

Item No. N/a	Classification: Open	Date: 13 May 2019	Meeting Name: Cabinet Member for Jobs, Skills and Innovation
Report title:		Southwark Council's response to the GLA Skills for Londoners Framework AEB Consultation Year 2 (2020-21)	
Ward(s) or groups affected:		All	
From:		Head of Chief Executive's Office Director of Education	

RECOMMENDATIONS

That the Cabinet Member for Jobs, Skills and Innovation:

1. Notes the consultation response.
2. Delegates authority to the Head of the Chief Executive's Office to submit the formal consultation response to the GLA as provided at Appendix 1.

BACKGROUND INFORMATION

3. The Mayor launched the draft [Skills for Londoners](#) strategy for consultation on the 24 November 2017. The Council submitted a response to the consultation, approved by the Cabinet Member for Cabinet Member for Business, Culture and Social Regeneration on 11 January 2018. The council responded to this consultation in the context of the Southwark Skills Strategy which was approved by cabinet in December 2017.
4. The GLA published the final Skills for Londoners Strategy in June 2018 and the [2019/20 Skills for Londoners Framework](#) in November 2018. The Framework outlines how the objectives of the Strategy will be delivered in the context of the devolution of the Adult Education Budget (AEB) in London from the academic year 2019-20.
5. The Mayor is now consulting on potential changes to the (AEB) for Year 2 (2020-21) and beyond. The deadline for consultation responses is 20 May 2019.

KEY ISSUES FOR CONSIDERATION

6. The Mayor committed to make minimal changes to the AEB in Year 1 to maintain stability for the sector during the transition to devolution. From Year 2, the Mayor will begin to phase in some of the changes to the AEB proposed in the Skills for Londoners Framework. City Hall is now consulting on these proposed changes.
7. The council welcomes the Mayor's proposals for changes in delivery of the AEB in London. In particular it endorses the following areas:

- Establishing a Skills for Londoners Innovation Fund using unallocated funding from the AEB, prioritising growth requests for ESOL, digital skills, support for learners with Special Educational Needs and Disabilities, vulnerable young people, those affected by redundancy and those working in sectors likely to be impacted by Brexit
- Fully funding ESOL provision
- Creating an enhanced digital skills entitlement
- Demonstrating the impact of Community Adult Learning
- Better supporting learners with Special Educational Needs and Disabilities (SEND)
- Better supporting the progression of low paid Londoners
- Boosting retention achievement in English & maths
- Funding higher level skills
- Tackling skills shortages in London's key sectors
- Dealing with implications of Brexit for staff and learners
- Funding second Level 3 qualifications
- Championing the Further Education and skills sector.

8. The council recommends further consideration is given to the following:

- Gathering case studies to demonstrate impact of Adult Community Learning as interim measure while metrics are developed to measure the impact
- Specific changes to funding and quality of provision for learners with SEND to improve outcomes
- Ensuring the flexible delivery of skills provision designed to support the progression of low-paid Londoners so that it can be easily accessed by those in-work
- Placing a focus on the development of work place skills for low paid Londoners, in addition to sector or career specific upskilling
- Working with providers to ensure they make use of available labour market insight to design provision that adequately meets local employer needs in key growth sectors.

Consultation

9. A range of external and internal stakeholders have been consulted during the process of developing the Southwark Skills Strategy and subsequent delivery plan.
10. External consultation with partners included: Department of Work and Pensions, Southwark Business Forum, Better Bankside Business Improvement District (BID), Blue Bermondsey BID, Southbank BID, Team London Bridge BID, We Are Waterloo BID, Southwark Chamber of Commerce & Industry, Federation of Small Businesses, London South Bank University, schools, adult education providers and further education Colleges, Southwark Association of the School Governors, Central London Forward and delivery partners on our Southwark Works Framework.

Policy implications

11. The proposed changes to the delivery of the AEB in London are aligned to the aims of the Southwark Skills Strategy which seeks to ensure that residents have access to skills provision that enables them to access the range of opportunities available in the borough.

12. The proposals are also aligned to the below 2018-2022 Council Plan ambitions related to achieving a full employment borough:
- Make sure everyone has a basic qualification in English and maths and that residents have the digital skills to get the jobs of the future
 - Ensure all residents benefit from opportunities to take advantage of the digital revolution
 - Ensure residents are equipped with the tools they need to find employment and to progress to better paid work.

Community impact statement

13. Not applicable

Financial Implications

14. There are no financial implications arising from this report.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

15. Not applicable

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Skills for Londoners Strategy	Local Economy Team	Elaine Gunn 020 7525 5479
Southwark Skills Strategy	Local Economy Team	Elaine Gunn 020 7525 5479

APPENDICES

No.	Title
Appendix 1	GLA Skills for Londoners Framework AEB Consultation Year 2 (2020-21) response

AUDIT TRAIL

Lead Officer	Stephen Gaskell, Head of Chief Executive's Office	
Report Author	Susan du Toit, Senior Strategy Officer	
Version	Final	
Dated	13 May 2019	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Director of Law and Democracy	No	No
Strategic Director of Finance and Corporate Services	No	No
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	13 May 2019	

APPENDIX 1

Skills for Londoners Framework AEB Consultation Year 2 (2020-21) Southwark Council Consultation Response

Out of London Provision

- 1. Does the ESFA's definition of London's "fringe" accurately reflect reasonable travel-to-learn distances for London's learners?**
- Yes

If not, what other measures might be more suitable?

The proposed definition is reasonable. The allocation of grants to providers based in London or within London's fringe will mean that more funding is available to providers who are within easy or easier travelling distance for London learners. London based providers are more likely to be better informed and more aware of London's demographic and economic issues than those based outside London.

Skills Innovation Fund

- 2. For Year 1, the Mayor will introduce growth requests for both grant and procured providers. It is proposed that for grant providers, requests are prioritised where they meet the Mayor's Skills for Londoners priorities.**

What other areas relevant to Mayoral priorities should be supported through the Skills for Londoners Innovation Fund?

The council supports the creation of the Innovation Fund and welcomes the prioritisation of Londoners experiencing the needs set out in the consultation document. This is aligned with the Southwark Skills Strategy and its delivery plan priorities.

The council particularly welcomes the inclusion of learners with SEND and vulnerable young people in the priorities and would further welcome an emphasis on providing Level 2 qualifications for these learners in particular.

In alignment with the Mayor's commitment to support low paid Londoners to progress in employment, the priorities for the Innovation Fund could be expanded to include low paid workers who do not meet any of the other criteria outlined.

ESOL

- 3. To reverse the decline in funding for ESOL and to meet the demand for ESOL across London, the Mayor proposes fully funding ESOL**

provision up to and including Level 3 (the level required for Britain citizenship).

Would fully funding ESOL provision up to and including Entry Level 3 be sufficient to reduce barriers to provision?

Yes

Are there other barriers to participating in ESOL provision we should be aware of and looking to address?

Fully funding ESOL provision up to and including Entry Level 3 would go some way towards enabling Londoners with ESOL needs to engage with further education, training and/or paid or voluntary work, though it is likely additional support would be required to ensure their engagement. Removing the co-funding element of ESOL up to Level 3 will support more learners. However, the expansion of free ESOL courses will require an increase in the overall funding envelope. Entry Level 3 is an essential prerequisite towards achieving Level 2 skills at GCSE which is needed for reasonably well paid work.

It is recognised that ESOL learners are highly diverse, with a range of learning needs. Women, especially those with childcare responsibilities, find it more difficult to access good quality structured learning opportunities. Barriers to participating in ESOL include care commitments and travel and childcare costs may present an additional financial barrier for those who are not in work or are in low-paid work. Subsidised or discounted childcare and travel charges could reduce this barrier to accessing learning opportunities.

Digital skills

- 4. A new national basic digital skills entitlement for the AEB will be introduced in 2020/21. Given London employer demand for intermediate level digital skills, the Mayor proposes introducing an enhanced London Digital Skills Entitlement for all Londoners 19+ requiring digital skills training.**

Do you support the creation of an enhanced London Digital Skills Entitlement? Yes

How should City Hall look to introduce this entitlement?

The council welcomes the introduction of an enhanced digital skills entitlement as it responds to the growing need for intermediate digital skills in many jobs. Local evidence suggests the entitlement should be designed to support training in a wide range of skills, should be highly modular and learner-led rather than qualifications-led and should allow for blended online and guided learning. City Hall should consider the most appropriate delivery routes for this type of learning, which may sit outside the typical FE or vocational learning environment. The Mayor may also wish to consider how funds could be targeted at increasing access to and support for

existing online digital skills learning via services such as Google, Microsoft, Amazon and working with these and other tech leaders to develop relevant content. As part of the offer, digital skills should lead to the development of other skills such as literacy and numeracy.

Community Adult Learning

- 5. The Mayor understands the importance of local approaches to ACL and wants to ensure its impact is recognised and maximised. City Hall is currently working with providers and other key stakeholders to develop a suite of metrics to measure the impact of ACL provision. In the meantime, the City Hall wants to identify interim measures that could be used to record and demonstrate the impact of ACL.**

What interim measures could City Hall put in place to record and demonstrate the impact of Adult Community Learning in London?

There is a considerable amount of information already collated for the DfE via the individualised learner return (ILR) which City Hall could utilise and build on to demonstrate the impact of Adult Community Learning.

Further, interim measures for recording and demonstrating the impact of ACL could include gathering and consolidating case studies of individual adult learners and groups of adult learners. Learner surveys such as the Benefits of Lifelong Learning (BeLL) survey could be administered by providers and managed by a marketing provider.

In the longer term, it would be helpful to consider how progression towards employment outcomes can be incorporated and develop a credible financial measure of the value of community learning, similar to the National Audit Office calculation that adult apprenticeships could be yielding a return of £18 for every £1 of public investment.

It would also be helpful to develop a system of tracking learner destinations should they enter further training or employment. The requirement could be on the organisation attended by the learner to provide information to the borough in which the learner resides.

Learners with Special Educational Needs and Disabilities

- 6. The pan-London review into 16-25 SEND provision showed that there is an already significant and growing demand for appropriate education and training opportunities for Londoners with SEND aged 19+. Where learners do not have an EHCP, or when this provision runs out at the age of 25, learners will no longer be able to draw any funding support from, already stretched, local authority budgets. The Mayor holds limited statutory responsibilities for funding learners with SEND and will need to work with councils and the Government to help ensure all Londoners have the best possible**

chance of gaining the skills they need to get jobs and contribute to the capital's success.

What changes should be made to AEB funding to address the challenges identified in the SEND review?

Changes to AEB funding should make the system more focused on the outcomes that SEND learners and their carers want to achieve, as well as making more effective use of necessarily limited resources. Any changes should simplify arrangements for the allocation of funding and the drawing down of funding allocations. There is also a need to improve the consistency of quality and content of provision across different services for SEND learners of different ages and levels of need.

Some specific helpful changes could include:

- More opportunities for those without Level 2 qualifications to access good quality and appropriately supported apprenticeships, traineeships and internships
- More opportunities for care leavers to gain Level 2 qualifications (60% of care leavers have identified SEND)
- More opportunities for bespoke exciting young person focused life skill courses for those with SEND
- Range of options which have been co-produced by young people in line with their needs and interests
- Resources to support employer engagement to secure good quality vocational learning opportunities

7. What additional learner support is needed for learners with SEND to improve their retention, achievement rates and progression?

In the Education sector, the terms 'special educational needs' (SEN) and special educational needs and disabilities are used for pupils until the age of 16. In the post 16 sector, the term 'learners with learning difficulties and/or disabilities' (LLDD) is used. These different terms – SEN, SEND, LLDD – are often being used for the same individual at different stages by different professionals. This may be confusing for learners themselves and for teachers and support staff. The language of special educational therefore needs to be clearer and more consistent. Clearer terms and definitions would help relevant staff identify the actual support needs of the learner more accurately so that the specialist support package is more personalised and better aligned with their learning disability or difficulty. This would also help to make the transition from compulsory to further or adult education smoother. Having an informed basis for the additional learners support (ALS) would improve the chances of the learner staying on their course of study, achieving the course outcomes and progressing.

Some specific ALS measures would include:

- Mentor support to help work through barriers
- High quality and consistent information, advice and guidance
- Access to work relevant experience and industry insights
- Travel assistance up to age 25
- Ensuring learners are doing courses that they want to do rather than purely what is available
- Ensuring there are clear outcomes promoting the skills of independence and resilience
- Motivational, inspirational or mind set events programmes with college days
- Graduation or incentive at end of course
- Well-being programmes

Low paid Londoners

8. Many Londoners are stuck in low pay, with little chance to progress to better paid, more secure work. The Mayor wants to widen participation in learning to all adults in London who would benefit from upskilling and advancing in their careers. City Hall has therefore prioritised enhancing support for low paid adults to get the skills they need—including, from this summer, through extending eligibility for fully-funded AEB courses to all Londoners earning below the London Living Wage.

What more could City Hall do to support low-paid Londoners to get the skills they need?

The council welcomes City Hall's prioritisation of support for low paid Londoners and the extension of eligibility for fully-funded AEB courses to all Londoners earning below the London Living Wage.

In addition to offering opportunities for upskilling in specific sectors or careers, provision for low paid Londoners should help to develop work place skills, such as communication, problem solving or organisation, which are required to progress within work.

City Hall could also consider introducing clearer progression routes from pre-entry level provision to Level 2, ensuring there is a Level 2 offer available to adults in all vocational areas.

Access to high quality careers advice and guidance is also an important element of progression within work and providers should therefore coordinate more closely with local careers advice services.

The council would welcome further work to ensure provision for low paid Londoners is delivered more flexibly to allow those in work, and those who may also have caring responsibilities, to more easily access and complete training. This would involve a range of delivery methods

including classroom teaching, workshop sessions and online learning delivered at flexible times including weekends and evenings. There is scope to consider how new technologies could be used to enable more flexible skills delivery.

Other measures to support low-paid Londoners could include mentoring schemes and salary compensations schemes to cover wages to cover time taken off work.

English & Maths

9. Supporting learners and providers to overcome the barriers to securing basic skills, including English and Maths, is a priority for the Mayor. The Mayor will develop a package of wraparound support to assist the delivery of English and Maths courses, working with adult education providers to ensure that this support can be implemented with minimal additional resources.

What more could City Hall do to support the sector to boost retention and achievement rates in English and Maths provision?

The council welcomes the offer of wraparound support to assist delivery of English and Maths. The council recognises the high value of these qualifications in ensuring learners can achieve basic qualifications and progress to higher level learning.

City Hall could consider making more resources available to providers offering best practice. These resources could be developed based on consolidating research findings released by a range of organisations including the Behavioural Research Centre for Adult Skills and Knowledge, the Department for Education, Ofsted and awarding bodies such as City and Guilds.

The council is aware of a range of methods currently used by providers to boost retention and achievement rates such as building resilience, reinforcing positive identity, through the provision of coaching/mentoring support, leveraging social support and communication, for example through sending text messages to learners.

There could also be scope to build partnerships to boost retention and achievement by working with large commercial organisations such as Barclays who are already promoting skills development, largely through online learning.

It would be valuable for City Hall to consider the motivations of learners when starting these courses and the reasons for their drop out by conducted specific research in this area to determine how these issues can be addressed.

There is also a role for good quality careers advice and guidance to be better aligned to this learning so learners can understand the benefits of achieving these qualifications and their options for further learning as result of achieving them.

Higher level skills

- 10. The Mayor wants to increase opportunities for Londoners of all ages to progress through Level 4+ qualifications to enable better career progression. City Hall is currently carrying out research and funding pilots to assess the case for funding Level 4+ qualifications through the AEB.**

Should City Hall look to support, promote or fund higher level skills (Level 4 and above) skills through the AEB? (Yes/No)

Yes

If yes, which groups of learners, levels and sector subject areas should be prioritised and how?

City Hall should look to support, promote and fund higher level skills (Level 4 and above) although this should not be prioritised at the expense of providing learners with Level 1-3 qualifications. City Hall could also continue to advocate for further skills funding devolution to ensure provision is better aligned to Londoners' needs.

Promoting and funding higher level skills would enable Londoners with a Level 3 qualification to progress in their work roles. Such progress often requires the acquisition and/or development of a wider and deeper set of relevant knowledge and skills. These may include a mix of technical skills which pertain to particular sectors or occupations. For example, recognised qualifications at prescribed levels are required for sectors such as Education and Healthcare. It is therefore important that employers value and recognise these training opportunities.

Higher levels of transformable and transferrable skills will also facilitate the ability of the workforce to respond positively to changes in the economy. Examples include building resilience, problem identification and problem solving, working independently or team working, as appropriate to the role

Improvements in the availability of accessible, affordable higher level skills across the board are essential for London to increase economic growth by raising productivity and employment. In turn, this can increase living standards and the resources available for public services. Skills on their own will not do this, but they are a foundation stone for meeting these core national goals.

There is also a role for good quality careers advice and guidance to be integrated into opportunities for progression so learners can understand

the benefits of achieving these qualifications and their options for further learning/employment as result of achieving them.

There should be a focus on older adults are likely to experience profound skills obsolescence, particularly in relation to technological change, unless further training is available and accessible to them.

Women should also remain a focus as many may be looking to return to work from childcare responsibilities or achieving equity of role, status and remuneration as their male counterparts. Provision should focus on an approach to skills that enables more women to enter sectors such as science, technology, engineering and business where women are significantly underrepresented.

Sectors

11. Some of London's biggest industries, such as Construction, Health and Social Care, Creative, STEM and Hospitality face significant skills shortages due to lack of alignment between the skills system and labour market needs. At the same, there is glaring lack of diversity in London's high growth industries. Through changes to the AEB, the Mayor wants to encourage more diversity across London's high-growth industries to secure inclusive growth for the capital.

What more could City Hall do to tackle skills shortages in London's key sectors?

The current skills funding system does not sufficiently incentivise providers to use labour market insight to develop provision that adequately meets local employer needs. Through the devolution of the AEB, City Hall has an opportunity to encourage or require providers to demonstrate how their provision meets sector specific employer demands and skills shortages.

For example, Southwark's Skills Partnership has explored skills challenges in the digital sector by working with employers and providers who have identified the key challenge of recruiting those with sufficient levels of the non-technical skills which are crucial for work within the sector, such as problem solving, creativity and critical thinking. Development of skills provision for the IT and digital sector should therefore seek labour market insight to incorporate provision of essential work place skills required for jobs within the sector.

The council has also seen the highly positive impact of a sector specific skills offer through the success of the Southwark Construction Skills Centre which has been developed in partnership with Lendlease. The Centre delivers innovative 'real life' construction experience for local residents and offers a complete service for on and off site training that guarantees a high-quality learner experience, working closely with local employers, community groups, industry partners and further and higher

education organisations. Since 2016, the Centre has had notable success in training over 2,000 residents, creating or supporting over 300 apprenticeships and supporting over 370 residents into work and has developed its reputation as a high quality training provider with strong local links. The council is now exploring how the model could be replicated in other sectors to further address local skills shortages and create more opportunities for residents.

City Hall also has a role to play in delivering campaigns to help promote key growth sectors which may struggle with negative perceptions by promoting high quality jobs and progression pathways.

City Hall could also do more to support schools to meet their duties around the national Careers Strategy Baker Clause. It could encourage or require vocational training providers to participate in local school engagement plans giving pupils and parents the opportunity to hear from/gain access to opportunities in a range of sectors.

Brexit

12. The Mayor is committed to ensuring that London remains open and able to attract talent from Europe and across the world. Protecting the rights of European and international citizens in London is a key part of this commitment. Until the details of a new immigration system are finalised and implemented, education providers and employers will struggle to confirm a resident's entitlement to enrol. This could result in large numbers of residents with irregular immigration status. The Mayor will continue to work with Government and advocate for amendments to AEB eligibility rules in order to provide a more inclusive skills system in London to support the Mayor's skills and social integration objectives.

What more could City Hall do to support colleges in dealing with the implications of Brexit for staff and students?

The council welcomes the Mayor's continued commitment to work with Government and advocate for amendments to AEB eligibility rules to develop a more inclusive skills system in London. Changes to current eligibility rules for funding for EU residents to study in the UK and any increases in fees could adversely affect learner numbers and the ability of providers to meet their funding allocation targets. EU nationals play a crucial role in the Education sector, particularly in London, and a reduction in the number of EU nationals working the sector could potentially have a negative impact on other teaching staff and reduce the capacity of providers to deliver the variety, quality and volume of adult education provision required to meet Londoners' learning needs.

The council would support City Hall in advocating for favourable amendments to learner funding eligibility rules in order to preserve the

current inclusivity in the education and skills system. The council would also welcome efforts to ensure that the immigration system retains appropriate flexibilities for teachers and educators.

Level 3 provision

13. City Hall is keen to understand what lessons are being learnt from the Government's roll-out of T-levels for 16-18-year olds. It will be important to build upon any positive impacts of T-levels in further developing technical qualifications at Level 3 for adult learners and to understand how the two policy areas will co-exist in the future. In the meantime, it is vital that there is clarity about opportunities for progression to Level 3 qualifications for adults.

Currently, Level 3 qualifications are fully-funded for learners aged 19-23 who do not already have a first Level 3 qualification, with other learners being able to access loans to fund learning. For Londoners whose jobs are at risk from the effects of automation there is potentially a case for second Level 3 qualifications to be funded or part-funders to support upskilling or reskilling in the event of a career change or displacement.

How could the AEB be used to fund or part fund entitlement to a second Level 3 qualification for specific disadvantaged groups of learners, or to tackle skills shortages in particular sectors?

The council recognises that the AEB funding pot is not extensive and its primary focus should be on ensuring those who need basic English, Maths, digital and ESOL provision have access to this to enable more community integration, wellbeing and improved employability, and the opportunities to progress to further, higher level learning from this. However, it is clear that there is a skills attainment gap at level 3, particular in relation to sector specific training needs. Therefore, funding (potentially AEB) should be made available for all those aged 19+ to fund/part-fund a second level 3 qualifications where their skills profile is out dated, such as those who require updated digital skills or sector specific training in order to avoid redundancy or to progress in their existing role. The GLA should continue to lobby the government for this funding to be made available.

Where people are moving industry re-training/upskilling should include opportunities for work based learning in key sectors, which should be informed and supported by employers. Consideration also needs to be given to the requirement to make additional support available to learners such as mentoring. Support with travel and childcare costs to encourage engagement and completion of training.

As noted previously, all opportunities for progression need to be linked to good careers advice and guidance.

Championing FE

- 14. The Mayor has pledged to be a champion of the capital's FE sector – and has supported the Association of Colleges' "Love Our Colleges" campaign.**

What more could the Mayor do to support and champion London's FE and skills sector?

The quality and status of Further Education in London is vital to the future success of Londoners and London's economy. Meeting the biggest challenges facing the city, including reducing poverty and inequality, raising productivity, adapting to rising automation and the potential economic and social impact of Brexit, will require sustained improvements in FE provision. This necessitates increased levels of funding over a sustained period of time and the council hopes that the Mayor will continue to champion this agenda, making the case to government for higher investment in FE, as part of the wider "Love Our Colleges" campaign. In addition to increased resources, it will also be important to provide particular incentives that encourage innovative solutions to tackling skills shortages.

London's FE and skills sector could also be further championed and supported by showcasing positive news stories, promoting course offers and achievement of outcomes more widely and demonstrating how provision links to the demands of the labour market. This should include promotion of the role of local authority skills provision which plays a key role in authorities' communities and helps to build employment prospects for those who are least likely to engage and participate in formalised learning by providing basic skills and encouraging personal development.