

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD3127

Title: Adult Education Budget Jobs and Skills for Londoners award of funding

Executive Summary:

This Mayoral Decision (MD) approves the grant funding of £38,295,732 to 48 successful organisations through the Jobs and Skills for Londoners (JSFL) Fund over three academic years. The approach confirms the outturn funding position for Adult Education Budget (AEB) and Free Courses Jobs funding (FCFJ) through JSFL for the academic years 2023-24, 2024-25 and 2025-26. The list of organisations to be funded can be found in Appendix A.

Decision:

That the Mayor approves:

- the grant funding of the 48 organisations recommended for funding under the JSFL fund
- the award of £29,871,376 of AEB funding to organisations successful through the JSFL fund in the 2023-24 and 2024-25 academic years, and potential extension of grants to the 2025-26 academic year, subject to budget availability and financial due diligence
- the award of £8,424,357 of FCFJ funding to organisations successful through the JSFL fund in the 2023-24 and 2024-25 academic years, and potential extension of grants to the 2025-26 academic year, subject to budget availability and financial due diligence.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

25/5/23

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1. Under MD3037, the Mayor approved the launch of a new competitive grant award process – Jobs and Skills for Londoners (JSFL). This was to support the continuity of provision as both the Adult Education Budget (AEB) Procured and Good Work for All programmes will conclude in July 2023.
- 1.2. JSFL is aimed at supporting the Mayor’s priority sectors, with an emphasis on progression into jobs in the digital, health and social care, hospitality, green economy and creative industries sectors.
- 1.3. The AEB strand of the fund includes the possibility of making job outcome payments at the flat rate of £400 per job outcome that meets the GLA definition of “good work” in line with the published prospectus.
- 1.4. Under MD3037, the Mayor approved up to £130 million to JSFL across three academic years – 2023-24, 2024-25 and a potential extension of agreements into the 2025-26 academic year. This amount comprises up to £100 million of AEB, and up to £30 million of Free Courses for Jobs (FCFJ) funding (Level 3 offer).
- 1.5. Bidders were invited to apply to deliver AEB, FCFJ or a combination of both. Where bidders are awarded a grant to deliver both AEB and FCFJ, these allocations will be ringfenced.
- 1.6. In total, 153 eligible applications were received. Of these, 131 were submitted by Independent Training Providers (ITPs), 11 from Further Education (FE) colleges and 11 from Local Authorities.
- 1.7. Each application was assessed by three scorers in line with the guidance in the published prospectus. The expert panel members reviewed the application of the methodology for awarding grants to successful bidders based on the final ranking and budget availability in line with the published prospectus.

2. Objectives and expected outcomes

- 2.1. Following the conclusion of the evaluation process and subject to satisfactory financial due diligence checks, 48 organisations will be offered a grant through the Fund. A summary of those organisations is attached at Appendix A.
- 2.2. The planned AEB and FCFJ delivery of the suggested organisations will support the Mayor’s priority sectors and support Londoners to develop skills with an emphasis on progression into jobs in the digital, health and social care, hospitality, green economy and creative industries priority sectors.
- 2.3. Among the 48 organisations to be offered funding, there are 45 ITPs, one FE college and two local authorities. In total, the 48 organisations propose to deliver provision aligned with the Mayoral priority sectors – 35 projects in health and social care; 32 in digital; 25 in hospitality; 21 in green economy and 11 in creative industries.
- 2.4. The AEB and FCFJ allocation is applied as follows:
 - Once the annual FCFJ budget (£8,424,357) was allocated in full to the highest ranked 48 organisations, the available annual AEB (£29,871,376) was significantly lower than the requested AEB funding from those organisations. To ensure that all 48 projects received funding in line with their application, AEB allocations were reduced on a proportionate basis.
 - Distributing the annual £29,871,376 AEB funding proportionately among the highest ranked 48 bidders results in each of them receiving approximately 60 per cent of the AEB funding they originally requested in their application.

- 2.5. Under the AEB funding stream, as per commitments made by organisations in the delivery plans submitted as part of their bid, an estimated 7,000 learners will move into 'good work' each academic year.
- 2.6. If AEB allocations are pro-rated at 60 per cent, one bidder recommended for funding would receive below the minimum grant threshold of £100,000. Therefore, its AEB allocated funding will instead be pro-rated at 65 per cent to ensure they are awarded the minimum grant funding of £100,000 of per academic year in line with the prospectus.
- 2.7. Each bidder recommended for funding and the next two highest ranked bidders on the list will be subject to financial due diligence checks. Where a bidder or bidders initially recommended for funding fail the financial due diligence checks, the next highest ranked bidder(s) on the list will be offered funding instead, subject to budget availability.
- 2.8. Successful bidders will be given the opportunity to accept or decline the offer of funding. Where bidders decline, the next highest ranked bidder(s) on the list will be offered funding. Any change to the successful list of bidders approved under this decision form will be reported to the AEB Mayoral Board for noting.
- 2.9. Depending on budget availability, any bidder who was not initially recommended for funding but subsequently is, may not receive the same proportionate value of AEB or FCFJ funding as other successful organisations.
- 2.10. Successful bidders will be awarded a grant as a contribution to their costs of delivering AEB, FCFJ or a combination of both depending on which funding stream they applied for. Once in grant, providers will be paid monthly in arrears based on actual levels of delivery.
- 2.11. All bidders will be notified of the outcome of the competition in May 2023. Subject to financial due diligence checks and consideration of the outcome of any ongoing investigations, successful bidders will be issued with grant agreements in June 2023 and will undergo an onboarding process in June and July 2023. Delivery will commence on 1 August 2023.

3. Equality comments

- 3.1. Section 149(1) of the Equality Act 2010 provides that, in the exercise of their functions, public authorities, of whom the Mayor is one, must have due regard to the need to:
 - eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 3.2. Relevant protected characteristics are age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 3.3. The Mayor is required to comply with the duty set out above in making the decision set out in this form and any future decisions relating to the AEB made pursuant to those arrangements which will be subject to separate decision forms.
- 3.4. As part of the application process to receive a grant through the Fund, all bidders were required to demonstrate how they will positively promote and encourage diversity and equality at all levels within their organisation and eliminate unlawful discrimination, harassment and victimisation as

outlined in the Equality Act 2010. Bidders were also asked to explain how they adhere to the Mayor's Good Work Standard focused on embedding fair employment practices.

4. Other considerations

Links to Mayoral Strategies and priorities

- 4.1. The interventions proposed in this MD align with the aim at supporting the Mayor's priority sectors, with an emphasis on progression into jobs in the digital, health and social care, hospitality, green economy and creative industries sectors.

Risks arising/mitigation

- 4.2. The primary risk is that successful bidders may decline offers of funding made to them. Due to the pro rata award of funding, all successful bidders will receive 60 per cent of the AEB funding requested in their bids. This may impact on the viability of this provision, which may lead to providers declining the offers made to them. This could result in some of the available budget remaining unallocated. If such a scenario arose, the GLA would then make an offer to the next highest ranked provider.
- 4.3. There are no conflicts of interest to declare from those involved in the drafting or clearance of this decision.
- 4.4. The decisions set out in this form were considered by the AEB Mayoral Board on 10 May 2023.

5. Financial comments

- 5.1. Approval is sought for the grant funding of £38,295,732 to 48 successful organisations through the JSFL fund over three academic years. The funding is broken down below:
- the award of £29,871,376 of AEB funding to organisations successful through the JSFL fund in the 2023-24 and 2024-25 academic years, and potential extension of grants in the 2025-26 academic year, subject to budget availability and financial due diligence
 - the award of £8,424,357 of FCFJ funding to organisations successful through the JSFL fund in the 2023-24 and 2024-25 academic years, and potential extension of grants in the 2025-26 academic year, subject to budget availability and financial due diligence.
- 5.2. Under MD3037, the Mayor approved up to £130 million to JSFL across three academic years – 2023-24, 2024-25 and a potential extension of agreements into 2025-26 academic year. This amount comprises up to £100 million of AEB funding, and up to £30 million of Free Courses for Jobs (FCFJ) (Level 3 offer) funding from the Department for Education.
- 5.3. Budget allocation for the 2024-25 and 2025-26 academic years will be subject to approval through the annual budget setting process and is subject to change. The funding for this programme is external and as it is multi-year, it is subject to available funding and there should be appropriate break clauses in the funding agreements.
- 5.4. The award of funding to delivery partners will be subject to satisfactory financial due diligence.

6 Legal comments

- 6.1. The foregoing sections of this report indicate that the decisions requested of the Mayor concern the exercise of the GLA's general powers, falling within the GLA's statutory powers to do such things considered to further or that are facilitative of, or conducive or incidental to, the promotion of

economic development and wealth creation, social development or improvement of the environment, in Greater London.

- 6.2. In implementing the proposals in respect of which a decision is sought, officers should comply with the GLA's related statutory duties to:
- pay due regard to the principle that there should be equality of opportunity for all people
 - consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom
 - consult with appropriate bodies.
- 6.3. In taking the decisions requested, as noted in section 3 above, the Mayor must have due regard to the Public Sector Equality Duty under section 149 of the Equality Act 2010, namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010; to advance equality of opportunity between persons who share a relevant protected characteristic (race, disability, gender, age, sex, sexual orientation, religion or belief, pregnancy and maternity, and gender reassignment) and persons who do not share it; and to foster good relations between persons who share a relevant protected characteristic and persons who do not share it. To this end, the Mayor should have particular regard to section 3 (above) of this report.
- 6.4. Section 1 of this report indicates that part of the sought budget will amount to the provision of funding and not for the payment for services. Officers must ensure that the funding is distributed fairly; transparently; in accordance with the GLA's equality policy and subsidy control rules; and in a manner that affords value for money in accordance with the GLA Contracts and Funding Code. Officers must ensure that an appropriate funding agreement is put in place and executed by the GLA and the recipient before any commitment to funding is made.

7. Planned delivery approach and next steps

- 7.1. Next steps are set out below:

Activity	Timeline
Bidder notification of outcome	May 2023
Grant agreements issued	June 2023
Onboarding of providers	June and July 2023
Delivery start date	1 August 2023

Appendices and supporting papers:

Appendix A – Summary of recommended funding awards

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 – Deferral**Is the publication of Part 1 of this approval to be deferred? YES**

If YES, for what reason: It is proposed to defer publication of the MD until October 2023. Deferring publication will allow for distribution of feedback letters to unsuccessful bidders and consideration of any queries/challenges raised by bidding organisations.

Until what date: 31 October 2023

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO**ORIGINATING OFFICER DECLARATION:**

Drafting officer to confirm the following (✓)

Drafting officer:

Harry Sanders has drafted this report in accordance with GLA procedures and confirm the following:

✓

Sponsoring Director:

Tunde Olayinka has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Jules Pipe has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 22 May 2023.

✓

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature:**Date:**


22/05/2023

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature:**Date:**


22/05/2023