



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 6.1

Adult Education Budget 2021/22 Funding Allocations and Policy Changes

To: Cambridgeshire and Peterborough Combined Authority Board

Meeting Date: 30 June 2021

Public report: Yes

Lead Member: Councillor L Nethsingha, Lead Member for Skills

From: John T Hill, Director of Business and Skills

Key decision: Yes

Forward Plan ref: KD2021/020

Recommendations: The Combined Authority Board is recommended to:

- a) Approve the funding allocations for the 2021/22 academic year, from the devolved Adult Education Budget (AEB) to the providers, set out in Table A of the report to the Skills Committee on 14 June 2021;
- b) Grant authority to enter into contract for services, with Steadfast Training Ltd;
- c) Delegate authority to the Director of Business and Skills in consultation with Chief Finance Officer and Monitoring Officer, to enter into contract for services, with the providers set out in Table A, on behalf of the Combined Authority;
- d) Delegate authority to the Director of Business and Skills, in consultation with the Chief Finance Officer and Monitoring Officer to enter into Grant Funding Agreements, with the providers set out in Table A, on behalf of the Combined Authority;
- e) Delegate authority to the Director of Business and Skills, in consultation with the Chief Finance Officer and Monitoring Officer to procure, award and enter into contract, with

recommended new providers, as required within the devolved Adult Education Budget (AEB) Grant for 2021/22, set out in the AEB Commissioning Guiding Principles; and

- f) Approve implementation of the funding policy changes and funding flexibilities for the 2021/22 academic year, as set out in the report to the Skills Committee on 14 June 2021.

Voting arrangements: A simple majority of members of the board present and voting

1. Purpose

1.1 The Board's approval is sought to:

- Make the funding allocations from the devolved Adult Education Budget of £11.9m for the academic year 2021/22 to the Providers, set out in TABLE A in this Paper. Funding allocations total £9.9m. •
- Allocate a further £1m from the devolved AEB for current providers to make Growth Cases, demonstrating alignment with local skills needs.
- Issue funding agreements, based on performance during the academic year and recover under-spent funds.
- Procure using the Combined Authority's 'Light Touch' Commissioning approach to contract with new providers as required during the academic year, to meet gaps in provision.

1.2 Under the 2016 Devolution agreement, the Combined Authority is at liberty to set its own policies and funding rules which can deviate from the national Adult Education Budget funding rules set by the Education and Skills Funding Agency (ESFA). This helps to better direct and improve outcomes for citizens in our region. Therefore, authority is sought to implement the local funding policy changes and flexibilities set out in the report to the Skills Committee on 14 June 2021, to increase participation in skills training among citizens, improving productivity and supporting 'levelling up' across the region.

1.3 These proposals were considered by the Skills Committee on 14 June 2021. Following discussion, the Committee agreed unanimously to recommend the proposals to the Combined Authority Board for approval.

1.4 The report and appendices presented to the Skills Committee can be viewed via the link below. Item 2.1 refers:

[Skills Committee 14 June 2021](#)

2. Financial Implications

2.1 There are no financial implications for the CPCA other than those set out in the main body of the report and as highlighted in the Skills Committee paper, as the funding allocations and policy changes will be managed within the CPCA's AEB Devolved Funding Grant.

2.2 A ring-fenced AEB Reserve Fund has been established to provide for contingent liabilities in funding for providers and additional commissioning in 2021/22.

3. Legal Implications

3.1 None.

4. Appendices

4.1 Appendix 1 – Levelling Up – CPCA Deprived Areas Funding Uplift

4.2 Appendix 2 – Summary of Changes to AEB Funding Rules

4.3 Appendix 3 – Table A

4.4 The appendices are available in accessible format on request from [Democratic Services](#).

5. Background Papers

5.1 [Local Industrial Strategy](#)

5.2 [CPCA Skills Strategy](#)

5.3 [AEB Funding Rules](#)

5.4 [AEB Commissioning Strategy 2020 – 2025](#)

5.5 [Lifetime Skills Guarantee \(Level 3 Adult Offer\) Skills Committee Paper](#)