



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY
SKILLS COMMITTEE: MINUTES

Date: Wednesday, 21 November 2018

Time: 2.00p.m. to 3.10p.m.

Present: Councillors John Holdich (Chairman), Graham Bull, Charles Roberts and Eileen Wilson.

1. APOLOGIES AND DECLARATIONS OF INTERESTS

There were no apologies or declarations of interests.

2. PETITIONS

None received.

3. PUBLIC QUESTIONS

None received.

4. MEMBERSHIP AND TERMS OF REFERENCE

The Committee received a report detailing its terms of reference, and procedural arrangements.

In discussing the report, Members queried the responsibilities of officers in terms of the skills agenda. It was agreed that an outline of the skills team would be produced for the Committee with information in relation to roles and responsibilities. **ACTION**

Attention was drawn to the need to remove the error at 5.2 of Appendix 2. **ACTION**

It was resolved unanimously to:

note the terms of reference and procedural arrangements for the Committee.

5. UNIVERSITY OF PETERBOROUGH – REVIEW AND EVALUATION FOR PHASE 1 AND 2 OF THE PROGRAMME

The Committee received a report outlining the next steps for the delivery of the University of Peterborough programme and the outline and scope of work of both the Financial and Technical/Partnership Approach reviews of the work that had been carried out on the University of Peterborough Programme. It was noted that this period of review created an opportunity of pause and reflection to ascertain how the Combined Authority investment in the programme had supported the advancement of the project. There had been large movements in the Higher Education (HE) market in terms of business models and it was timely to review if the approach and partnership was still fit for purpose.

The Chairman expressed his full support for the programme and highlighted the need to be flexible as it was more than just buildings. In discussing the report Members:

- Queried the impact of Brexit and the potential for fewer European Union Students, and whether it was the right time to establish a new university given that a number were reported to be insolvent. The Director of Business and Skills acknowledged that overseas students were a significant part of the market model, which had stimulated the need for the review. It was noted that there were currently 100 new applications for new universities in the pipeline making the market crowded. The University of Peterborough therefore needed to be in the top 25% in order to get approval. Members clarified that there was a need to ensure the Peterborough offer was innovative and covered a niche in the market that matched the skills required locally.
- Highlighted the social benefits that a group of students would bring to the City and its attractiveness to employers.
- Questioned whether the Committee would be able to input its vision for a university into the report. Members noted there was already a draft vision which would be circulated to the Committee. It was also noted that the vision would be brought to the next meeting for amendment and validation by Committee. **ACTION**
- Queried recommendation (c), as decisions on direction of travel would need to come through the Committee before being presented to the Board. It was noted that there was therefore no need to go to Board at this stage.

It was proposed by Councillor Bull and seconded by Councillor Wilson, with the unanimous agreement of the Committee, to remove recommendation (c)

It was resolved unanimously to:

- a) note that the CPCA had commissioned both a Financial Review with Pinsent Masons and a Technical /Partnership approach review with Gleeds.
- b) note the timetable for delivery and reporting back.

6. ADULT EDUCATION BUDGET DEVOLUTION

The Committee received a report on the current state of the devolution of the Adult Education Budget (AEB) from the Department for Education to the Cambridgeshire and Peterborough Combined Authority (CPCA). The report sought to secure support for the proposal for progressing with the next steps of devolution of the AEB and its implementation.

In discussing the report Members:

- Noted that work had been ongoing on the devolution of the AEB for 7-8 months with the aim to take on the powers from the academic year 2019/20.

- Noted that a report, outlining a series of options in relation to the governance of the AEB, would be brought to Committee in February 2019 including options for managing any underspends.
- Discussed the resourcing proposals of the AEB and highlighted concerns in relation to the proposed programme costs and the top slicing allocation of 4.9%. It was noted that resourcing as it stood was crucial to ensuring the successful devolution of the AEB, and that it would be subject to monthly review. Members noted that staffing was comparable under industry standards and had been compared with counterparts. The Authority had one of the leanest structures and would be reviewed to make it even leaner. It was questioned whether all the staff should be appointed on permanent contracts and members were of the view that the situation would be kept under close review by the Committee.
- Discussed the grant commissioning process. The biggest provider Stedfast was aware that it would have to go out to procurement for future contracts. The process was to go out to tender in January and then award for April, May, June and July. Members noted that the Combined Authority would look at contracts up to 10 miles within the edge of the Authority's border, which would include the College of West Anglia.
- Queried whether any modelling had been carried out on needs requirements in each area. It was noted that work had been done to look back on what had been funded in the past and individual funding records. The Skills Strategy would identify what needed to be provided in order to deliver what businesses needed. One Member highlighted the need to also consider life skills as well as employability.
- Queried whether destinations for individuals following courses had been looked at. It was noted that this would be reviewed in future. Members were informed that there was a limit to how much the Authority could change the providers in the first year. Over the course of the financial year the Skills Strategy would be developed to enable the mapping of the courses needed for 2021. Courses would be slowly moved across without causing commercial impacts on providers.
- Acknowledged the importance of the Skills Strategy in relation to this funding. It was noted that the Strategy was going out to consultation with businesses in December.
- Queried whether the terms of a minimum contract value as highlighted in 2.43 of the report would be applied rigorously. It was acknowledged that in letting contracts, particularly in rural areas, £50,000 was a considerable amount of money. It was noted that this would need to be reflected in the procurement exercise. Members commented on the need for flexibility and discretion in relation in supporting smaller providers.
- Questioned the memorandum of understanding covered in 2.35 of the report and the Combined Authority's commitments. It was noted that this was covered in the Authority's strategic risk register.
- Highlighted the need to understand the responsibilities resting with the Business Board in relation to skills. It was noted that Sections 2.14 to 2.16 would be developed further for the February meeting.

- Noted the need to commit to the system and software build costs highlighted in table 2 of the report.

It was resolved unanimously to:

- a) note the progress on the devolution of the AEB Programme in Cambridgeshire and Peterborough.
- b) comment on the proposed options for governance of the AEB as outlined in paragraphs 2.14 – 2.16 of the report.
- c) endorse and recommend the Combined Authority Board approve business case requesting a top slicing allocation up to 4.9% to ensure the delivery of the AEB is resourced appropriately.
- d) endorse and recommend the Combined Authority Board approve the proposed commissioning approach for the CPCA devolved AEB.
- e) recommend the Combined Authority Board authorise officers to enter into a negotiated grant commissioning process to develop and work with the 15 indigenous and contiguous Cambridgeshire and Peterborough Colleges and Local Authority providers currently grant funded by the Education Skills Funding Agency. (This will mean disinvestment in the remaining 120 Grant funded providers spatially distant from Cambridgeshire & Peterborough.)
- f) recommend the Combined Authority Board agree to procure contracts for services for all other providers, including Independent Training Providers, Further Education Institutions based outside of the CPCA area and other organisations (which may include the voluntary & community sector). Further to give delegated authority to the Director of Business & Skills to award contracts.
- g) note the procurement timeline for contracts for services.

7. SKILLS PRIORITISATION PLAN – CAREERS ENTERPRISE COMPANY

The Committee received a report on the next steps in the delivery of the Careers Enterprise Company (CEC) contract. The report sought support for the proposed ways of working in the delivery of the contract post March 2019. A review of all operational services had been undertaken, evaluated against the requirements of the devolution deal, mayoral commitments and interventions that achieved the 2020 ambition. Officers had been working with the CEC to engage potential service providers to undertake the remaining CEC contract terms. If no delivery partner could be identified then the CEC contract would cease at the end of March 2019.

In considering the report Members:

- Noted that there had been a full review of all projects across the Combined Authority, looking at operational costs and reducing staffing structures. An outcome

of this had been a review of the CEC Contract as it gave low outcomes. The Combined Authority would look to design better vehicles for employer encounters and experience of the workplace. The recommendation was to pull away from the standards model of the CEC Contract and build a better contract.

- Sought assurance that if an alternative provider could not be found then this would be brought back to Committee to review any risk of a gap in service.

It was resolved unanimously to endorse the following and forward to the Combined Authority Board for approval:

- a) that the CPCA cease resourcing the Careers Enterprise Company contract for delivery.
- b) that delegated authority be provided to the Portfolio Holder and Director of Business and Skills to engage with the CEC to identify potential local partners to undertake the remaining CEC Delivery Contract.

8. SKILLS STRATEGY UPDATE

The Committee received a report giving an update on the process to shape the Skills Strategy document. It was noted that the Skills Strategy Review had been commissioned by the then GCGP LEP and the Combined Authority and presented to the Combined Authority Board on 29 October 2018. In order to produce the Skills Strategy, wider consultation had been sought, focusing on local priorities that would have the most impact on productivity and skills. The proposal was to share the draft strategy through a series of round table events in late November – early December and present the draft Strategy to the Committee in January for comment and feedback, with the final strategy be presented to Skills Committee in February for endorsement, before going to Combined Authority Board for sign off in March.

In considering the report Members:

- Queried the tight timescales as it was important to get the strategy right. It was noted that the timescales could roll forward a month but that the Strategy would need to be approved by April in order to be ready to submit any requests for funding to CLG.
- Requested that Ramsey be included in the Opportunity Area in Fenland East Cambridgeshire. It was noted that this area had been defined by the Department for Education. However, it would be possible to share best practice.

It was resolved unanimously to:

- a) agree the process for shaping the Skills Strategy.
- b) note the timeline for collating feedback, to inform the development of the Skills Strategy.
- c) endorse the next steps in the process.

9. PERFORMANCE REPORT – NOVEMBER 2018

The Committee received a report outlining the Skills Dashboard.

In considering the report Members:

- Noted that the University of Peterborough Project continued to be rated red as the outcomes of reviews was still awaited.
- Noted that the AEB project was rated amber at this stage as the procurement aspect of the programme required additional capacity.
- Noted that the Apprenticeships Grant was rated amber due to unclaimed grant funding and a national downturn in Apprenticeships. Within the current landscape the promotion of the AGE Grant had sat with the Colleges/ Providers. Members noted that the Combined Authority was working with Peterborough City College on a campaign. The Mayor was also holding discussions with other Mayors to lobby government.

It was resolved unanimously to:

- a) note the current activity within the Skills Team and be aware of status and progress to date.

10. DATE OF THE NEXT MEETING

Members noted the date of the next meeting as 6 February 2019.

Chairman