



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

SKILLS & EMPLOYMENT COMMITTEE

Date: Monday, 04 March 2024

Democratic Services

Edwina Adefehinti
Interim Director Legal and Governance
Monitoring Officer

11:00 AM

2nd floor, Pathfinder House
St Mary's Street
Huntingdon
Cambs
PE29 3TN72

**Civic Suite, Pathfinder House, St Mary's Street, Huntingdon
PE29 3TN**

AGENDA

Open to Public and Press

1 Apologies for Absence and Declarations of Interest

At this point Members must declare whether they have a disclosable pecuniary interest, or other interest, in any items on the agenda, unless it is already entered in the register of members' interests.

2 Minutes of the previous meeting

4 - 11

To approve the minutes of the meeting held on 15 January 2024 and to note the Action Log

3 Public Questions

Arrangements for asking a public question can be viewed here

- [Public Questions - Cambridgeshire & Peterborough Combined Authority \(cambridgeshirepeterborough-ca.gov.uk\)](https://www.cambridgeshirepeterborough-ca.gov.uk)

4	Combined Authority Forward Plan To note the Combined Authority Forward Plan	
5	Improving Efficiency and Effectiveness (Adult Education Budget)	12 - 31
6	Careers Hub Academic Year 20242025	32 - 34
7	Adult Education Budget - Audit and Assurance Update	35 - 39
8	Employment and Skills Board Update To receive a verbal update on the Employment and Skills Board meeting held on 20 February 2024.	
9	Budget and Performance Report	40 - 42
10	Skills & Employment Committee Agenda Plan	43 - 49
11	Date of next meeting: Monday, 17 June 2024	

COVID-19

The legal provision for virtual meetings no longer exists and meetings of the Combined Authority therefore take place physically and are open to the public. Public access to meetings is managed in accordance with current COVID-19 regulations and therefore if you wish to attend a meeting of the Combined Authority, please contact the Committee Clerk who will be able to advise you further.

The Skills & Employment Committee comprises the following members:

For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact

Councillor Lucy Nethsingha

Vic Annells

Nitin Patel

Councillor Ian Benney

Councillor Sam Carling

Councillor Peter Hiller

Mayor Dr Nik Johnson

Cllr James Lay

Councillor Sam Wakeford

Councillor Eileen Wilson

Clerk Name:	Joanna Morley
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Skills & Employment Committee – Draft Minutes

Monday 15 January 2024

Venue:	Civic Suite, Pathfinder House, Huntingdon PE29 3TN	
Time:	10.00 to 13.00	
Present:	Councillor Lucy Nethsingha Mayor Dr Nik Johnson Councillor James Lay Councillor Eileen Wilson Councillor Sam Carling Councillor Sam Wakeford Councillor Peter Hiller	Chair and Member for Cambridgeshire County Council CPCA Mayor East Cambridgeshire District Council South Cambridgeshire District Council Cambridge City Council Huntingdonshire District Council Peterborough City Council
Apologies	Councillor Ian Benney Mr Nitin Patel	Fenland District Council Business Board Representative

Minutes:

1	Announcements, Apologies for Absence and Declarations of Interest
1.1	The Chair agreed a change to the proposed order of the agenda so that Growing Sector Based Talent Pipelines would be heard earlier in the meeting at item 5 as this report would set the scene for the reports that followed. [These minutes are therefore laid out in the revised order with the numbers in brackets referring to the original agenda item number as published on the website]
1.2	Apologies were received from Councillor Ian Benney and Mr Nitin Patel.
1.3	No declarations of interest were made.
2	Minutes of the Skills Committee meeting on 6 November 2023 and Action Log
2.1	The minutes of the meeting on 6 November 2023 were approved as an accurate record subject.
2.2	Members asked that the outstanding actions from the Committee's November meeting be followed up on. These include inviting the principal of ARU, Ross Renton, to the March meeting of the Committee to update members on the development of the ARU Peterborough University campus and a briefing note on the concentration of PHD students to be sent to members.
3	Public Questions
3.1	No Public Questions had been submitted.

<p>4</p> <p>4.1</p>	<p>Combined Authority Forward Plan</p> <p>There were no comments from the Committee.</p> <p><u>RESOLVED:</u></p> <p>1. That the Combined Authority Forward Plan be noted.</p>
<p>5 (9)</p> <p>5.1</p> <p>5.2</p> <p>5.3</p>	<p>Growing Sector-based Talent Pipelines</p> <p>Claire Paul, Assistant Director Skills, gave a presentation to the Committee which outlined how partners across the region could work together to address the strategic priorities of the skills landscape and develop an approach to grow sector-based talent pipelines, in advance of a formal plan coming to the Skills and Employment Committee in March. Charlotte Horobin, CEO Cambridgeshire Chambers of Commerce, who was working closely with Claire on this issue, also addressed members.</p> <p>The presentation has been appended to the minutes and published on the website here: CMIS > Meetings under additional meeting documents.</p> <p>During discussion the following points were noted:</p> <ol style="list-style-type: none"> a) A balance had to be kept between doubling GVA (gross value added) and doing it in a way that reduced inequality. b) Any approach taken needed to take into consideration four perspectives; People, Employers, Providers and Place in order to provide pre-work learning, employer access to talent, life-long and life-wide learning and support into and between jobs. c) The focus on the priority growth sectors (e.g. life sciences and advance manufacturing) and the enabling sectors, such as health, should be both for as they are now and how they would be in the future. d) A talent pool of individuals who had gone through pre-employment training courses could be created and shared so that employers could access ‘work-ready talent pools’. e) Strategic leadership was absolutely critical in ensuring that all sections of the ‘pipeline’ were linked and that there was an umbilical connection to employers running through it, so that the right talent was being developed in the right priority areas and at the required scale . f) Nationally over half of all employers were expecting their turnover to increase suggesting that confidence was up, but the number one issue was always about attracting and retaining people who had the right skills, aptitude, and attitude. g) Key to being competitive as a region was making sure that investment was aligned with the LSIP (Local Skills Improvement Plan) and its priority sectors, and that work ready talent pools were in place. h) In order to grow the pipelines there needed to be a strong, sustainable provider base across Higher and Further Education. i) The details of how the talent pools would work and where they would ‘sit’ would be developed with key partners. j) In talking to partners, a key area of discussion was how to engage with the disadvantaged in order to close the gap. k) East Cambridgeshire District Council was in the process of setting up a pilot scheme with West Suffolk college where it was proposed that all 28 councillors would be trained in becoming ambassadors for apprenticeships. A database of all employers in the area had also been created l) The spending to support any new initiatives would be considered very carefully in order to ensure it was the best use of public funding and that commissioning was done strategically. m) All the Constituent Council areas had different particular needs and care would be taken to ensure that all these needs were addressed over time. n) There was a difficult balance between developing your own talent and finding the capacity to invest in people, and the risk that once trained, individuals could move elsewhere. This risk was more easily absorbed if you were a larger employer. o) Employers needed to be shielded from the ‘wiring in the system’ and the complexity of moving people from education into jobs and careers.

RESOLVED:

That the Skills and Employment Committee:

1. Note the approach to growing Sector-based Talent Pipelines in advance of a formal plan coming to the Skills & Employment Committee in March.

ACTION:

1. Claire Paul to speak with Cllr Lay to understand more about the pilot scheme being set up between East Cambridgeshire District Council and West Suffolk College to promote apprenticeships.

6 (5) Adult Education Budget (AEB) External Evaluation

6.1 Claire Paul, Assistant Director Skills, gave a presentation on the external evaluation of AEB+,

6.2 The presentation has been appended to these minutes and published on the website here: [CMIS > Meetings](#) under additional meeting documents.

6.3 During discussion the following points were noted:

- a) An experienced external consultant had carried out the evaluation which looked at the first three years of the devolved Adult Education Budget. The final data for 2022-23 had not yet been verified and so was not included but as the evaluation was undertaken in 2023 the conclusions were current.
- b) The purpose of devolution was to buy differently, buy better and then buy the best and the consultant felt that the CPCA was now buying better and the next phase was to buy best.
- c) The CPCA had faced challenges on the resource side as it had the lowest allocated budget of all the Combined Authorities but administrative pressures remained very similar regardless of the number of learners.
- d) Covid had affected the number of learners and providers had adapted their premises and developed new methods to attract and retain learners.
- e) Providers had been reduced from 176 to 17 with most based within the CPCA area. The location mattered as this meant a better connection with employers and learners as they were more rooted in their communities.
- f) The consultant had noted that the CPCA had made very good use of its funding flexibilities.
- g) There was a drop off in learner numbers whilst this transition to fewer, more local providers took place, along with the effects of Covid, but encouragingly numbers were now up and stabilising.
- h) Peterborough was the greatest beneficiary of the AEB with 38% of all AEB learners and 43% of the budget.
- i) There had been increases in the percentage of learners from black and minority groups and learners with a disability
- j) An example of community learning, in comparison with adult education which concentrated on formal qualifications, was an introduction and development of IT skills along with a whole host of other things that improved confidence and wellbeing, so that learners were ready to connect with work. Community Learning was also about reducing isolation and improving mental health.
- k) Partners at the DWP and in Health were working closely with the CPCA to look at all the funding available in order to commission intelligently and to work on all of the problems together.
- l) The Chair asked for more information on the 20% of learners with a disability and the split between learning disabilities and other disabilities and how it was further broken down into different types of disability.
- m) The report that underpinned the presentation was just being finalised and would be shared with the Committee.

RESOLVED:

That the Skills and Employment Committee:

1. Note the presentation on the external evaluation of AEB+, the changes to the AEB funding rules in 2024/25 and the potential impact on delivery.

ACTION:

1. Further information on the types of disability that made up the 20% of learners with a disability, to be shared with the Committee.

7(6) ESOL Planning Partnership Annual Report

7.1 Claire Paul, Assistant Director Skills, introduced the report which provided the Employment and Skills Committee with an annual update on the ESOL Local Planning Partnerships (ELPP).

7.2 During discussion the following points were noted:

- a) ESOL was one of the things that the external evaluator had cited as being done very much better.
- b) Officers were working on an impact framework as the organisation needed to get better at looking at outcomes not just outputs such as the number of ESOL student going on to get jobs.
- c) Members requested further information on why a tender for an ESOL Single Point Of Contact (SPOC) could not be awarded.

RESOLVED:

That the Skills and Employment Committee resolved to:

1. Receive the English for Speakers of Other Languages (ESOL) Local Planning Partnerships Annual Report for the 2022-23 academic year, and to note the progress made with delivery and partnership development.
2. Note the outcome of the procurement for the ESOL Single Point of Contact (SPOC)

ACTION:

1. A briefing note on why the CA was unable to award a tender to the organisation who applied to manage and deliver the ESOL Single Point of Contact to be circulated to Members.

8 (7) Skills Bootcamps 2024-25FY

8.1 Melissa Gresswell, Project Manager: Skills Bootcamps and Special Projects, introduced the report which updated the Skills and Employment Committee on the progress of the proposal submitted to the Department for Education (DfE) in September 2023 for the delivery of the Wave Five Skills Bootcamps in the Combined Authority's area. The paper outlined the key considerations and actions required to take the proposal forward.

8.2 During discussion the following points were noted:

- a) Officers were keen to highlight that Skills Bootcamps could enable employers to access up to 90% of the cost of the bootcamps to upskill their staff.
- b) The CPCA was ranked 5th out of 21 areas in the DfE's performance league table based on the number of positive job outcomes secured by learners who had completed a Skills Bootcamp.
- c) There was an awareness raising marketing campaign that was due to go live to advertise the courses specifically to individuals and the self-employed.
- d) The funding stream would also secure the progression route that officers were beginning to see with learners who had, for example, completed a level two course in electrical vehicle maintenance and repair, coming back the following year for the level three.
- e) Officers were now seeing pre-expressions from providers before the official market engagement had been put out.
- f) Engineering employers had reported that they were struggling to fill apprenticeship slots but accessing learners who had completed specific Skills Bootcamp courses could help address this.

- g) Councillors expressed their wish to help disseminate the information on the bootcamp courses and would like to share information through social media.

RESOLVED:

The members of the Employment and Skills Committee resolved to;

1. Note the Combined Authority's Grant Proposal to the Department for Education (DfE) in September 2023 for £2,899,390 to deliver (Wave Five) Skills Bootcamp provision during the 2024-25 Financial Year – and to note that we received confirmation from the DfE on 12 December 2023 that our Grant Proposal has been successful.
2. Accept the full grant funding offer from the DfE of £2,899,390 and approve corresponding expenditure across two budgets: one for the training funding allocation totalling £2,635,800 and one for the management funding allocation totalling £263,580 of the Wave Five Skills Bootcamps in the 2024-25 budget.
3. Delegate authority to the Assistant Director of Skills, in consultation with the Chief Finance Officer and Monitoring Officer to:
 - a. Arrange for the awards and enter into grant funding agreements or service contracts with training providers to deliver Wave Five Skills Bootcamps. This can either be with existing providers, or where the Combined Authority follows a procurement exercise compliant with the Combined Authority's Constitution and procurement legislation.
 - b. Extend and/or vary contracts with existing providers where appropriate.

ACTIONS:

1. Officers to provide members with the details off the current 19 Skills Bootcamp courses and where they were being run and by whom.
2. A briefing note to be circulated to members on the management costs associated with the Skills Bootcamp courses
3. Officers to provide members with some marketing material that could be easily shared on social media to help advertise and signpost the courses.

9 (8) Further Education Cold-Spots Feasibility Study

Rob Turner, Director at Grant Thornton, the consultants engaged to carry out the Further Education Cold-Spots Feasibility Study, gave a presentation to the Committee on the approach being taken.

The presentation has been appended to the minutes and published on the website here: [CMIS > Meetings](#) under additional meeting documents.

During discussion the following points were noted:

- a) The approach taken by Grant Thornton would be based on consolidating and balancing both the quantitative and qualitative findings.
- b) The Chair and members noted that it had taken longer to get to this stage than the Committee had expected or would have liked but all very much welcomed the study and felt it was vitally important that this work was done and undertaken in the objective way that had been described.
- c) There were concerns expressed about not destabilising the current system and existing providers' business models.

RESOLVED:

1. To note the approach being taken by external consultants engaged to carry out the Further Education Cold-Spots Feasibility Study.

<p>10</p> <p>10.1</p> <p>10.2</p>	<p>Employment and Skills Board Update</p> <p>Melissa Gresswell, Project Manager: Skills Bootcamps and Special Projects, and lead officer supporting the Board provided a verbal update on the meeting of the Employment and Skills Board which took place on 12 December 2023.</p> <p>The following points were noted:</p> <ul style="list-style-type: none"> a) In order to better link in with the work of the Skills and Employment Committee the agenda for the Board had replicated much of today’s meeting with positive discussions on building Sector-based Talent Pipelines and Skills Bootcamps b) There was a standing item on the agenda from DWP which looked at employment data and trends so there was a discussion around areas which had seen some increases in employment rates. One of the actions taken away from the meeting was to make sure that employers were linked into different resources to help facilitate inclusive recruitment processes. c) Two new members had joined the Board; Charlotte Horobin from the Cambridgeshire Chambers of Commerce and Michael Moriarty from Mick George Ltd. d) Work was being done on appointing a new Chair as Vic Annells had formally stepped down as Chair.
<p>11.</p> <p>11.1</p>	<p>Budget Performance Report</p> <p>Bruna Menegatti, Finance Manager, introduced the report which provided an update of the financial position for 2023/24 and analysis against the 2023/24 budgets, up to the period ending November 2023.</p> <p><u>RESOLVED:</u></p> <p>That the Skills and Employment Committee:</p> <ol style="list-style-type: none"> 1. Note the financial position of the Skills Division for the financial year 23/24 to end of November 2023
<p>12.</p> <p>12.1</p>	<p>Skills and Employment Committee Agenda Plan</p> <p>There were no comments from the Committee.</p> <p><u>RESOLVED:</u></p> <ol style="list-style-type: none"> 1. That the Skills and Employment Committee Agenda Plan be noted.
<p>13.</p> <p>13.1</p>	<p>Date of Next Meeting</p> <p>The date of the next meeting was confirmed as Monday 4 March 2024</p>

Meeting Ended: 12.37pm

Skills and Employment Committee Action Log

The action log records actions recorded in the minutes of Skills and Employment Committee meetings and provides an update on officer response.

Minutes of the meeting on 15 January 2024

Item	Report Title	Lead Officer	Action	Response	Status
2.	Minutes	Claire Paul/ Jo Morley	1. Members asked that the outstanding actions from the Committee's November meeting be followed up on. These include inviting the principal of ARU, Ross Renton, to the March meeting of the Committee to update members on the development of the ARU Peterborough University campus and a briefing note on the concentration of PHD students to be sent to members.	Invitation extended but unfortunately the principal of ARU is unable to attend the March meeting. Invites to future meetings will be extended. Information being sought	Closed On-going
5.	Sector Based Talent Pipelines	Claire Paul	1. Claire Paul to speak with Cllr Lay to understand more about the pilot scheme being set up between East Cambridgeshire District Council and West Suffolk College to promote apprenticeships.		Ongoing
6.	AEB External Evaluation	Melissa Gresswell	1. Further information on the types of disability that made up the 20% of learners with a disability, to be shared with the Committee	In progress	Ongoing
7.	ESOL Annual Report	Jaki Bradley	1. A briefing note on why the CA was unable to award a tender to the organisation who applied to manage and deliver the ESOL Single Point of Contact to be circulated to Members	In progress	Ongoing
8.	Skills Bootcamps	Melissa Gresswell	1. Officers to provide members with the details off the current 19 Skills Bootcamp courses and where they were being run and by whom. 2. A briefing note to be circulated to members on the management costs associated with the Skills Bootcamp courses 3. Officers to provide members with some marketing material that could be easily shared on social media to help advertise and signpost the courses.	In progress	Ongoing

Minutes of the meeting on 6 November 2023

Item	Report Title	Lead Officer	Action	Response	Status
6.	ARU Peterborough Project	Jim Cunningham	2. To arrange that a future meeting of the Committee be held at ARU Peterborough and that its principal Ross Renton be invited to speak.	Ross Renton, Principal ARU Peterborough to attend the March meeting of the Committee	Closed
8.	State of the Economy	Domenico Cirillo	<ol style="list-style-type: none"> 1. Officers to check with Metro dynamics on the definition of education and training achievements and report back to the Committee. 2. A further update, including the latest data available, to be tabled at a future meeting of the Committee. 3. Officers to check on the concentration of PHD students and report back to the Committee. 	Awaiting a reply from Metro Dynamics	On-going
9.	Employment & Skills Board Update	Melissa Gresswell	1. Officers to arrange a meeting between Board and Committee members	TBC	On-going

Minutes of the meeting on 6 March 2023

Minute	Report Title	Lead Officer	Action	Response	Status
117.a	Adult Education Budget - Grant Funding Allocations and Policy Changes for 23-24 Academic Year	Jaki Bradley	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.	An Annual Report for AEB is being produced including a series of case studies with learners and our learning organisations as well as performance data. The Mayor and Chair of Skills & Employment Committee have provided a Foreword. It is currently with the graphic designer and will be released when ready.	In Progress



Skills & Employment Committee		Agenda Item
4 March 2024		5
Title:	Improving Efficiency and Effectiveness (Adult Education Budget)	
Report of:	Jaki Bradley, Head of Adult Education Budget	
Lead Member:	Cllr Lucy Nethsingha	
Public Report:	Yes	
Key Decision:	KD2024/012	
Voting Arrangements:	Vote required	

Recommendations:	
A	To note and scrutinise actions that will improve the efficiency and effectiveness of how the CPCA utilises its devolved Adult Education Budget funding.
B	To recommend that the Combined Authority Board approves: <ul style="list-style-type: none"> a) the in-year amendments for existing providers which include growth requests for high performing providers and reprofiling of funding where providers have under-performed b) the establishment of a flexible Innovation Fund, allowing us to respond to regional activities that underpin the priorities identified within the Employment and Skills strategy.
C	To delegate authority to the Assistant Director for Skills, in consultation with the Chief Finance Officer and Monitoring Officer to: <ul style="list-style-type: none"> a) enter into grant funding agreements and/or service contracts with training providers to deliver Innovation Fund project activity. This can either be with new (following a procurement exercise) or existing providers b) extend and /or vary contracts with existing providers where appropriate.
These actions are aligned with the recommendations of the recent three-year impact evaluation of the Adult Education Budget (Appendix 1) which was shared with members at Skills Committee in January 2024.	

Strategic Objective(s):	
The proposals within this report fit under the following strategic objective(s):	
✓	Achieving ambitious skills and employment opportunities
✓	Achieving good growth
	Increased connectivity
✓	Enabling resilient communities
The Combined Authority's devolution agreement and commissioning of skills programmes contributes to the above strategic objectives, aligned to the pillars within the Employment and Skills Strategy (2022):	

- **Pre-work learning and formal education:** improving learning and experiences of work, including quality careers information, advice, and guidance, during formal education; providing a strong foundation for labour market entry and future working lives.
- **Employer access to talent:** developing priority skills that support sustainable growth, improving employers' engagement with education and improving job quality
- **Life-wide and lifelong learning:** improving access to life wide careers guidance and a rich learning and skills offer to upskill and reskill residents through their life-course
- **Support into and between work:** Supporting the unemployed residents to transition into training and then employment and support to disadvantaged groups to access the labour market.

1. Purpose

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| 1.1 | <p>This paper proposes a number of actions that will improve the efficiency and effectiveness of how we utilise our devolved Adult Education Budget funding. Specifically:</p> <ul style="list-style-type: none"> • A more agile and simplified approach to commissioning decisions and funding allocation; enabling us to be more responsive to changing market conditions and learner/ employer needs • A new approach to managing our Innovation Fund which provides us with greater flexibility to test new ideas at pace • An outline of how we plan to review Community Learning provision in order to improve its effectiveness in supporting the most disadvantaged communities and individuals. – and pilot how we improve impact assessment • An update on ESFA funding rate changes to the Adult Education Budget and the likely impact on the AEB performance. |
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2. Agile Commissioning

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| 2.1 | A more agile and simplified approach to commissioning decisions and funding allocation; enabling us to be more responsive to changing market conditions and learner/ employer needs. |
| 2.2 | The current approach to commissioning providers and allocating funding is predicated on formal approval of specific annual allocations which cannot be amended in-year. This lack of flexibility is a problem given the changing demands for skills requirements from employers and wider stakeholders. |
| 2.3 | To enable the operational flexibility needed for a more agile response to demand, it is necessary for officers to reallocate funding in-year away from providers who have not performed and to move the available funding to providers that have the capacity to meet that demand. |
| 2.4 | In order to do this, it requires prior approval from the Skills Committee to undertake these in-year amendments for existing providers which include growth requests for high performing providers and reprofiling of funding where providers have under-performed. |
| 2.5 | Much of the commissioning of new skills requirements has been organised around an Academic Year however, new skills demand occurs at any time within the year, therefore we need to move to a more agile approach where provision can be contracted to meet specialist demand, as it is identified. |
| 2.6 | We propose to make this process more flexible and agile by introducing a Dynamic Purchasing System (DPS) which will be utilised for procurement across the CPCA Skills system including Bootcamps |
| 2.7 | This will be used to develop a provider base that has completed pre-qualification questions (PQQ) so that they are ready to respond to mini procurement competitions as demand is identified. Effectively, this gives us a pre-selected supplier base to enable a more agile and responsive procurement and commissioning process. The DPS is bound by procurement legislation which ensures the appropriate utilisation of public funding. |

3. Flexible Innovation Fund

3.1	A new approach to managing our Innovation Fund which provides us with greater flexibility to test new ideas at pace
3.2	<p>Since the 2020/21 academic year, the Combined Authority has made provision for an Innovation Fund, taken as a 'top slice' from the main devolved Adult Education Budget allocation. In the Medium-Term Financial Plan for the 2024/25 financial year, £500,000 is allocated to the Innovation Fund. In addition £740,500 will rollover from last year, £340,500 for ongoing projects and £400,000 which will be repurposed to fund activities to support skills priorities that align to the Employment and Skills strategy such as:</p> <ul style="list-style-type: none"> • Community Learning review and outcomes framework development • Sector Talent Pipeline pilots • Good Work Charter training needs • Skills Planning Partnerships in each of the three sub-regions
3.3	<p>To date, spend has been allocated to specific projects in advance – many with very small funding allocations – and there has been little flexibility to reallocate money when circumstances change. For example, a number of activities were approved at Skills and Employment Committee on 5 July 2023 and were then delayed due to late approval/changed circumstances, and then the speed of internal processes required to move from approval to contract award has prevented the projects being started 'in-year'.</p>
3.4	<p>As a result, whilst the Innovation Fund's purpose is to test innovation and support new ideas as they arise, the rigid process around allocating funding is preventing us realising the fund's purpose and true potential.</p>
3.5	<p>In future, we want to build in more operational flexibility to ensure that the Innovation Fund can be mobilised to meet demands that arise throughout the year</p> <p>We propose, therefore, that the funding is allocated to themes that meet the purpose of the fund – i.e. to provide discretionary funding to learning and other local organisations to build capacity and infrastructure, pilot new approaches, strengthen partnership working and provide leverage of additional funding. Current themes include: Community Learning Review, Sector Talent Pipelines and Good Work Charter as described in this and recent Skills Committee meetings as well as support for Planning Partnerships and Community Hubs in cold spots such as East Cambridgeshire and St Neots. As themes develop we will bring them to the Skills Committee for consideration. The services will be provided by either existing or new providers.</p>
3.6	<p>In practice, this means that we no longer allocate funding to specific projects at the beginning of the cycle which can't then be reallocated if circumstances / demand changes.</p>
3.7	<p>With this greater operational flexibility, there would be a requirement to report to the Employment and Skills Committee on the outcomes of the Fund as part of the Skills Annual Performance Review.</p>

4. Community Learning Review and Impact Assessment

4.1	An outline of how we plan to review Community Learning provision in order to improve its effectiveness in supporting the most disadvantaged communities and individuals. – and pilot how we improve outcomes.
4.2	<p>The recent three-year impact evaluation of the CPCA's devolved Adult Education Budget (Appendix 1) highlighted that, at the outset of devolution, Community Learning provision was disrupted due to the strategic decision to focus on formal technical skills, resulting in a significant reduction in funding allocated to Community Learning.</p>
4.3	<p>In subsequent years, a strategic decision was taken to reallocate Community Learning funding to a level of 20% of the overall budget. This has enabled providers to reinstate provision.</p>

4.4	The next step is to ensure that the funding is utilised most effectively by reaching into the most disadvantaged communities and breaking down barriers which traditionally make it difficult for residents to engage with the skill system.
4.5	Therefore, we are undertaking a review of Community Learning in order to: <ul style="list-style-type: none"> • Understand more fully the impact of the funding and provision in order to champion its use • Identify and amplify areas of best practice • Introduce additional guidance and more consistent approaches to funding in order to improve impact across the region.
4.6	A critical element of evidencing learning impact is an outcomes framework. The Combined Authority has commissioned initial research into the use outcomes frameworks nationally and how they can inform the development of the CPCA's local outcomes framework. Full findings and analysis from desk based evidence of existing models, frameworks and approaches and interviews with different stakeholder groups will report recommendations in early March.

5. ESFA funding rate changes to the Adult Education Budget

5.1	An update on ESFA funding rate changes to the Adult Education Budget and the likely impact on the AEB performance.
5.2	The Education and Skills Funding Agency (ESFA) has undertaken a consultation on the implementation of a new FE funding and accountability system. A summary of the responses can be found below (Appendix 3). One outcome of the consultation is a new methodology for Adult Education Budget funding.
5.3	These changes will be implemented by the ESFA for the start of the Academic Year 2024/25.
5.4	Despite the AEB being devolved, the CPCA will be required to adopt some of the ESFA's changes due to our reliance on the Individualised Learner Record (ILR – the ESFA's electronic data return system).
5.5	The main changes include: <ul style="list-style-type: none"> • Renaming the current funding streams. The new funding streams will become Adult Skills (which will include Free Courses For Jobs (FCFJ) and Tailored Learning which will include Community Learning and non-regulated learning). • Moving to a funding methodology that is linked to the Guided Learning Hours (GLH) of a qualification rather than an amount for a Learning Aim. The effect of this will be to increase the funding per learner. • Tailored Learning (Community Learning) will continue to be grant funded. There are now 7 outcomes that must be evidenced on the ILR by providers.
5.6	The new ESFA funding rates and rules will be published shortly (expected at the end of March) which will, in turn, inform the CPCA funding rates and rules for 2024/25.
5.7	The DfE has consulted with MCAs to ensure that the changes can accommodate the funding flexibilities that devolution of the Adult Education Budget has enabled.
5.8	The most significant impact of the changes is that the number of learning aims, and therefore the number of people supported by Adult Education Budget funding, will reduce due to the higher rates of funding for each aim. Effectively, the funding per learner will increase as a result.
5.9	Whilst this increase is welcome in terms of quality, and providing more funding for providers, it means the CPCA will not be able to fund as many learners with its fixed funding. This will require us to become even more effective at choosing what we commission for maximum impact against our strategic priorities.
5.10	Colleagues within the CPCA's AEB team are working with providers to assess the impact on individual providers and the collective impact across the region. This will be reflected in future performance reports.

6. Appendices	
6.1	<i>Appendix A. AEB Impact evaluation</i>
6.2	<i>Appendix B. Skills Committee 9 Jan 2023 - Alignment of Procurement and Contracting</i>
6.3	<i>Appendix C. FE funding and accountability system consultation summary of responses</i>

7. Implications	
Financial Implications	
7.1	The impact of the new funding rates and formula on the devolved Adult Education Budget funds and the need to potentially draw down from reserves to serve the same number of individuals going forward in the event of the flat settlement of c£12m not being sufficient in the short term.
Legal Implications	
7.2	The recommendations and activities outlined in this paper are to discharge the Combined Authorities' statutory duties under the Apprenticeships, Skills, Children and Learning Act 2009. Under the devolution agreement of 2016, specified adult education functions from the Secretary of State were transferred to the Combined Authority.
7.3	Legal and finance will undertake due diligence on providers of services before issuing contracts. The Dynamic Purchasing System will be used to publish mini competitions as required before contracts for services are awarded to the successful organisations following completion of due diligence and subsidy control.
Public Health Implications	
7.4	The report recommendations have positive implications for public health. Participation in adult learning improves the health and wellbeing of participants and wider society. Being able to measure the wider outcomes of learning will provide evidence of the most effective approaches which will inform future planning and joint work with public health colleagues.
Environmental & Climate Change Implications	
7.5	The report recommendations have positive implications for the environment. Environmental Conservation courses and Carbon literacy are funded by AEB. In addition, training for retrofit occupations (in construction trades) and electric vehicle maintenance and charging and digital skills are also funded by AEB, FCFJ and Skills Bootcamps.
Other Significant Implications	
7.6	The recommendations in this report have due regard to the Combined Authority's Equalities duties under the Equality Act 2010 in implementing funding policies which seek to widen participation and make learning opportunities more accessible for all citizens including all protected characteristics.
7.7	Within their funding allocation, all Learning Organisations have Learner Support Funds to enable them to discharge their duties under the Equalities Act 2010. Funding is provided to enable reasonable adjustments and additional support to be provided for learners with learning difficulties and disabilities, to access and progress in learning.
Background Papers	
7.8	Employment and Skills Strategy 2022



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Devolved Adult Education Budget (AEB) External Evaluation Headlines

The First Three Years

AEB Evaluation

- To evaluate effectiveness & to help inform improvements
- Full year data period 2019/20 to 2021/22.
- Undertaken in 2023, so conclusions are current
- Methodology
 - Desk-based research
 - Online learner survey (725 responses)
 - In-person and online workshops
 - 60+ interviews



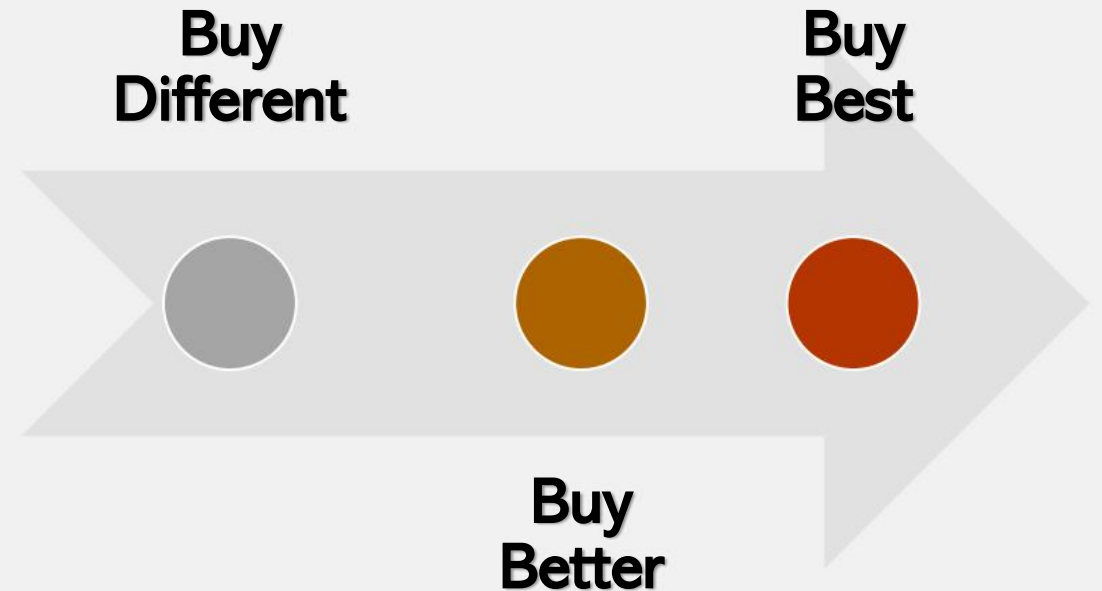
What the Adult Education Budget is for

- Fully devolved – c£12m funding p.a.
- Adult Skills
- Community Learning
- Ages 19+
- Up-skilling, re-skilling
- Into, within, & between work
- Life-long learning & wellbeing
- Regional flexibility



Devolution Context

- CPCA one of eight MCAs to receive AEB.
- CPCA by far the lowest allocation. (North of Tyne 197%) and (Tees Valley (255%) next smallest.
- Other areas have significantly more resources with which to manage their programmes.
- CPCA 3.4% management fee = £380k.
GMCA 1.8% management fee = £1.7m.



Covid Impact



- Lockdowns/ restrictions affected all three years
- Learner numbers significantly affected
- Providers needed to:
 - Adapt premises.
 - Rapidly increase on-line delivery.
 - Develop new methods to attract and retain learners

Learning Providers

- 176 providers delivered learning (2016/17)
 - The 10 largest attracted 84% of funding
 - 90% based 10 miles or more outside CPCA area.
 - 61% had 10 or fewer learners from CPCA area.
 - 41% of learning was subcontracted
- Reduced to 17 providers (2019/20)
 - Based in the CPCA area - or with substantial site within 10-mile radius (12 providers)
 - 5 commercial Training Providers selected by tender



Regional Flexibilities

“The CPCA has introduced a wide range of funding flexibilities to drive provision, and an Innovation Fund to encourage new and exciting delivery methodologies”

Including:

- Full funding for learners who take their first Level 2 (equivalent to GCSE) and Level 3 (equivalent to A Level) qualifications.
- Fully funded ESOL training (English for Speakers of Other Languages).
- The Care Leavers’ Bursary and extended support for care leavers progressing into further education



Number of Learners

Learners	Adult Skills	Community Learning	Total
2018/19	8,607	7,315	15,146
2019/20	6,954	1,763	8,421
2020/21	6,884	2,402	8,674
2021/22	8,269	2,059	9,709

In 2019/20

- Total learners 56% of 2018/19
- 76% drop in community learning

By 2021/22

- Adult Skills almost returned to 2018/19
- Community Learning 28% of 2018/19

Spend

- Funding per year = c£12m
- Spend by year has increased significantly (up 42% over three years)
- Adult Skills up by 1/3
- Community Learning almost doubled
- Community Learning is low as a % of total – and variable (15%, 24%, 18%)

	2019/20	2020/21	2021/22
Total	£7.84m	£9.5m	£11.2m
Adult Skills	£6.36m	£6.87m	£8.6m
Community Learning	£977k	£2.2m	£1.9m
EAS/ Learner Support	£501k	£460k	£625k

Geography

2021/22	AEB Learners	% 16+ Population
Cambridge	1,407	1.13%
East Cambs	608	0.85%
Fenland	1,318	1.55%
Hunts	1,379	0.93%
P'Boro	3,695	2.21%
S. Cambs	1,305	1%
TOTAL	9,712	1.34%

- Peterborough has 23% of total residents, 38% of all AEB learners and 43% of AEB budget.
- But Fenland, East Cambridge and Huntingdonshire (areas with lower educational attainment) are underrepresented
- Appointment of place-based Partnership Managers in 2023 will help to improve geographic focus

Diversity

Learner Ethnicity	CPCA Region	18/19	19/20	20/21	21/22
Arab	<1%	1%	2%	1%	1%
Asian	8%	8%	11%	9%	11%
Black	2%	3%	5%	5%	6%
Mixed/ Multiple	3%	2%	4%	4%	4%
White	86%	80%	75%	73%	74%
Other Ethnic	1%	1%	2%	2%	3%
Not Given		6%	3%	6%	2%
Disability/ Learning difficulty		14%	19%	19%	20%

- 14% of CPCA population are from black and minority groups
- % learners in 2021/22 from black and minority groups was 24% compared to 14% in 2018/19.
- % learners with a learning difficulty/ disability has increased from 14% in 18/19 to 20% in 21/22

Sector Focus

- CPCA has defined a number of Growth & Priority Sectors
- 34% of total learners were in Priority Sectors (2021/22)
- 24% were in the Health Sector (2021/22)
- 5% are in Growth Sectors (2021/22)

Growth Sectors	Priority Sectors
<ul style="list-style-type: none">• Adv. Manufacturing• Agri-tech• Digital & A.I.• Life Sciences	<ul style="list-style-type: none">• Construction• Education• Health• Hospitality & Leisure• Retail• Transport/ wider manufacturing

Key points



- **Positive evidence of ‘buying better’ using our flexibilities**
- **Performance increasing in terms of both volumes and spend,**
- **Learner diversity is strong**
- **High Growth and Priority Sectors need more focus**
- **Shift in % spent on Community Learning vs. Adult Skills**
- **Peterborough learner numbers doing well – need more in Fenland, East Cambs, and Hunts**

Next Steps

- Continue to 'buy better' and also 'buy-best'
- Strategic commissioning – more focus on High Growth and other Priority sectors
- Strengthen geographical focus – impact in areas of deprivation
- Review Community Learning Strategy
- Robust Contract Management





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Skills & Employment Committee	Agenda Item 6
4 March 2024	

Title:	Careers Hub Academic Year 2024/2025
Report of:	Laura Guymer – Strategic Careers Hub Lead
Lead Member:	Cllr Lucy Nesthinga
Public Report:	Yes
Key Decision:	No
Voting Arrangements:	A simple majority of voting Members

Recommendations:	
A	To note the anticipated Careers and Enterprise Company (CEC) grant funding for the academic year of 2024/25.
B	<p>To note we are working to identify CPCA match funding, and we anticipate a paper to the CA Board to:</p> <ul style="list-style-type: none"> • Accept the CEC funding offer, and allocate the match funding • Accept future grant funding that is awarded by the Careers and Enterprise Company (CEC) in addition to core funding, up to the value of £150,000 for projects aligned to strategic priorities • 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 <p>Grant funding is expected to be in the sum of approx. £310,000 for the academic year 2024/2025.</p>

Strategic Objective(s):	
The proposals within this report fit under the following strategic objective(s):	
✓	Achieving ambitious skills and employment opportunities
✓	Pre-work learning and formal education
✓	Employers access to talent

1. Purpose	
1.1	Funding from the Careers and Enterprise Company (CEC) for the CPCA Careers Hub is allocated on an annual basis. The Combined Authority anticipate notification of this funding in Q2 of 2024 for the 2024/25 academic year.
1.2	<p>The purpose of this paper is to:</p> <ul style="list-style-type: none"> • Seek permission to accept the anticipated funding from CEC and seek permission to accept and allocate the funding. • Anticipate the opportunity for additional funding from CEC outside of core funding.

2. Background

2.1	The Careers Hub works with all mainstreams, FE, SEND and Alternate Provision establishments in the region with the goal of making it easier for schools and colleges to improve how they prepare young people for their next steps.
2.2	The Hub supports Careers Leaders to access training and support, and to collaborate in a focussed way, bringing together best practice and local labour market insight of the benefit of young people, employers and the wider region.
2.3	The Combined Authority has held a contract with the Careers and Enterprise Company for the delivery of the Enterprise Advisor Network since 2018 to link schools and businesses to support careers education, benefitting young people with their future learning and career path.
2.4	In 2021, the Combined Authority was successful in its bid to the CEC for its first Careers Hub. This was extended in 2022 to include all eligible establishments in the area, including mainstream schools, colleges and SEND and Alternate Provision.
2.5	Delivery of the core contractual KPIs sat in the wider Growth Works contract until 31 st December 2023 when the service was then brought in house.
2.6	NB This paper is not a performance or planning report for 2024/25. This information will follow at the appropriate time within the academic year.

3. 2024/2025 Funding

3.1	We have received communication from the Careers and Enterprise Company, anticipating funding for the academic year of 2024/25 to be in line with funding received for the current academic year
3.2	In addition, the Careers and Enterprise Company has funding available outside of core funding to deliver Hub focused projects, aligned to strategic regional need. Typically, funding is accessed via a competitive tendering process. It is the intention of the Careers Hub to submit proposals to access additional funding.
3.3	Historically, we have gained additional funding for the Careers Hub via this process, including the Primary School project and Teacher Encounters.
3.4	The funding from the Careers and Enterprise Company is subject to match funding from the Combined Authority. Match funding is currently being identified.
3.5	For noting: Delivery of the Careers Hub has come in-house at the CPCA and currently 1.5FTE are employed in a subcontractor, delivering the service within Cambridge City, South Cambs and East Cambs. This is a legacy of the Growth Works contract, and the Careers Hub is considering new delivery models for the 2024/25 academic year. There is a possibility this element of the contract will be procured.

4. Appendices

4.1	None
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5. Implications

Financial Implications

5.1	A budget line for the CEC contract is established
5.2	Funding is anticipated to be £310k for the academic year of 2024/25
5.3	Match Funding for c£130k is currently being identified

Legal Implications	
5.4	There are no legal implications
Public Health Implications	
5.5	Good employment opportunities have a positive impact on overall health and wellbeing. The Careers Hub provides support to educational institutes in support of them offering inspiring and aspirational Careers Education to young people in the region.
Environmental & Climate Change Implications	
5.6	There are no direct climate change or environmental implications. The Careers Hub champions Green Careers, allowing young people to develop the skills they need to work within green jobs.
Other Significant Implications	
5.7	No other significant implications
Background Papers	
5.8	No background papers



Skills & Employment Committee	Agenda Item
4 March 2024	7

Title:	Adult Education Budget - Audit and Assurance Update
Report of:	Janet Warren, Commissioner - Adult Education
Lead Member:	Cllr Lucy Nesthinga
Public Report:	Yes
Key Decision:	No
Voting Arrangements:	No vote required

Recommendations:

A	Note the Audit results for 2022/23
B	Note the Audit approach for 2023/24

Strategic Objective(s):

The proposals within this report fit under the following strategic objective(s):	
✓	Achieving ambitious skills and employment opportunities
✓	Achieving good growth

1. Purpose

1.1	The purpose of this report is to: <ul style="list-style-type: none">• Set out the DfE requirements for the Adult Education Budget audit and assurance• Outline how the CPCA fulfils these requirements and the process for selecting who we audit• Update the Skills Committee about the Funding Assurance Audits for 22/23 and any key issues• Outline improvements identified as a result of audit
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2. Background

2.1	The Combined Authority seeks its own assurance as to the effectiveness of providers' eligible spend on Adult Education and Free Courses for Jobs funding which it receives from the Department of Education. The funding assurance work is carried out by independent Audit firms.
2.2	Under the CPCA's devolution agreement of 2018, certain Adult Education functions were transferred from the Secretary of State for Education to the Combined Authority, including a recurrent annual budget of c£12m for Adult Education (AEB). The purpose of this money is to fund courses that enable residents to improve their employment prospects, improve in-work progression and improve health and wellbeing.

2.3	Additionally, from 2022, the Combined Authority receives £800k from the National Skills Fund to support Level 3 skills provision (equivalent to A Level standard). This provision is called Free Courses for Jobs (FCFJs).
2.4	Devolved Authorities are responsible for commissioning and contracting adult education provision in their areas. They commission two types of Learning Organisations: grant funded and independent training providers (ITP). Grant funded organisations are public institutions, such as Local Authorities and Further Education colleges. ITPs are private organisations.
2.5	The Combined Authority is required by the Department for Education (DfE) to provide assurances over the use of AEB and FCFJ funding through its commissioned provider base, including submitting assurance letters on an annual basis with details of the assurance work undertaken.

3. Process and Criteria for Audit

3.1	For the 2022/23 academic year, the CPCA requested testing of five of its twenty-four providers. The sample size included: <ul style="list-style-type: none"> • 1 Local Authority • 1 Further Education College • 3 Independent Training Providers
3.2	Providers are selected for audit on a risk basis which considers a number of factors, including the results of their last audit, the date of their last audit, Ofsted grade, and any intelligence or issues which may have been highlighted through performance management controls.
3.3	The audit process was based on a standardised funding assurance approach which included sample sizes and funding streams, for both the Adult Education Budget and Free Courses for Jobs. All activity was conducted in accordance with the Education & Skills Funding Agency's (ESFA) funding assurance methodology, designed to enable Auditors to check final funding claims (based on Individual Learner Records) against the relevant funding rules. The audits obtained all relevant information and sufficient evidence to enable CPCA to express an opinion on the use of claimed funds over the academic year.
3.4	In response to providers delivering learning aims at a significantly reduced amount of Guided Learning Hours (GLH) ¹ , in 22/23 the CPCA introduced a policy to sample check learning aims to ensure delivery is within 75% of the Ofqual recommended minimum GLH where the provider is continuing to claim 100% of the funding. This approach is deployed by other Mayoral Combined Authorities and will be reviewed annually to ensure delivery quality and best value for money.
3.5	NB: A separate provider review was carried out to re-test learning support claims during 21/22 and 22/23

4. Summary of 2022/23 Audit Results

4.1	Of this year's audit sample, four out of five providers were within the 5% tolerance level, showing a conclusion of satisfactory use of funds, with all our ITP's having an error rate of less than 0.2%.
4.2	The conclusion over use of funds is based on the sample error rate. Audit requirements allow providers a tolerance of 5%, as defined by the Education and Skills Funding Agency, anything over this results in a conclusion of unsatisfactory.
4.3	Within satisfactory conclusion results, instances have been identified where a provider's arrangements for delivery do not fully comply with the CPCA funding rules, for example with subcontracting controls. Providers are responsible for implementing adequate and effective controls to ensure compliance with the funding rules, and these instances will be followed up by CPCA officers.

¹ The number of hours that an average learner is expected to need in order to complete a qualification or course

4.4	Typically, these errors are due to incomplete, or inaccurate reporting on the Individual Learning Record, or insufficient evidence of learning being held to support the level of funding being claimed. Providers have the opportunity to correct errors, or to provide additional evidence to reduce the potential of clawback.
4.5	For audits completed for 2022/23 where funding errors have been identified, and final ILRs have not been corrected, the Combined Authority is in the process of recovering funding via invoicing.

5. 2022/23 Funding Year – Funding Assurance Review in Detail

5.1	Provider 1	Audit firm: Mazars Results: Funding errors identified FCFJs error rate: 21.92% AEB error rate: 12.03% Total error rate: 14.62% Conclusion: Unsatisfactory use of funds Funds to be recovered if not corrected in final ILR: £9,764
	Provider 2	Audit firm: Mazars Results: Funding errors identified FCFJs error rate: 3.7% AEB error rate: 0% Total error rate: 1.39% Conclusion: Satisfactory use of funds Funds to be recovered if not corrected in final ILR: £987
	Provider 3	Audit firm: RSM Results: Funding errors identified FCFJs error rate: 0% AEB error rate: 0% Total error rate: 0% Conclusion: Satisfactory use of funds Funds to be recovered if not corrected in final ILR: £0
	Provider 4	Audit firm: Mazars Status: Completed Results: No funding errors identified FCFJs error rate: NA AEB error rate: 0% Total error rate: 0% Conclusion: Satisfactory use of funds Funds to be recovered if not corrected in final ILR: £0
	Provider 5	Audit firm: Mazars Results: Funding errors identified FCFJs error rate: NA AEB error rate: 0.02% Total error rate: 0.02% Conclusion: Satisfactory use of funds Funds to be recovered if not corrected in final ILR: £23
	A separate review was carried out to re-test learning support claims during 21/22 and 22/23	
	Provider 6	Audit firm: RSM Results: Funding errors identified Total error rate: - 26.9% 21/22 - 0% 22/23 Conclusion: Unsatisfactory use of funds (21/22) Funds to be recovered if not corrected in final ILR: £99,294

6. Improvements Identified for 23/24

6.1	<p>The audit findings form part of our internal continuous improvement cycle and actions and controls are being implemented to improve compliance and strengthen practice going forwards. This includes:</p> <ul style="list-style-type: none">• Allocating dedicated staffing capacity for Audit, Assurance, and Compliance functions within the Skills team• Implementing a new framework for Audit, Assurance and Compliance that complies with the Combined Authority's Single Assurance Framework to ensure appropriate measures are in place for devolved skills funding• Improved monitoring of monthly data returns to identify anomalies in the submission so that these may be investigated and rectified in a timely manner• Strengthening the AEB Funding Rules and publishing further guidance as necessary• Chairing and hosting the ESFA, DfE and Mayoral Combined Authority working group on Audit, Fraud, and Investigation (AAFI Network) to share intelligence and best practice within the sector
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7. Next Steps

7.1	The Combined Authority will start the next programme of funding audits by July 2024, with final reports due by December 2024.
7.2	To allow for full compliance testing against CPCA funding and performance management rules, the Combined Authority is developing audit guidance, which will be based on the ESFA's national approach, and reflecting the Combined Authority's own funding guidance.
7.3	To select the audit sample for 2023/24, a risk-based approach will be adopted to identify AEB/FCFJs providers. All providers will be given a four week notice of the Audit in order to prepare.
7.4	The audits will be concluded within the current academic year, allowing for any identified funding errors can be corrected in-year via the Individualised Learner Record (ILR), allowing providers to have far greater control of their Management Information.

8. Appendices

8.1	None
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9. Implications

Financial Implications

9.1	Audit costs are budgeted from the AEB top slice that is used to facilitate the administration costs of the programme.
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Legal Implications

9.2	<p>Section 3 of the Local Government Act 1999 requires that a best value authority, which includes the CPCA, must plan to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.</p> <p>Schedule 12 A allows for items to be exempted from publication if the Information relates to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.</p>
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Public Health Implications

9.3	N/A
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Environmental & Climate Change Implications	
9.4	N/A
Other Significant Implications	
9.5	N/A
Background Papers	
9.6	N/A



Skills & Employment Committee	Agenda Item
4 March 2024	9

Title:	Budget and Performance Report
Report of:	Bruna Menegatti, Finance Manager
Lead Member:	Councillor Lucy Nethsingha, Chair of the Skills & Employment Committee
Public Report:	Yes
Key Decision:	No
Voting Arrangements:	No vote required.

Recommendations:

A	Note the financial position of the Skills Division for the financial year 23/24 to January 2024
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Strategic Objective(s):

The proposals within this report fit under the following strategic objective(s):	
x	Achieving ambitious skills and employment opportunities
x	Achieving good growth
x	Achieving best value and high performance

1. Purpose

1.1	To provide an update of the financial position for 2023/24 up to the period ending January 2024
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2. Summary

2.1	Income: We've now received income to date of £14.8m which is 98% of our expected full year income outturn. This means that we are now £2.8m below budgeted income for the year. This is largely due to known issues with Boot Camp enrolment.
2.2	Expenditure: Actual to date is £1.7m lower than budget to date. The variance between budget and forecast outturn for the full year is £4.1m. Challenges with Bootcamp Wave 3 and Wave 4 enrolment are the major reasons for the variance.

3. Income

- 3.1 We've now received income to date of £14.8m which is 98% of our expected full year income outturn. On Bootcamp Wave 4, we have received £0.2m more than will be used to deliver the programme. DfE has agreed to role this over to Bootcamp Wave 5.
- 3.2 At the January Skills Committee we expected income at the end of March 24, to reach £15.6m. The variance this quarter is due to further reduction in Bootcamp Wave 4 activities (£0.6m).
- 3.3 This means that we are now £2.8m below budgeted income for the year because of the following reasons
- Bootcamp Wave 4 (£0.3m – Table 1, line 3, column 23/24 deferral) is slipped to next financial year when the milestones will be completed.
 - Bootcamp wave 4 (£2m), due to low uptake. This income will not be received this financial year from DfE.
 - Multiply £0.4m and AEB level 3 courses £0.1m due to previous year's underspends carried forward. This has reduced the income received in this financial year.

3.4 **Table 1 Skills Grant Income**

Skills Grant Income for the period to 31 st January 2024	23/24 Actual YTD £k	23/24 Budget FY £k	23/24 Variance Act to Bud £k	23/24 FO FY £k	23/24 Variance FY £k	23/24 Deferral £k
1. Adult Education Budget	- 12,055	-11,973	82	-12,026	53	-
2. AEB Level 3 Courses	- 652	- 954	-302	- 816	- 138	-
3. Bootcamp Wave 4	- 1,092	- 2,878	- 1,786	- 587	- 2,291	- 294
4. Careers and Enterprise Company (CEC)	- 24	- 313	- 289	- 313	-	-
5. Digital Skills Bootcamp	9	-	- 9	9	- 9	-
6. Multiply	- 980	- 1,395	- 415	- 980	- 415	-
7. UK SPF Skills	-	- 280	- 280	- 280	-	-
8. Total Skills Grant Income	- 14,795	-17,793	- 2,998	- 14,993	- 2,800	- 294

4. Expenditure

- 4.1 Actual to date is £1.7m lower than budget to date (Table 2, line 16 – column 23/24 variance YTD).
- 4.2 Major variances to date are:
- £0.5m AEB Free Courses for Job. This is due to slow uptake of the programme at the beginning of the year, and it is expected to catch up by the end.
 - £0.5m AEB Innovation Funds. This is due to delay in starting some of the activities included in this line.
 - £0.5m Bootcamp Wave 3 and 4. This is due to known enrolment challenges.
- 4.3 The variance between budget and forecast outturn of £ 4.7m (Table 2 - line 16) is made up by:
- Bootcamp Wave 4 (£0.3m – Table 2 - line 3, column 23/24 slippage) is slipped to next financial year when the milestones will be completed.
 - AEB Innovation fund (£0.7m – Table 2 - line 3, column 23/24 slippage, table 2) is slipped to next financial year due to replanning of the activities included in this line.
 - The remainder (£3.7m) on Bootcamp Wave 3 and Wave 4 will not be spent.

4.4 **Expenditure table**

Details of the Skills Expenses for the period to the 31st January is set up in Table 2 below:

Skills Revenue Expenditure	23/24 Actual YTD £k	23/24 Budget YTD £k	23/24 Variance YTD £k	23/24 Budget FY £k	23/24 FO FY £k	23/24 Variance FY £k	23/24 Slippage £k
1 AEB Devolution Programme	10,030	10,105	-75	11,081	11,081	-	-
2 AEB Free Courses for Jobs	573	1,064	-492	2,402	2,402	-	-
3 AEB Innovation Fund – Revenue	57	520	-463	779	118	-662	662
4 AEB Programme Costs	315	360	-45	367	367	-	-
5 AEB Provider Capacity Building	27	45	-18	68	68	-	-
6 AEB Strategic Partnership Development	56	72	-16	108	108	-	-
7 Bootcamp Wave 4	639	785	-147	2,878	588	-2,291	294
8 Careers and Enterprise Company (CEC)	203	203	-	266	266	-	-
9 Changing Futures	-	-	-	60	60	-	-
10 Delivering Health and Wellbeing Strategy Skills	-	-	-	500	500	-	-
11 FE Cold Spots (rev)	-	169	-169	225	225	-	-
12 Multiply	1,093	979	114	1,565	1,565	-	-
13 Skills Advisory Panel (SAP) (DfE)	-	46	-46	55	55	-	-
14 Skills Bootcamp Wave 3	279	615	-336	2,001	279	-1,722	-
15 UK SPF Skills	33	-	33	278	278	-	-
16 Total Skills Revenue Expenditure	13,305	14,963	1,660	22,633	17,960	-4,675	956

5. Implications

Financial Implications

5.1 There are no additional financial implications other than those included in the main body of the report.

Legal Implications

5.2 The Combined Authority is required to prepare a balanced budget in accordance with statutory requirements.

Public Health Implications

5.3 N/A

Environmental & Climate Change Implications

5.4 N/A

Other Significant Implications

5.5 N/A

Background Papers

5.6 None



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COMBINED AUTHORITY

SKILLS & EMPLOYMENT COMMITTEE AGENDA PLAN

Notes

Committee dates shown in bold are confirmed.
Committee dates shown in italics are TBC.

The definition of a key decision is set out in the Combined Authorities Constitution in Chapter 6 – Transparency Rules, Forward Plan and Key Decisions, Point 11
<http://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/CPCA-Constitution-.pdf>

Standing agenda items (**shaded blue**) are considered at each Committee meeting:

1. **Minutes of previous meeting and Action Log**
2. **Agenda Plan**
3. **Budget and Performance Report**
4. **Employment and Skills Board Update (where it follows a meeting of the Board)**

Committee date		Agenda item	Report Purpose	Lead officer	Report to CA Board for decision	Reference if key decision	Agenda despatch date
05/06/23		Minutes & Action Log		Jo Morley	n/a	n/a	26/05/23
	1.	Skills Contract Awards to Independent Training Providers for 2023-24 academic year	To approve AEB, FCFJ, Multiply contract awards for 2023-24 academic year and note Bootcamps contract awards.	Parminder Singh Garcha / Melissa Gresswell	Yes	n/a	
	2.	Health and Social Care Sector Academy – end of contract performance review	To note the end of project performance	Fliss Miller	No	n/a	
	3.	Governance Review and the formation of a new Education Advisory Group	To note the changes to Combined Authority Governance and the creation of the proposed Education Advisory Committee	Jodie Townsend	No	n/a	
	4.	Local Skills Improvement Plan (LSIP)	To receive the LSIP	Laura Guymer	No	n/a	
	5.	External funding proposals	To note external funding proposals being made by the Combined Authority proposal submitted to the National Lottery Community Fund	Parminder Singh Garcha / Alexis McLeod	Yes	n/a	
		Employment & Skills Board Update		Melissa Gresswell/ Fliss Miller	No	n/a	
		Budget & Performance Report		Bruna Menegatti	No	n/a	
		Agenda Plan		Jo Morley	n/a	n/a	
03/07/23		Minutes & Action Log		Jo Morley	n/a	n/a	
	1.	UK SPF – Skills projects and succession Planning for Skills Brokerage Service	To approve proposals for delivery of the Skills Strand of UKSPF	Alexis McLeod	Yes		

Committee date		Agenda item	Report Purpose	Lead officer	Report to CA Board for decision	Reference if key decision	Agenda despatch date
	2.	Employment & Skills Strategy Implementation update	To note progress made in implementation of the Employment and Skills Strategy	Fliss Miller	No		
	3.	Growth Works Update	To note the Quarterly progress report	Steve Clarke	No		
	4.	District and Unitary Profiles	To note District and Unitary Employment and Skills Profiles	Parminder Singh Garcha	No		
	5.	Local Innovation Fund Grant allocations	To recommend to CA Board to approve and delegate authority for grant allocations from the AEB Local Innovation Fund to be made.	Parminder Singh Garcha	Yes		
		Budget & Performance Report		Bruna Mengatti	No	n/a	
		Agenda Plan		Jo Morley	n/a	n/a	
04/09/23		Minutes & Action Log		Jo Morley	n/a	n/a	
	1.	Findings from AEB 3 Year Impact Evaluation of devolved AEB	To note the impact of devolved AEB to the sub-region and lessons learnt from the first three years of devolution.	Parminder Singh Garcha	No		
	2.	Careers Hub update for 2023/24	To note the delivery focus for 2023/24 academic year	Laura Guymer	No		
	3.	FE Coldspots –progress update	To note update on progress	Parminder Singh Garcha			

Committee date		Agenda item	Report Purpose	Lead officer	Report to CA Board for decision	Reference if key decision	Agenda despatch date
	4.	Skills Bootcamps 2024-25 FY	to recommend that the CA Board approves the submission of the bid for further Skills Bootcamp funding for the 2024-25 financial year and delegate authority to the Assistant Director of Skills to procure, enter into, award and extend contracts.	Melissa Gresswell	Yes		
	5.	UK SPF – Skills Projects and Succession Planning for Skills Brokerage Services	To approve and delegate authority to implement the recommended model of mobilisation and delivery of strategic Skills projects contained within the UKSPF Implementation plan	Fliss Miller	Yes		
		Budget & Performance Report		Bruna Mengatti	No	n/a	
		Agenda Plan		Jo Morley	n/a	n/a	
06/11/23		Minutes & Action Log		Jo Morley	n/a		Friday 27 October
	1.	All Skills Programme Performance Update for the 2022/23 academic year (incl. Multiply mid-project update)	To note progress of delivery of all skills programmes for academic year 2022/23, a mid-project progress report for the Multiply and Skills Bootcamps programme and the audit plan for 2023-24.	Claire Paul / Parminder Singh Garcha			
	2.	Growth Works Update	To note the quarterly progress report	Steve Clarke			
	3.	ARU Peterborough Update	To note the progress update on the development of ARU Peterborough	Jim Cunningham			

Committee date		Agenda item	Report Purpose	Lead officer	Report to CA Board for decision	Reference if key decision	Agenda despatch date
	4.	FE Cold Spots Project Update	To note the progress update on the feasibility studies for St Neots and East Cambridgeshire	Parminder Singh Garcha			
	5.	State of the Economy Report	To note the latest position regarding the state of the Cambridgeshire & Peterborough economy.	Richard Kenny			
		Employment & Skills Board Update		Melissa Gresswell	No	n/a	
		Budget & Performance Report		Bruna Mengatti	No	n/a	
		Agenda Plan		Jo Morley	n/a	n/a	
15/01/24		Minutes & Action Log		Jo Morley	n/a		Friday 5 January
	1.	AEB External Evaluation (Presentation)	To note external evaluation of AEB + note changes to AEB funding rules in 24/25 and the potential impact on delivery.	Jaki Bradley			
	2.	ESOL Local Planning Partnerships	To receive the Annual Report from the ESOL Local Planning Partnerships and note the progress made in 2022/23	Parminder Singh Garcha			
	3.	Skills Bootcamps F/Y 2024/25	To recommend for CA Board to approve the acceptance of the grant for the 2024/25 financial year	Melissa Gresswell	Yes	KD2023/044	
	4.	FE Cold Spots Feasibility Study (Verbal Update)	To note the approach being taken by external consultants engaged to carry out the study	Claire Paul			

Committee date		Agenda item	Report Purpose	Lead officer	Report to CA Board for decision	Reference if key decision	Agenda despatch date
	5.	Growing Sector based talent pipelines (Presentation)	To note the approach and give guidance – in advance of a formal plan coming to Skills Committee in March 24	Claire Paul, Assistant Director - Skills			
		Employment & Skills Board Update (Verbal Update)		Melissa Gresswell			
		Budget & Performance Report		Bruna Menegatti			
		Agenda Plan		Jo Morley			
04/03/24		Minutes & Action Log		Jo Morley	n/a		Friday 23 January
	1.	FE Cold Spots Feasibility Study	Interim progress report from Grant Thornton on Feasibility Study	Rob Turner, Grant Thornton	Yes		
	2.	Sector based talent pipelines – putting the building blocks in place	Progress report on work underway to operationalise our focus on growing skills/ talent pipelines.	Jaki Bradley			
	2.1	<ul style="list-style-type: none"> Community Learning (and wider outcomes pilot) – paper 					
	2.2	<ul style="list-style-type: none"> AEB Innovation Fund – paper 					
	2.3	<ul style="list-style-type: none"> Flexible Commissioning 					
	3.	AEB Funding Policy Changes for 2024/25	To update the Committee and set out likely impact on delivery	Jaki Bradley			
	4.	Audit & Assurance Update		Janet Warren			

Committee date		Agenda item	Report Purpose	Lead officer	Report to CA Board for decision	Reference if key decision	Agenda despatch date
	5.	Career Hub Delivery 24/25		Laura Guymer			
		Employment & Skills Board Update		Melissa Gresswell			
		Budget & Performance Report		Bruna Mengatti			
		Agenda Plan		Jo Morley			
17/06/24		Minutes & Action Log		Jo Morley	n/a		
	1.	AEB, FCFJ and Multiply allocations to Independent Training Providers	To approve the funding allocations to ITPs for the 2024/25 academic year	Jaki Bradley			
		Health and Care Sector Work Academy and Skills Bootcamps	To receive an update on the evaluation of the programme delivery of HSCWA and Skills bootcamps	Laura Guymer Strategic Careers Hub Lead Melissa Gresswell Project Manager – Skills Bootcamps			
		Employment & Skills Board Update		Melissa Gresswell			
		Budget & Performance Report		Bruna Mengatti			
		Agenda Plan		Jo Morley			

An accessible version of this information is available on request from democratic.services@cambridgeshirepeterborough-ca.gov.uk