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| <b>Skills &amp; Employment Committee</b> | Agenda Item |
| <b>6 November 2023</b>                   | <b>8</b>    |

|                      |   |
|----------------------|---|
| Title:               | Further Education Cold-Spots Projects Update                |
| Report of:           | Parminder Singh Garcha, Head of Education & Skills Strategy |
| Lead Member:         | Cllr Lucy Nethsingha, Lead Member - Skills                  |
| Public Report:       | Yes   |
| Key Decision:        | No  |
| Voting Arrangements: | No vote required  |

**Recommendations:**

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| A | To receive an update on the FE Cold-Spots projects in East Cambridgeshire and St Neots   |
| B | To note the revised milestones for the FE Cold-Spots projects including the proposal to reprofile the allocated funding as part of the MTFP process. |

**Strategic Objective(s):**

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| 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                          |
| ✓  | Achieving best value and high performance               |

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 | Following an update report tabled at the September Skills & Employment Committee, Members requested a further written update at the November committee to check-in on progress.  |
| 1.2 | Members are requested to note that progress has been made during September and October with delivering this project and additional capacity that has been arranged to support the project.   |
| 1.3 | Due to the slippage in delivery, to note the proposal to re-profile both capital and revenue funding allocated to this project. This will be considered as part of the MTFP process and captured within the relevant reports to Board. |

## 2. Proposal

| 2.1  | <p>The creation of two new FE provisions in East Cambridgeshire and St Neots are two potential infrastructure projects within the Employment and Skills Strategy, to address 'cold spots' in post-16 education and training. As reported at the September Board, initial funding of £4.8m to pump-prime these projects were secured from the Combined Authority Board in March of 2022. Approval to create a new budget-line in the MTFP and commission consultancy support was agreed at the September 2022 Skills Committee and Board, but due to capacity issues progress had been stalled. Additional leadership capacity has been released to focus on this project.</p>  |                          |                       |        |          |   |           |          |  |  |           |          |  |  |                  |          |  |  |                |          |  |  |           |          |  |  |               |          |  |   |              |      |                       |
|--|--|--------------------------|-----------------------|--------|----------|---|-----------|----------|--|--|-----------|----------|--|--|------------------|----------|--|--|----------------|----------|--|--|-----------|----------|--|--|---------------|----------|--|---|--------------|------|-----------------------|
| 2.2  | <p>The Request for Quotation (RFQ) process for the procurement of consultants to complete the feasibility study was launched on 16 October 2023 with responses due by 13 November 2023. It is expected to award contracts by 24 November 2023.</p>   |                          |                       |        |          |   |           |          |  |  |           |          |  |  |                  |          |  |  |                |          |  |  |           |          |  |  |               |          |  |   |              |      |                       |
| 2.3  | <p>Local Advisory Groups were established, and an initial meeting was convened in November 2022 by the Combined Authority and the constituent district councils. We expect to reconvene the groups early December, with the Consultants providing an over-view of their approach to producing the Feasibility Study and an opportunity for members to contribute.</p> <p>The groups are chaired by the respective members of the Skills Committee: Cllr Sam Wakeford (St Neots) and Cllr James Lay (East Cambridgeshire). Membership of the Advisory Groups include Cambridgeshire County Council, town councils, local FE Colleges, local business representatives, Academies and the third sector.</p>   |                          |                       |        |          |   |           |          |  |  |           |          |  |  |                  |          |  |  |                |          |  |  |           |          |  |  |               |          |  |   |              |      |                       |
| 2.4  | <p>The milestones for delivery have been revised and are set out below:</p> <table border="1"> <thead> <tr> <th>Milestones for Stage One</th> <th>Date</th> <th>Status</th> <th>Comments</th> </tr> </thead> <tbody> <tr> <td>Full PID Development and approval at PARC</td> <td>June 2022</td> <td>Complete</td> <td></td> </tr> <tr> <td>Initial PID discussion at Skills Committee</td> <td>July 2022</td> <td>Complete</td> <td></td> </tr> <tr> <td>Initial discussions with HDC, ECDC, FE Principals Group and ESFA</td> <td>June – July 2022</td> <td>Complete</td> <td></td> </tr> <tr> <td>Report to September Skills Committee and CA Board to approve budget for programme and release year 1 funds</td> <td>September 2022</td> <td>Complete</td> <td></td> </tr> <tr> <td>Establishing Local Project Advisory Boards</td> <td>Sept 2022</td> <td>Complete</td> <td></td> </tr> <tr> <td>Establishing Skills Programme Management Board</td> <td>February 2023</td> <td>Complete</td> <td></td> </tr> <tr> <td>Procurement of consultants for Business Cases (incl. Feasibility)</td> <td>October 2023</td> <td>Live</td> <td>RFQ launched 16.10.23</td> </tr> </tbody> </table> | Milestones for Stage One | Date                  | Status | Comments | Full PID Development and approval at PARC | June 2022 | Complete |  | Initial PID discussion at Skills Committee | July 2022 | Complete |  | Initial discussions with HDC, ECDC, FE Principals Group and ESFA | June – July 2022 | Complete |  | Report to September Skills Committee and CA Board to approve budget for programme and release year 1 funds | September 2022 | Complete |  | Establishing Local Project Advisory Boards | Sept 2022 | Complete |  | Establishing Skills Programme Management Board | February 2023 | Complete |  | Procurement of consultants for Business Cases (incl. Feasibility) | October 2023 | Live | RFQ launched 16.10.23 |
| Milestones for Stage One   | Date   | Status                   | Comments              |        |          |   |           |          |  |  |           |          |  |  |                  |          |  |  |                |          |  |  |           |          |  |  |               |          |  |   |              |      |                       |
| Full PID Development and approval at PARC  | June 2022  | Complete                 |                       |        |          |   |           |          |  |  |           |          |  |  |                  |          |  |  |                |          |  |  |           |          |  |  |               |          |  |   |              |      |                       |
| Initial PID discussion at Skills Committee   | July 2022  | Complete                 |                       |        |          |   |           |          |  |  |           |          |  |  |                  |          |  |  |                |          |  |  |           |          |  |  |               |          |  |   |              |      |                       |
| Initial discussions with HDC, ECDC, FE Principals Group and ESFA   | June – July 2022   | Complete                 |                       |        |          |   |           |          |  |  |           |          |  |  |                  |          |  |  |                |          |  |  |           |          |  |  |               |          |  |   |              |      |                       |
| Report to September Skills Committee and CA Board to approve budget for programme and release year 1 funds | September 2022   | Complete                 |                       |        |          |   |           |          |  |  |           |          |  |  |                  |          |  |  |                |          |  |  |           |          |  |  |               |          |  |   |              |      |                       |
| Establishing Local Project Advisory Boards   | Sept 2022  | Complete                 |                       |        |          |   |           |          |  |  |           |          |  |  |                  |          |  |  |                |          |  |  |           |          |  |  |               |          |  |   |              |      |                       |
| Establishing Skills Programme Management Board   | February 2023  | Complete                 |                       |        |          |   |           |          |  |  |           |          |  |  |                  |          |  |  |                |          |  |  |           |          |  |  |               |          |  |   |              |      |                       |
| Procurement of consultants for Business Cases (incl. Feasibility)  | October 2023   | Live                     | RFQ launched 16.10.23 |        |          |   |           |          |  |  |           |          |  |  |                  |          |  |  |                |          |  |  |           |          |  |  |               |          |  |   |              |      |                       |

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|--|--|---------------|---------------------|---|
|  | Appointment of consultants for Feasibility Study (PART A of Consultancy)   | November 2023 | Pending procurement |   |
|  | Securing Project Management support for CPCA Skills Team to deliver the project  | November 2023 | Pending             |   |
|  | Publication of revised Post 16 Sufficiency Data by County Council and 2021 Census analysis to demonstrate demographic growth | November 2023 | Pending             | Awaiting confirmation of the data release |
|  | Completion of Feasibility Study and recommendations to Skills and Employment Committee and Combined Authority Board          | March 2024    |                     |   |
|  | Commence PART B of Consultancy Production of Strategic Outline Business Case(s)  | April 2024    |                     |   |
|  | Selection process for FE Partners (subject to feasibility)   | April 2024    |                     |   |

### 3. Background

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| 3.1 | <p>The Combined Authority Board approved an allocation from Gainshare funding for Further Education Cold Spots in the Medium-Term Financial Plan at the March 2022 Board meeting. These allocations are subject to Board approval. Approval to allocate £225,000 of revenue funding for Stage One of the project was secured in September 2022 and a funding line was created in the MTFP. The balance of the funding is capital over the subsequent years.</p> <p>Due to slippage in the timelines, carry forward of the revenue funding was requested and approved into the 2023/24 financial year. It is unlikely that the full amount will be spent within this financial year.</p>  |
| 3.2 | <p>As reported at the September 2022 Skills Committee meeting, officers have been meeting with constituent councils and wider partners to acclimatise the concept. While there is broad consensus among local authority partners for the need for the two projects, FE partners await further evidence of feasibility – in particular, viable student numbers, accessible locations with good public transport and evidence of employer demand.</p>  |
| 3.3 | <p>Critically, the funding allocations from Gainshare will be used – if appropriate demand is evidenced - as leverage to attract capital funding from the Department for Education’s (DfE) Capital Transformation Fund and Post 16 Demographic Growth Funds. In addition, to explore the opportunity for local match funds or asset transfers. There is also an opportunity to develop this programme as a future devolution ‘ask’ for capital funding, which requires further exploration. Sites and education delivery partners for both projects have not been identified at this stage, although some options were identified in the Project Initiation Document (PID). The impact of inflation since the PID will be considered through the Feasibility Study.</p>  |
| 3.4 | <p>The need for this project was shared with the Skills Committee previously and is summarised below:</p> <ul style="list-style-type: none"> <li>• Cambridgeshire County Council published their Post 16 Sufficiency analysis in 2019 as part of their statutory duties, to secure sufficient suitable education and training provision for all young people in the area aged 16-19 or aged 19 to 25 and for whom an Education, Health, and Care (EHC) plan is maintained. Ely and Soham were identified as areas where additional post-16 places are required.</li> <li>• The Combined Authority undertook an analysis of cold spots in relation to adult education since taking control of the budget following devolution. St Neots has consistently appeared as a cold spot. This was shared with Skills Committee at the January 2022 meeting.</li> </ul> |

- Huntingdonshire District Council identified the economic benefits for St Neots town centre that a new FE Campus could provide to service demographic growth in the town, with c.5000 new homes at major housing developments at Wintringham and Love's Farm. In addition, as an anchor institution in the regeneration of the town centre to improve street-scene, footfall and be a catalyst for further investment.

The vision of the programme – if demand is evidenced- is to invest in two new 'flagship' local FE centres, that will 'future-proof' FE provision, be net-zero and state-of-the-art in providing green skills and wider curricula that meets local employer demand. Investment in FE infrastructure, raises aspirations, improves education standards and the skills levels among Local communities. By creating local provision, travel and journey times will be reduced, decreasing the carbon footprint and providing local opportunities. In East Cambridgeshire, it is expected that this will encourage the retention of more local young people, to continue to live and work in the area.

The feasibility study will now need to be cognisant of Cambridge 2040, the announcement made by the Department for Housing, Levelling Up and Communities in July 2023, to develop an 'urban quarter' in and around Cambridge to make the city Europe's premier 'science capital'. The development could include up to 250,000 new homes, including those already planned. Infrastructure including transport, health, retail, leisure and education facilities will be required as part of the plans, including further education.

## 4. Appendices

4.1 None

## 5. Implications

### Financial Implications

5.1 A budget of £4.8m was allocated, subject to approval, from Gainshare funding for the delivery of the FE Cold Spots programme and the current profile of the budget is set out in the top half of the table below.

There has not been any spend to date and reprofiling, including carry-forward of the current approved revenue budget, will need to be requested via a further report taken to the Combined Authority Board as a key decision; the anticipated revised profile for this is shown below.

|                            |         | 2023-24 | 2024-25 | 2025-26 | 2026/27 |
|----------------------------|---------|---------|---------|---------|---------|
| <b>Original profile</b>    | Revenue | £225k   | -       | -       | -       |
|                            | Capital | £2,400k | £2,175k | -       | -       |
| <b>Anticipated profile</b> | Revenue | £100k   | £125k   | -       | -       |
|                            | Capital | -       | -       | £2,400k | £2,175k |

### Legal Implications

6.1 The 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.

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| 6.2  | The FE Cold spots programme supports our constituent member council, Cambridgeshire County Council in their statutory duties under the Education Act 1996, to secure suitable and sufficient places in post-16 education and training in the area.  |
| <b>Public Health Implications</b>                      |   |
| 7.1  | The report recommendations have <b>positive</b> implications for public health in the longer-term. Participation in Post-16 and adult learning improve the health and wellbeing of participants and wider society. In addition, post-16 funding provides training and qualifications for professionals working in the health care sector as well as short courses for adults on managing physical, mental health and wellbeing. |
| <b>Environmental &amp; Climate Change Implications</b> |   |
| 8.1  | The report recommendations have <b>positive</b> implications for the environment in the longer-term. If approved and constructed the two new FE campuses will be net-zero and provide positive environmental benefits and promote active travel. Skills training for green jobs and retrofit trades will be provided. environmental or climate change implications  |
| <b>Other Significant Implications</b>                  |   |
| 9.1  | The recommendations in this report have due regard to the Combined Authority's Equalities duties under the Equality Act 2010 in implementing funding policies and projects which seek to widen participation and make learning opportunities more accessible for all citizens including all protected characteristics.  |
| <b>Background Papers</b>                               |   |
| 10.1   | <a href="#">FE Cold Spots Project Update Skills Committee Report – September 2023</a><br><br><a href="#">Addressing FE Cold-Spots Skills Committee Report – September 2022</a><br><br><a href="#">FE Cold Spots Project Initiation Document (PID) 4 July 2022</a>   |