

## News story: Helping providers understand implications of AEB devolution/delegation from 2019 to 2020

As part of the preparations for devolution/delegation the Department for Education have issued illustrative AEB allocations for 2018 to 2019 to MCAs and the GLA. These illustrative budgets give MCAs and the GLA an indication of the AEB they can expect to receive in the funding year 2019 to 2020. The budgets are based on 2016 to 2017 actual grant delivery and assumed 2017 to 2018 independent learning providers' delivery to learners resident in MCAs/GLA areas.

During the funding year 2018 to 2019, the ESFA will remain in control of the AEB and will continue to administer and manage in line with its current funding and performance management arrangements.

Once the budget has been devolved to MCAs and delegated to the GLA, they will be responsible for funding residents of their areas. ESFA will be responsible for funding residents of non-devolved areas.

The devolution/delegation of AEB will encompass all providers who deliver AEB provision irrespective of where the provider is geographical located, as it will be based on the residency of the learner.

Ministers have agreed to the ESFA funding nationally, for a period of 2 years following devolution (funding years 2019 to 2020 and 2020 to 2021), providers which meet the following criteria:

- qualify for a financial residential uplift for their learning provision, and
- receive more than two thirds of their income from the AEB, and
- predominantly target the most disadvantaged learners.

This will be to aid their transition to devolution/delegation given their specialist nature and reliance on AEB. The providers which currently meet this criteria are:

- Fircroft College, Birmingham,
- Hillcroft College, now part of Richmond and Hillcroft Adult and Community College London
- Northern College, Barnsley
- Ruskin College Oxfordshire

Traineeships for 19 to 24 year olds will remain a nationally funded programme with allocations provided by ESFA, regardless of where trainees reside.

Confirmation of the final AEB to be devolved/delegated to MCAs and the GLA

for the 2019 to 2020 funding year is expected in early 2019, once the functions necessary for the delivery of adult education have been transferred and the AEB budget for the that year has been finalised.

In preparation for full devolution/delegation, MCAs and the GLA will, during this coming funding year, refine their Strategic Skills Plans (outlining their adult education priorities), whilst further engaging with providers to ensure a smooth transition towards delivering these priorities. The ESFA will continue to support the MCAs and the GLA as they build sustainable relationships with providers and stakeholders.

Providers who wish to deliver AEB provision, post devolution/delegation, in one or more of the MCAs/GLA areas should start to build, if they have not already done so, effective working relationships with the relevant MCAs/GLA.