

GLA response to DfE Implementing a New Further Education Funding and Accountability System consultation 2

Executive summary

- The GLA welcomes the introduction of the single Skills Fund, devolved to local areas to deliver, as this will help the move towards a more simplified funding system. However, the GLA would support the expansion of the fund beyond the Adult Education Budget (AEB) and Free Courses for Jobs (FCFJ) to include traineeships, bootcamps, and the People and Skills element of the UK Shared Prosperity Fund. In the process, all three additional funding streams should be devolved to the GLA/Mayoral Combined Authorities (MCAs). As an immediate priority, the Department for Education (DfE) should remove the ringfence around FCFJ funding.
- The above sit alongside our wider devolution asks including careers advice, apprenticeships, further education (FE) capital funding and Multiply.
- It is imperative that the DfE engages further with the GLA/MCAs on the needs-based approach to distributing funding prior to its expected implementation for 2025. As noted in our response to the first funding and accountability consultation, any new funding formula should include a broader range of indicators that reflect the unique population and economy of cities such as London.
- We note the DfE's proposals for a national model for funding. However, a desire for national consistency should not cut across devolved authorities' decision-making and ability to respond to local needs – MCAs/GLA fund 60 per cent of adult skills provision nationally. The proposed national funding model appears to cut across the ambition set out by government for devolution. The national system should be co-designed and co-owned by devolved areas, so that it is flexible and agile to meet local learner and employer needs.
- As stated in our original response, City Hall is best placed to understand overall local needs and facilitate collaboration to achieve a diverse range of local objectives. The Mayor of London has a proven track record of working with and regularly consulting a vast range of stakeholders including businesses, communities, boroughs and providers to benefit Londoners and London's economy.
- What the consultation refers to as 'non-qualification provision' is essential for supporting adult community learning and delivering positive social outcomes, particularly for residents who are furthest away from the labour market. We believe one of the core objectives of 'non-qualification provision' should be to develop stronger communities, as the AEB delivers more than just economic outcomes; it also delivers improved health and wellbeing, social integration, and resilience. Removing this objective will adversely impact those who stand to gain the most from community learning – including women, and those with disabilities or health issues.
- Regarding proposals for a new FE Performance Dashboard, the Mayor (and MCAs) should retain autonomy and have flexibility in setting the skills measures for London and other relevant outcome benchmarks to assess providers' performance in line with the local needs of learners and businesses. We believe social outcomes should be included and their importance recognised. Social outcomes such as improved health and wellbeing, social integration and resilience are an essential part of the learner's journey to employment, in-work progression and further studies.
- On this basis, we welcome a discussion with the DfE on how a new strategic relationship between the DfE and devolved areas works best in practice. We believe this is a good opportunity to reset the relationship between the DfE, and the GLA and MCAs; and

commit together to work in partnership to support our residents to get the skills and support they need to find good jobs and meet employers' needs. This will require closer cooperation and joint working: co-designing programmes and policy changes, and a new, more open approach to sharing information and evaluating performance.

- The GLA notes that the consultation suggests a review of the national eligibility rules in relation to residency and nationality is being undertaken, and that a technical consultation will be published if rule changes are required. In order to respond to local need effectively, the Mayor should have autonomy over the eligibility criteria in the funding rules; and retain the flexibility to amend those rules in London in line with local and Mayoral priorities, providing this does not cut across Home Office immigration policy.

GLA response

Q1. Do you agree with our proposal to create a national model for funding, that areas with devolved responsibilities can use as a basis for shaping and funding local skills provision?

We would welcome the proposal for a single Skills Fund on the condition that in London and the devolved areas this is delegated/devolved to the respective mayors, in line with existing arrangements for the AEB. Devolved authorities would need to have the autonomy to implement the fund in line with local business and learner needs and the mayoral priorities for London and other regions, in collaboration with all key FE stakeholders. This would avoid additional complexity and bureaucracy, and would ensure consistency of management and provision, easing the burden on providers.

In our response to the previous consultation, we wrote that traineeships, Skills Bootcamps and all FCFJ elements of the new Skills Fund should be delegated to the Mayor to avoid additional complexity and bureaucracy for providers; and to ensure alignment of all elements of the new Skills Fund. Our position on this is unchanged and sits alongside our wider devolution asks including careers advice, apprenticeships, FE capital funding and Multiply, as well as the People and Skills pillar of the UKSPF. In addition, we have previously asked that providers' full AEB funding allocations in London are provided solely by the Mayor, to avoid the need for small Education and Skills Funding Agency (ESFA) allocations, which will invariably be managed differently and create an unnecessary burden for providers.

It is stated in the consultation that "until a devolution deal for adult education is reached in all areas of England, the Skills Fund will continue to be distributed through two routes". Given that the Levelling Up White Paper suggests that full devolution of the national AEB will not be realised until 2030, it is our opinion that conversations between the DfE and the GLA/MCAs on devolution of the other elements to the Skills Fund should happen much sooner.

Whilst confirming that the consultation will be in place for the next spending review period, we however note that it provides little further detail on what a national needs-based approach to funding may look like. The GLA's position on such an approach to funding is unchanged from our response to the first Funding and Accountability Reform consultation. We ask that DfE colleagues increase their efforts to involve the GLA/MCAs in any decisions made on such a formula, and help us understand the potential impact any changes may have on funding at the earliest opportunity.

For reference, in our response to the first consultation, we outlined the following variables, on top of those identified by the DfE, that should be factored into any needs-based assessment for funding:

- Number of people of working age (16-64) in England by geographical area¹ (Annual Population Survey)
- Population growth (2010-20) in England by geographical area (Annual Population Survey)
- Percentage of ethnic minorities in England by geographical area (Annual Population Survey)
- Total number of jobs in England by geographical area (Office for National Statistics (ONS))
- Number of adults with no qualifications or qualifications below Level 1 in England by geographical area (Annual Population Survey)
- Number of adults with no/low qualifications (including ESOL) in England by geographical area (Index of Multiple Deprivation (IMD) 2019)
- Number of unemployed people in England by geographical area (Labour Force Survey)
- Number of unemployed people with work-limiting disabilities in England by geographical area (Labour Force Survey)
- Number of service-intensive jobs in England by geographical area (Employer Skills Survey)
- Number of jobs with skills gaps in England by geographical area (Employer Skills Survey)
- Number of hard-to-fill vacancies in England by geographical area (Employer Skills Survey)
- Number of skills shortage vacancies in England by geographical area (Employer Skills Survey)
- Affordability ratio by geographical area (relative earnings after adjusting for housing costs) (ONS house price statistics, and Annual Survey of Hours and Earnings)
- Population density by geographical area (Nomis ONS data)
- Social outcomes by geographical area (Labour Force Survey, ONS)

Q2. What are your views on the core elements of a national model set out above? Are there other elements which should be included?

60 per cent of the national AEB budget now sits with the GLA/MCAs. It is therefore imperative that any national model that is developed is co-designed and co-owned with such authorities.

Whilst the GLA may agree in principle with elements of the national model (e.g., multi-year funding of devolved authority budgets), we do not agree that central government should have a role in the strategic planning of adult skills delivery in local areas, as this appears to cut across the intention and ambition of devolution.

As stated in our response to the first consultation, the Mayor is best placed to respond to local needs of learners and employers in London, and facilitate collaboration to achieve a diverse range of local objectives – including those set out in the consultation. In line with his delegated powers, the Mayor is responsible for setting the strategic purpose and managing the effective allocation of AEB funding in London, in line with learners’ needs to best meet the needs of local employers.

Devolved authorities should be able to vary any national funding rates for qualifications to ensure delivery is meeting local employer demand. Likewise, a uniformed approach to funding

¹ This includes the GLA, MCAs and non-devolved areas.

non-qualification provision would remove the benefit of local knowledge in the decision-making process.

Devolved authorities should be able to continue to fund qualifications of regional importance to meeting employer demand, even where the wider post-16 qualification review process(es) may determine the qualifications to be of limited value according to nationally applied criteria.

In London, the Mayor, London's Skills Advisory Panel (the Skills for Londoners Board) and the Skills for Londoners Business Partnership are best placed to determine local priorities and ensure investment in skills funding meets the needs of Londoners and London's economy, delivering greatest value for money. The Mayor has a proven track record of working with a range of stakeholders, including, businesses, communities, boroughs and providers to ensure London's adult skills system meets the needs of London. This has been achieved through extensive stakeholder engagement as well as annual consultation on the Mayor's proposals for adult education in London. As the directly elected representative of Londoners, the Mayor frequently seeks feedback from Londoners through our online engagement platform Talk London, community conversations and People's Question Time, to ensure that he is responding to their needs and is being held to account. The Mayor has a number of business boards – including the London Economic Action Partnership (London's local enterprise partnership) and the Business Advisory Board – to help steer London's skills and employment priorities. He also regularly engages London's employer representative bodies to understand and respond to business skills needs. An independent evaluation of the first year of delegated AEB delivery in London also found that almost 90 per cent of providers surveyed were 'very' or 'fairly' satisfied with the delegation of the AEB to London.

In January 2022 the Mayor published his **Skills Roadmap for London**. This sets the direction of travel for adult education and skills in London over the Mayoral term and beyond, including future plans for the AEB and commissioning activity.

The Roadmap includes the actions the Mayor will take over this Mayoral term to ensure skills provision is locally relevant; makes an impact; and is accessible. The Roadmap was developed based on extensive consultation with stakeholders, communities and businesses. It was informed by a suite of research, evidence and data analysis. Insight from our consultation, engagement and research is available on the [London Datastore](#).

Q3. What would the impact be, both positive and negative, of adopting the proposed objectives for non-qualification provision?

The Mayor must continue to be responsible for setting the objectives for non-qualification provision in London. Devolved areas are better placed to ensure non-qualification provision is responsive to local need.

The proposals are too narrow to harness the full value of non-qualification provision. The limited objectives appear to reflect an unambitious view of non-formula delivery from a national standpoint. Locally we would expect non-qualification provision to be a driver for transforming lives by addressing health, wellbeing and self-efficacy, and by helping individuals to achieve economic outcomes. This kind of transformation can only be achieved through local intervention. For these reasons "developing stronger communities" will remain a key objective for non-qualification provision in London.

Community learning attracts adults whose immediate needs may not include employment. Limiting non-qualification provision to that which focuses on employment risks the loss of a progression route to engagement for those least likely to engage in adult education. It also risks disengaging adults who may have different educational/skills needs, and who do not see

the relevance of employment-focused courses for themselves. Many adults are now inactive, rather than unemployed, and it is harder to see how an educational offer that is reduced to just skills for jobs will motivate them to further learning or progression.

By combining non-regulated formula funding with Adult Community Learning funding, it is likely that a lower level of AEB delivery will be recorded in the Individualised Learner Record (ILR). This creates a risk that a level of transparency and accountability is removed from the programme. This emphasises our view that the Mayor must be able to decide how best to distribute non-qualification funding in London.

Q4. How should we monitor providers delivering against these objectives?

A properly devolved national system should ensure that responsibility and accountability for monitoring providers sit with each devolved authority. The local democratic accountability to residents ensures that provision and outcomes will meet local priorities.

The ILR is limited in its ability to adequately collect data to inform local decisions and monitoring because of the current national ownership and management arrangements. The ILR needs to be redeveloped as a system to support a devolved system of delivery with product ownership and governance shared by the devolved authorities.

In August 2021 we launched the London Learner Survey (LLS) to capture data on the learner outcomes prioritised by the Mayor. The LLS consists of a baseline survey administered by providers at the start of the course; and a follow-up survey administered by a research consultancy five months after the learner has completed their course. The survey will enable us to measure outcomes achieved through the AEB across seven key impact areas. These are progression into employment; in-work progression; progression into FE and training; improvements to health and wellbeing; improvements to social integration; improvements to learner self-efficacy; and participation in volunteering. The final data will provide insight into the value of provision delivered by providers helping us to understand whether they are meeting our objectives.

Q5. Do you agree with the above approach for funding qualifications?

The approach to adopt a homogeneous set of national priorities for funding rates and apply those to every geographical area, regardless of the needs of local economies, is a significant weakness in the approach. To ensure that the activity model is successful, devolved authorities should be responsible for setting the local priorities and associated rates. The approach should be co-designed with devolved authorities to ensure that local impact is not lost by a rigid interpretation of needs or perceived value.

Insufficient information has been provided to properly model the impact of the funding proposals. The timescale for implementation without any information available means it is unlikely devolved authorities could adopt the proposals for August 2023, as there would be a significant risk to the financial stability of providers. Less granular funding bands increase the risk of a disproportionate impact of change on some qualifications, and thereby on some providers. An indicative funding rate per guided learning hour, and the cost weightings that will apply to each of the funding bands, are required to support learning-aim-level detailed modelling.

Modelling also needs to take into account the outputs of other reviews that are happening in parallel to this consultation, but which may make a material difference to the impact of the proposed funding approach. The joint DfE and Ofqual review of the current classification of sector subject areas (SSAs) is looking at a key aspect of the proposed funding system; understanding the potential impact of that review's eventual outcome will be important.

The DfE should also publish its overall impact assessment and research into, and associated modelling of, the relative cost of provision between SSAs without delay. The identification of higher-value SSAs should incorporate a broader range of factors than the evidence developed during work on the FCFJ offer at level 3.

Despite lacking the level of detail required from the consultation, the GLA has made efforts, based on a number of assumptions, to model the impact the proposed changes to the funding rates would have in London. Preliminary results suggest the following:

- Compared to other SSAs, some SSA Tier 2 receive a very significant uplift. These SSAs are: engineering; manufacturing technologies; transportation operations and maintenance; and building and construction.
- The proposed SSA bands suggest that providers might need an additional 7 per cent of funding to deliver at the same level (i.e., same number of qualifications).
- Overall, it is male, White and young Londoners who could benefit the most from these changes in London (note: results remain the same after controlling for group size).
- In addition, moving from disadvantage uplift IMD 2015 to IMD 2019 is associated to marginal changes only.

Q6. Are there further sources of evidence which could be incorporated into our proposed approach?

The approach appears to be based on a Whitehall view that all local areas across regions share the same economic drivers, but this is not supported by evidence. There is an important variance to regional employment and skills that requires decisions about priorities to be devolved.

Q7. Are there any individual SSAs which you feel have been assigned to the wrong funding band in Annex A? Please give reasons for your response.

Provision for green technology skills, film and TV technicians, digital technical skills, hospitality, financial technicians and the teaching workforce should be prioritised in London. These provide examples of how priority employer sectors will be overlooked by a national one-size-fits-all approach.

Q8. Do you agree with our approach to setting a single specialist rate for specialist courses undertaken by specialist institutions within these SSAs in Annex B?

The proposals for setting specialist provision rates at specialist institutions should be based on a detailed evidence base, which identifies that each institution has costs that require the continuation of these preferential funding rates.

Q9. Do you agree with the proposed band for non-specialist provision within these SSAs in Annex B?

The proposals do not share any information about how the change would have an impact on learners or providers that would see a reduction in funding. The assumption that a non-specialist institution would not have the same costs to deliver similar provision is not evidenced. The detailed changes should be provided to enable the impact to be assessed, in particular the impact on learners with protected characteristics.

Q10. Do you agree with the approach outlined in Annex B for each of the qualifications that are currently funded differently from the single activity matrix?

The approach to Access to HE, A-level and digital entitlement appears reasonable. For maths and English, the rates should be set to ensure that adequate resource is provided to address the costs of genuinely meeting the ambition to raise maths and English attainment.

Funding rates for music performance and hairdressing should not be reduced without a detailed analysis of the costs of delivery, and whether the reduction will render the provision unviable. These routes continue to provide pathways to progression and employment for disadvantaged groups.

Q11. How should credit-based courses which are currently funded at a higher rate be treated in the new Skills Fund?

The consultation does not appear to set out the list of courses that would see a change in funding. Any proposals should assess the impact on learners and providers arising from a change in funding, including the impact on learners with protected characteristics.

Q12. Do you agree with our approach to setting rates for maximum loan amounts for Advanced Learner Loans?

The proposal to setting rates for loans appears reasonable as it will ensure that courses are not made more inaccessible through a rates increase. However, the GLA would not want to see costs increased for Londoners and; would expect an Equality Impact Assessment to be undertaken and published on any changes, to understand the impact on learner decision-making.

Q13. Do you agree with our proposal that providers should be able to earn a given percentage of their Skills Fund allocation on innovative provision? We would also welcome comments on how this facility could best work.

The GLA notes that the proposals around innovative provision relate only to ESFA-funded providers. Devolved authorities must retain autonomy when deciding how best to distribute funds to encourage innovative provision. Providing that the MCAs/GLA can divert funds in a manner most appropriate for the local area, then the GLA has no opinion on the proposed approach to funding innovative provision for ESFA providers.

From the 2020-21 academic year, the Mayor has enabled grant-funded providers to use up to 10 per cent of their AEB formula-funded allocation for delivery of non-formula-funded provision, which supports London recovery in respect of the COVID-19 pandemic. Under the London Recovery Flexibility, learning programmes should be designed to respond to local skills needs, such as short courses to enable Londoners to progress into work.

Q14. Do you agree that this facility should only be available to providers who meet the criteria set out in paragraph 91? We would also be interested in any case studies of how you have successfully developed and implemented new and innovative provision.

Devolved authorities must continue to be allowed to set their own criteria when deciding who may benefit from flexibilities in funding to enable innovation. Assuming the approach to funding innovative provision outlined in the consultation is only relevant to ESFA providers, then the GLA does not hold an opinion on the criteria for funding set out in paragraph 91.

Q15. Do you agree with our proposal to allocate a fixed sum to grant-funded providers for learner and learning support based on their historical level of this funding, or should we continue with the existing arrangements?

In devolved areas, provider allocations, including funding amounts for additional needs, must continue to be set by the devolved authorities. Through partnerships and engagement of community groups, devolved areas are better able to ensure that allocations are responsive to the support needs of residents.

The Mayor supports retention of the existing arrangements for recording support, and costs of support, for learners.

Support needs of learners can vary significantly between cohorts, or academic years. A fixed budget based on historical delivery costs might not be sufficient to enable providers to support all those require it, if the level of need in their learner population changes significantly for any reason. For example, the ability of a provider to offer more financial support to learners during a time of cost-of-living pressures might be limited by demand on their fixed budget to support a similar or higher number of learners who require learning support.

The DfE should conduct an Equality Impact Assessment before proceeding to further develop these proposals.

Q16. To what extent do you think this reform will result in a reduction in data and administrative burdens?

Delivery of learner and learning support, and disadvantage, must continue to be reflected in ILR data collection. Transparent data is required to enable the GLA to continue to monitor delivery to learners who need additional support to access learning. This will be particularly important in the context of performance managed on employment-related outcomes and a non-ringfenced budget, to reduce the potential incentives for providers to work with learners who have fewer barriers to employment.

No proposals are likely to reduce the data and administrative burdens on providers, as they need to maintain monitoring of their assessment of learner need and delivery of support at a granular level, regardless of how they are funded.

Q17. Do you agree with the above approach to multi-year funding?

The GLA notes that this question refers to the funding arrangements of ESFA providers. Devolved authorities must be allowed to decide whether multi-year funding agreements would be suitable for their providers and the successful delivery of AEB in the relevant locality.

Q18. What level of granularity do you think would be helpful when setting national skills priorities?

National skills priorities set at SSA Tier 2 level appear to be at an appropriate level. This will enable local geographical areas, funded by devolved authorities, to identify the more granular range of skills within these sectors for prioritisation. Where there is insufficient evidence to support the requirement for a national skills priority within a geographical area, the arrangements must allow for the priorities to be refined to better reflect needs on the ground.

Q19. Do you agree that the Performance Dashboard provides the right mix of measures to capture what 'excellent' FE delivery looks like, including for non-qualification provision? We would particularly welcome comments on the Learner Employability measure and the English and maths measure.

A key benefit of the devolved AEB arrangements is the ability for the GLA/MCAs to manage provider performance locally. The national FE Performance Dashboard would be unlikely to capture and account for the variation in provider performance that is a consequence of responding to specific local needs and regional demographics.

The new FE Performance Dashboard appears to set out a range of priorities and measures prescribed by the DfE. The risk is that a potential dashboard bears little relationship to the activity of the provider, and to the challenges and local needs it is seeking to address. As adult skills delivery in a geographical area is funded by a devolved authority, it is not clear what the role of the DfE/ESFA is in monitoring provision through annual strategic conversations, when this duplicates the responsibility of the devolved authority.

As referenced in our response to Question 4, the Mayor has launched the LLS to collect data on the outcomes of learning achieved by learners. While there is some consistency between the Dashboard and the LLS in relation to the outcomes captured – such as progression into employment – there is a broader range of outcomes captured in the survey, specifically social outcomes, that have not been identified as priorities by the DfE.

The narrowness of the Skills Measure undermines the value added by the FE sector by focusing only on sustained employment and higher learning. The measure should – as has been introduced by devolved authorities – include health, wellbeing, social cohesion and self-efficacy as identified social benefits to the economy and communities. The Dashboard would then reflect the broader set of outcomes that are considered as priorities for London and measured through the LLS.

Q20. Looking at the Dashboard measures, are there any unintended consequences or behaviours that you think the Dashboard will have?

Because of the proposed measures set out in the consultation, the GLA is concerned that the FE Dashboard will drive providers to focus their delivery solely on economic outcomes.

Whilst the GLA recognises the importance of such outcomes, it should not be at the detriment of the wider impact we know adult skills provision has on communities across the country. To avoid this, the Dashboard should reflect the full set of outcomes being measured through the LLS. This is particularly important in the context of understanding the broad impacts of adult and community learning in London, which can improve learner wellbeing and reduce social isolation as well as supporting learners to progress onto the types of courses that may lead to job outcomes.

If providers in London are subject to a national FE Dashboard, we worry that this will dilute the performance objectives and measures already in place in the capital. Providers based in London must be allowed to focus on delivering against the priorities identified by the Mayor.

Q21. How can we best streamline information requests from the DfE and MCAs to keep burdens on colleges to a minimum?

To streamline information requests, the ILR should be improved to ensure that it is a flexible and agile system that collects data of relevance to the GLA and other devolved authorities, on an equal basis to that which is relevant to national programmes.

A weakness of the current system is that devolved authorities are consulted on planned development of the system – but they are restricted by design criteria that often only meet DfE requirements or are limited to a collection of what ESFA considers funding-relevant information. This can mean requests for coding – for example, to enable devolved authorities to distinguish between delivery that meets locally defined policy initiatives – are often not approved.

With a devolved system, there should now be joint ownership and governance of ILR and associated data collections systems to ensure proper co-design that meets the needs of devolved authorities and of the DfE.

The majority of large providers do not use the learner entry tool, and many have already invested in considerable development of learner record systems that enable them to operate the wider functions in their organisations – for example, timetabling of classes – and to produce formal data returns. Consultation on development of an online data-collection and storage system should be broadened to include a greater range of providers, and devolved authorities, to ensure that any eventual system meets the needs of all users of the national data-collection system.

Any online data collection stored within DfE systems must retain the ability of providers, or devolved authorities, to control when their data should be included in formal data snapshots taken for funding or performance monitoring purposes. Validation of data for which providers or devolved authorities will be held accountable must also remain within their direct control, especially if learners will be expected to input part of that dataset themselves, or in the event that demand for real-time management information reporting becomes prevalent.

Any centrally administered data-collection and storage system should enable providers to continue to handle learner data records in bulk; learner-by-learner data input is unlikely to reduce the administrative burden for the majority of providers. Similarly, any centrally administered data service should continue to enable providers to link their ILR data to other systems widely used in the sector for other purposes – for example, modelling of retention and achievement results.

Devolved authorities must be included as co-design partners in the development of proposals for a decentralised method for identification of learners, and for any linked system that contains other key reference data. Experience with introduction of the Unique Learner Number and the Personal Learner Record shows that development of this type of system can be fraught with difficulty, most especially with data relating to adults or learners who were not born in the UK. The GLA and other devolved authorities should be included in the design and testing, which is scheduled to take place during the 2022-23 academic year.

Q22. Do you agree with our proposed approach to Single Improvement Plans?

Whilst the proposed approach to Single Improvements Plans seems sensible, the GLA believes that devolved authorities should have a much greater input into the provider-intervention process than is currently the case.

To date, the engagement of devolved authorities by the FE Commissioner has not been particularly effective. There has been little to no coordination by the FE Commissioner of local interventions of which the devolved authority, as a key funder, should be aware. There needs to be a step change in the FE Commissioner engagement of devolved authorities if the proposed approach to Single Improvement Plans is to be a credible reform.

Under the proposals, the GLA/MCAs should be engaged by the DfE as part of process for the issuing of any notices to improve to ensure that any conditions of funding align with MCAs' funding requirements. We agree that improvement plans should be co-designed with MCAs to ensure that they are relevant to local delivery. In all cases, MCAs should be invited to annual strategic conversation, where the MCA/GLA is the significant funder of adult skills, to avoid a situation where national colleagues are attempting to discuss provision that they do not fund.

Q23. Do you agree with our approach to reviewing the assurance process for the ESFA and providers?

The proposals are insufficiently detailed to identify how the assurance process will change. Devolved authorities have asked previously for better coordination and streamlining of audit work – for example, by including devolved area learners in samples of ESFA audits or vice versa. However, to date, this has not been accepted by the ESFA and therefore devolved authorities have needed to establish separate audit programmes.

Q24. Do you agree with our proposals for which providers should be in scope for our accountability reforms?

As devolved authorities, each MCA/GLA is separately accountable for the funding of different types of providers. This includes determining funding agreements, performance monitoring and improvement requirements. The proposals for providers in scope are noted.

Q25. Do you have any comments about the potential impact, both positive and negative, of our proposals on individuals on the basis of their protected characteristics?

The consultation suggests that the reforms will have a positive impact. However, no evidence has been provided by the DfE to support this conclusion. MCAs/the GLA fund 60 per cent of adult skills provision nationally, but they have not received any modelling or impact data to demonstrate how the proposals will affect existing provision – in particular, how funding would change for providers serving learners with protected characteristics. Without this information, there is a risk that the requirements of the Public Sector Equality Duty will not be met.

Q26. Where any negative impacts have been identified, how might these be mitigated?

Where the proposals lead to a reduction in funding for specific programmes, a data analysis should be undertaken to identify whether, by provider or geographical area, the change will

impact adversely on learners with protected characteristics. Examples include the proposed reduction of funding for music performance or hairdressing.