

PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT

Third Delegated Legislation Committee

DRAFT CORNWALL COUNCIL (ADULT
EDUCATION FUNCTIONS) REGULATIONS 2025

DRAFT EAST MIDLANDS COMBINED COUNTY
AUTHORITY (ADULT EDUCATION FUNCTIONS)
REGULATIONS 2025

DRAFT YORK AND NORTH YORKSHIRE
COMBINED AUTHORITY (ADULT EDUCATION
FUNCTIONS) ORDER 2025

Tuesday 1 April 2025

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Saturday 5 April 2025

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The Committee consisted of the following Members:

Chair: † ESTHER McVEY

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| † Cleverly, Mr James (<i>Braintree</i>) (Con) | † Hamilton, Paulette (<i>Birmingham Erdington</i>) (Lab) |
| † Collins, Tom (<i>Worcester</i>) (Lab) | † Maguire, Ben (<i>North Cornwall</i>) (LD) |
| † Daby, Janet (<i>Parliamentary Under-Secretary of State for Education</i>) | † Naismith, Connor (<i>Crewe and Nantwich</i>) (Lab) |
| † Foody, Emma (<i>Cramlington and Killingworth</i>) (Lab/Co-op) | † O'Brien, Neil (<i>Harborough, Oadby and Wigston</i>) (Con) |
| Foxcroft, Vicky (<i>Lord Commissioner of His Majesty's Treasury</i>) | † Paul, Rebecca (<i>Reigate</i>) (Con) |
| † Frith, Mr James (<i>Bury North</i>) (Lab) | † Payne, Michael (<i>Gedling</i>) (Lab) |
| † Gelderd, Anna (<i>South East Cornwall</i>) (Lab) | † Pearce, Jon (<i>High Peak</i>) (Lab) |
| † Gordon, Tom (<i>Harrogate and Knaresborough</i>) (LD) | † Raja, Shivani (<i>Leicester East</i>) (Con) |
| † Hall, Sarah (<i>Warrington South</i>) (Lab/Co-op) | Aaron Kulakiewicz, George Stokes, <i>Committee Clerks</i> |
| | † attended the Committee |

Third Delegated Legislation Committee

Tuesday 1 April 2025

[ESTHER McVEY *in the Chair*]

Draft Cornwall Council (Adult Education Functions) Regulations 2025

2.30 pm

The Parliamentary Under-Secretary of State for Education (Janet Daby): I beg to move,

That the Committee has considered the draft Cornwall Council (Adult Education Functions) Regulations 2025.

The Chair: With this it will be convenient to consider the draft East Midlands Combined County Authority (Adult Education Functions) Regulations 2025 and the draft York and North Yorkshire Combined Authority (Adult Education Functions) Order 2025.

Janet Daby: It is a pleasure to serve under your chairship, Ms McVey.

The draft statutory instruments were laid before the House on 24 February 2025. If they are approved, the Department for Education will transfer adult education functions and associated adult skills funding to local areas for the start of the new academic year on 1 August 2025. The local areas will then have the freedom to use their adult skills funding as they see fit to help their residents meet their skills needs, fulfil their potential and contribute to the growth of their region.

The specific adult education functions being transferred to the three local areas are under the Apprenticeships, Skills, Children and Learning Act 2009. They will be carried out by the local areas, instead of by the Secretary of State for Education. The functions are: education and training for persons aged 19 or over; learning aims for such persons and provision of facilities; payment of tuition fees for statutory entitlements for certain individuals—those preceding functions are subject to an exception in relation to apprenticeships training, persons subject to adult detention, or any power to make regulations or orders—the encouragement of education and training for persons aged 19 or over; provision of financial resources; and provision of financial resources in connection with technical education.

Devolution of adult skills funding to local areas is a key part of this Government's mission to improve opportunities for all and to grow our economy. Many adults across England do not have the skills that they need to access good jobs, to progress in their career or to move into a new industry. The adult skills fund supports millions of adults across England to develop the skills that they need to equip them for work, by undertaking an apprenticeship or further learning. The Government usually make around £1.4 billion of funding available each year to deliver that provision, including funding for free courses for adults to deliver national

statutory entitlements in English, maths, digital courses, level 2 and 3 qualifications for those who do not yet have those skills, and free courses for jobs.

That funding provides an essential stepping stone towards a better future, especially for adults with the lowest skills or who are least able to help themselves. Local areas, not central Government, are best placed to identify what their local people, communities and businesses need. The Government's "English Devolution White Paper" sets out how giving local areas the powers and freedoms to decide how they spend their funding is the best way to deliver opportunity and growth that makes a real difference to people's lives.

Devolution is about giving power back to communities—shifting them away from Westminster and towards the local leaders who know their areas best. Devolving adult education functions and associated adult skills funding enables local areas to shape their adult education provision directly to meet local needs. Local areas will be able to respond in a more agile way to local priorities and emerging challenges to address barriers more effectively, to enhance economic growth and to bring greater prosperity to their regions.

Local areas can apply the flexibility that devolved adult skills funding functions offer to identify adults in their region who are most in need, and to invest more funding to support those groups; to work directly with employers, training providers and other local partners to commission new provision to meet local needs; and to set funding rates that incentivise delivery of provision.

Ten local areas already have devolved powers, and we can see those making a real difference locally. I recognise that the nature of the challenges and the solutions will be different in every region, and I welcome the range of opportunities and priorities for the three proposed new devolved areas, and how they intend to use their adult skills funding to address various matters. For example, the York and North Yorkshire combined authority intends to use its devolved adult skills funding to respond better to local skills priorities and transition to carbon negative by widening access and participation, raising awareness of local adult skills provision to residents, and developing more flexible provision to respond to local economic needs. The East Midlands combined county authority region intends to tackle economic inactivity among specific demographic groups or in areas of highest deprivation, and in priority sectors such as health, retail and manufacturing. Cornwall council intends to improve the wellbeing of local residents, responding to the demographic needs of a rapidly ageing population, and focusing training on priority sectors such as hospitality, adult social care and agriculture.

If the draft statutory instruments are approved, Cornwall, the East Midlands and the York and North Yorkshire local areas will be responsible for managing their adult skills funding allocation efficiently and effectively, to deliver for their local residents. My Department has worked closely with each area over the past two years to ensure that they are ready to take on the functions, and we have provided initial funding to help them prepare effectively and to support a smooth transition. Each local area has carried out the relevant consultations for their region and received local consent to the transfer of the powers and the making of the statutory instruments. They have each published a strategic skills plan setting out how they will use their devolved adult skills funding

to meet key priorities, and they have submitted further evidence against readiness criteria set out by my Department, which demonstrates that they have the systems in place to manage the functions effectively.

I confirm that, on the basis of the evidence submitted, we have concluded that the statutory tests have been met. To support future devolution and to identify best practice, my Department will continue to hold constructive conversations with existing strategic authorities, other local areas, and our colleagues in the Ministry of Housing, Communities and Local Government. We are confident that devolution can help to shape future skills provision to meet local needs. I take this opportunity to thank all our partner organisations, colleagues and the constituent authorities of Cornwall, York and North Yorkshire, and East Midlands for their time, expertise and input to get to this important milestone.

2.38 pm

Neil O'Brien (Harborough, Oadby and Wigston) (Con): It is a pleasure to serve under your chairmanship, Ms McVey, and to have the draft statutory instruments being put into effect. The agreements were struck under previous Conservative Governments; as we agreed the devolution of powers, we will not pray against them.

I want to put the draft regulations and order into a little context, however, because the Government have just cut the adult skills budget by 6%—something that Ministers previously condemned the previous Government for, only to do exactly the same. We need to see devolution in that context and in that of the wider uncertainty created by Government about skills funding. For example, providers are crying out for certainty about the 10% uplift for T-levels. They want to know whether that will continue this year, but Ministers seem unable to tell them. Also, in the main Chamber yesterday, I quoted the British Chambers of Commerce and other employer organisations' warning about the funding uncertainty for apprenticeships, with the Government's plans to allow 50% of the money to be taken away to spend on other things. That is already causing real damage and leading to a reduction in hiring decisions, yet the uncertainty continues and the damage from the Budget likewise.

That is the context of the skills devolution. Earlier in the House, the Minister announced ongoing funding for special guardianship, after the money had gone out. When Ministers were dragged before the House was the point at which they made the decision—when they were literally a day overdue. I hope that we will not see the same thing in skills policy, because that would lead to real damage to skills in this country.

I want to ask the Minister a couple of specific questions, even though we agreed these devolution deals and welcome them. Firstly, what share of the budget will be devolved once all the already agreed devolution of adult skills spending is complete? The explanatory memorandum says that 62% of the ASF is already devolved. What share will that be once the devolution is complete, and what sum in total will be devolved to the delegated authorities once complete?

Secondly, obviously a very large part of the ASF is already bound up with statutory entitlements, which are listed at paragraph 5.6 of the policy context in the explanatory memorandum. Those who work in the

mayoral combined authorities have said to me, "Look, you get this budget devolved to you, but you find that a lot of it is gone once you've funded those statutory entitlements, so you have less real flexibility than you might think." What is the Department's assessment of what proportion of the devolved budget, for those authorities where it is already devolved, goes on things outside those four statutory entitlements that are listed at paragraph 5.6? In a sense, what proportion of the budget is really devolved versus just going to a local level to be spent on nationally set statutory entitlements? How much of the money is really devolved?

With those questions in mind, I will not pray against these regulations, but I hope that the Minister will be able to tell me what devolution will really mean in practice.

2.42 pm

Ben Maguire (North Cornwall) (LD): It is a pleasure to serve under your chairmanship, Ms McVey. I welcome the devolution of this money to Cornwall, and I am pleased that the Launceston adult education centre will remain open as a direct result of local people there standing up and making their voices heard. Unfortunately, the adult education centre in Camelford is still set to close. That is baffling decision. This is an area with limited public transport, high levels of deprivation and real need for accessible education and support. Removing this service risks cutting people off from opportunity entirely. Simply telling them to go elsewhere is not an option.

These centres provide far more than learning. They are safe, welcoming spaces where people build confidence, access support services and begin to move forward in their lives step by step—all things that cannot just be replaced by an online equivalent. I recently met a constituent who is a single mum living in Bude in the north-east corner of my constituency, who travels every week to Newquay for her adult education course on counselling—a journey that takes one hour and 20 minutes on two buses. Now that Cornwall has secured more than £10 million in devolved funding for adult skills, we should be expanding the provision, not winding it down. I hope that that happens following this announcement. We must use this funding to create a service that is better promoted, more responsive and rooted in communities such as Camelford, which desperately need them. We must ensure that no one is left behind, and that every adult in Cornwall has the opportunity to learn, grow and contribute.

2.43 pm

Janet Daby: I thank the Committee members for their contributions to the debate, and I will endeavour to answer their questions. In response to the hon. Member for Harborough, Oadby and Wigston, currently 62% of the ASF is devolved to nine mayoral combined authorities and the Greater London Authority. If the statutory instruments are approved, they will receive devolved ASF from 1 August 2025. A total of 67.5% of the ASF will then be devolved nationally. The percentage change represented by each of the three areas is as follows: York and North Yorkshire 0.8%; East Midlands 3.98% and Cornwall 0.76%.

[Janet Daby]

I welcome what the hon. Member said. Devolution is about giving freedom to those who understand local needs best so that resources can be managed more effectively and deliver greater positive impacts for local people. The Government inherited a very challenging fiscal context, and we have had to make a small reduction to the overall adult skills budget for next year. However, we will still be investing £1.4 billion in the adult skills fund next year. It is in the region of 3% across the academic year, which equates to around £40 million.¹

Let me reiterate the important strategic role that devolution has to play in the growth of our economy. I recognise what the hon. Member for North Cornwall said, and I invite him to have further conversations with the Government on that.

Neil O'Brien: Could the Minister find out what proportion of the devolved ASF goes on statutory entitlements at the moment? That is the measure of whether this is really devolved. We all agree on the importance of devolution and so on, but is it real devolution or, in fact, are these devolved authorities ultimately having to spend money on things that we have decided? What proportion of the devolved budget is currently being spent on those four statutory entitlements?

Janet Daby: I outlined the areas that will be devolved, and I explained how much funding will be given for those devolved areas. The national statutory entitlement is to get the equivalent of GCSE level in maths and English, so that young people aged 19 to 23 have a second chance to get qualifications. Consultation has taken place in those three areas, and overwhelmingly, over 60% have confidence that the devolved money will be used for those local areas.²

Neil O'Brien: It is entirely my fault that I did not explain clearly what I meant. We are in complete agreement about the policy, but what I am keen to understand from the Department—the Minister may need to write to me on this point—is: how much of the money that has already been devolved is being spent on statutory

entitlements, and what proportion of it can, therefore, be spent on things that are not statutory entitlements? It is a question of fact rather than of great policy disagreement.

Janet Daby: I thank the hon. Member for clarifying that he is after the detail. I will endeavour to write to him with that information.

As the country responds to an increasing number of internal and external challenges, there can be no doubt about how reliant we are on a skilled and flexible workforce, and how important it is that we support all adults to become an active part of that workforce, to deliver our growth agenda. Devolving adult skills, functions and funding to the east midlands, York and North Yorkshire and Cornwall's local areas will help to ensure that adult education provision is tailored to meet local needs and create the best conditions in which we can collectively deliver on these aims. I commend the order and the regulations to the Committee.

Question put and agreed to.

**DRAFT EAST MIDLANDS COMBINED
COUNTY AUTHORITY (ADULT
EDUCATION FUNCTIONS)
REGULATIONS 2025**

Resolved,

That the Committee has considered the draft East Midlands Combined County Authority (Adult Education Functions) Regulations 2025.—(*Janet Daby.*)

**Draft YORK AND NORTH YORKSHIRE
COMBINED AUTHORITY (ADULT
EDUCATION FUNCTIONS) ORDER 2025**

Resolved,

That the Committee has considered the draft York and North Yorkshire Combined Authority (Adult Education Functions) Order 2025.—(*Janet Daby.*)

2.50 pm

Committee rose.

1.[*Official Report*, 22 April 2025; Vol. 765, c. 8WC.] (Correction)

2.[*Official Report*, 22 April 2025; Vol. 765, c. 8WC.] (Correction)