



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Skills Committee

Meeting: Monday 6 March 2023

Venue: Civic Suite, Pathfinder House, St Mary's Street, Huntingdon

Time: 10.00 am - 12.00 pm

Present:

Cllr Lucy Nethsingha - Chair and Member for Cambridgeshire County Council

Cllr Lis Every - East Cambridgeshire District Council

Cllr Lynne Ayres - Peterborough City Council

Cllr Sam Carling - Cambridge City Council

Cllr Peter McDonald - South Cambridgeshire District Council

Cllr Chris Seaton - Fenland District Council

Cllr Sam Wakeford - Huntingdonshire District Council

Part 1 - Governance Items

114. Apologies for Absence and Declarations of Interest and Announcements

Apologies received from Councillor Natalie Warren-Green, substituted by Councillor Peter McDonald. No declarations of interest were made.

115. Minutes of the Skills Committee meeting on 9 January 2023 and Action Log

The minutes of the meeting on 9 January 2023 were approved as an accurate record.

The action log was noted.

116. Public Questions

Questions from the Overview and Scrutiny Committee were taken at the relevant items on the agenda.

Part 2 – Recommendations to Combined Authority Board

117. Adult Education Budget - Grant Funding Allocations and Policy Changes for 23-24 Academic Year

The committee received a report on the grant funding allocations and policy changes for the Adult Education Budget for the 2023-24 and 2024/25 academic years.

The committee received two questions from the Overview and Scrutiny Committee on this report. The written responses were read out and can be found at appendix 1 of the minutes.

In particular, the presenting officer highlighted:

- The report sought approvals and delegations to allocate funding from the devolved adult education budget for 2023-24 and 2024/25 academic years.
- Used the umbrella term 'learning organisations' to describe further education colleges, local authority adult education services and training providers.
- A separate report for the allocation of funding for the independent and third sector training providers was scheduled on the forward plan for committee for June 2023.
- Funding allocations are set out in appendix a of the report and equated to £10.3 million out of a £15 million available budget.
- Members are being asked to approve two years of funding to provide continuity and stability for providers.
- Members need to be cognisant of wider national top-down changes being implemented by the Department for Education (DfE) as part of the funding and accountability reforms as part of the Skills Act 2022
- The introduction of 'banded' funding rates in 2024-25 and this was expected to increase funding overall to learning organisations and incentivise delivery of courses in key sectors.
- Members were requested to approve the additional local flexibilities in relation to policy changes set out in section 2.6 of the report.
- Inflationary pressures had seen some Combined Authorities implement a blanket 10% increase to funding rates. Analysis had been carried out to look at whether Cambridgeshire and Peterborough could offer a similar blanket increase of funding rates. Given the flat devolved settlement of £12m per year, it was concluded that this would not be affordable, unless we accept a reduction in the participation of residents in learning.

- It was therefore proposed to provide some targeted local support, set out in appendix c of the report.
- Proposed that committee approve an increase to the top slice from 3.4% to 5% which would help to improve the quality of service the CA was able to provide to support providers.

Discussing the report members:

- Welcomed the proposed two-year settlement for funding and the doubling of the disadvantage uplift funding, particularly for Fenland and Peterborough.
- Requested case studies to show what was happening in practice and what the resources had delivered. Officers explained that case studies had been compiled and published on the website and some had been put forward for LGA reports. Officers agreed to compile the case studies into one publication. **ACTION.**
- Commented on the increase of the top slice to 5% and queried why it was required. Officers stated that there had been a doubling of the number of learning organisations the CA had contracted. There were increased expectations on assuring that learning organisations were compliant, providing a quality service to all stakeholders and meeting the increased regulatory requirements of funders. It was recognised the CA skills team had been under resourced for a while, despite having a wider remit. As part of the wider improvement work across the CA this would build on the expertise and higher expectations of stakeholders. Officers had researched the structures of other Combined Authorities and their top slices in order to bench-mark. It was problematic to make direct comparisons by percentage, as could not be compared due to differing amounts of funding.
- Questioned Table two in the report on subject areas and how the areas were spread through the various colleges and providers. Members stated they were interested in the breakdown of the data. Officers agreed to provide the data requested. **ACTION**
- Queried if there would be any future support from the CA in the area of green construction following the unsuccessful Levelling Up Fund (LUF) bid for a green construction centre in Wisbech. The Interim Associate Skills Director stated that there were ongoing conversations as it was recognised that there was still a need in this area but at present there was no solution identified to meet the funding gap.
- Expressed concern that take up of courses on the ground might not be as expected and there was a need to increase engagement, particularly in East Cambridgeshire. Officers stated that the CA were working with residents to ensure that they understood and had access to courses and more work was being done to cascade the offer and increase outreach and communication activities. Officers explained that the Multiply bus was a good example of the

current outreach work and that this programme was at its early stages of development.

- Requested that the CA continued to work on transport issues as they were key to ensuring take up of qualifications.
- Queried what lessons had been learnt in terms of the underspend to ensure it was not repeated. Officers explained that capacity was essential hence an increase in the number of learning organisations delivering locally coupled with more engagement of learners and employers and increased capacity in the CA to administer the programmes to the required standards would make the greatest difference.

It was resolved unanimously to:

- a) Recommend the Combined Authority Board, approve the Adult Education Budget and Free Courses for Jobs funding allocations to Learning Organisations for the 2023/24 and 2024/25 academic years as set out in Appendix A to this report.
- b) Recommend the Combined Authority Board approve the Multiply funding allocations to Learning Organisations for the 2023/24 and 2024/25 financial years as set out in Appendix A to this report.
- c) Recommend the Combined Authority Board delegate authority to the Interim Associate Director for Skills in consultation with Chief Finance Officer and Monitoring Officer to sign Grant Funding Agreements with the Learning Organisations set out in Appendix A to this report for the 2023/24 and 2024/25 academic years in respect of the Adult Education Budget and Free Courses for Jobs and the financial years 2023/24 and 2024/25 for Multiply.
- d) Recommend the Combined Authority Board Delegate authority to the Interim Associate Director for Skills to vary grant funding agreements based on performance by up to 25 per cent of the value in 2023/24 and 2024/24 for AEB, FCFJ and Multiply.
- e) Recommend the Combined Authority Board approve the proposed devolved funding policy changes set out in Appendix C this report, for the 2023/24 academic year to increase funding for learning organisations and implements the national changes for 2024/25, as set out in Appendix B.
- f) Recommend the Combined Authority Board approve the increase to the AEB top slice from 3.4% to 5%.

118. Careers Hub allocations and future plans

The committee considered a report on the Careers Hub allocations and future plans.

In particular, the presenting officer highlighted:

- Funding from the Careers and Enterprise Company (CEC) for the Careers Hub was allocated on an annual basis. The Combined Authority anticipate notification of this funding in Q2 of 2023 for the 2023/24 academic year and sought permission to accept and allocate the funding. Whilst a funding value had not yet been confirmed, it was expected to be approximately £292,000.
- The report summarised the funding implications of the delivery of the Careers Hub and succession plans following the anticipated ending of the Growth Works contract from December 2023 and the requirement to access the Skills Rapid Response Fund.
- It was anticipated that there would be an opportunity for additional funding from CEC outside of core funding.

The Interim Associate Skills Director stated that the Combined Authority had not yet received the money but there was not another committee scheduled until June 2023.

Discussing the report members:

- Queried whether the introduction of the opportunity for primary schools to be enabled to be involved in the careers programme would mean that more primary schools could be involved in the scheme. Officers explained that the core funding sat outside primary school education as it was for secondary provision and further education. In terms of additional funding, officers did not have sight of what additional funded projects would be enabled for the next academic year. However anything that could be tendered in for, in relation to primary, the Combined Authority would be bidding for. Officers explained that being part of the trail blazer had allowed for insight to any potential future funding. The Interim Associate Skills Director stated that when the Combined Authority agreed to be part of the trail blazer they had stated that as part of the agreement there would be discussions with CEC as to the funding needing to be longer term. A Member commented on East Cambridgeshire there had been a really positive impact from the scheme and it had been very successful.

It was resolved unanimously to:

- a) note the anticipated Careers and Enterprise Company (CEC) grant funding for the academic year of 2023/24.

And recommend to the Combined Authority Board:

- b) To accept the grant funding offer on the notification of funding from the Careers and Enterprise Company for the continuation of the Careers Hub. Grant funding is expected to be in the sum of approx. £292,000 for the financial year 2023/2024.

- c) To accept future grant funding that is awarded by the Careers and Enterprise Company (CEC) in addition to core funding, up to the value of £95,000 for projects aligned to strategic priorities.
- d) To allocate 5 months of CEC funding to part fund the 4 FTE roles within the Growth Works service for the period of Aug - Dec 2023.
- e) To allocate £112,000 of Corporate Rapid Response Funding as match funding for the period of January to August 2024 as Growth Works funding ceases and the start of UK Shared Prosperity Funding.
- f) To delegate authority to the Interim Director of Skills, in consultation with the Chief Finance Officer and Monitoring Officer to enter into contracts and grant funding agreements.

119. UK Shared Prosperity Fund Skills Strategic Projects

The committee considered a report that gave an update on the UK-Shared Prosperity Fund (SPF) and progress to January 2023.

The committee received three questions from the Overview and Scrutiny Committee on this report. The written responses were read out and can be found at appendix 1 of the minutes.

In particular, the presenting officer highlighted:

- The Skills element of the SPF funding would come in during 2024-25.
- The rest of the projects would be delivered from this financial year onwards.
- Sought approval from the CA Board for the approval of the implementation plan.
- Increase in the administration fee for four districts to cover the administration of the Rural England Prosperity Fund. The CA was still awaiting approval of this fund.
- Sought delegated authority to support minor changes that might occur during the lifetime of the plan.
- Sought delegated authority to enter into grant funding agreements with the districts; 36 projects in the districts and three skills projects that would be delivered in the last year of the SPF that the CA Skills team were working on.

Discussing the report members:

- Welcomed the work with districts and sought further information on when the rural fund confirmation might be. Officers stated that they had no indication on when this might be received.

- Highlighted that Peterborough was not a district and that they had been called a County Council within the report. It was clarified that Peterborough was a Unitary authority.

It was resolved unanimously to recommend to the Combined Authority Board to:

- a) Approve the UK-SPF Implementation Plan.
- b) Delegate authority to the Executive Director for Economy & Growth to approve in consultation with local authority partners, the Chief Finance Officer & Monitoring Officer the changes set out at 3.3.
- c) Delegate authority to Executive Director for Economy & Growth to approve in consultation with local authority partners, the Chief Finance Officer & Monitoring Officer for Minor Changes as set out in Appendix 1a and supported by the DLUHC Guidance included in the Appendix 1b.
- d) Delegate authority to Executive Director for Economy & Growth to approve in consultation with the Chief Finance Officer & Monitoring Officer to enter into Grant Funding Agreements associated with the projects set out in the Implementation Plan.

120. Finance and Performance Report

The committee considered a report that gave an update of the forecast outturn position for 2022/23 and to provide analysis against the 2022/23 budgets, up to the period ending January 2023. The report also provides a performance update on Skills projects and a trajectory of expected performance against devolution deal objectives.

In particular, the presenting officer highlighted:

- The key variances in budget set out in section 3.6 of the report.
- The recommendation to the Combined Authority that it agree the merging of the budget for AEB Innovation Fund – Revenue, AEB Provider Capacity Building and AEB Strategic Partnership Development to facilitate the improvement of the project management's control.

Discussing the report members:

- Queried whether once the outstanding claims from the DfE in relation to skills boot camps had been dealt with, if officers would know what the likely variance would be. The Associate Skills Director stated that in terms of the digital skills bootcamps the CA would be returning quite a significant amount of money, however in terms of the number of learners recruited, the programme was less than 200 learners short. As the bootcamps were new some providers were not able to collect all of the evidence required in order

that the CA could pay them. The Chair sought clarity on if this meant that some providers would not receive funding as they were unable to fill out the right forms at the right time, and therefore would it be even more difficult to encourage providers to take part in the programme in the future. The Interim Associate Skills Director stated that this in particular related to one provider that delivered a lot in the first wave but they had contracted with the Combined Authority to deliver on Wave three.

- Highlighted that the CA had received a confirmation in relation to the Health and Care Sector Work Academy that learners could start right up until the end of the contract (31st March 2023) and that courses would be funded to completion. The Interim Associate Skills Director stated that the report deadline was prior to the confirmation from the DWP. Members stated that there were lessons to be learnt in terms of attracting applicants, and that recently social media had been very successful in attracting applicants.
- Queried whether there was a more robust way that the committee could feedback to the DfE in relation to the benefits of multi-year contracts. The Chair requested that the committee ask the skills and finance teams to look at three areas were there had been under delivery, Wave 3 Bootcamps, Digital Skills Bootcamp and the Health and Sector Work Academy and ask for a deep dive into these projects to see what had gone wrong, what had worked well and any lessons for the future. This would then also allow to feedback to central government. **ACTION.** The Interim Associate Skills Director stated that there was an external review of the Health and Care Sector Work Academy by HATCH Regneris and that it would be worth waiting for this review so that it could feed into the deep dive.
- Questioned why the multiply programme had a red RAG status. The Interim Associate Skills Director stated that they had to provide the first return to the DfE before Christmas and at that point the programme was behind profile. She reassured the committee that since then there had been significant activity in the programme.

It was resolved unanimously to:

- a) Note the year-to-date outturn position against budget.
- b) Recommend to the Combined Authority Board to approve to merge the three budget lines as set out below:
 - 1) AEB Innovation Fund – Revenue;
 - 2) AEB Provider Capacity Building; and
 - 3) AEB Strategic Partnership Development

Part 3 - Delivery

121. Growth Works - Management Update Q8 - Annual Reporting Jan to Dec 2022 (Skills Committee)

The committee received a report that gave an update on the Growth Works year two Annual Programme Review and Programme performance data to Quarter 8 (year two) covering the period to December 2023. The Chair explained that the report contained an appendix two which was exempt from publication and explained that the committee would need to go into exempt session if they wished to discuss it.

The Committee received a question from the Overview and Scrutiny Committee on this report. The written responses were read out and can be found at appendix 1 of the minutes.

In particular, the presenting officer highlighted:

- Year two ahead of target on committed jobs due to capacity of the growth coaching service.
- The Inward Investment service also exceeded annual targets on new pipeline companies.
- Continued concerns with Growth Works With Skills. The skills team had appointed a new programme manager to work with the growth works team and they were now on a performance improvement plan.

Discussing the report members:

- The Interim Associate Skills Director stated that the Business Board had Commissioned a review into the Growth Works contract. The Terms of Reference would be shared with committee members. **ACTION**
- Highlighted that one of the long running challenges across economic development teams in the districts was around access to data and queried whether there was any ongoing work through the CRM hubspot to address this. The Interim Associate Skills Director stated that she understood that there was a draft report by district that had been developed but that she had not seen the template and would update the committee on when this might be available. **ACTION**
- Expressed concern about the under delivery of apprenticeships and how it could be claimed that performance would improve in the next financial year. The Interim Associate Skills Director stated that she was concerned with performance and that Growth Works With Skills were being tightly contract managed. She explained that they were looking at what the successor to Growth Works With Skills would be.

- Highlighted the inequalities across different districts compared to other areas in relation to support and would like to know why this was. The Interim Associate Skills Director stated that due to the priority areas in Peterborough and Fenland there was different weighting on how different programmes were assessed. She explained that she would need to review with growth works officers and come back to the committee with further information. **ACTION**
- Queried where the additional support of a programme manager had come from. The Associate Skills Director stated that the support was coming from within the existing skills team.
- The Chair stated that there had been a broad level of concern for a while in relation to Growth Works and requested a workshop for the committee to look at growth works more broadly before the next committee meeting in June. **ACTION**

It was resolved to:

- a) Note the Growth Works Programme Year Two Review and Performance Data to Q8 (16 December 2022).

122. A Summary of the Employment and Skills Board Meeting 21 Feb 2023

The committee received a report that provided a summary of the recent meeting of the Cambridgeshire & Peterborough Combined Authority Employment and Skills Board (ESB), which includes the role of the Combined Authority's Skills Advisory Panel (SAP).

Discussing the report:

- The Chair stated that the CA Board was reviewing governance and the way committees work and how the skills committee works with the business board.

It was resolved to:

- a) Note the paper which provides an overview of the recent Employment and Skills Board held on 21 February 2023.

123. Skills Committee Agenda Plan

It was resolved to note the agenda plan.

124. Exclusion of the Press and Public

It was resolved unanimously to exclude the press and public from the meeting in order to discuss appendix 2 of item 3.1 of the agenda.