



<b>SKILLS COMMITTEE</b>	<b>AGENDA ITEM No: 2.4</b>
<b>14 SEPTEMBER 2020</b>	<b>PUBLIC REPORT</b>

## **SECTOR-BASED WORK ACADEMIES AND HIGH VALUE COURSES**

### **1.0 PURPOSE**

- 1.1. £486,297 of funding for 2020/21 academic year will be received from the Department for Education (DfE) as additional funding, delivered through the AEB budget in response to COVID19 pandemic.
- 1.2. On approval of the budget from the Combined Authority, the Skills Committee be given delegated authority to spend the £486,297 for Sector-Based Work Academies and High Value Courses.
- 1.3. To approve the creation of sector-based work academies and high value courses via a procurement with local Providers

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Councillor John Holdich</b>
<b>Lead Director:</b>	<b>John T Hill - Director of Business and Skills</b>
<b>Lead Officer:</b>	<b>John T Hill - Director of Business and Skills</b>
<b>Forward Plan Ref: N/A</b>	<b>Key Decision: No</b>
The Skills Committee is asked :  a) To recommend that the Combined Authority Board allocate the £486,297, once received, from the DfE to the AEB Budget.	<b>Voting arrangements</b>  Simple majority of all Members

<p>b) To delegate authority to the Skills Committee for the spend allocation of the £486.297 including:</p> <ul style="list-style-type: none"> <li>• the spend of the funding of £241,361 across the 20/21 and 21/22 financial years for the creation of sector-based work academies</li> <li>• the spend of funding of £244,936 to offer an enhanced one-year classroom based course for those students who have left school or college with no job, apprenticeship, placement, university or course to go to across the 20/21 and 21/22 financial years</li> <li>• the spend on Sector – based work academies and High Value Courses</li> </ul>	
---	--

## **2.0 BACKGROUND**

- 2.1 A significant part of the Combined Authority's role in the skills system will be to ensure there is a coordinated and holistic approach to creation of new jobs and opportunities, including apprenticeships, placements and training that makes it easier for businesses to engage with.
- 2.2 The Chancellor Rishi Sunak, made a statement to Parliament in July 2020 listing a number of training and spending measures to improve employment prospects of those who may become unemployed and the thousands of young people leaving school/ college/ university this summer.
- 2.3 The plan for young people and adults aged 16-to-24. There are several big measures as part of a plan for those in the 16-to-24 year old age group. The Treasury has estimated these as costing a total of £3b, but spending will depend on take-up.

## **3.0 FUNDING TO DELIVER NEW PROGRAMMES TO SUPPORT RECOVERY**

- 3.1 New funding has been received from the Department for Education (DfE) via the AEB funding line for 2 new programmes as part of the Government Skills Recovery Package totalling £486,297 for the 20/21 academic year.
- 3.2 Funding for the creation of sector-based work academies of £241,361 for the 20/21 academic year to work with local employers in growth sectors with jobs

creation. The academies will also work with local Providers to deliver the training element of the sector based academy.

- 3.3 Potential Sector Based Work Academies will be created in sectors such as Construction and Manufacturing. Early discussions with Officers see a demand in new jobs being created in these sectors. A new sector that is emerging with potential jobs creation is the Energy sector.
- 3.4 Additional funding of £244,936 for the 20/21 academic year is also available to offer an enhanced oneyear classroom based course for those students who have left school or college with no job, apprenticeship, placement, university or course to go to.
- 3.5 The CPCA Talent Portal will be the mechanism used to direct individuals onto these new programmes, with a particular focus on those who have been made redundant or facing redundancy as a result of COVID-19 and who have registered on the Redundancy Register on the Talent Portal.

#### **4.0 SECTOR-BASED WORK ACADEMIES**

- 4.1 The sector-based work academies scheme is designed to help Jobcentre Plus claimants build confidence to improve their job prospects and enhance their CV, whilst helping employers in sectors with current local vacancies to fill them. Sector-based work academies can last up to 6 weeks and have 3 main components:
  - i. pre-employment training
  - ii. work experience placement
  - iii. a guaranteed job interview
- 4.2 Participants remain on benefits throughout their placement. Only the pre-employment training element can be funded through AEB local flexibility, and normally lasts 2-3 weeks. Jobcentre Plus fund the other components and will pay any travel and childcare costs whilst claimants are on the work experience placement. FE providers are part of the sector-based work academies local design process and are informed when to expect referrals and how many.

#### **HIGH VALUE COURSES FOR SCHOOL AND COLLEGE LEAVERS**

- 5.1 Additional funding for one-year to encourage and support delivery of selected level 2 and 3 qualifications in specific subjects and sectors in response to coronavirus (COVID-19). High value courses for school and college leavers will be a one-year skills offer for 18 and 19-year-olds
- 5.2 As part of the government response a one-year high value course skills offer has been developed to support school and college leavers who are at higher

risk of becoming not in education, employment or training (NEET) because of Coronavirus (COVID-19).

The one-year offer includes:

- i. Level 2 and Level 3 qualifications to support the needs of industrial strategy linked to higher wage returns
- ii. Support funding in line with learning support
- iii. An uplift payable whilst the learner is in learning, following the earnings methodology set out in the Adult Education Budget funding rates and formula 2020 to 2021
- iv. An increased job-outcome payment payable if learners leave early to enter employment

## **6.0 USING LOCAL NETWORKS AND PARTNERS TO SUPPORT**

6.1 The jobs creation and promotion of the programmes will be facilitated through local networks and partnerships, with employer engagement and individual outreach built in from the very start. This will ensure that quality jobs are secured with good opportunities for the development of experience and skills, with the highest chance of retention.

6.2 Jobs will be offered out in phases and designed to support young people who were a little further away from the labour market. Some referrals would come through from Jobcentre Plus with eligibility confirmed via Work Coaches and Colleges/ Providers.

## **7.0 FINANCIAL IMPLICATIONS**

7.1 The total value of additional AEB funding is £486,297 for the 20/21 academic year. This is broken down as £305,723 for the 20/21 financial year and £180,574 for the 21/22 financial year.

7.2 The funding is delivered via the AEB grant fund, however, upon approval, separate budget lines will be created for both streams to ensure full visibility of the relevant expenditure.

7.3 The expenditure for the new workstreams matches the funding received, and therefore has a net zero impact on the overall CPCA budget.

## **8.0 LEGAL IMPLICATIONS**

8.1 There are no legal implications relating to the content of this paper.

## **9.0 SIGNIFICANT IMPLICATIONS**

9.1 The labour market is going through many changes; in particular the multiple policy changes that have occurred as a result of COVID19. Officers have

been working closely with DfE, ESFA, DWP and other Ministerial Departments to influence discussions for the Skills Recovery Package. This has created a more complex system to an already complicated skills ecosystem. The Combined Authority needs to ensure it futureproofs its investment and ambitions for a skills solution fit for purpose to support jobs creation and opportunities, so that no young person or adult is left behind.

## 10.0 APPENDICES

- Appendix 1 – Performance Dashboard.
- Appendix 2 – 2020-2024 Skills Medium Term Financial Plan

<u>Background Papers</u>	<u>Location</u>
None	N/A