

KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

DECISION TO BE TAKEN BY:

Rory Love, Cabinet Member for Education and Skills

DECISION NUMBER:

24/0085

For publication *[Do not include information which is exempt from publication under schedule 12a of the Local Government Act 1972]*

Key decision: YES

Key decision criteria. The decision will:

- a) affect more than two electoral areas

Subject Matter / Title of Decision

KCC CLS Sub-contracting Education and Skills Funding Agency provision

Decision:

As Cabinet Member for Education and Skills, I agree to:

- a) APPROVE the sub-contracting of provision for vocational and specialist provision for adults.
- b) DELEGATE authority to the Corporate Director for Children, Young People and Education, to take relevant actions, including but not limited to entering into relevant contracts or other legal agreements as required, including Service Level agreements (SLAs), to implement this decision.

Reason for the decision

The decision is required to support a broad delivery of education for adults to meet needs, gaps in provision and new funding priorities.

Background

Community Learning and Skills is KCC's internally commissioned department to deliver Education and Training to adults and young people over 16. KCC CLS is responsible for delivering the Education & Skills Funding Agency (ESFA) Adult Skills Fund (ASF), Greater London Authority (GLA) budget and ESFA 'Study Programme' courses for NEET young people, which support the goals and objectives of Framing Kent's Future.

Adult Learning

ESFA Funding rules for Adult Education have changed and have redefined 'partners' as sub-contractors. This alteration requires a decision to sub-contract to both maintain and potentially realise business opportunities for growth against the delivery of previous specialist provision, specifically British Sign Language courses.

Under current arrangements, partners would provide courses as part of the existing arrangements in place with CLS. The sub-contracting model proposed in this decision means that relevant providers will now be sub-contracted to deliver the same services on a different contractual basis as a result of changes required by the Government.

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The decision will also support delivery of vocational courses across Kent. The focus of adult skills funding is now on progression towards, into, and within work, in particular to meet needs identified in the Local Skills Improvement Plan (LSIP). The Department for Education (DfE) have identified new learning 'aims' for grant funded courses, including a large range of vocational courses which CLS do not have the internal organisational capacity or capability to deliver.

How the proposed decision supports Framing Kent's Future - Our Council Strategy 2022-2026 and Securing Kent's Future.

Implementing the subcontracting proposals for specialist provision for both adults and young people will contribute towards the following priorities:

Framing Kent's Future:

Priority 1: LEVELLING UP KENT:

- To support the Kent economy to be resilient and successfully adapt to the challenges and opportunities it faces over the coming years.
- To work with partners to develop a skills system for Kent that delivers skills that are resilient to changing workforce needs and opportunities and supports people to higher level skills.

Including supporting the identified actions of:

1. Develop the highly successful Employment Task Force, so that it has the capacity to identify and tackle barriers to high-quality employment across the county and convene action between partners that will drive economic growth.
2. Respond to and build on the Local Skills Improvement Plan
3. Regularly commission the Workforce Skills Evidence Base to provide information about the Kent economy, businesses and skills requirements and inform the Action Plan that will coordinate interventions to improve skills levels and seize opportunities for new jobs and skills.
4. Maximise the use of national skills funding, including the apprenticeship levy and the lifelong learning entitlement to create real opportunities for people to access training opportunities throughout their lives that lead to employment in vocational and technical fields.

Sub-contracting elements which CLS do not have the expertise or capability to deliver, will align with our Best Value duty, as outlined in Part 1 of the Local Government Act 1999, where Councils should "*make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to the combination of economy, efficiency and effectiveness*". Any new sub-contracts commissioned will be assessed in line with Best Value Duty.

Financial Implications

CLS is funded via a range of annually awarded Education & Skills Funding Agency (ESFA) contracts plus fee income when adults enrol on certain courses.

The funding agreements with ESFA allows CLS retain up to a maximum of 20% of the sub-contracted delivery amount as a management fee to support the procurement, selection, audit, and management of the sub-contractors ensuring that they adhere to contractual obligations and expected quality measures. We have reviewed our requirements and believe that retention of 15% would be appropriate.

The wider planned restructure of CLS delivery will ensure CLS is fully funded from both grants and fee income when completed (including any sub-contracted element) and there will be no expectation of contribution from the general fund.

Sub-contracting relates to the following CLS funding streams:

Adults:

CLS receives a Tailored learning contract of £6,705,376 (24/25 allocation) as part of the funding line Adult Skills Fund which totals £8,791,434. There is no limited to amount LA may provide through subcontracting however, the ESFA have expressed a wish to see a reduction in subcontracted delivery in the sector. In the event of exceeding £100,000 of subcontracted delivery, the sub-contracting standard must be adhered to which is an additional level of rigour which includes an external audit to be undertaken at cost to CLS. The Adult Skills fund projected sub-contracting amount is expected to be £600,000 of which CLS will retain £90k to oversee service delivery.

Legal Implications

Adult Learning: Sub-contracting adult provision - KCC does not deliver the CLS services pursuant to specific statutory powers or duties. KCC is required to deliver the CLS services in exchange for funding from the Education and Skills Funding Agency (“ESFA”).

Equalities implications

An EqIA has been undertaken and is currently under review. The EqIA has not identified any negative impacts, as the proposal would offer new opportunities to protected groups.

Data Protection implications

All subcontractors will be expected to sign up to the Kent and Medway Information Sharing Agreement as part of the contract. Secure methods of returning learner data will be agreed.

Cabinet Committee recommendations and other consultation:

- a) APPROVE the sub-contracting of provision for vocational and specialist provision for adults.
- b) DELEGATE authority to the Corporate Director for Children, Young People and Education, to take relevant actions, including but not limited to entering into relevant contracts or other legal agreements as required, including Service Level agreements (SLAs), to implement this decision.

Any alternatives considered and rejected:

Do nothing – considered and discounted. CLS do not have suitably qualified staff in post and the subject matter knowledge to be able to deliver such a robust curriculum in such a wide range of vocational provision within the short term. Where CLS already have staff in post, the curriculum is already being offered; for example, teaching and learning, using languages for work; digital skills.

Offer all provision in-house – considered and discounted. To recruit suitably qualified staff and develop a robust curriculum within the short timescale available for the 24/25 academic year, while undertaking a service redesign, isn't practicable. CLS work with the other Further Education

providers across the county and feedback from colleges is highlighting that they are experiencing difficulty in recruiting tutors for vocational skills such as construction. Additionally, CLS do not have suitable facilities available for all provision types and significant investment would be required to provide them.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:

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signed

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date