Skills and Post-16 Education Bill for the Combined Authority.

2. Background

- 2.1 The Government published the Skills and Post-16 Education Bill on 18 May 2021 in the House of Lords. The Bill implements proposals set out in the Government's Skills for Jobs White Paper and makes provision for several statutory changes to post-16 education in England. The Bill had its second reading in the House of Lords on 15 June 2021.
- 2.2 There will be one final amendment published for comments after summer recess. Following this the Bill will be read out and 'passed' in the House of Commons in Autumn. At this point it will be legally binding, with enhanced powers granted to the Secretary of State.
- 2.3 This paper provides an overview of concerns from the Greater London Authority (GLA) and Mayoral Combined Authorities (MCAs) regarding the Bill.

3. Key Points in the Bill

- 3.1 The Bill makes several provisions relevant to the GLA and MCAs, but two are priority areas that will have most impact on the Combined Authority. The first point is the Bill provides for a statutory underpinning for Local Skills Improvement Plans (LSIPs), led by Employer Representative Bodies (ERBs), such as Chambers of Commerce. Introducing a new power for the Secretary of State for Education to designate ERBs to lead the development of the plans with duties on providers to co-operate in the development of and then have regard to the plans.
- 3.2 MCAs and the GLA are of the view that skills and employment strategies - including, but not limited to the devolved / delegated Adult Education Budget (AEB), should be led by democratically accountable and objective organisations with the capacity and resource to provide strategic oversight, long term vision and resource to ensure coordinated and impactful delivery, in partnership with all relevant stakeholders (employers, providers, voluntary community organisations and residents).
- 3.3 The White Paper that preceded the Bill stated that LSIPs must be led by ERBs and approved by the Secretary of State. Whilst final drafts of the LSIPs need to be approved by MCAs/GLA, this one-size-fits-all model does not provide adequate opportunities to ensure alignment and coordinated skills training and provision within our complex local geographies and economies.
- 3.4 Without a meaningful role for existing strategic stakeholders such as MCAs and the GLA, there is a risk that this will considerably undermine work underway to increase the coordination and integration of skills and employment provision in regions at a time when it is increasingly important to have local understanding and coordination powers.

- 3.5 To avoid unnecessary overlap and further fragmentation of adult skills funding and provision, the powers delegated or devolved to Mayors in shaping adult skills provision in their areas must be protected.
- 3.6 The second point is that the Bill “Enable[s] the Secretary of State for Education to make regulations to provide for a list of post-16 education or training providers, in particular Independent Training Providers (“ITPs”), to indicate which providers have met conditions that are designed to prevent or mitigate risks associated with the disorderly exit of a provider from the provision of education and training”
- 3.7 A new list of independent training providers will be created, any provider not on the list will not be granted funding agreements or be allowed to subcontract with another provider who is on the list. This could mean that the GLA and MCAs would be prohibited from funding any provider that does not appear on the Secretary of State’s new list of approved providers. This could preclude funding for high quality specialist commercial training providers and the subcontracting prohibition could have a particular impact on voluntary and community services and social enterprises delivering vital initial engagement and outreach provision.
- 3.8 As part of the delegation and devolution agreements it was agreed that the GLA and MCAs would determine their own procurement requirements (with compliance with the appropriate legal regulations).
- 3.9 Mayors must be able to use their devolved or delegated powers and discretion to work with any providers they deem fit for delivery, subject to the fair and robust procurement processes that are already in place.

Significant Implications

4. Financial Implications

- 4.1 There are no immediate financial implications for the Combined Authority’s budget for 2021/22 fiscal year nor the 2021/22 academic year. Following the conclusion of the DfE’s consultations, the Department for Education will be implementing changes to Further Education funding, which includes proposed changes to the national formula for how allocations are calculated for the Adult Education Budget to devolved areas.

5. Legal Implications

- 5.1 There are no immediate legal implications for the Combined Authority for the 2021/22 academic year. Should the Skills and Post-16 Education Bill be passed through Parliament in its current form, additional statutory powers for ERBs and the Secretary of State will impact on MCAs.

6. Appendices

6.1 None.

7. Background Papers

7.1 Skills and Post-16 Education Bill [Skills and Post-16 Education Bill \[HL\] - Parliamentary Bills - UK Parliament](#)

7.2 DfE Consultation – [The National Skills Fund - Department for Education - Citizen Space](#)

7.3 DfE Consultation - [Reforms to Further Education Funding and Accountability - Department for Education - Citizen Space](#)