

**Forward Plan reference number: FP/460/07/22**

<b>Report title: Entering into a Memorandum of Understanding for the 'Multiply' adult numeracy programme</b>	
<b>Report to:</b> Councillor Kevin Bentley, Leader of the Council	
<b>Report author:</b> Mark Doran, Director, Sustainable Growth	
<b>Date:</b> 5 September 2022	<b>For:</b> Decision
<b>Enquiries to:</b> Craig Elliott, Senior Strategy Advisor, <a href="mailto:craig.elliott@essex.gov.uk">craig.elliott@essex.gov.uk</a>	
<b>County Divisions affected:</b> All Essex	

## **1. Everyone's Essex**

- 1.1 This decision supports the Everyone's Essex commitment to deliver Good Jobs, Future Growth and the Levelling Up of the Economy and aims to help people in Essex prosper by increasing their skills.
- 1.2 Multiply is a new Government funding stream focused on raising participation in learning and attainment in Maths for adults aged 19 and over. Outside of devolution areas, Multiply is the only element of the UK Shared Prosperity Fund for which top tier local authorities (e.g. Essex County Council) have the leading role. Whilst the focus on Maths and numeracy may appear narrow, Maths is often a barrier to progressions to learning and opportunities e.g., Level 2 technical apprenticeships and all qualifications at Level 3 and above, which require Level 2 Maths and English language. Moreover, the scheme goes beyond traditional maths learning to embed numeracy skills into everyday life challenges e.g., debt management, homework help, etc.
- 1.3 Multiply will support Essex County Council's objectives as set out in the [Everyone's Essex strategy](#) to support Good Jobs and Future Growth by increasing the skills of Essex residents and workers; and our [Levelling Up Essex White Paper](#) which aims to level up priority places and cohorts across Essex. Multiply will begin to create pipelines of adults that have the required Maths skills and qualifications to make progressions in learning and work. The plan will align with key skills and sectoral plans for the county e.g. The Local Skills Improvement Plan (LSIP), Sector Development Plan and Skills Strategy to deliver bespoke modules to meet the skills needs of sectors with the greatest prospect for growth and those experiencing acute skills shortages.
- 1.4 The Government has confirmed the grant of £2.31m to ECC in 2022/2023 to enable it to deliver its plan to enable 14,200 residents to participate in education/training, supporting businesses to upskill their workforces, helping parents to support their children's learning and to offer adults more effective tools with which to manage their money better. Further funding may also be available in the financial years 2023-2024 and 2024-2025 subject to approval by the Department for Education.

## **2. Recommendations**

- 2.1 Agree that the Chief Executive is authorised to agree and enter into a Memorandum of Understanding with the Secretary of State for Education setting out the grant conditions for the funding to be provided by the Department for Education to ECC for the delivery of the Multiply programme in Essex to cover both:
  - 2.1.1 the Financial Year 2022-23; and
  - 2.1.2 Financial Years 2023-24 and 2024-25 to the extent that ECC continues to receive grant funding from the Department of Education for the delivery of the Multiply programme.

## **3. Background and Proposal**

- 3.1 Multiply is a £270m scheme managed by the Department for Education (DfE) to increase adult numeracy skills between 2022 and 2025. The Multiply prospectus invites the GLA, Mayoral Combined Authorities, and upper tier/unitary authorities outside of these areas in England, to develop investment plans for bespoke adult numeracy programmes, against the national menu of interventions. These programmes would be delivered across the Spending Review period (2022-23 to 2024-25), with the aim that provision starts for the 2022-23 academic year. The DfE asked local authorities to submit investment plans by 30 June 2022. In return for funding, it expects local areas to measurably improve adult functional numeracy levels locally. That includes through increasing the number of adults participating in, and achieving, adult numeracy qualifications up to and including Level 2 (both GCSE Grade C/4 or above, and Functional Skills Qualifications).
- 3.2 DfE's analysis of skills levels across the country highlighted that Essex was 38th from bottom out of 151 with an average of 51.2% of the working age population having qualifications of NVQ 3 or above in 2017, 2018 and 2019 – at a similar level to Northumberland, Kirklees and St. Helens. In England, the range holding this qualification level across England varies by upper tier local authority from 36.9% to 79.2% (or 94.8% if the City of London is included with its smaller sample size).
- 3.3 Target learners are adults 19+ who have not previously attained a GCSE Grade 4/C or higher maths qualification. They can either be working towards a maths GCSE or Functional Skills Qualification, need specific numeracy skills for their work or progression, or just want to brush up on the skills to help them get on in life and work.
- 3.4 Multiply boosts funding for adult numeracy and offers a menu of interventions set out by the DfE:
  - Courses designed to increase confidence with numbers for those needing the first steps towards formal numeracy qualifications.
  - Courses designed to help people use numeracy to manage their money.

- Innovative numeracy programmes delivered together with employers – including courses designed to cover specific numeracy skills required in the workplace
- Courses aimed at people who can't apply for certain jobs because of lack of numeracy skills and/or to encourage people to upskill in numeracy order to access a certain job/career
- New intensive and flexible numeracy courses targeted at people without Level 2 maths, leading to a Functional Skills Qualification.
- Courses for parents wanting to increase their numeracy skills in order to help their children and help with their own progression.
- Numeracy courses aimed at prisoners, those recently released from prison or on temporary licence.
- Numeracy courses aimed at those 19 or over that are leaving, or have just left, the care system
- Numeracy activities, courses or provision developed in partnership with community organisations and other partners aimed at engaging the hardest to reach learners – for example, those not in the labour market or other groups identified locally as in need.
- Additional relevant maths modules embedded into other vocational courses.

- 3.5 Essex developed an investment plan with a view to securing up to £7.9m to manage the scheme which was approved by the Cabinet Member, Education Excellence and Lifelong Learning and submitted to the Department of Education in June 2022. The investment plan included an indicative spend profile across each of the three years of Multiply alongside measurable outcomes and outputs, as well as making provision to undertake necessary Fund administration which amounted to just under 10% of the investment plan value. The maximum annual breakdown of that spend is set out below:

Year 1 - £2,390,883 (September 2022 – March 2023)

Year 2 - £2,758,711 (April 2023 – March 2024)

Year 3 - £2,758,711 (April 2024 – March 2025)

**Total - £7,908,304**

- 3.6 The outcomes of the funding for Essex residents will include 14,200 people participating in education/training, supporting businesses to upskill their workforces, helping parents to support their children's learning and to offer adults more effective tools with which to manage their money better. This groundswell of interest in learning will build over time to maximise the take up of courses using mainstream funding. In years 2 and 3, Multiply will support 700 full Maths qualifications as set out in intervention 5.
- 3.7 We have prioritised the following interventions for Multiply in Essex. The first group are linked strongly to the delivery of Everyone's Essex and Levelling Up priorities.

1. **Courses designed to increase confidence with numbers for those needing the first steps towards formal numeracy qualifications.** These

- will provide tasters and access courses to enable learners to overcome barriers to accessing vocational courses.
2. **Courses designed to help people use numeracy to manage their money.** *To help to address cost of living pressures for people and families on low incomes and or dealing with debt issues.*
  3. **Innovative numeracy programmes delivered together with employers – including courses designed to cover specific numeracy skills required in the workplace.** *Develop Maths skills pledges with Anchor Institutions with a view to rolling this out with private sector businesses too.*
  5. **New intensive and flexible numeracy courses targeted at people without Level 2 maths, leading to a Functional Skills Qualification.** This recognises the importance of full qualifications to overcome Essex's structural skills gaps. It will respond to extra demand that Multiply will create for multiple start dates throughout the academic year and ensure the possibility of timely progressions that maintain the momentum of learning from initial tasters/short courses.
  6. **Courses for parents wanting to increase their numeracy skills in order to help their children and help with their own progression.** *Joint working between skills providers and schools – linked to the Year of Numbers (Maths) 2023*
  9. **Numeracy activities, courses or provision developed in partnership with community organisations and other partners aimed at engaging the hardest to reach learners – for example, those not in the labour market or other groups identified locally as in need.** *To be developed with DWP, VCS & skills providers.*
  10. **Additional relevant maths modules embedded into other vocational courses.** These could be bespoke to the study discipline or focused on the Maths of climate change and net zero.
- 3.8 The number of learners and the funding for each intervention is shown in the table below. This is supported by capacity building as set out in 3.10 and 3.11.

Multiply Intervention	No. of Learners	Funding
1. Confidence with numbers access courses	2000	£434,815
2. Improved Maths to managing their money	2000	£895,159
3. Employer bespoke courses	2000	£582,718
5. Full qualifications	700	£725,859
6. Parents to support pupils	2400	£1,366,448
9. VCS - hardest to reach	3500	£1,761,926
10. Maths add ons for vocational courses	1600	£696,814
Total learners supported	14200	

- 3.8 The investment plan recognises the need to overcome the low participation of adults in Maths learning and that delivery needs to come with additional support in communities and neighbourhoods. Multiply will help us to build capacity for community outreach to ensure that Maths learning can connect with the hardest to reach groups in Essex. We will support local voluntary and community sector organisations and other partners to support and refer vulnerable adults to

Multiply provision. Maths ambassadors and activists will be recruited in local communities to support outreach and participation and ECC's community agents will add a Multiply string to their bow in support of residents.

- 3.9 The investment plan also recognises the need for extra teaching capacity to meet the extra demand for training from local residents via Multiply. Multiply funding will address the Maths teacher shortage by supporting 150 new teachers to be trained (Level 3 in Education). It will also provide additional funding to develop new bespoke courses that support key aspects of Multiply delivery that can be rolled out through providers and into the community. This capacity, and the £150,000 funding for it, is distributed between the interventions above based on the pro rata total number of teaching hours by intervention.
- 3.9.1 ECC will use Multiply funding to deliver financial wellbeing support laced with learning to support financial literacy and personal resilience which has become a deeper and more widespread problem due to the cost of living crisis. This work has established a robust evidence base and will target key cohorts and places strengthening the Council's Levelling Up delivery and will help Essex to target Multiply funds and provision more effectively to meet local need.
- 3.9.2 ECC is delivering a Year of Reading in 2022 and has forged stronger connections with schools, notably academies in the process. We will build on this, and the lessons learnt to apply an enhanced approach to the Year of Numbers (Maths) in 2023. Through Multiply, Essex will be able to expand its support and learning offer to parents to upskill and to help them to support their children with their schoolwork.
- 3.10 Essex's investment plan also proposes two cross-cutting "off menu" interventions:
- A. Essex will invest in curriculum design to develop Maths training packages and bespoke modules that apply Maths to real life situations. We will work with banks, debt advice, voluntary and community sector organisations to produce a curriculum that delivers improved understanding of personal and household budgeting and money matters. We will develop bespoke modules to support workforce upskilling, which could be sector specific or focused around Essex's net zero mission. We will also use this funding to secure licences to deliver existing materials and best practice in multiple settings that would be more accessible to our hardest to reach cohorts.
  - B. Essex will deliver a consistent, varied and locally bespoke communications campaign in addition to the national communications campaign and the new Multiply portal. Essex Multiply will use the full range of range of local channels (including social media) to encourage participation in Multiply. This will be critical to publicising the Multiply offer and targeting it to whet the appetite for learning among local businesses and residents.
- 3.11 The funding for capacity building and administration of Multiply in Essex is set out in the tables below.

#### Other Costs (Off Menu Interventions & Admin Cost)

A. Curriculum Design	£300,000
B. Communications	£353,735
Administration cost (10% for each year)	£790,830

Capacity building captured within other measures	Linked Interventions	
Community grants to VCS	9	£1,000,000
Education outreach support the Year of Maths	6	£500,000
Financial Wellbeing	2	£465,000
Teacher training - 150 teachers aligned menu interventions pro rata based on learning hours	1, 2, 3, 5, 6, 9, 10	£150,000

- 3.12 Our plan will deliver valuable training and support to Essex communities and will harness the power of local partnership working with public sector partners, skills providers, schools, businesses and voluntary and community organisations to deliver new pathways into learning.
- 3.13 ECC has received confirmation that its investment plan has been approved by the Department for Education and has been notified that they will be receiving a grant determination letter from the Department for Education and will need to enter into a Memorandum of Understanding in order to receive the funding and to enable ECC to start work on its investment programme.

## 4. Links to our Strategic Ambitions

- 4.1 This report links to the following aims in the Essex Vision:
- Enjoy life into old age
  - Strengthen communities through participation
  - Connect us to each other and the world
  - Share prosperity with everyone
- 4.2 Approving the recommendations in this report will have the following impact on the Council's ambition to be net carbon neutral by 2030:
- Supporting an acceleration in the progress towards sustainable housing and energy
- 4.3 This report links to the following strategic priorities in the emerging Organisational Strategy 'Everyone's Essex':
- A strong, inclusive and sustainable economy
  - Health wellbeing and independence for all ages

## 5. Options

- 5.1 **Option 1: Enter into the Memorandum of Understanding** This would enable valuable skills support to be delivered to individuals, businesses and

communities in support of Essex County Council's Everyone's Essex and Levelling Up priorities funded by the Multiply Programme.

- 5.2 **Option 2: Do not enter into the Memorandum of Understanding**– This would deprive Essex residents of these new and additional opportunities to improve their adult numeracy skills and deprive local businesses of a better-skilled workforce. It would also lead to reputational damage for Essex County Council with the Department for Education and Government in general as a result of the work that has gone into progressing the Multiply Investment Plan.

## 6. Issues for consideration

### 6.1 Financial and other implications

- 6.1.1 Multiply is a new Government funding stream focused on raising participation in learning and attainment in Maths for adults aged 19 and over. ECC has been allocated £7.9m of funding over three years. The annual funding allocations are as follows:

Year 1 - £2,390,883 (September 2022 to March 2023)

Year 2 - £2,758,711 (April 2023 to March 2024)

Year 3 - £2,758,711 (April 2024 to March 2025)

**Total - £7,908,304**

The table below shows planned expenditure and target learner numbers over the life of the Multiply Programme:

Planned expenditure and learner numbers	Expenditure by year			Total Expenditure	Total Number of Learners
	22/23	23/24	24/25		
	£	£	£	£	
<b>Priorities</b>					
1. Confidence with numbers access to vocational courses	£94,080	£168,264	£172,471	<b>£434,815</b>	2,000
2. Improved Maths to manage money	£682,200	£105,165	£107,794	<b>£895,159</b>	2,000
3. Employer bespoke courses	£156,800	£210,330	£215,588	<b>£582,718</b>	2,000
5. Full qualifications	£39,000	£192,803	£494,056	<b>£725,859</b>	700
6. Parents supporting pupils	£380,200	£670,660	£315,588	<b>£1,366,448</b>	2,400
9. VCS - supporting hardest to reach	£465,640	£644,462	£651,824	<b>£1,761,926</b>	3,500
10 Maths add ons to vocational courses	£143,120	£273,429	£280,265	<b>£696,814</b>	1,600
<b>Capacity Building</b>					
A. Curriculum and course design	£100,000	£100,000	£100,000	<b>£300,000</b>	
B. Communications	£90,754	£117,727	£145,254	<b>£353,735</b>	
<b>Administration (10%)</b>	£239,088	£275,871	£275,871	<b>£790,830</b>	
<b>Total</b>	<b>£2,390,883</b>	<b>£2,758,711</b>	<b>£2,758,711</b>	<b>£7,908,305</b>	<b>14,200</b>

- 6.1.2 ECC's investment plan projects expenditure of £7.9m. The first grant instalment is expected to be received in September 2022. The grant funding is ring fenced and must only be used for eligible expenditure for the purpose of the Multiply Programme. ECC is not required to make any financial contribution towards the cost of the Multiply Programme.

- 6.1.3 ECC will be required to submit mid-year statements of expenditure and annual progress reports and revised investment plans. Any under spend against a previously submitted investment plan will be clawed back through a reduced funding allocation for the following year, therefore it will be important for the delivery to be kept under constant review to maximise achievement of outcomes utilising the full grant available.
- 6.1.4 ECC must maintain reliable, accessible and up to date accounting records with an adequate audit trail for all expenditure funded by the Multiply grant. If there is a breach of the conditions of the grant, or an over payment, the Secretary of State may reduce, suspend or withhold grant payments or require the repayment of the whole or any part of the grant monies paid.
- 6.1.5 There is a requirement for new staffing roles to manage the Multiply Programme, which will be funded by the Multiply grant. Staff working on the Multiply Programme within ECC will be recruited through fixed term contracts of less than two years and/or internal secondments to minimise potential future redundancy costs to ECC.
- 6.1.6 In the expenditure modelling, inflation has been assumed at 2.5% per annum, in line with existing ECC Medium Term Resource assumptions for pay-related costs. If the actual rate of inflation exceeds 2.5%, project delivery will need to be scaled back to enable the programme to be delivered within the available budget, with a consequent reduction in outcomes.

## **6.2 Legal implications**

- 6.2.2 The Department for Education has notified ECC of a S31 Grant Determination for Multiply Funding made between the Secretary of State for Education, the Greater London Authority, and other upper tier and unitary local authorities including ECC. The grant will be paid to ECC subject to certain conditions being met.
- 6.2.3 In order to accept this funding, ECC is required to enter into a Memorandum of Understanding with the Secretary of State for Education setting out the details of the objectives and principles for the use of the funding and the responsibilities of ECC. ECC will need to be familiar with, and comply with, the terms of the MOU in order to ensure that funding is recovered including the grant conditions which form part of the MOU. The MOU is stated not to be a statutory or contractually enforceable document but the parties agree to abide by its terms.
- 6.2.4 The MOU shall apply in respect of financial year 2022-23 and also 2023-24 and 2024-25 to the extent that ECC continues to receive grant funding from the Department of Education for the delivery of Multiply.
- 6.2.5 ECC will need to comply with The Public Contracts Regulations 2015 and ECC's internal policies when procuring goods and services in connection with the delivery of the Multiply Programme.



## **7. Equality and Diversity Considerations**

7.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
- (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
- (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

7.3 The Equalities Comprehensive Impact Assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

## **8 List of Appendices**

A – Equalities Comprehensive Impact Assessment

B – Investment Plan

## **9 List of Background papers**

[Multiply Prospectus](#)

[Multiply Technical Guidance](#)

<b>I approve the above recommendations set out above for the reasons set out in the report.</b>	<b>Date</b>
<b>Councillor Kevin Bentley, Leader, Essex County Council</b>	12.09.22

**In consultation with:**

<b>Role</b>	<b>Date</b>
<b>Councillor Tony Ball - Cabinet Member for Education Excellence, Lifelong Learning and Employability</b>	07.09.22
<b>Executive Director, Economy, Investment and Public Health</b> <b>Tom Walker</b>	06.09.22
<b>Executive Director, Corporate Services (S151 Officer)</b> <b>Nicole Wood</b>	06.09.22
<b>Director, Legal and Assurance (Monitoring Officer)</b> <b>Katie Bray on behalf of Paul Turner</b>	25.8.22