

## PART 2 – CONFIDENTIAL FACTS AND ADVICE

**MD2462**

**Title: Financial Management of the Adult Education Budget (AEB)**

*Information may have to be disclosed in the event of a request under the Freedom of Information Act 2000. In the event of a request for confidential facts and advice, please consult the Information Governance team for advice.*

**This information is not suitable for publication until the stated date because:**

Appendix A should be reserved as the costs are commercial-in-confidence estimates to be confirmed through procurement.

Appendix B and C identify individual organisations funding allocations and contract values. This information is subject to the completion of individual contract documentation between the GLA and each organisation. The appendices will be reserved from publication until 30 September 2019, by which date the contracting phase will be completed.

**Date** at which Part 2 will cease to be sensitive or when this information should be reviewed with a view to publication: **30 September 2019.**

**Legal adviser recommendation on the grounds for not publishing information at this time:**

It is appropriate to withhold this information at this time since (a) it is intended to be published after the completion of the contracting process, and (b) publication at this time would or would be likely to prejudice the commercial interests of the GLA and/or its contracting or prospective contracting parties.

**Legal Adviser** - I make the above recommendations that this information is not suitable for publication at this time.

**Name:** Crispin Owen

**Date:** 8 April 2019

*Once this form is fully authorised, it should be circulated with Part 1.*

**Decision and/or advice:**

The following appendices to this MD are deferred from publication until 30 September 2019 for the reasons set out above.

- **Appendix A** – Overall AEB allocation for 2019/20 (Reserved from publication until 30 September 2019)
- **Appendix B** – GLA AEB allocations for grant-funded providers for 2019-20 (Reserved from publication until 30 September 2019)
- **Appendix C** – Indicative lists of bidders expected to receive a procured AEB contract for delivery in Lot 1 and Lot 2 (Reserved from publication until 30 September 2019)

<b>AEB allocation for 2019/20 Academic Year*:</b>	<b>£306,444,875</b>
---	---------------------

<b>WBS Code</b>	<b>Cost codes</b>	<b>Budget</b>	<b>Notes</b>
<b>AEB Provider delivery</b>			
AEB Delivery – Grant providers	Cost codes will be assigned to individual providers	£262,391,610.00	This includes £1.2m for exceptional cases and recommendations
	AEB Exceptional Learner Support	£ 500,000.00	The GLA will allow providers to claim ELS where a learner's support costs are more than £19,000 in a funding year
AEB Delivery – Procured providers	Cost codes will be assigned to individual providers	£ 32,500,000.00	Annual match-funding for the Mayor's European Social Fund (ESF) 2019-23 Programme <b>[Note: Exact figure tbc]</b>
Skills for Londoners Innovation Fund	Cost codes will be assigned to individual providers	£ 6,418,265.00	<b>Up to</b> £6.4m to reward growth requests from AEB grant-funded providers where they meet the Mayor's priorities
	<b>Provider delivery sub-total</b>	<b>£301,809,875.00</b>	
<b>AEB Management and administration</b>			
AEB Management and administration	Staffing**	£ 3,600,000.00	
	OPS - Systems development	£ 200,000.00	This is allocated to systems development: i.e. non-Minimum Viable Product (MVP) build after 1 August 2019
	OPS - Systems (running costs)	£ 250,000.00	This is allocated to ongoing running costs e.g. management, maintenance etc. after 1 August 2019
	Provider Audits	£ 270,000.00	For costs associated with audit requirements above the ESFA service offer
	Research and evaluation	£ 200,000.00	Nominally allocated as £120,000 research and £80,000 evaluation but flexibility allowed
	Legal services	£ 100,000.00	For external legal services not included within the Transport for London (TfL) shared services agreement
	Boards & Governance	£ 10,000.00	Includes relevant costs in support of the AEB governance structure (e.g. SfL Board and SfL Business Partnership)
	Provider engagement	£ 5,000.00	Includes relevant costs related to provider support and engagement
	<b>Management &amp; administration sub-total</b>	<b>£ 4,635,000.00</b>	
	<b>Total</b>	<b>£306,444,875.00</b>	The broadly aligns with the £306,444,875 2019/20 allocation

\*The 2019/20 academic year runs from 1 August 2019 to 31 July 2020. The 2019/20 allocation will be split across financial years as follows:

- £191,987,714 (2019/20)
- £114,457,161 (2020/21)


\*\* Ancillary staffing costs such as on-costs, learning and development, equipment and travel & subsistence will currently be met from the core GLA budget

## Appendix B – GLA AEB allocations for grant-funded providers for 2019-20

<b>Provider Name</b>	<b>Final 2019/20 allocation</b>
AYLESBURY COLLEGE	£389,761
BARKING & DAGENHAM LONDON BOROUGH COUNCIL	£1,659,909
BARKING AND DAGENHAM COLLEGE	£5,642,407
BARNET & SOUTHGATE COLLEGE	£12,853,599
BASINGSTOKE COLLEGE OF TECHNOLOGY	£549,319
BATH COLLEGE	£122,394
BEDFORD COLLEGE	£352,307
BEXLEY LONDON BOROUGH COUNCIL	£1,958,313
BRENT LONDON BOROUGH COUNCIL	£3,042,276
BRIDGWATER AND TAUNTON COLLEGE	£225,801
BROMLEY COLLEGE OF FURTHER AND HIGHER EDUCATION	£6,155,694
BROMLEY LONDON BOROUGH COUNCIL	£1,610,076
BROOKLANDS COLLEGE	£581,688
CAMBRIDGE REGIONAL COLLEGE	£1,167,529
CAMDEN LONDON BOROUGH COUNCIL	£1,180,284
CAPEL MANOR COLLEGE	£1,869,645
CITY OF BRISTOL COLLEGE	£292,052
COMMON COUNCIL OF THE CITY OF LONDON	£548,184
CROYDON COLLEGE	£3,350,056
CROYDON LONDON BOROUGH COUNCIL	£3,948,789
DERBY COLLEGE	£672,543
DN COLLEGES GROUP	£108,686
EALING LONDON BOROUGH COUNCIL	£634,529
EALING, HAMMERSMITH & WEST LONDON COLLEGE	£7,760,357
EKC GROUP	£463,163
EAST SURREY COLLEGE	£859,457
EAST SUSSEX COLLEGE GROUP	£383,128
EASTLEIGH COLLEGE	£3,280,424
GATESHEAD COLLEGE	£561,385
GLOUCESTERSHIRE COLLEGE	£206,230
HACKNEY LONDON BOROUGH COUNCIL	£2,163,110
HADLOW COLLEGE	£290,146
HAMMERSMITH AND FULHAM LONDON BOROUGH COUNCIL	£2,792,275
HARINGEY LONDON BOROUGH COUNCIL	£1,755,297
HARROW LONDON BOROUGH COUNCIL	£704,531
HAVERING COLLEGE OF FURTHER AND HIGHER EDUCATION	£1,947,539
HAVERING LONDON BOROUGH COUNCIL	£1,039,812
HCUC	£6,530,780
HEART OF WORCESTERSHIRE COLLEGE	£153,852

HERTFORD REGIONAL COLLEGE	£656,082
HERTFORDSHIRE ADULT LEARNING SERVICE	£52,751
HILLINGDON LONDON BOROUGH COUNCIL	£1,524,873
HOUNSLOW LONDON BOROUGH COUNCIL	£2,338,198
ISLINGTON LONDON BOROUGH COUNCIL	£1,015,532
KENSINGTON AND CHELSEA COLLEGE	£3,045,956
KENT COUNTY COUNCIL	£233,434
LAMBETH COLLEGE	£8,951,030
LAMBETH LONDON BOROUGH COUNCIL	£2,310,053
LEICESTER COLLEGE	£208,382
LEWISHAM LONDON BOROUGH COUNCIL	£3,310,638
MARY WARD SETTLEMENT	£2,157,702
MERTON BOROUGH COUNCIL	£1,360,577
MILTON KEYNES COLLEGE	£143,512
MORLEY COLLEGE LIMITED	£5,227,829
NCG	£10,426,296
NEW CITY COLLEGE	£13,982,948
NEW COLLEGE SWINDON	£135,739
NEWHAM COLLEGE OF FURTHER EDUCATION	£12,014,152
NEWHAM LONDON BOROUGH COUNCIL	£3,670,205
NEWHAM SIXTH FORM COLLEGE	£78,825
NORTH EAST SURREY COLLEGE OF TECHNOLOGY (NESCOLT)	£1,496,003
NORTH HERTFORDSHIRE COLLEGE	£767,895
NORTH KENT COLLEGE	£106,443
NORTH WARWICKSHIRE AND SOUTH LEICESTERSHIRE COLLEGE	£1,051,704
NOTTINGHAM COLLEGE	£177,197
OAKLANDS COLLEGE	£184,552
ORCHARD HILL COLLEGE	£1,188,701
PETROC	£111,113
PLUMPTON COLLEGE	£118,547
REDBRIDGE LONDON BOROUGH COUNCIL	£2,249,769
RICHMOND AND HILLCROFT ADULT AND COMMUNITY COLLEGE	£4,005,849
RICHMOND UPON THAMES COLLEGE	£1,137,016
RICHMOND UPON THAMES LONDON BOROUGH COUNCIL	£212,172
RNN GROUP	£123,225
ROYAL BOROUGH OF GREENWICH	£1,829,820
ROYAL BOROUGH OF KENSINGTON & CHELSEA	£1,489,570
ROYAL BOROUGH OF KINGSTON UPON THAMES	£993,048
RUSKIN COLLEGE	£271,577
SHREWSBURY COLLEGES GROUP	£173,328
SOUTH ESSEX COLLEGE OF FURTHER AND HIGHER EDUCATION	£411,375
SOUTH THAMES COLLEGES GROUP	£9,999,820
SOUTHWARK LONDON BOROUGH COUNCIL	£1,448,701
STANMORE COLLEGE	£1,368,756
STRODE COLLEGE	£379,279
SUTTON LONDON BOROUGH COUNCIL	£1,900,467

SWINDON COLLEGE	£213,912
TELFORD COLLEGE	£284,409
THE BROOKE HOUSE SIXTH FORM COLLEGE	£412,439
THE CITY LITERARY INSTITUTE	£6,746,880
THE COLLEGE OF WEST ANGLIA	£287,414
THE UNIVERSITY OF WEST LONDON	£177,877
THE WINDSOR FOREST COLLEGES GROUP	£382,815
THE WKCIC GROUP	£28,849,715
TOWER HAMLETS LONDON BOROUGH COUNCIL	£2,398,554
UNIVERSITY OF THE ARTS, LONDON	£582,147
UNITED COLLEGES GROUP	£9,392,981
WALTHAM FOREST COLLEGE	£6,789,015
WALTHAM FOREST LONDON BOROUGH COUNCIL	£3,072,002
WANDSWORTH LONDON BOROUGH COUNCIL	£1,500,124
WEST HERTS COLLEGE	£128,724
WEST KENT AND ASHFORD COLLEGE	£136,872
WEST NOTTINGHAMSHIRE COLLEGE	£169,974
WEST SUFFOLK COLLEGE	£125,351
WEST THAMES COLLEGE	£3,062,926
WESTMINSTER CITY COUNCIL	£6,232,553
WORKERS' EDUCATIONAL ASSOCIATION	£1,238,628
WORKING MEN'S COLLEGE CORPORATION	£4,358,331
	£262,391,610

## NOT FOR PUBLICATION

This paper is reserved from publication as it is considered that it may be exempt from disclosure under the Freedom of Information

The following table shows the list of successful organisations that have applied to deliver Lot 1. The last organisation in the ranking for Lot 1 will be offered only part (63%) of the amount they bid for due to budget constraints for this Lot. This is in accordance with the guidance published in the procurement documents. In the second year of delivery all organisations will be able to submit growth requests for up to 10% of their contract value.

### Ranking of Providers to deliver Adult Education Budget (Lot 1)

Provider Name	Lot 1 Score	Lot 1 Offer
Gloucestershire College	74.93%	£2,099,168
London Vocational College	69.25%	£1,778,671
Reed in Partnership	66.04%	£573,000
London Skills & Development Network	64.22%	£6,239,000
Rapid Improvement Ltd	63.98%	£3,166,634
London Learning Consortium Community Interest Company	63.68%	£7,125,538
5 E Ltd	60.51%	£7,997,349
United Colleges Group (City of Westminster College & College of North West London)	60.24%	£8,331,112
Maximus People Services	60.20%	£4,679,644
ELATT (East London Advanced Technology Training)	59.39%	£2,084,371
Free to Learn Ltd.	57.02%	£7,396,421
The London Hairdressing Apprenticeship Academy Ltd.	56.12%	£3,655,829
Martinex Ltd t/a Burleigh College	55.95%	£4,334,596
Poplar HARCA	55.85%	£2,054,817
Waltham International College Ltd.	55.82%	£2,700,054
Big Creative Training Ltd.	54.69%	£1,768,416
Step Ahead Social Enterprise Community Interest Company	54.00%	£2,943,793
Simply One Stop Ltd. t/a Learn Plus Us	53.76%	£989,842
Newham College of Further Education	52.77%	£7,500,000
Back 2 Work Complete Training Ltd.	50.44%	£6,657,200
Strive Training	48.85%	£8,000,000

## NOT FOR PUBLICATION

This paper is reserved from publication as it is considered that it may be exempt from disclosure under the Freedom of Information

Vocational Skills Solutions Ltd	48.66%	£5,424,545
<b>TOTAL</b>		<b>£97,500,000</b>

The following table shows the list of successful organisations that have applied to deliver Lot 2. The last organisation in the ranking for Lot 2 will be offered only part (35%) of the amount they bid for due to budget constraints for this Lot. This is in accordance with the guidance published in the procurement documents. In the second year of delivery all organisations will be able to submit growth requests for up to 10% of their contract value.

### Ranking of Providers to deliver Adult Education Budget (Lot 2)

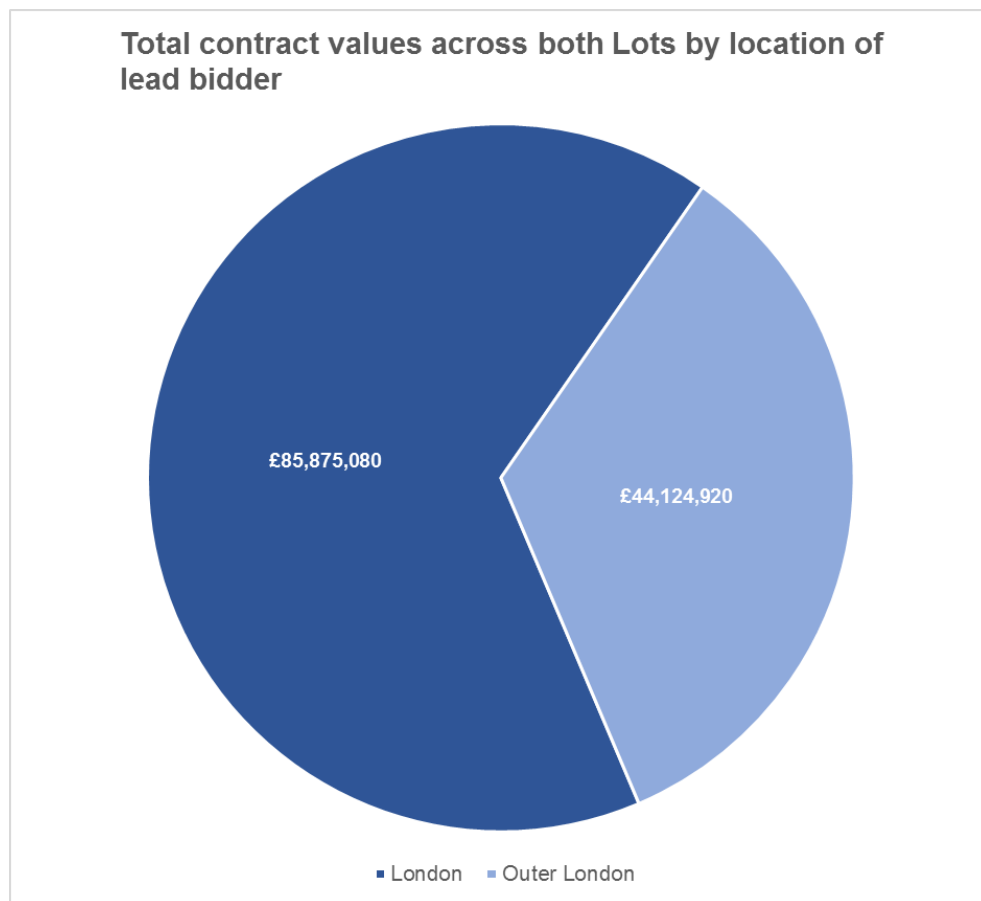
Provider Name	Lot 2 Score	Lot 2 Offer
London Vocational College	67.48%	£769,945
JGA Ltd. t/a The JGA Group	66.41%	£2,186,951
Pathway First Ltd.	65.79%	£6,165,800
London Borough of Lambeth (Adult Learning Service)	65.32%	£1,069,036
Free to Learn Ltd.	64.44%	£2,467,694
Dynamic Training UK Ltd.	61.00%	£1,929,988
ELATT (East London Advanced Technology Training)	60.43%	£787,126
Morley College Ltd.	60.40%	£1,041,434
Maximus People Services	60.20%	£3,282,926
5 E Ltd	60.16%	£1,998,561
Rapid Improvement Ltd	59.08%	£2,111,086
London Skills & Development Network	58.61%	£1,679,240
Poplar HARCA	57.54%	£518,518
Go Train Ltd.	56.89%	£3,000,000
The Consultancy Home Counties Ltd. t/a TCHC	56.86%	£3,491,695
<b>TOTAL</b>		<b>£32,500,000</b>



## NOT FOR PUBLICATION

This paper is reserved from publication as it is considered that it may be exempt from disclosure under the Freedom of Information

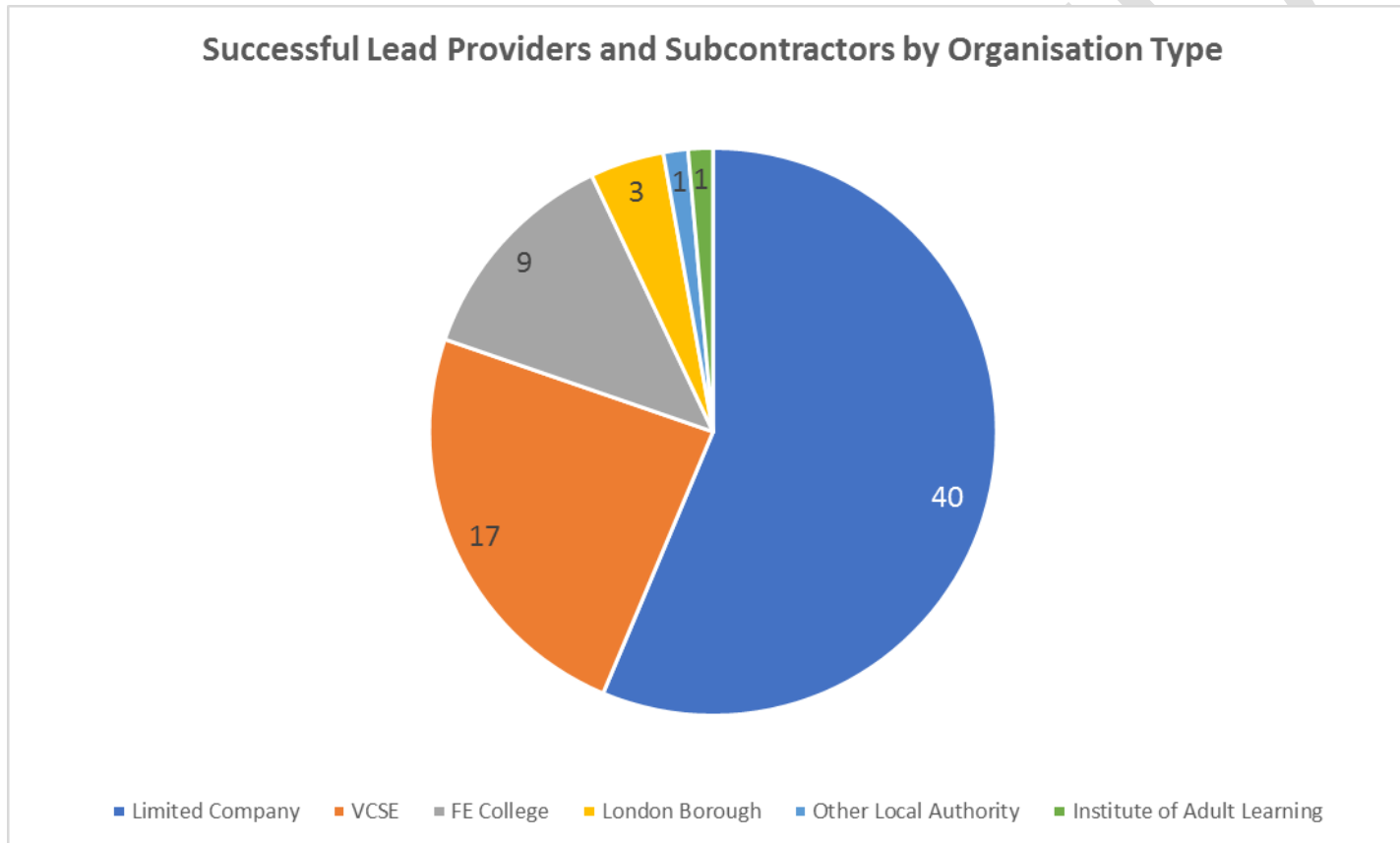
Overall, the AEB procurement will result in 2 contracts across Lot 1 and Lot 2 for the total value of £130m over four academic years 2019-2023. The chart below shows that approximately 66% of the funding goes to London based providers as opposed to 34% allocated to providers based outside London.



**NOT FOR PUBLICATION**

This paper is reserved from publication as it is considered that it may be exempt from disclosure under the Freedom of Information

The AEB Procured contracts are expected to involve a good mix of 71 delivery providers including both lead partners and their subcontractors. Please see the chart below:



The two charts below map the total number of learners expected to benefit from the AEB contract provision across the four London subregions who surpass 100,000 people across both Lots. Lot 1 contracts will focus mainly on helping Londoners residing in East London, while Lot 2 contracts will engage learners with Central London postcode.

**NOT FOR PUBLICATION**

This paper is reserved from publication as it is considered that it may be exempt from disclosure under the Freedom of Information

