



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

SKILLS COMMITTEE

Date: Monday, 13 September 2021

Democratic Services

Robert Parkin Dip. LG.
Chief Legal Officer and Monitoring Officer

10:00 AM

72 Market Street
Ely
Cambridgeshire
CB7 4LS

The Boat House Harbour Square, Wisbech PE13 3BH
[Venue Address]

AGENDA

Open to Public and Press

Part 1: Governance Items

1.1 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 of the items on the agenda, unless it is already entered in the register of members' interests.

1.2 Skills Committee Minutes - 14 June 2021

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Skills Committee - Action Log

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1.3 Public Questions

Arrangements for public questions can be viewed in Chapter 5, Paragraphs 18 to 18.16 of the Constitution which can be viewed here

- [Constitution](#)

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| 1.4 | Skills Committee - Agenda Plan | 15 - 18 |
| 1.5 | Combined Authority Forward Plan Combined Authority Forward Plan Part 2: Recommendations to Combined Authority Board | |
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Part 4: Date of Next Meeting

10 November 2021

The Skills Committee comprises the following members:

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

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.

Councillor Lynne Ayres

Councillor Mike Davey

Councillor Lis Every

Councillor Jon Neish

Councillor Lucy Nethsingha

Councillor Chris Seaton

Councillor Eileen Wilson

| | |
|------------------|--|
| Clerk Name: | Tamar Oviatt-Ham |
| Clerk Telephone: | 01223 715668 |
| Clerk Email: | Tamar.Oviatt-Ham@cambridgeshire.gov.uk |

Skills Committee Minutes

Meeting: Monday 14 June 2021

Time: 10:00am – 12:00pm

Venue: The Burgess Hall, St Ives

Present:

Councillor Lucy Nethsingha - Chair and Member for Cambridgeshire County Council
Councillor Lynne Ayres - Peterborough City Council
Councillor Mike Davey - Cambridge City Council
Councillor Lis Every - East Cambridgeshire District Council
Councillor Neil Gough - South Cambridgeshire District Council
Councillor John Neish - Huntingdonshire District Council

Apologies:

Councillor Eileen Wilson, Councillor Neil Gough substituting
Councillor Chris Seaton - Member for Fenland District Council

Part 1 - Governance Items

1. Appointment of the Chair

The Deputy Monitoring Officer confirmed that Councillor Lucy Nethsingha was appointed as the Chair of the Skills Committee at the Annual Combined Authority Board Meeting on 2 June 2021.

2. Apologies for Absence and Declarations of Interest

Apologies received from Councillor Eileen Wilson, Councillor Neil Gough substituting and Councillor Seaton.

3. Approval of Minutes and Action Log

The minutes of the meeting on 15 March 2021 were approved as an accurate record and the action log was noted.

4. Public Questions

None.

5. Skills Committee Agenda Plan

In discussing the agenda plan a Member requested that an item on the Impact of Brexit on Covid recovery be added to the agenda plan for a future meeting. **ACTION**

It was resolved to note the agenda plan.

6. Combined Authority Forward Plan

It was resolved to note the forward plan.

Part 2 – Reports to Combined Authority Board

7. Adult Education Budget (AEB) 2021-22 Funding Allocations and Policy Changes

The Committee considered a report which sought authority to make the funding allocations from the devolved Adult Education Budget of £11.9m for the academic year 2021/22 to the providers.

Introducing the report officers explained that the funding allocations, set out in table A of the report, totalled £9.9m. Officers clarified that a further allocation of £1m from the devolved AEB was also required for current providers to make Growth Cases, demonstrating alignment with local skills needs. Officers explained that funding agreements would be issued based on performance during the academic year and that underspends would be recovered. Officers highlighted that the agreements would be procured using the Combined Authority's 'Light Touch' Commissioning approach to contract with new providers as required during the academic year, to meet gaps in provision. Officers stated that the authority, under the devolution deal, had funding flexibilities and was at liberty to set its own policies and funding rules which could deviate from the national Adult Education Budget funding rules as set by the Education and Skills Funding Agency (ESFA), this helps to better direct and improve outcomes for citizens in the region. Officers stated that there was need to raise participation levels amongst adult learners particularly those residents that lived in the most deprived wards and supporting the vulnerable including care leavers, using devolved powers to raise participation and looking to level up.

In discussing the report Members:

- Thanked officers for all of their work in this area and particularly the work that was being done with care leavers and those leaving the armed forces.
- Highlighted the difficulties in getting young adults to engage and queried what work was being done with 19-24 year olds to encourage participation. Officers stated that they were in co-production with training providers and would be working with them over the summer on how the policy changes would be implemented and how young people would be engaged in the process.
- Queried if there would be any growth cases focused below level three. Officers explained that there would be a mix and balance of provision. Officers stated that the majority of investment was at level two and below 2% was on level three.
- Questioned how funding would be allocated to providers and whether it would be based on past performance. Officers stated that they were looking to rebalance funding based on past performance and that providers had done well at closing the gaps and were responding well to online learning provision throughout the pandemic. Officers stated that they would be implementing a second growth case opportunity in January.
- Queried why Steadfast were being dealt with separately to the other providers. Officers explained that the contract with Steadfast was for over £1/2 million and constitutionally there was a requirement to request funding separately for contracts over this amount from the Combined Authority Board.
- Questioned the response from the providers in relation to the changes. Officers stated that that providers had welcomed the opportunity to have a transformational relationship and where there had been pressure points officers had been able to have conversations.
- Queried whether the predicted out turn for 2021 would be the same as the allocation. Officers explained that they would not have the final outturn figures until November as providers would not submit their final claims until the Autumn. Officers clarified that the final outturn would be reported to Committee in November.
- Sought clarity on whether the growth cases had put additional pressure on providers. Officers stated that the process was agile and light touch but none the less robust so there would be no undue additional pressures on providers. Officers explained that they sought regular feedback from providers to ensure that any pressure points were removed.
- Queried the number of providers that had come forward in Huntingdonshire and questioned what levels of understanding there was in relation to district level participation in understanding the gaps in provision. Officers explained that a lot of work had been undertaken when undertaking the Skills Strategy refresh to look at gaps in provision within districts. Officers highlighted that over the summer period they would be working with district colleagues to do a deeper dive into the localised issues.

In bringing the discussion to a close the Chair thanked officers and highlighted the importance of the flexibility as it was an important time for adult education and supporting reskilling coming out of the pandemic.

It was resolved unanimously to:

- a) Recommend the Combined Authority Board approve the funding allocations for the 2021/22 academic year, from the devolved Adult Education Budget (AEB) to the providers, set out in Table A below.
- b) Recommend the Combined Authority Board grant authority to enter into contract for services, with Steadfast Training Ltd.
- c) Delegate authority to the Director of Business and Skills in consultation with Chief Finance Officer and Monitoring Officer, to enter into contract for services, with the providers set out in Table A, on behalf of the Combined Authority.
- d) Delegate authority to the Director of Business and Skills, in consultation with the Chief Finance Officer and Monitoring Officer to enter into Grant Funding Agreements, with the providers set out in Table A, on behalf of the Combined Authority. Page 21 of 188.
- e) Delegate authority to the Director of Business and Skills, in consultation with the Chief Finance Officer and Monitoring Officer to procure, award and enter into contract, with recommended new providers, as required within the devolved AEB Grant for 2021/22, set out in the AEB Commissioning Guiding Principles.

8. Future Funding Strategy

The Committee received a report that sought approval for the processes being co-ordinated by the Combined Authority for the selection of bids to the Levelling-Up Fund (LUF) and the Community Renewal Fund (CRF) from constituent Local Authorities to the Government on 18th June 2021. .

Introducing the report officers stated that approval of the process would provide the opportunity for bids to be put forward to the Government by the required deadline and in advance of the Combined Authority Board meeting on 30 June 2021, via a Mayoral Decision Notice, subsequent to the Business Board meeting on 12 May 2021. Officers explained that the final selection of bids for submission for the LUF would be by a Panel from each Local Authority, led by the Leader of the Local Authority and MP for each place, but with participation of the Mayor of Cambridgeshire and Peterborough and the Chair of the Business Board and the selection process for the CRF would be by the Leaders from each Local Authority with consultation from the Mayor. Officers stated that Fenland District Council had decided not to bid into the first deadline for projects as they had no shovel ready projects that fitted with the timescales. Officers explained that the Combined Authority would also lead the writing and development of a submission from Peterborough City Council for £20m to the LUF, to part fund the development of

the Phase 3 of the Peterborough University, in the form of a second teaching building. Officers clarified that in total seven bids were selected and that details of the bids would be circulated to the Committee. **ACTION**

- Queried if there had been collaborative bids between districts. East Cambridgeshire District Council were keen to work with Fenland District Council on their Metalcraft Hub. Officers stated that there had already been discussions in relation to the apprenticeship hub. The Director of Business and Skills stated that a number of the bids were spread across districts and officers were looking at what could be done to spread the opportunities. He commented that there would be greater opportunities to bid with £4.3 billion available for future years.
- Highlighted that transport was key in relation to access to skills for younger people. The Director of Business and Skills stated that officers were looking at using some AEB funding to fund a pilot on transport subsidies.
- Queried if it was possible that there was a bid through Norfolk that would help Fenland. The Director of Business and Skills stated that a bid put in by Cambridge ACRE was Fenland focused and there was also a Combined Authority Bid around transitioning people into work which would benefit Fenland.

It was resolved unanimously to:

- a) Note the recommendations to the Mayor to approve:
 - i) The process for selecting the candidate bids to be submitted to Government for the CRF, based on the Combined Authority's mandate to do so as Lead Authority for bids to the UK Community Renewal Fund (CRF);
 - ii) The process for selecting the candidate regeneration bids to be submitted to the Government for the Levelling-Up Fund (LUF), on the basis of the voluntary arrangement agreed between the Combined Authority, Peterborough City Council and Fenland District Council; and
- b) Note the intent of the Combined Authority to pursue Lead Authority status for the LUF regeneration bids and its existing status as Lead Authority for transport bids. Page 31 of 188
- c) Note the intent of the Combined Authority to submit for the £20m LUF, an application for development of the Phase 3 of the Peterborough University, in the form of a second teaching building.

9. Growth Works Management Review May 2021

The Committee considered a report that gave an update on the programme performance up until 15 April 2021 and sought a nomination from the Members of Skills

Committee to be a member of Growth Works Programme Management Committee.

Introducing the report officers explained that on 12 February 2021, the contract for the Business Growth Service was signed between Cambridgeshire and Peterborough Business Growth Company Limited (Growth Co) and Gateley Economic Growth Services (GEG) and its consortium and the Service commenced on 14 February 2021 and was in a mobilisation phase up until the public launch on 27 May 2021. Officers explained that the report set out the Governance of the Growth Works Investment Evaluation Panel and the Programme Management Committee. Officers clarified that a separate reporting structure would be made available through a portal so that information could be accessed on a real time basis and that an update on progress and performance would be brought to the next Committee meeting.

In discussing the report Members;

- Queried how long it would take to engage with all special educational needs schools (SEND) to bring them into the Enterprise Adviser Network (EAN). Officers stated that all SEND schools would be contacted by the end of the summer term.

It was resolved unanimously to:

- a) Nominate Councillor Lis Every to be a member of the Programme Management Committee;
- b) Note that there will be representation from the Business Board on both the Growth Works Investment Panel and Programme Management Committee; and
- c) Note the financial and non-financial performance of Growth Works and request any required changes to reporting going forward.

Part 3 – Delivery

10. Local Skills Report

The Committee received a report informing them of the publication of the Local Skills Report. The publication of the Local Skills Report is a requirement of the Skills Advisory Panel (SAP), funded by the Department for Education (DfE). The report was approved for publication by the Employment and Skills Board in March 2021.

Introducing the report officers explained that there were a number of minor corrections to make to the report in relation to the skills investments as some had been slower to achieve outcomes than had been envisaged.

In discussing the report Members;

- Queried whether there had been any opportunities for East Cambridgeshire and Fenland to work together. Officers stated that they were engaged with this work and that the next report on the agenda the new 'Employment and Skills Strategy' would be looking at a place-based approach.
- Questioned how performance would be reported back to the Committee and if there would be any emphasis on T levels and if the Hampton Pilot would be rolled out to other schools in the region. Officers stated that there would be an action plan designed concurrently with the strategy and that there would be reporting at regular intervals. Officers explained that they were pulling together a T level plan working alongside Pat Carrington at City College Peterborough. Officers explained that the Hampton Pilot would not be rolled out as it was quite cost intensive but that the lessons learnt would be taken forward. Officers explained that there would be a report back to Committee in November.

It was resolved unanimously to:

Note the publication of the Local Skills Report

11. Cambridgeshire & Peterborough Combined Authority's Employment and Skills Strategy

The Committee considered a report that gave an overview of the proposed approach to the development of the refresh of the current Skills Strategy.

Introducing the report officers outlined the consultation process which would be focused on place and professions and would take into account the impact of the pandemic on skills requirements and skills to the green economy. Officers explained that they would be using existing committees to make sure the consultation process was as comprehensive as possible.

In discussing the report Members;

- Expressed their concerns in relation to the ambitious timescales and sought clarity from officers in terms of the tight timescales with publication set for September. Officers highlighted that the timescales were ambitious and that they had been planning the work for quite some time with quite a lot of the work already being done. Officers stated that they would keep the Committee updated and they would flag if they were unable to stick to the timescales. Officers stated that they would report back to the next Committee. **ACTION**

It was resolved unanimously to:

- a) Recommend to the Combined Authority Board approval of the proposed approach to the development of the Employment and Skills Strategy.

12. Budget and Performance Report

The Committee received a report that provided an update and overview of the revenue and capital funding lines that were within the Business & Skills Directorate.

Introducing the report officers explained that the AEB underspend had been discussed in a previous report and that work on the Health and Care Sector Work Academy had started moving again.

In discussing the report Members:

- Queried whether any unspent money would be clawed back in relation to the Health and Care Sector Work Academy. Officers explained that a change request had been made with the Department for Work and Pensions for the allocation of funds following an external review and the spend was set to be reprofiled.

It was resolved unanimously to:

- a) Note the update and financial position relating to the revenue and capital funding lines within the Skills Committee remit.

Part 4 – Date of the next meeting

It was resolved to:

Note the date of the next meeting as Monday 13 September 2021.



**CAMBRIDGESHIRE
& PETERBOROUGH**
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Agenda Item: 1.2


Skills Committee Action Log

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

Minutes of the meeting on 14 June 2021

| Minute | Report title | Lead officer | Action | Response | Status |
|--------|------------------------------|--------------|--|---|--------|
| 5. | Skills Committee Agenda Plan | John T Hill | In discussing the agenda plan a Member requested that an item on the Impact of Brexit on Covid recovery be added to the agenda plan for a future meeting | Alan Downton, with support from Cambridgeshire Chambers and Metro dynamics will present a paper at the November Committee meeting | Closed |

| Minute | Report title | Lead officer | Action | Response | Status |
|--------|---|--------------|--|---|--------|
| 8. | Future Funding Strategy | John T Hill | Officers explained that the Combined Authority would also lead the writing and development of a submission from Peterborough City Council for £20m to the LUF, to part fund the development of the Phase 3 of the Peterborough University, in the form of a second teaching building. Officers clarified that in total seven bids were selected for the community Renewal fund applications and that details of the bids would be circulated to the Committee. | Circulated to the Committee on 21 July 2021 | Closed |
| 11. | Cambridgeshire & Peterborough Combined Authority's Employment and Skills Strategy | Fliss Miller | Officers stated that they would report back to the next Committee. | The Employment and Skills Strategy is an item on the agenda for the next Skills Committee Meeting in September. | Closed |

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|---|------------------------|---|
| SKILLS COMMITTEE AGENDA PLAN | Updated 31 August 2021 |  CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY |
|---|------------------------|---|

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>

- * indicates items expected to be recommended for determination by Combined Authority Board
- + indicates items expected to be confidential, which would exclude the press and public.

Draft reports are due with the Democratic Services Officer by 10.00 a.m. eight clear working days before the meeting.
 The agenda dispatch date is five clear working days before the meeting.

The following are standing agenda items which are considered at every Committee meeting:

- **Minutes of previous meeting and Action Log**
- **Agenda Plan**
- **Budget and Performance Report**
- **Employment and Skills Board Update**

| Committee date | Agenda item | Lead officer | Report to CA Board for decision | Reference if key decision | Agenda despatch date |
|-----------------------|--|---------------------------------------|--|----------------------------------|-----------------------------|
| 13/09/21 | Growth Works Management Review – September 2021 | Alan Downton / Nigel Parkinson | No (also BB) | | 03/09/21 |
| | Adult Education Budget: Reserve Fund and Innovation Fund for 2021/22 | Parminder Singh Garcha | Yes | 2021/042 | |
| | Careers Hub | Fliss Miller | No | | |
| | Employment & Skills Strategy | Fliss Miller | No | | |
| | Implications of the Skills Bill | Parminder Singh Garcha / Fliss Miller | No | | |
| | Digital Bootcamps | Fliss Miller | No | | |
| | | | | | |
| 10/11/21 | ESOL Local Planning | Parminder Singh Garcha | No | | 02/11/21 |
| | Adult Education Budget – Provider Audit and Assurance Plan | Janet Warren | No | | |
| | Adult Education Budget - Commissioning Approach for 2022/23 onwards | Parminder Singh Garcha | Yes | 2021/053 | |
| | Adult Education Budget – Delivery outcomes and impact | Parminder Singh Garcha | No (also BB) | | |
| | Local Skills Report Update | Fliss Miller | No | | |
| | Employment & Skills Strategy | Fliss Miller | Yes | | |
| | Adult Education Budget Commissioning Statement 2021 - 2025 | Parminder Singh Garcha | No | | |
| | Levelling Up Fund (LUF) and Community Renewal Fund (CRF) Bids Update | Steve Clarke | Yes (via BB) | | |

| Committee date | Agenda item | Lead officer | Report to CA Board for decision | Reference if key decision | Agenda despatch date |
|-----------------|--|--------------------------------|---------------------------------|---------------------------|----------------------|
| | University of Peterborough - Phases Delivery Plan and Basis for Campus Outline Planning | John T Hill | Yes | | |
| | | | | | |
| 17/01/22 | Growth Works Management Review – January 2022 | Alan Downton / Nigel Parkinson | Yes | | 07/01/22 |
| | Adult Education Budget Evaluation 2020/21 and Annual Return | Parminder Singh Garcha | No | | |
| | Local Economic Recovery Strategy (LERS), Local Industrial Strategy (LIS) and Brexit Recovery | Alan Downton | Yes | | |
| | Opportunities to develop the Greater South East Energy Hub | Alan Downton | Yes | | |
| | | | | | |
| 16/03/22 | Adult Education Budget – Funding Allocations for 2022/23 and proposed funding policy changes | Parminder Singh Garcha | Yes | | 08/03/22 |
| | | | | | |
| 27/04/22 | Growth Works Management Review – April 2022 | Alan Downton / Nigel Parkinson | No | | 19/04/22 |
| | | | | | |

To be programmed:

Adult Education Budget Reserve Fund and Innovation Fund 2021/22

| | |
|----------------------|--|
| To: | Skills Committee |
| Meeting Date: | 13 September 2021 |
| Public report: | Yes |
| Lead Member: | Councillor Lucy Nethsingha, Lead Member for Skills |
| From: | Parminder Singh Garcha, Senior Responsible Officer – Adult Education |
| Key decision: | Yes |
| Forward Plan ref: | 2021/042 |
| Recommendations: | <p>The Skills Committee is invited to recommend the Combined Authority Board:</p> <ul style="list-style-type: none"> a) Approve funding to be allocated from the Adult Education Budget (AEB) Reserve Fund for the 2021/22 academic year to the thematic programmes as set out in Item 2.3, Table A; b) Delegate authority to the Director of Business and Skills in consultation with the Chief Finance Officer and Monitoring Officer, to enter into grant funding agreements with providers on behalf of the Combined Authority, for projects under the themes; c) Delegate authority to the Director of Business and Skills, in consultation with the Chief Finance Officer and Monitoring Officer to enter into grant funding agreements for the Innovation Fund, with existing AEB providers, as required; d) To note the approach to the Innovation Fund for 2021/22. |
| Voting arrangements: | A simple majority of all Members |

1. Purpose

- 1.1 The purpose of this report is to seek approval from the Skills Committee, for the strategic approach to utilising the identified AEB Reserve Fund, which has been accumulated from underspends from 2019/20 and 2020/21 academic years. In addition, for the Skills Committee to recommend to the Combined Authority Board that funding from the reserve is allocated to the themes of the Reserve Fund and delegations provided to the Director of Business and Skills to contract with providers.
- 1.2 For the Skills Committee to note the funding themes for the second iteration of Innovation Fund of £500,00 from the main 2021/22 Devolved AEB Grant.
- 1.3 To seek the necessary delegations from the Combined Authority Board to enable the Director of Business and Skills to enter into additional grant funding agreements with existing AEB providers for any successful Innovation Fund bid for 2021/22.

2. Background

2.1 AEB RESERVE FUND

At the Combined Authority Board on 30 June 2021, a separate funding line for the AEB Reserve Fund was created to manage programme under-spends, which are 'ring-fenced' for adult education.

- 2.2 As of August 2021, there is £1.58m in the AEB Reserve Fund. This consists of
£370,800 from the 2019/20 academic year allocation of £11,513,052
£1,210,000 from the 2020/21 academic year allocation of £11,968,971

These figures include underspend from the CPCA's 'top-slice', unallocated funds and funds returned to the Combined Authority due to provider under delivery and audit conclusions. It should be noted that the 2020/21 academic year allocation is provisional, as final claims end and the reconciliation process begins with providers. Any changes to this figure will be reported to future Skills Committee meetings.

- 2.3 For the 2021/22 academic year, it is proposed to allocate funding from the Reserve Fund into the following thematic programmes:

| TABLE A: Reserve Fund Thematic Programme | Allocation |
|--|-------------------|
| 1. Commissioning carry-forward for 2022/23 | £ 500,000 |
| 2. Provider Capacity Building | £ 250,000 |
| 3. Strategic Partnership Development | £ 250,000 |
| 4. Reserve for over-delivery of Level 3 Adult Offer | £ 250,000 |
| 5. Unlock with Level 3 Marketing Campaign and Publications | £ 30,000 |
| 6. Contingency (for unforeseen programme expenditure) | £ 220,000 |
| TOTAL | £1,500,000 |

- 2.4 It is proposed to allocate the funding under each of the themes as follows:

- **Theme 1 - Carry Over for 2022/23 Commissioning - £500,000**

On the 15 March 2021, the Skills Committee approved a 'Light Touch' approach to in-year commissioning of new providers. The policy intent was to provide an entry-point for quality local providers and/or niche provision to meet gaps in provision and utilise some underspend, two providers have been commissioned to date, with another two expected to be commissioned by September. Therefore, there is already provision within the main AEB budget-line for any in-year commissioning and funding from the Reserve would be better invested into our next open procurement round.

The £0.5m from the Reserve Fund will therefore be carried forward to next year to enable us to increase the total budget amount for 2022/23 as current independent training provider (ITP) contracts will end as of 31 July 2022. This will enable a £2.5m fund for commissioning for 2022/23 to be created. A report is planned for November 2021 Skills Committee which will seek approval of the approach for future commissioning of ITPs.

- **Theme 2 - Provider Capacity Building - £250,000**

Funding in this theme will be allocated to providers and/or projects for initiatives that build capacity within existing adult education providers and the Combined Authority's Skills Brokerage that links them to learners and employers. This will be focused on expanding provision and connectivity within growth and priority sectors. Funding will be allocated to projects following submission of a proposal and/or to pump-prime projects which have received capital funding with additional investment to kick-start adult provision. It is proposed to allocate:

- £100,000 for new training provision in Fenland, aligned to the Market Towns Masterplan for Chatteris, to provide additional start-up funding for the Training Centre with Metalcraft. The Masterplan identified a gap in adult skills provision in Chatteris and provided a strategic case for attracting further investment.
- It is proposed to invite the CPCA Principal's Group and the Combined Authority's Skills Brokerage to submit a joint proposal for capacity building for the remaining £150,000. This could include investment in small-scale equipment or to develop specialist curricula.

- **Theme 3 - Strategic Partnerships - £250,000**

Funding for this theme will be allocated to providers and/or projects that facilitate and underpin partnership and collaboration across providers in the CPCA area.

Proposals will be accepted from partnerships for investment that builds capacity, drives innovation, and raises participation in adult skills. Partnerships across providers, third sector and with employers will be supported. For example, shared provision or to support specialisation, consolidation, teacher training, CPD or development of new curricula, particularly in Green Skills, and/or match-funding to unlock larger grants. All proposals will be formally assessed in a fair and transparent manner, against standard criteria including value for money, capacity to deliver and outcomes.

- **Theme 4 - Reserve for over delivery of the Level 3 Adult Offer - £250,000**

As reported at the March 2021 Skills Committee, additional funding from the National Skills Fund (NSF) has been delegated to the Combined Authority for Level 3 courses for adults. Given the low take-up of Level 3, with only 1% of all enrolments and only 5% of all funding being used for Level 3, the Combined Authority will be building capacity in providers to grow Level 3 courses for adults over the next three years, to

increase the proportion of Level 3 to 10% of our overall adult skills enrolments, across AEB and the National Skills Fund. To incentivise the marketplace of providers, the Combined Authority have pledged to pay for over-delivery of Level 3 courses. Therefore, if the DfE do not increase the Combined Authority's NSF grant to pay providers for Level 3 courses, then this reserve will be used to pay for over-delivery.

- **Theme 5 - Unlock with Level 3 Marketing campaign and publications - £30,000**
The DfE have now confirmed that Combined Authorities cannot 'top-slice' the National Skills Fund. £30,000 had been budgeted for marketing and communications to promote the new Level 3 courses. Therefore, provision now needs to be made from the AEB Reserve for this purpose which will increase the Marketing and Promotion budget within the existing Business and Skills budgets.
- **Theme 6 - Contingency (for unforeseen programme expenditure) - £220,000**
It is proposed to retain a modest balance in the Reserve Fund for any unforeseen expenditure and/or to release pressure on Combined Authority resources responding to the dynamics of economic recovery during the year.

3. Innovation Fund 2020/21

3.1 The Innovation Fund was introduced last year in the 2020/21 academic year to encourage our existing provider base to test and explore new ways of delivering education and training that addresses the AEB Commissioning Strategy priorities. Projects which reduced skills and employment gaps of CPCA residents, disproportionately underrepresented in the labour market. These groups include the unemployed and those with special educational needs and disabilities. For 2020/21 the priorities of the fund were to support innovation proposals that support and maximise participation, the main themes were:

- Improving participation in digital skills training
- English for Speakers of Other Languages
- Support for those affected by jobs displacement and redundancy

3.2 The initial budget of £660,400 included £336,700 AEB and £323,700 Local Growth Fund (LGF). Of this £579,460 was allocated to five AEB providers across twelve projects, details are set out at Appendix 2.

3.3 Due to the third national lockdown in January 2021, many of the projects were either unable to go ahead or unable to start until much later. This has resulted in a current total spend of £289,492, with an expected additional £100,00 being claimed by the end of August. We have been able to agree a carry-over of the grant funding arrangements for some of the projects where delivery is still expected to take place.

3.4 Innovation Fund 2021/22

At the Skills Committee of 29 April 2020, approval was given for a recurrent Innovation Fund of £500,000 to be allocated from the main devolved AEB Grant every year. Funding

allocations for 2021/22 academic year have been completed and funding agreements issued to all providers, as set out in Appendix 1.

- 3.5 As reported at the June Skills Committee, the DfE confirmed £11,959,794 of devolved AEB for the 2021/22 academic year. This is summarised below:

| TABLE B: Budget Line | Allocation | % of budget |
|--|--------------------|-------------|
| AEB Programme Allocations | £10,590,716 | 88.6% |
| AEB Innovation Fund | £500,000 | 4.2% |
| AEB retained for in-year growth | £462,445 | 3.8% |
| AEB Programme Management ('Top-slice') | £406,663 | 3.4% |
| TOTAL | £11,959,794 | 100% |

- 3.6 For the 2021/22 Innovation Fund, a budget of £500,000 has been allocated. The themes to fund will be:

- Innovative engagement of atypical learners
- Piloting employer responsive approaches
- Continuation funding for a small number of successful projects from 2020/21, that require an additional year of funding

- 3.7 The fund will continue to support CPCA grant funded and contracted services. Providers will apply for additional funding to deliver innovative provision that meets the CPCA priorities for skills and training. To consider the continuation of successful first round projects that require an additional year for proof-of-concept. Proposals will be capped at £100,000 per project.

- 3.8 Applicants will still need to identify the learning, employment and/or social outcomes their proposed activity will deliver for residents, communities and employers within Cambridgeshire and Peterborough.

Significant Implications

4. Financial Implications

- 4.1 Approval of the recommendation with allocate out £1.1m of the c. £1.5m AEB reserve brought forward from the prior financial year. The remaining £470k, is then available to mitigate against potential risks in-year. Given the underspends seen in the previous two financial years this level of contingency is considered sufficient. The table below summarises the impact on the MTFP of the recommendations.

| Financial change summary (£'000) | | | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
|----------------------------------|-------------------------------------|----------|---------|---------|---------|---------|
| Existing MTFP | Marketing and Promotion of Services | Approved | 90 | 90 | 90 | 90 |
| | | STA | - | - | - | - |
| | | | | | | |
| Changes Requested | Provider Capacity Building (new) | Approved | 250 | - | - | - |
| | | STA | - | - | - | - |

| | | | | | | |
|--------------|---|----------|-----|----|----|----|
| Change | Strategic Partnership Development (new) | Approved | 250 | - | - | - |
| | | STA | - | - | - | - |
| | Marketing and Promotion of Services | Approved | 30 | - | - | - |
| | | STA | - | - | - | - |
| | | | | | | |
| Revised MTFP | Provider Capacity Building | Approved | 250 | - | - | - |
| | | STA | - | - | - | - |
| | Strategic Partnership Development | Approved | 250 | - | - | - |
| | | STA | - | - | - | - |
| | Marketing and Promotion of Services | Approved | 120 | 90 | 90 | 90 |
| | | STA | - | - | - | - |

5. Legal Implications

5.1 There are no legal implications.

6. Other Significant Implications

6.1 There are no significant implications.

7. Appendices

7.1 Appendix 1 – AEB Final Funding Allocations 2021/22

7.2 Appendix 2 – AEB Innovation Fund Projects 2020/21

Appendix 1 – AEB 2021/22 Funding Allocation Summary

| GRANT PROVIDERS | 2021/2022 AEB ALLOCATIONS INCLUDING GROWTH CASES |
|--|---|
| BEDFORD COLLEGE | £170,000 |
| CAMBRIDGE REGIONAL COLLEGE | £2,420,000 |
| CAMBRIDGESHIRE COUNTY COUNCIL | £2,048,485 |
| HILLS ROAD SIXTH FORM COLLEGE | £20,000 |
| INSPIRE EDUCATION GROUP | £2,002,186 |
| NORTH HERTFORDSHIRE COLLEGE | £38,000 |
| PETERBOROUGH CITY COUNCIL | £1,400,000 |
| THE COLLEGE OF WEST ANGLIA | £500,000 |
| WEST SUFFOLK COLLEGE | £325,173 |
| | £8,923,844 |
| | |
| INDEPENDENT TRAINING PROVIDERS | |
| BACK2WORK COMPLETE TRAINING LTD | £462,000 |
| STEADFAST TRAINING LIMITED | £500,000 |
| THE SKILLS NETWORK | £439,872 |
| NACRO | £100,000 |
| THE COLLEGE OF ANIMAL WELFARE | £165,000 |
| *GNR TRAINING LIMITED | £90,000 |
| | £1,666,872 |
| Total | £10,590,716 |

Note: GNR's total has been allocated from National Skills Fund (NSF) and Sector Based work Academy funding and therefore it's not included in the general AEB total.

Appendix 2 – AEB 2020/21 Innovation Fund Projects

| Provider | Project outline | Revenue (AEB) | Capital (LGF) | Total |
|----------------------------|---|------------------|------------------|---------|
| Cambridge Regional College | New business start-up programme | £42,500 | - | £42,500 |
| Cambridge Regional College | Overcoming disadvantage through digital learning | - | £30,300 | £30,300 |
| Cambridge Regional College | Adults Learners Careers Advisor | £35,000 | - | £35,000 |
| College of West Anglia | Enhancing digital literacy in areas of high deprivation | £25,160 | £15,150 | £40,310 |
| College of West Anglia | Community ESOL, pop up classroom | - | £32,652 | £32,652 |

| | | | | |
|---------------------------|---|-----------------|-----------------|-----------------|
| City College Peterborough | Peterborough City Skills Hub | £38,400 | £9,850 | £48,250 |
| City College Peterborough | Health and Social Care Skills Lab – phase 1 | £9,810 | £39,994 | £49,804 |
| City College Peterborough | Health and Social Care Skills Lab – phase 2 | £12,536 | £34,684 | £47,220 |
| City College Peterborough | Health and Social Care Skills Lab – phase 3 | £24,280 | £25,659 | £49,939 |
| West Suffolk College | Construction Training Hub | - | £50,000 | £50,000 |
| West Suffolk College | Construction hub equipment | - | £50,000 | £50,000 |
| Inspire Education Group | Peterborough City Skills Hub | £43,250 | £4,800 | £48,050 |
| Inspire Education Group | Response to redundancy Hub | £23,000 | £26,935 | £49,935 |
| Inspire Education Group | Intensive English and Maths | £39,000 | £9,000 | £48,000 |
| Totals | | £250,436 | £329,024 | £579,460 |



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 3.1

Growth Works Management Review – September 2021

To: Skills Committee

Meeting Date: 13 September 2021

Public report: Yes

Lead Member: Councillor Lucy Nethsingha, Chair of the Skills Committee

From: Interim Programme Manager, Alan Downton
Growth Co Chair, Nigel Parkinson

Key decision: No

Recommendations: The Skills Committee is recommended to:

Note the Growth Works programme performance up to 31 July 2021.

1. Purpose

- 1.1 Note the financial and non-financial performance of Growth Works and request any required changes to reporting going forward.
- 1.2 To note and comment upon the programme performance up to 31 July 2021.

2. Growth Works Service Line Performance

- 2.1 The Growth Works contract was signed on 12th February 2021, and the service went 'live' following a public launch on 27th May 2021.
- 2.2 Overall performance to 31st July 2021 service line leading indicators are reported in the Table below (Dashboard Summary – Programme Outcome & Top Leading Indicators):

| Dashboard Summary – Programme Outcome and Top Leading Indicators | | | | | | | Overall RAG Status ● | |
|--|---|-----------|-------------------|-----------------|---------------|---|---|--------|
| Service Line / Whole of Programme View | Target Indicator | Q3 Target | Q3 Actual (31/07) | YTD Total at Q3 | Year 1 Target | Performance Against Q3 Target at 31/07 | Progress against Year-1 Target (at 31/07) | |
| All Service Lines – Outcome | Jobs created (inc. Apprentices) | N/A | 15 | 400* | 648 | Up 15 ↑ | ↑ | 61.7% |
| Top Leading Indicators - Growth Coaching | Businesses provided with (i.e. undertaken) a Growth Diagnostic | 346 | 32 | 132 | 832 | Up 32 ↑ | ↑ | 15.8% |
| | Businesses starting coaching assignments (post-diagnostic support) | 88 | 23 | 56 | 193 | Up 23 ↑ | ↑ | 29.0% |
| Top Leading Indicators - Inward Investment | Inward investors receiving information, diagnostics, and brokerage support) | 5 | 35 | 80 | 18 | Up 35 ↑ | ↑ | 466.7% |
| | Inward investor commitments to expand or for new investments | 1 | 1 | 9 | 6 | Up 1 ↑ | ↑ | 150.0% |
| Top Outcome and Leading Indicator – Skills | Apprenticeships created | N/A | 3 | 14 | 51 | Up 3 ↑ | ↑ | 27.4% |
| | Additional training / learning outcomes (excludes apprenticeships) | 60 | 21 | 44 | 209 | Up 21 ↑ | ↑ | 21.0% |
| Top Leading Indicators - Grants & Equity | Companies receiving grants | 13 | 0 | 32 | 28 | Level → | ↑ | 114.3% |
| | Small Business Capital Growth Investment Equity (£000) | 500 | 0 | 0 | 2,000 | Level → | ↓ | **0.0% |

- 2.3 Overall, the performance is robust and the pipelines for each service line are looking strong.

* 321 jobs, 80% of this number, were created in grants owing to the capital grant activity awarding £2.043m, match funded, before 31st March 2021

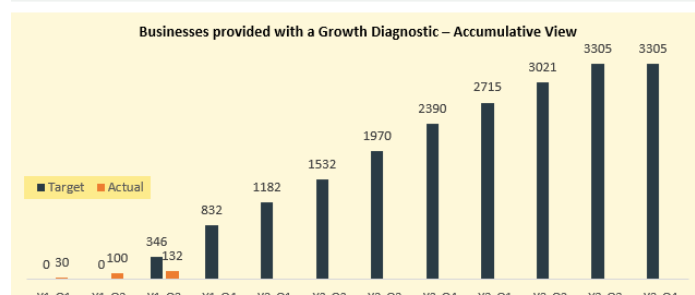
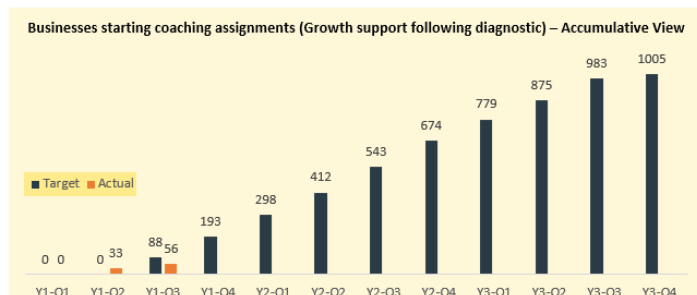
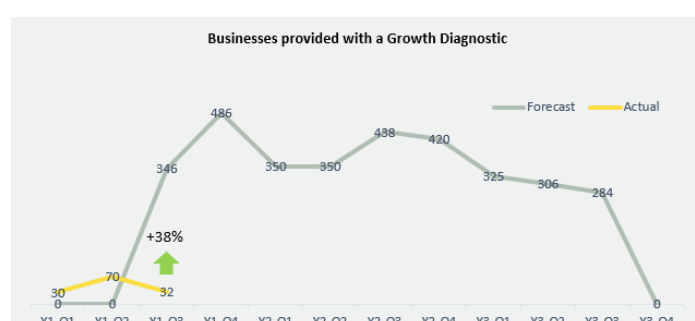
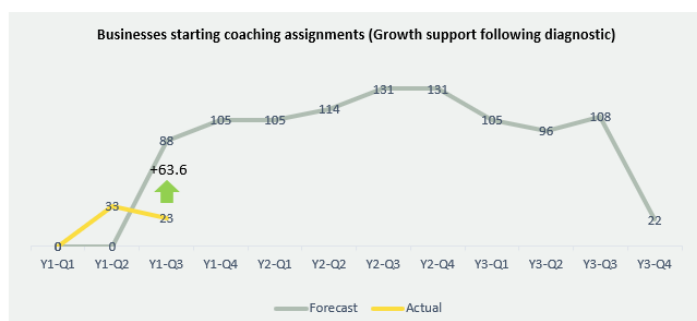
** SME equity investment is £0.5m behind target and there is nothing undue with this. This is purely down to the Investment Appraisal panel finalising the terms of reference at a meeting on 27 July and subsequently going live. Future Investment appraisal panels are scheduled on a monthly basis from September 21.

- 2.4 Monthly and quarterly contractual meetings with Gateley Economic Growth Services (GEG) and the consortia are scheduled up until April 2022 and are being held regularly. The quarterly contract meeting held in July 2021 included Mike Herd from the Business Board and Councillor Lis Every from the Skills Committee.

3. Growth Coaching Service Line

3.1 Breakdown of performance

| Target / Indicator | Contract Deliverables | | | | Q1 Actual | Q2 Actual | [Q3] This Quarter | | | | | [Q4] Final Quarter Target | Q3 Quarter Performance | | | YTD Performance | | |
|--|-----------------------|-------------------|-------------------|--------------------|-----------|-----------|-------------------|----------------|----------------|----------------|-------------------|---------------------------|------------------------|----------------|------------------|-----------------|------------|--------------|
| | Year 1 | Year 2 | Year 3 | TOTAL | | | Q3 Target | Actual (31/07) | Actual (31/08) | Actual (30/09) | Q3 Total to 31/07 | | Target (30/09) | Actual (31/07) | Variance (31/07) | Year-1 Target | YTD Actual | YTD Variance |
| Jobs created | 75 | 1425 | 1723 | 3223 | 0 | 0 | 0 | 0 | | | 0 | 75 | 0 | 0 | 0% | 75 | 0 | 0% |
| Businesses provided with (i.e. undertaken) a Growth Diagnostic | 832 | 1558 | 915 | 3305 | 30 | 70 | 346 | 32 | | | 32 | 486 | 346 | 32 | 9.3% | 832 | 132 | 15.8% |
| Businesses starting coaching assignments (Growth support following diagnostic) | 193 | 481 | 331 | 1005 | 0 | 33 | 88 | 23 | | | 23 | 105 | 88 | 23 | 26.1% | 193 | 56 | 29.0% |
| Businesses starting coaching journeys (enrolled in Get Set Accelerate) | 154 | 385 | 466 | 1005 | 0 | 81 | 70 | 4 | | | 4 | 84 | 70 | 4 | 5.7% | 154 | 85 | 55.2% |
| Business profiles matched (S/M/L in %) | 135% / 60% / 5% | 210% / 145% / 45% | 155% / 195% / 50% | 500% / 400% / 100% | 0 | TBD | 70% / 30% / 0% | 66% / 33% / 0% | | | 66% / 33% / 0% | 65% / 30% / 5% | 70% / 30% / 0% | TBD | 0% | 135% / 60% / 5% | TBD | TBD |
| Businesses completing a coaching journey | 44 | 327 | 634 | 1005 | 0 | 0 | 0 | 0 | | | 0 | 44 | 0 | 0 | 0% | 44 | 0 | 0% |
| GVA generated (£ 000) | £0 | 33,000 | 70,000 | 103,000 | £0 | TBD | 0 | 0 | | | 0 | 0 | 0 | TBD | 0% | 0 | TBD | 0% |



- 3.2 This service line has reached out to 1948 businesses, 719 of which were in July alone, and they are on target to reach the required performance of 346 (cumulative) businesses provided with a growth diagnostic, and 88 starting their coaching assignment by the end of Sept 21 (Q3 period).

4. Inward Investment Service Line

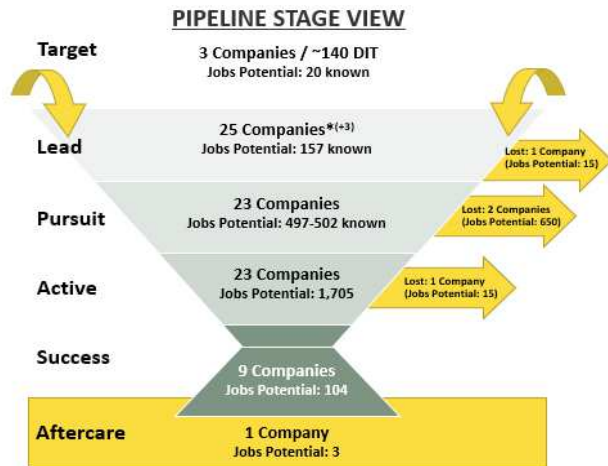
- 4.1 The New Market Entry competition, held on Friday July 23rd and hosted by Mayor Dr Nik Johnson, was for ambitious founders and business leaders within the Life Sciences sector looking to access the expertise and connections of the sector in Cambridgeshire.
- 4.2 The competition brought together some of the leading industry accelerators in the region with the innovation expertise of the Eastern Academic Health Science Network (AHSN) and gave applicants the opportunity to pitch their companies to a panel of sector experts. These included Jason Mellad (Business Board member), Bobby Kaura, Louise Jopling and Tony Kypreos, with experience ranging from commercialisation of innovation to capital raising, selling into the sector, connections and business support.
- 4.3 Invitations were sent out to global contacts by the Inward Investment team of Growth Works and data collected on the application form included fields such as company description, number of employees, turnover, previous investment rounds, reason for wanting to set up in the UK. The application forms were used to determine which were the most exciting businesses shortlisted to pitch on the day. City Curator coordinated this process and reduced 30 applications down to a shortlist of eight.
- 4.4 The eight selected applications were all serious scale-ups, with validation, traction, funding and IP that push forward healthcare innovation on many fronts, and they were serious in terms of setting up operations, or even Global Headquarters, in the region.
- 4.5 In addition to the companies that pitched on the day, the Growth Works Inward Investment Team are following up with every single company that registered for the event, as the calibre of all applicants was very high, and each has the potential to establish permanent operations within our region. To ensure all queries and questions raised during the event are answered comprehensively, the Growth Works Team are offering targeted one-to-one individual meetings with all the companies, both shortlisted and non-shortlisted. The press release is available for reading on the [Combined Authority's website](#).
- 4.6 The next Inward Investment supply chain event will take place in Autumn 2021 and will be centred on artificial intelligence (AI). The Combined Authority region is already an internationally recognised centre for AI, and our ambition, as set out in the Local Industrial Strategy, is to establish the region as the preferred global base for firms from across the world to create and adopt the technologies of tomorrow. To help us achieve this, Growth Works will be looking to maintain Greater Cambridge's global status as a leader in AI, while seizing untapped potential opportunities in the Fens and Peterborough.
- 4.7 As part of Gateley Economic Growth Services (GEG) and the consortia, next 120-day marketing and communications plan, due October 21. There will be details of all planned events, which they are either organising or will attend.
- 4.8 GEG and its consortia are working to ensure Key Inward Investors currently in Cambridgeshire & Peterborough remain committed to the region as they grow. For example, they are working with a rapidly growing advanced engineering manufacturer with a global business headquartered in Cambridge UK. Throughout 2021 the company has been considering its need to relocate to continue its exciting growth.

- 4.9 Following an introduction from the Business Board Vice-Chair, Andy Neely, and discussions with the Ox-Cam Division of the Ministry for Housing Communities and Local Government and Department for International Trade (DIT), International Investment Services (IIS), leading the inward investment service with Growth Works, engaged with the business in February 2021. This was well before the Growth Works contract was signed, but early engagement with the company enabled IIS to support the Combined Authority in making the case to keep this business within our region.
- 4.10 Being able to present a strong case for Cambridgeshire and Peterborough was vital as the project was internationally mobile with several international and national UK locations of interest to the company:
- National competition included interest from Bedfordshire, Milton Keynes, Norfolk, Suffolk, Rotherham, Rochdale, and Wales.
 - International competition included: Germany, the Netherlands, Spain, Portugal, Hungary, Czech Republic, Poland, Romania and Ireland.
 - International Investment Services, operating on behalf of the Combined Authority, supported three propositions within our region. This included comprehensive research on existing med tech companies in the region, high level financial benchmarking across locations including likely energy and salary costs, indicative after tax returns, plus an analysis of our local labour market and skills outlook and how it aligns to the company's current and future needs.
- 4.11 Significant amounts of time and resources were invested in our efforts to keep this business within Cambridgeshire & Peterborough, with robust and comprehensive support provided to pitches from three shortlisted locations - Alconbury, Lancaster Way and Bourn Airfield. After discussions with the business Project Manager, we are delighted to say that we have been informed that the site to which the company will relocate, will be within the Combined Authority area.
- 4.12 However, at this stage, as commercial discussions with the site are ongoing, the business will not confirm which site this is. We are expecting to hear from this business with a final decision by the end of August/early September. At this time, it remains commercially sensitive until the location negotiations are completed. This project has demonstrated just how effective the successful partnership between Growth Works and the Combined Authority can be and will be going forward to position sites within our region to major global companies.

The pipeline of businesses is very healthy. Jobs created numbers reported below and jobs potential on the pipeline are not the same. Potential is a possibility, while created is where International Investment Services (IIS) have landed them. For example, last month Bright Sentinel, a Dutch Company, committed and 29 jobs will be created. However, they also qualified for an SME CapEx grant which accounts for 5 of the 29, so IIS only attribute 24 to the Service Line. The pipeline adds up to 91 companies: 84 shown here. Of the remaining 7 companies, 3 are targets not yet approached, 3 qualified out as not FDI, and 1 'closed out – lost' as the engagement did not progress. There are 10 companies recorded as a 'success' and 'aftercare' in the pipeline. The 'aftercare' company is Mibin, who were predominantly a DIT win, so Growth Works does not count it, even though IIS substantially supported them.

SERVICE LINE PIPELINE VIEW: Inward Investment Service

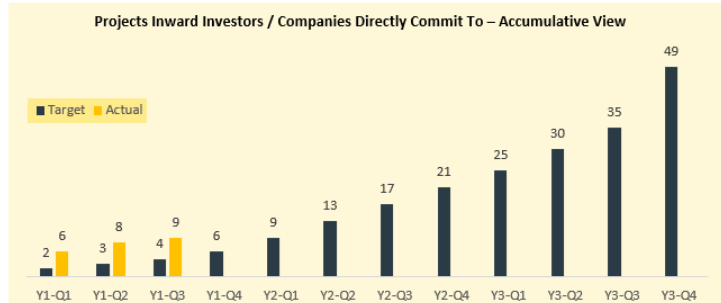
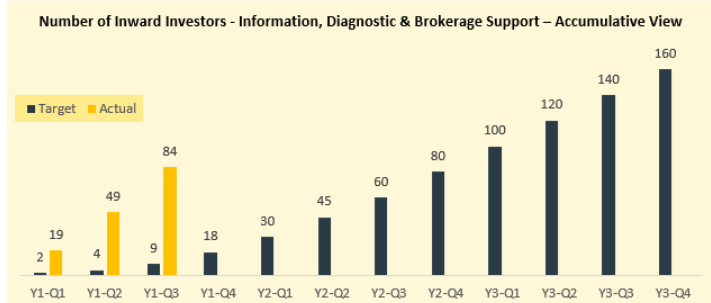
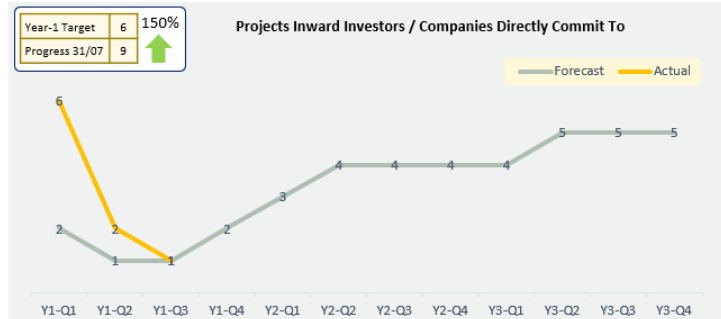
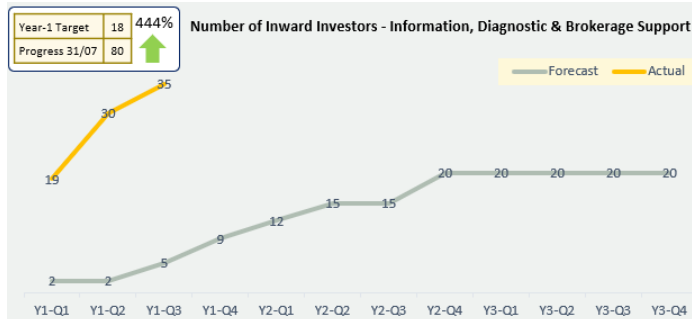
NOTE: the data illustrated is to 31st July



| PIPELINE | |
|-----------|--|
| Stage | Notes |
| Target | 3 companies: in July 31 companies were identified as targets. All were actively engaged and progressed, so they are recorded further down the funnel. The three here remain as targets from last month. |
| Lead | *All targets identified in July became leads or progressed further down the funnel. Jobs potential on several is currently unknown. In addition, there are three (Flusso, Better Origin, and Viva Arts) who were served (shown here as +3) but later qualified out as FDI clients and passed to other service lines. |
| Pursuit | 23 companies: of these, three were engaged in February, four in April, two in May, three in June and in 11 July. The jobs potential for 11 of the companies are unknown at present. Rigby was lost in July, with 600 jobs potential. |
| Active | 23 companies: six of the 23 account for 84.6% of the jobs total (400 – CMR Surgical; 321 – Ultimate Battery Company; 200 – Oatley; Hong Leong Manufacturing – 200; Serum Institute – 200; Global Gene Corp – 122) |
| Success | 9 Companies: the jobs are still reported as potential until such time as they land in patch on a payroll. |
| Aftercare | When companies have landed and set up successfully in patch they will be account managed through the IIS aftercare process – 1 company (Mibin) |
| NOTE | Rigby was lost from the pipeline in July, with an estimated 600 jobs potential. The loss summary is included in the market stories annex to this report. |

4.13 Breakdown of performance:

| Target / Indicator | Contract Deliverables | | | | Q1 Actual | Q2 Actual | (Q3) This Quarter | | | | | (Q4) Final Quarter Forecast | Q3 Quarter Performance | | | YTD Performance | | |
|---|-----------------------|--------|--------|--------|-----------|-----------|-------------------|----------------|----------------|----------------|-------------------|-----------------------------|------------------------|----------------|------------------|-----------------|------------|--------------|
| | Year 1 | Year 2 | Year 3 | TOTAL | | | Q3 Target | Actual (31/07) | Actual (31/08) | Actual (30/09) | Q3 Total to 31/07 | | Target (30/09) | Actual (31/07) | Variance (31/07) | Year-1 Target | YTD Actual | YTD Variance |
| Jobs created | 75 | 175 | 350 | 600 | 23 | 29 | 25 | 12 | | | 12 | 25 | 25 | 12 | 48% | 75 | 64* | 85.3% |
| Inward investors receiving information, diagnostics, and brokerage support) | 18 | 62 | 80 | 160 | 19 | 30 | 5 | 31 | | | 35 | 9 | 5 | 35 | 700% | 18 | 84** | 466.7% |
| Inward investor commitments to expand or for new investments | 6 | 15 | 19 | 40 | 6 | 2 | 1 | 1 | | | 1 | 2 | 1 | 1 | 100% | 6 | 9*** | 150.0% |
| GVA generated (£ 000) | 3,000 | 4,000 | 8,000 | 15,000 | £0 | TBD | 1,000 | TBD | | | TBD | 1,000 | 1,000 | TBD | 0% | 3,000 | TBD | 0% |
| Strategic capital investment | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | | | £0 | £0 | £0 | £0 | 0% | £0 | £0 | 0% |
| New enterprises supported (ERDF) | 5 | 10 | 10 | 25 | 1 | 0 | 1 | 0 | | | 0 | 0 | 1 | 0 | 0% | 5 | 1 | 20.0% |
| Enterprises supported to introduce new to the market products (ERDF) | 3 | 5 | 7 | 15 | 1 | 0 | 1 | 0 | | | 0 | 0 | 1 | 0 | 0% | 3 | 1 | 33.3% |



* A different way of expressing the table above

4.14 Summary of International Investment Services (IIS) global enquiries for the period to 31/07/2021:

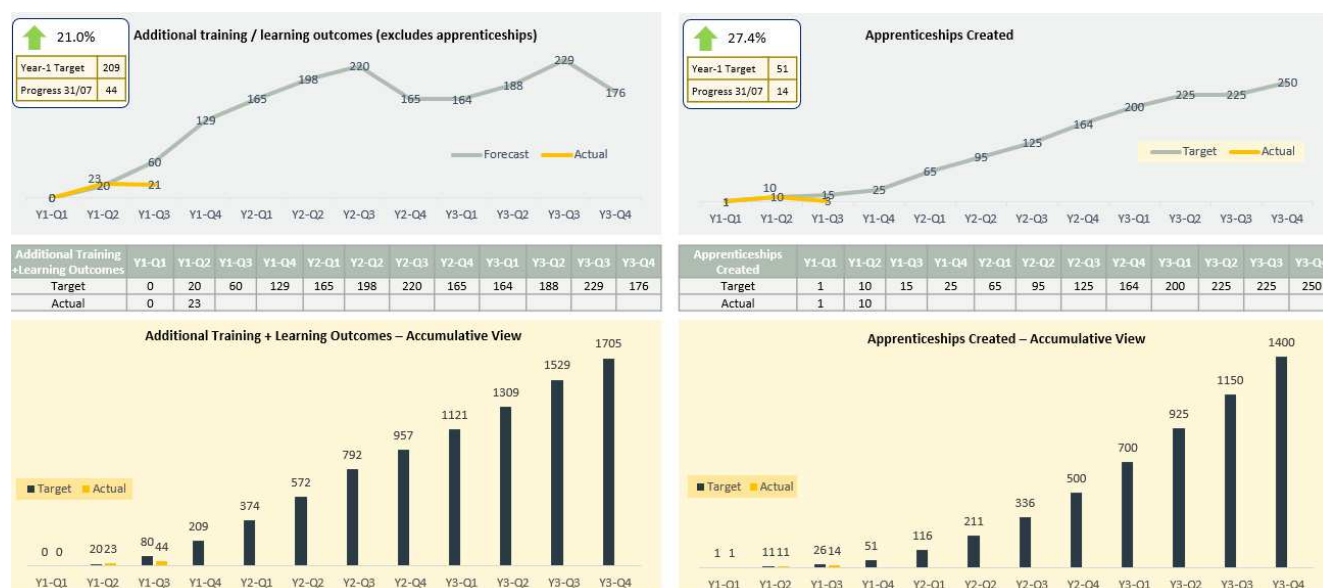


4.15 There is a large risk that without additional resources, the current team of two within International Investment Services will be overwhelmed by the volume of work, and may not be able to respond as quickly and professionally as required. If a large, strategic inward investment opportunity lands in the pipeline, all resources will go to servicing this inward investment enquiry, and smaller opportunities will not be able to be supported, and the CPCA risks losing out on investment projects. Officers are currently working with Gateley Economic Growth Services Limited (GEG), Cambridgeshire and Peterborough Business Growth Company Limited (Growth Co) and the Combined Authority on potential solutions.

5. Skills Service Line

- 5.1 Growth Works with Skills met or exceeded Quarter 2 targets with 3 x CO23's / SME engagements, 10 apprenticeships created, and 37 learning outcomes identified. These included organisations from across the Combined Authority area, and from a range of industry sectors, such as Radical Sportscars (Peterborough SME), Movolytics (South Cambs SME), Chiltern Distribution (Fenland SME), FCC Innovation (East Cambs SME) and Rebus Financial (Peterborough SME).
- 5.2 There is a healthy pipeline for Quarter 3 with a range of small, medium and large businesses showing interest in accessing talent via apprenticeships, developing talent and in assessing their own position on our Talent Development Maturity Index (TDMI). Example organisations include Energise, Urban Housing, British Car Auction, Metalcraft, Cross Keys Housing, Anthem Printing, Chiltern Distribution, and Flagship. To continue raising awareness and to pipeline build we have so far directly emailed close to 870 businesses in August, promoting our events supporting the mayoral summer campaign.
- 5.3 European Social Fund (ESF) targets were met with three engaged SMEs completing the TDMI and taking part in consultative conversations that have led to action plans and a referral to the Growth Coaching service.

- 5.4 The Digital Talent Platform was reviewed, and a new user journey model implemented. This is combined with new functionality that is due in the next quarter, including an events calendar for schools to facilitate and promote employer engagement and a collaborative development with the Workforce Skills team to promote the Digital Bootcamps.
- 5.5 We are currently working in partnership to further improve the user journey for specific user areas that will benefit from further work which include:
- Education hub
 - External links
 - Internal data capture
- 5.6 The marketing activity has increased significantly through collaboration with the Workforce Skills team to promote the Mayor's Summer campaign "Learn Work Grow" (Getting Cambridgeshire & Peterborough Back to Work), with a programme of eight events designed to engage employers and encourage them to offer experiences of work, placements, advertise vacancies and promote opportunities and inform and support individuals who are returning from furlough and/or are economically inactive.
- 5.7 Through the Careers and Enterprise Company (CEC) contract, work continues to offer all 72 schools and colleges across the region support in achieving the Gatsby Benchmarks, to promote and facilitate the delivery of excellent careers provision for all young people. During Quarter Two, 11 of the 13 Special Education & Disabilities Schools were onboarded to the CEC Enterprise Advisor Network, and in doing so established a pilot programme to further support these schools through the implementation of Talentino, a tool used by the CEC.
- 5.8 Breakdown of performance:

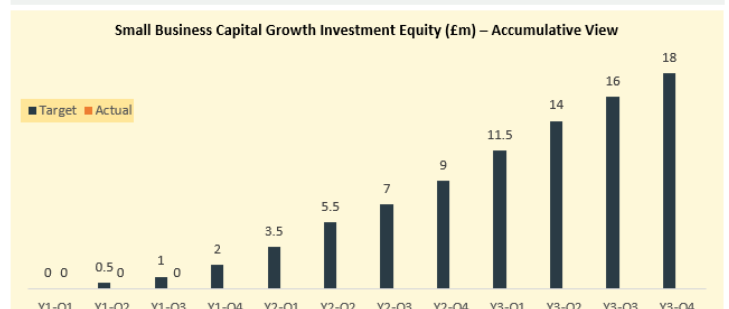
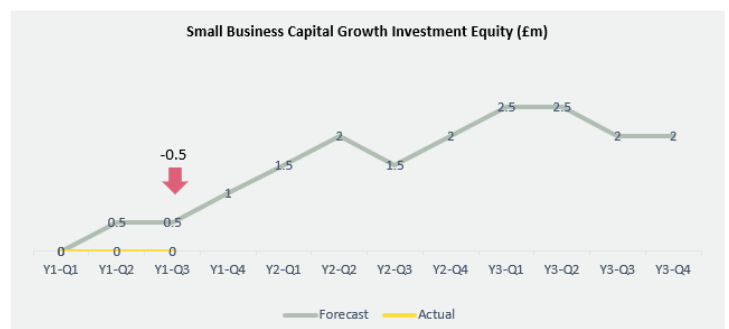
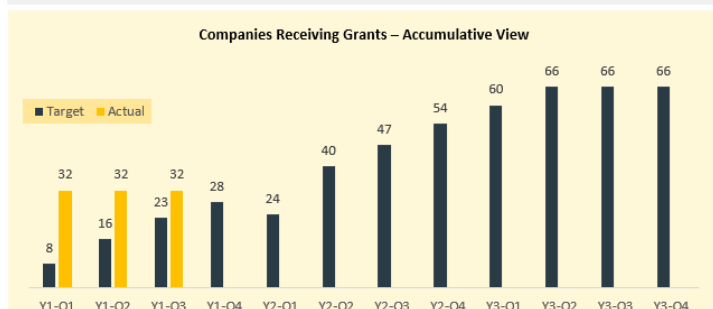
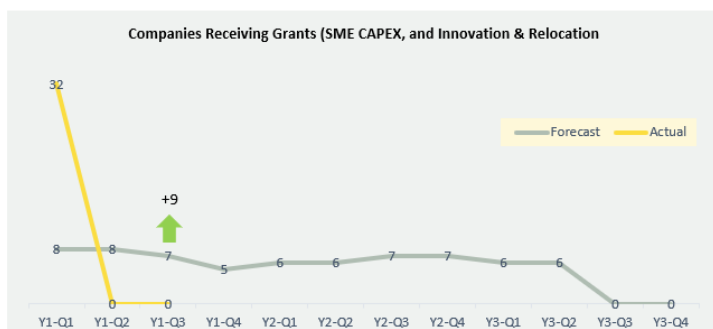


| Target / Indicator | Contract Deliverables | | | | Q1 Actual | Q2 Actual | (Q3) This Quarter | | | | | (Q4) Final Quarter Forecast | Q3 Quarter Performance | | | YTD Performance | | |
|--|-----------------------|--------|--------|--------|-----------|-----------|-------------------|----------------|----------------|----------------|-------------------|-----------------------------|------------------------|----------------|------------------|-----------------|------------|--------------|
| | Year 1 | Year 2 | Year 3 | TOTAL | | | Q3 Target | Actual (31/07) | Actual (31/08) | Actual (30/09) | Q3 Total to 31/07 | | Target (30/09) | Actual (31/07) | Variance (31/07) | Year-1 Target | YTD Actual | YTD Variance |
| Apprenticeships created* | 51 | 449 | 900 | 1400 | 1 | 10 | TBD | 3 | | | 3 | TBD | TBD | 3 | 100% ↑ | 51 | 14 | 27.4% ↑ |
| Jobs (via learning outcomes)*** | 50 | 100 | 200 | 350 | 0 | 1 | TBD | 0 | | | 0 | TBD | TBD | 0 | 100% ↑ | 50 | 1 | 2.0% ↑ |
| Additional training / learning outcomes (excludes apprenticeships) | 209 | 748 | 748 | 1705 | 0 | 23 | 60 | 21 | | | 21 | 129 | 60 | 21 | 38% ↑ | 209 | 44 | 21.0% ↑ |
| GVA generated (£ 000) | TBD | TBD | TBD | 15 | TBD | TBD | TBD | TBD | | | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD |
| Levy Employers signed up to pledge (£ 000) | 3,000 | 5,500 | 6,500 | 15,000 | £0 | 564 | 1,000 | 0 | | | 0 | 1,000 | 1,000 | 0 | 0% → | 3,000 | 564 | 18.8% → |
| Levy Employers increasing utilisation of Levy (£ 000) | 2,170 | 3,272 | 4,008 | 9,450 | £0 | TBD | 830 | 0 | | | 0 | 840 | 830 | 0 | TBD → | 2,170 | £0 | 0% → |
| SME's accessing Levy transfer (£ 000) | 1,750 | 4,690 | 6,040 | 12,480 | £0 | 1.5 | 500 | 0 | | | 0 | 750 | 500 | 0 | 0% → | 1,750 | 1.5 | 0.08% → |

6. Grants & Equity Service Line

6.1 SME equity investment is £0.5m behind target and there is nothing undue with this, as it is down to the Investment Appraisal panel finalising the terms of reference at a meeting on 27 July and subsequently going live. Future Investment appraisal panels are scheduled on a monthly basis from September 2021, and a pipeline of potential businesses is already available.

| Target / Indicator | Contract Deliverables | | | | Q1 Actual | Q2 Actual | (Q3) This Quarter | | | | | (Q4) Final Quarter Forecast | Q3 Quarter Performance | | | YTD Performance | | |
|--|-----------------------|--------|--------|--------|--------------|-----------|-------------------|----------------|----------------|----------------|-------------------|-----------------------------|------------------------|----------------|------------------|-----------------|--------------|--------------|
| | Year 1 | Year 2 | Year 3 | TOTAL | | | Q3 Target | Actual (31/07) | Actual (31/08) | Actual (30/09) | Q3 Total to 31/07 | | Target (30/09) | Actual (31/07) | Variance (31/07) | Year-1 Target | YTD Actual | YTD Variance |
| Jobs | 397 | 474 | 584 | 1455 | 321 | 0 | 0 | 0 | | | 0 | 397 | 0 | 0 | 0% → | 397 | 321 | +81% ↑ |
| Companies receiving grants* | 28 | 26 | 12 | 66 | 32 | 0 | 13 | 0 | | | 0 | 7 | 13 | 0 | 0% → | 28 | 32 | +114% ↑ |
| Grants & Investments (Small Business Capital Growth Investment Fund) | 18 | 26 | 12 | 56 | 32 | 0 | 5 | 0 | | | 0 | 5 | 5 | 0 | 0% → | 18 | 32 | +178% ↑ |
| Innovation & Relocation Grants* | 10 | 0 | 0 | 10 | 0 | 0 | 2 | 0 | | | 0 | 0 | 2 | 0 | 0% → | 10 | 0 | 0% ↓ |
| Small Business Capital Growth Investment equity (£ 000)** | 2,000 | 7,000 | 9,000 | 18,000 | 0 | 0 | 500 | 0 | | | 0 | 1,000 | 500 | 0 | 0% → | 2,000 | 0 | 0% ↓ |
| Number of equity investment projects between £150k and £250k** | 4 | 19 | 17 | 24-40 | 0 | 0 | 2 | 0 | | | 0 | 2 | 2 | 0 | 0% → | 4 | 0 | 0% → |
| GVA generated - (£ 000) | 1,000 | 14,000 | 30,000 | 45,000 | 4,050 (est.) | 1,000 | TBD | TBD | | | TBD | TBD | TBD | TBD | 0% → | 1,000 | (4,050 est.) | +405% ↑ |



7. Financial performance

- 7.1 The contract began mid-February 2021, and therefore at this reporting point we are 5½ months into the programme. A vast amount of work has been undertaken on the mobilisation of the contract and work is now underway to establish a 'business as usual' (BAU) routine. Contractual payment on profile payments have been made, and some grant funding has been transferred across for defrayment.
- 7.2 Recently, the accounting structure has been agreed and the process for invoicing for ESF claims finalised. Currently, arrangements are being formalised for grant payments, ERDF nudge grants and programme reconciliation. It is anticipated that BAU will be fully embedded by November 2021.
- 7.3 Financial performance of Cambridgeshire & Peterborough Growth Company (Growth Co) is reported to the Board of Directors monthly. The next Board meeting is 8th September 2021.

8. Forward Look

- 8.1 Schedule of upcoming reporting deadlines and meeting dates:
- August: Investment Committee meets – first equity investment expressions of interest received.
 - August: SME CapEx Grant Expressions of Interest received.
 - August: HubSpot integrated with CreditSafe and Companies House to enable AML/KYC automation. AML (anti-money laundering) is an umbrella term for the range of regulatory processes firms must have in place, whereas KYC (Know Your Customer) is a component part of AML that consists of firms verifying their customers' identity.
 - September: Investment Committee meets – first equity investment applications to be assessed and award decisions agreed.
 - September: 120-day plans with activity to close out year-1 are reviewed and signed off by the Combined Authority.
 - October: Q3 Report and Meeting, with 120-day forward look to end of year-1, showing plans to close out achieving targets.
 - October – 120-day marketing plans with events calendar identifying where GEG and the consortia are organising / hosting Growth Works events.
- 8.2 The focus for the Business and Skills Senior Responsible Officers (SROs) and the Directors of the Cambridgeshire and Peterborough Business Growth Company Limited (Growth Co) is threefold.
- Being able, through a portal, to communicate the performance. This is in development, and it will be available in the autumn with 'user testing' with nominated representatives from the Business Board, Skills Committee and Local Authorities, before going 'live' and widening the online report to a wider audience of partners and stakeholders.
 - Now that the services are beginning to deliver results, look in detail at the qualitative element of each service line

- Evaluate and ensure the marketing is reaching all potential high growth / scale up businesses across the Combined Authority and it is joined up across all the service lines.

9. Marketing Communications

- 9.1 Growth Works continues to create and distribute regular press releases across all service lines to raise the profile of the service and showcase its successes. Going forward a greater emphasis will be placed on sector media and securing positive media coverage in target publications to generate awareness of what Cambridgeshire & Peterborough has to offer potential inward investors and scale-ups looking to relocate elsewhere in the UK.
- 9.2 Recently this activity has included:
- [Global life sciences companies compete to invest in Cambridgeshire and Peterborough economy](#)
 - [Jobs, grants, coaching and inward investment boost in first 100 days of transformational economic growth service](#)
 - [New start-up programmes to help bridge the gender gap in entrepreneurship](#)
- 9.3 Lead Generation - All service lines are now operating using the HubSpot CRM system, which allows all interactions with potential leads to be tracked and monitored to ensure the same potential client is not targeted multiple times by different service lines. By encouraging all service lines to cross reference their lead generation and marketing plans to identify opportunities for joint marketing, the Combined Authority are trying to ensure the best user experience for our potential clients and prevent any duplication. HubSpot's setup allows the Combined Authority to, at the click of a button, monitor and evaluate content, campaign performance and audience data as part of our ongoing contract management.

Significant Implications

10. Financial Implications

- 10.1 There are no direct financial implications in the progress report.

11. Legal Implications

- 11.1 None.

12. Other Significant Implications

- 12.1 None.

13. Appendices

13.1 None.

14. Background Papers

14.1 None.



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 3.2

Employment and Skills Strategy - Update

| | |
|----------------------|--|
| To: | Skills Committee |
| Meeting Date: | 13 September 2021 |
| Public report: | Yes |
| Lead Member: | Councillor Lucy Nethsingha, Chair of the Skills Committee |
| From: | Fliss Miller, Senior Responsible Officer – Workforce Skills |
| Key decision: | No |
| Forward Plan ref: | N/A |
| Recommendations: | <p>The Skills Committee is recommended to:</p> <p>a) Note the progress undertaken to develop the Employment and Skills Strategy and direction to complete the final Strategy</p> |
| Voting arrangements: | A simple majority of all Members |

1. Purpose

- 1.1 The purpose of this paper is to inform the Skills Committee of the progress made on the development of the Employment and Skills Strategy.

2. Background

- 2.1 At the Skills Committee on 14 June 2021 the Skills Committee agreed to the approach to develop the new Employment and Skills Strategy for the Combined Authority. This paper provides an update of the progress made and also sets out the next steps to complete the strategy.
- 2.2 The first round of engagement sessions has been completed. Five workshops were held in July. These workshops included focused sessions with the Business Board and the Local Economic Recovery Group and the Skills Committee and Employment and Skills Board. In addition, three open sessions were held. These sessions included representatives from business, regional government departments, the third sector, FE colleges and independent training providers, schools and professional and representative bodies.
- 2.3 The Senior Responsible Officer also attended other established groups informing them of the process being undertaken, including but not limited to – The NEET Strategy Steering Group, Cambridge Ahead Skills Board, Fenland District Council Executive meeting.
- 2.4 In addition to the workshop sessions the Open Call for evidence was open for one month. This was widely circulated through both political and non-political channels. The Open Call was also promoted through Social Media channels. The Combined Authority received 25 responses.

3. Next Steps

- 3.1 The draft strategy is attached in Appendix 1. This outlines the key emerging themes which include:
- **A person-centered approach**, strategic focus on priority occupations *as well as* sectors
 - **Strong data and information to inform decision making**, with a customer behaviour perspective
 - **Co-ordinated place-based action areas**, to engage all stakeholders in addressing multiple/complex issues
 - **A regional curriculum**, with learning and training aligned to local job opportunities and careers
 - **A dual-track system**, anticipating long-term needs *and* responding with agility in the short-term
- 3.2 The Senior Responsible Officer for Workforce Skills met with the incoming Chief Executive of the Combined Authority on 16 August to discuss the draft strategy, the incoming Chief Executive was content with the process and requested to be kept informed of progress.

- 3.3 It is proposed that a further eight engagement sessions are held to discuss and seek feedback on the draft strategy; individual sessions with the Local Authorities in the Combined Authority, the Skills Committee and Employment and Skills Board and with representatives from the regional Youth Advisory Boards.
- 3.4 This feedback will be incorporated into the final Employment and Skills Strategy that will be brought to the November meeting of the Skills Committee for final approval.

Significant Implications

4. Financial Implications

- 4.1 There are no direct financial implications arising from this report, the individual projects and programmes needed to implement the Skills Strategy will be addressed as they are brought forward following completion of the strategy.

5. Legal Implications

- 5.1 There are no significant legal implications arising from this report.

6. Appendices

- 6.1 Appendix 1 - Employment and Skills Strategy – Progress Update

Cambridgeshire and Peterborough Combined Authority

Skills Strategy & Vision – Skills Committee Progress Update

August 2021

Contents

1. Introduction

- Context
- Approach

2. Where we are now?

- Outcomes so far from the evidence review and engagement

3. Where do we want to get to?

- Reflections on existing strategic priorities and short-term actions
- Emerging long-term strategic priorities and actions and initial perspectives on long-term actions

The background of the slide is a light blue map showing a dense network of white lines representing city streets. The lines vary in thickness, suggesting different types of roads or highways. The overall pattern is a complex, interconnected web of urban infrastructure.

Introduction

Overview of the context for the strategy, the approach to developing it and where we are in the process

Introduction

- CPCA's current Skills Strategy was published in 2019. It's overarching imperative is to deliver 'an inclusive, world-class local skills eco-system that matches the needs of our employers, learners and communities'.
- Whilst few would question the ongoing relevance of this mission, the intervening years have seen significant changes in the local, national and global context.
- Great Britain has left the European Union, Covid-19 has impacted the economy, people's health, wellbeing, and how they work and learn. Recovery in the UK is aligned to the levelling-up agenda, aiming to reduce inequalities between different parts of the country that covid has laid bare.
- The climate crisis is deepening, intensifying the drive to attain net-zero carbon emissions in the UK by 2050 and we see ongoing acceleration of digitalisation.
- Mayoral elections in 2021 brought a new Mayor, Dr Nik Johnson, to Cambridgeshire and Peterborough, mandated to place his values of compassion, co-operation and community at the heart of future strategic plans.

Cambridgeshire & Peterborough's Skills Strategy (2019) Developing Talent – Connecting the Disconnect

The CPCA has a vision to grow a successful, globally competitive economy grounded in high-skilled, better paid jobs, increased productivity and strong sustainable communities through an inclusive world-class local skills eco-system that matches the needs of our employers, learners and communities.

The strategy is a blueprint for designing and applying skills policies that makes the most of the region's workforce and for maximising the skills of its residents to drive up productivity, enable economic growth and support social inclusion.

We have a unique opportunity to set the strategic direction, enabling sustainable futures by creating a culture of positive change within the skills arena following three key themes:

1. Achieve a high-quality offer tailored to the needs of the three subeconomies.
2. Empower local people to access education and skills to participate fully in society, to raise aspirations and enhance progress into further learning or work.
3. Develop a dynamic skills market that responds to the changing needs of local business.

Introduction

Cambridgeshire & Peterborough's Local Economic Recovery Strategy (March 2021)

Cambridgeshire and Peterborough is core to the UK's future growth, global competitiveness and zero-carbon transition. We are a major economic engine of the national economy and the Oxford-Cambridge Arc.

Our 2018 Independent Economic Review identified three interdependent sub-economies across our geography. Each has distinctive strengths and challenges, but the global competitiveness of our area depends on the future success of all.

With the rest of the world, since March 2020 residents and businesses across our economy have had to manage the unprecedented restrictions to business and movement introduced to manage the threat to public health from Covid-19.

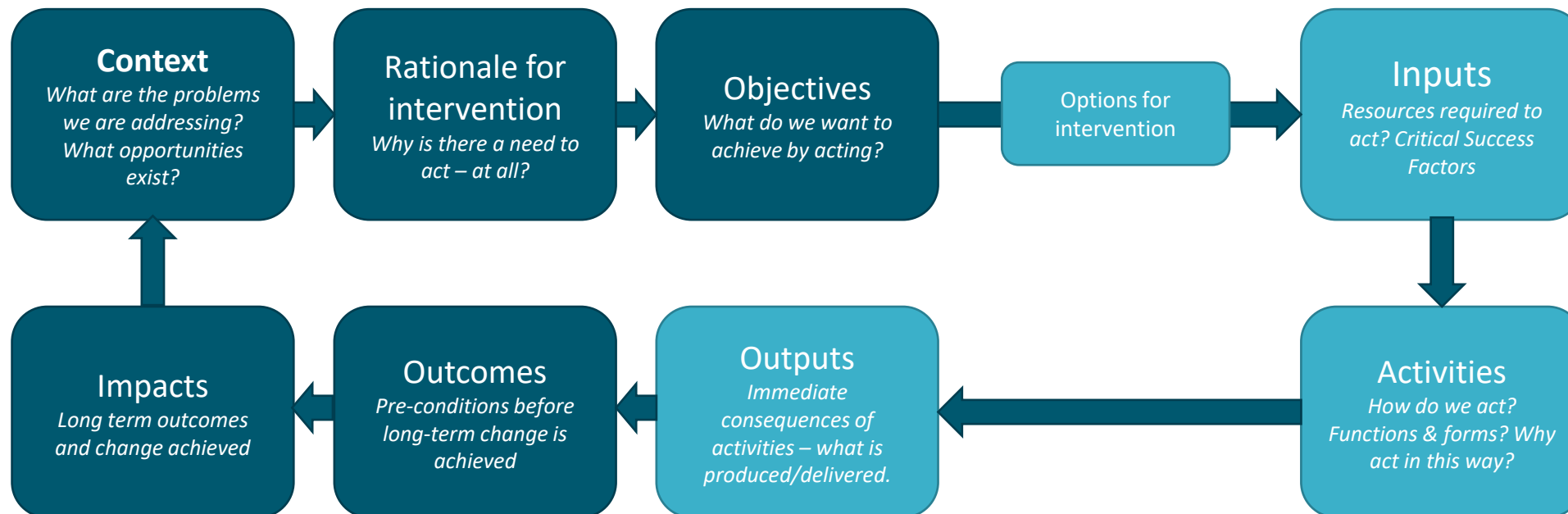
Alongside the health impacts of the virus on individuals, the economic impacts on our people have been severe and concentrated on the most vulnerable. The evidence suggests that people in Cambridgeshire & Peterborough have been harder hit than elsewhere.

- With the economy now re-opening and vaccination numbers rising, a new set of challenges are to be faced by the region.
- In the short-term, the end of the government's extensive employment support schemes mean many individuals, particularly those in precarious work, are at risk of unemployment.
- Longer-term, Covid-19 has accelerated trends such as automation which combined with transitioning industries to net zero risk further unemployment and will require reskilling and upskilling.
- A refreshed skills strategy will validate the current strategic priorities for the area and set out an updated, long-term vision for the future of the skills eco-system in the region, reflecting nuances of the labour markets in the six local authority areas.

Introduction

- Metro Dynamics is working closely with CPCA colleagues and Cambridgeshire Insights to develop a refreshed Employment and Skills Strategy.
- The project follows a logic model approach, developing strategic objectives based on robust evidence of local labour market strengths and weaknesses. To date the process has focused on context, rationale for intervention, objectives and desired outcomes/impacts.

Fig. Theory of change logic model



Introduction

- The project combines the validation of the existing strategic priorities and objectives for skills, as set out in the LERS, with the development of a vision for long-term change.
- The approach follows a traditional 4 pillar strategy development framework, operating on two timelines:

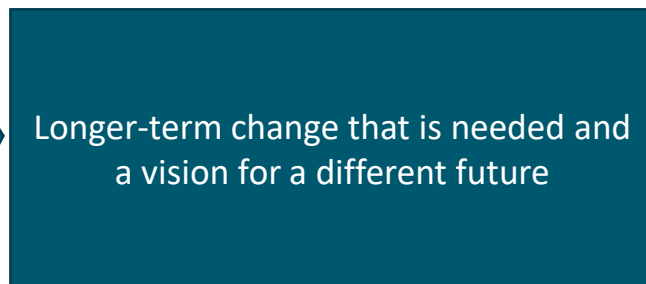
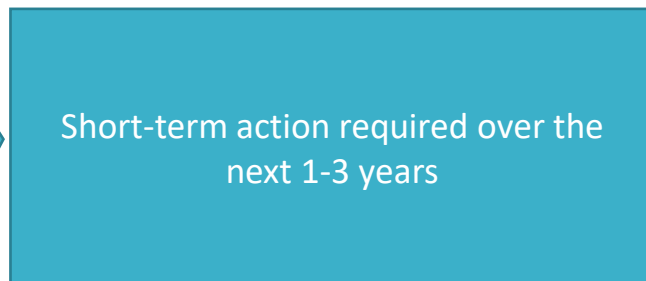
Fig. Robust framework for strategy development



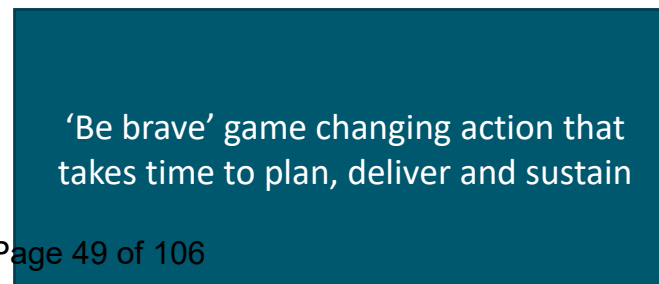
Where are we now:



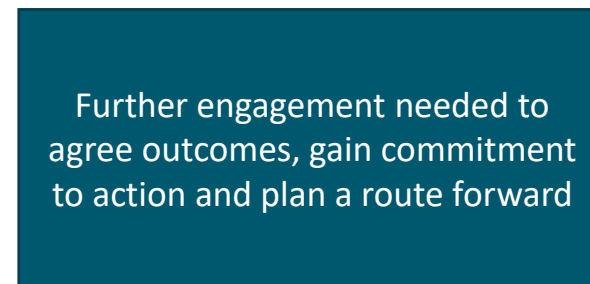
Where do we want do get to:



How to get there requires:



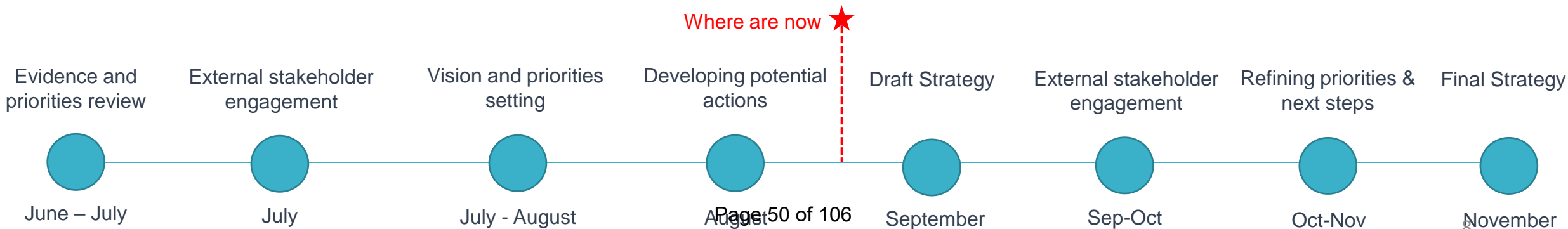
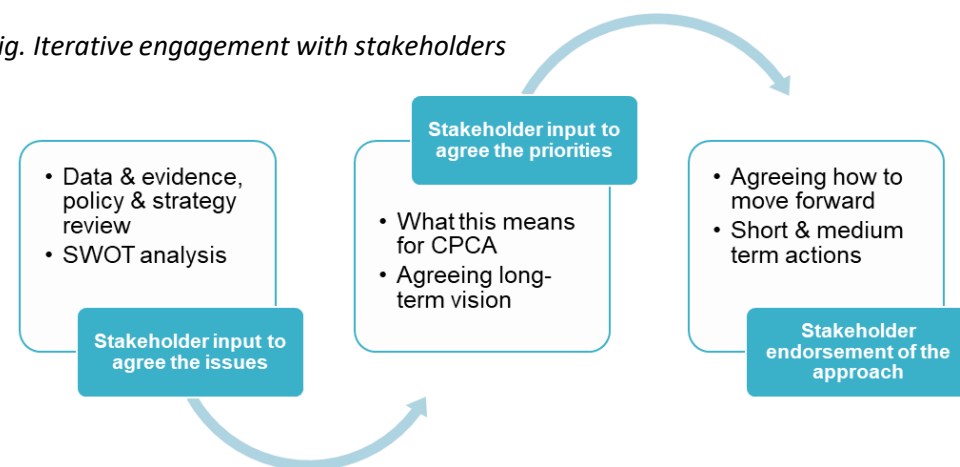
Next steps:



Introduction

- The process is iterative, ensuring stakeholder buy-in at each major point in development.
- The evidence review is ongoing – with new analysis from Cambridgeshire Insights being added over August.
- External stakeholder engagement events were held across July and a six-week call for evidence has just closed.
- Over the coming month there will be more engagement to agree the priorities and outcomes, with the final strategy complete in November.
- This pack presents progress to date, focusing on the evidence base, validation of existing strategic priorities and emerging priorities for long-term change.

Fig. Iterative engagement with stakeholders



Where are now ★

Where are we now?

Summary data and analysis so far from the evidence review and engagement

Reflections on the 2019 strategy

CPCA's 2019 Skills Strategy set out a number of priority actions. Here we reflect on progress of those actions, what has been achieved, and where action needs to be included in this strategy.

| 2019 Strategy action | Progress |
|---|--|
| Opportunity Area to improve education in Fenland and East Cambridgeshire | Achieving – received additional year of funding from DfE – we want to make more progress on skills and market towns |
| Health and care sector work academy – 2,100 new learners | To progress – lower levels of uptake so far than expected – the project has been reprofiled with DWP to run to 2023 |
| Skills brokerage service and strong early engagement between businesses and providers including in careers advice with targeted support on STEM, T Levels, employer outreach, work readiness and careers pilots | Achieving – Skills brokerage service launched in February 2021 as part of Growth Works |
| Apprenticeship levy pooling to improve access for SMEs, and provide placements through sector academy apprenticeship hubs across the area | Achieving – apprenticeship levy pooling mechanism in place, CPCA Skills, Training, Apprenticeship and Recruitment Hub in place |
| University for Peterborough that raises HE participation and aspiration, and delivers technical courses aligned to local employers' needs and jobs of the future | To progress – ARU Peterborough in development and on track to open in 2022, but the case for success not yet proven |
| Sector pilots and skills hubs to overcome rurality with transport links | Potential gap – improved transport provision for rural areas |
| Work and Health Programme to support progression of adults into work who have become disconnected from the labour market | To progress – DWP Restart contract with Reed is replacing Work and Health Programme over next 3 years |
| Connect local businesses in key sectors to the Digital Talent Portal for greater visibility of talent for employers and attracting young people to jobs through social media | Achieving – launched as part of Growth Works |
| Achieve a skills base that matches business needs through funding and programmes that CPCA has responsibility for – map AEB provision and improve provision through transition pilots and sector focused retraining schemes | To progress – sector retraining schemes launched in 2020, AEB progressing – fewer learners in 2020 than 2019 due to Covid |
| Lobby government for further devolution opportunities and to shape skills reforms to make an outcomes based and business led skills system | To progress – further lobbying on skills will focus on devolution of the National Careers Service and Careers and Enterprise Company activity |

Wider context: major trends & drivers

Place

The CPCA wishes to release the full potential of its economy by targeting each of its overlapping economies' spatially distinct strengths such as: Peterborough's rapid growth and advanced manufacturing capabilities, Cambridge's global leadership in life sciences, technology and research and the innovative micro and agricultural businesses of the Fens. To do this, it is recognised that a programme of targeting retraining, upskilling and employability support must be provided to residents, alongside investment in revitalization and new capacity building of FE and HE estates in cold spots.

Infrastructure

The realisation of the Government's National Infrastructure Strategy will drive a huge increase in skills demand across the construction, engineering and transportation sectors. In addition, the move to net zero will require many people in the current workforce to update their skills to incorporate new greener practices. The National Infrastructure Plan for Skills suggests that meeting this demand will require that government and industry work together to ensure the right people and skills are available.

Automation

Many sectors are experiencing the long-term effects of automation, that is: the application of computer and robotics technology to a range of tasks that remove, or more likely reduce, the demand for human labour. These impacts are most apparent in the manufacturing industry, where mechanisation is a long-term trend, but now are increasingly affecting elementary occupations within sectors. This is particularly important for districts like Fenland and Peterborough where the proportion of the workforce in elementary positions is high (18% and 17% respectively) meaning the impact of such automation could leave many without a job therefore demonstrating the need for early policy interventions centred around skills brokerage and upskilling.

Digitalisation

The impact of the pandemic has been to greatly accelerate an existing trend towards online retail. The obvious impact of this will be a continued decline in demand for high street retail and the jobs associated with this. Given the reliance on Retail for employment in the districts of East Cambridgeshire, Fenland, Huntingdonshire and Peterborough, such acceleration means the CPCA must ensure sufficient skills brokerage and upskilling programmes are in place to support residents at risk of job loss.



Brexit impacts

Despite a recent bounce back in national EU exports, total national export activity remains below pre-pandemic levels. Whilst public datasets do not yet capture recent exports from Cambridgeshire and Peterborough, and they will not for some time (with the next release date unknown). The previous release tells us that Cambridgeshire and Peterborough businesses exported £5.5bn of goods in 2019, 40% (£2.2bn) to EU destinations; and £5.1bn of services in 2018, 33% (£1.7bn) to EU destinations.

Covid impacts

The most significant effects of the pandemic have been on retail, hospitality and entertainment businesses particularly impacted by lockdown restrictions and having to adapt fast to lockdown restrictions and changing consumer preferences. However, a recovery appears to be underway in Cambridgeshire & Peterborough, aided by recovery in construction, manufacturing and retail sectors. Employment support schemes (particularly the Coronavirus Job Retention Scheme, 'furlough') have continued to act as an effective break on increasing unemployment. Despite this support flowing to lower-income households, the overall impact of the crisis is a deeply unequal one. There is a clear correlation between areas of pre-existing deprivation in CPCA and the incidence of Covid-19 cases and deaths, as well as correlated increases in new Universal Credit claims.

Levelling up

Despite being a relatively wealthy Combined Authority Area, the Cambridge and Peterborough Independent Economic Review (2018) identified the spatial disparities prevalent across the CPCA and within the three distinctive, but overlapping economies of Greater Cambridge, Greater Peterborough and the Fens. The CPCA wishes to release the full potential of its economy by addressing such disparities across health, wellbeing and prosperity.

Green growth

Public support for tackling climate change and the green agenda is ever growing. For the energy sector this has meant focusing on what can be done to transition to net zero. As a low-lying vulnerable area, the CPCA is well accustomed to the challenges of climate change and so emissions-focused initiatives have been central to economic strategies across Cambridgeshire & Peterborough with over 77% of CPCA's major initiatives climate-focussed. This is a sector with many opportunities for innovation, which will benefit hugely from a skilled, innovative workforce. New, unique skills will be required to help support the pioneering.

Strategic context: national, regional and local

HMT Plan for Jobs

HMT's Plan for Jobs aims to support the UK's economic recovery while continuing to prioritise people's health as the country navigates a return to a new normal post-pandemic. Much of this work will focus on supporting jobs with direct help for individuals to find work and upskill; protecting jobs in those sectors hit hardest by the pandemic; and creating jobs with action to increase and bring forward infrastructure investment and a transferral towards a greener economy. For CPCA this means strategic objectives around increased work-based learning, developing priority skills including net zero skills and modernising the skills system are well-aligned with national agenda. CPCA can be an exemplar to the rest of the UK in its recovery from the pandemic.

HMT Plan for Growth

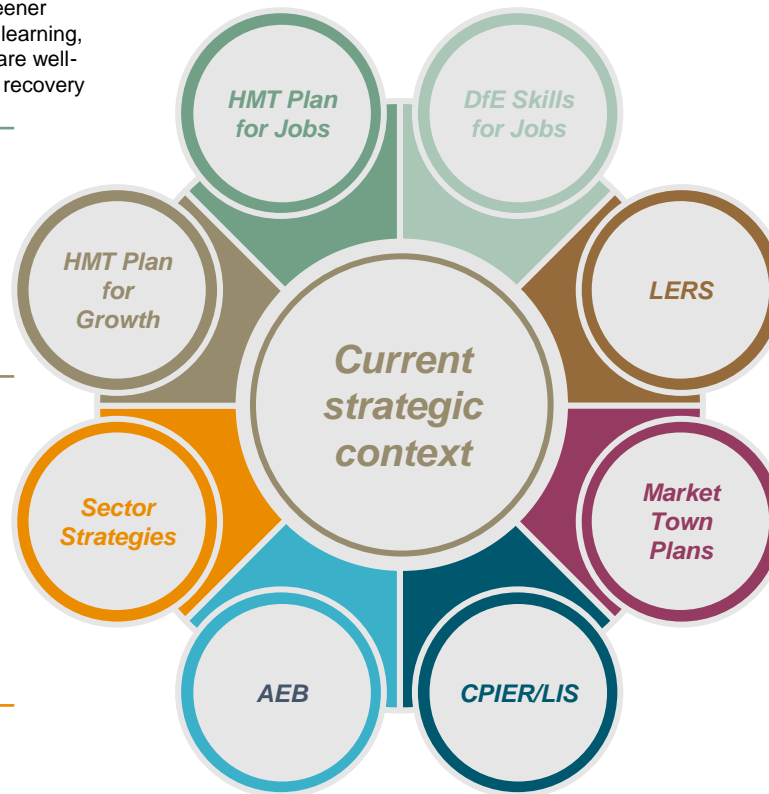
CPCA has committed to supporting the economic growth of market towns in the region in light of the impacts Covid-19 has had on high streets and town centres. In order to continue to support its rural economy as well as its urban, CPCA must not lose sight in its new Skills and Employment Strategy of the pivotal role these places have as individual communities in their own right and in upholding the character of CPCA.

Sector Strategies

The CPIER identified the sectoral strengths and specialism of CPCA as Life Sciences; Agri-Tech; Digital; and Advanced Manufacturing. In order to build on these existing strengths, CPCA made the collective decision to commission individual plans for each priority sector because of the ability to delve much deeper into the emerging trends and activity within a sector than from a broader overarching strategy. It is important work on priority sectors continues as CPCA targets future growth, but it is also important to reflect on where priority sector jobs are located and their concentration. CPCA's priority sectors account for 20% of employment overall, it is important any future Employment and Skills Strategy accounts for and values roles within this other 80% too.

AEB

The Cambridgeshire & Peterborough Combined Authority Adult Education Budget Commissioning Strategy adopts a holistic, integrated approach that reinforces the role of skills and the inclusivity of all residents to benefit from economic growth and for nobody to be left behind. It pledged to move toward a more outcome and impact focused system which targets low skilled and low paid residents, sustainable employment, improving learner progression and access to digital skills. All of these targets remain poignant and must not be lost in CPCAs next Employment and Skills Strategy.



HMT Plan for Growth

HMT's Plan for Growth highlights the three pillars of infrastructure, skills and innovation as key to the UK's recovery from Covid-19. The government wishes to improve productivity and level-up the UK whilst increasing high-quality skills provision and training, and transforming FE. This will in part catalyse the development of creative ideas and technologies that will shape the UK's future high-growth, CPCA is well positioned to lead the UK in its high skilled and innovative drive post-pandemic given its particular strengths in life sciences, agritech and advanced manufacturing. Building on these existing strengths as CPCA intends to do through its prioritisation of sectors will see Cambridge a key player in the UK's recovery and plan for growth. sustainable and secure economy, in addition to new investment and enabling regulatory systems.

DfE Skills for Jobs

DfE's Skills for Jobs highlights the need to reform further education to it supports people to get the skills our economy needs throughout their lives, wherever this live in the country. Current skills gaps at higher technical levels risk the UK falling behind its global competitors as it deals with the impact of Covid-19, commitments to be net-zero by 2050 and exiting the European Union. The UK government wishes to transform the skills system to put employers at the heart of the system and to make training a lifelong and flexible option for all.

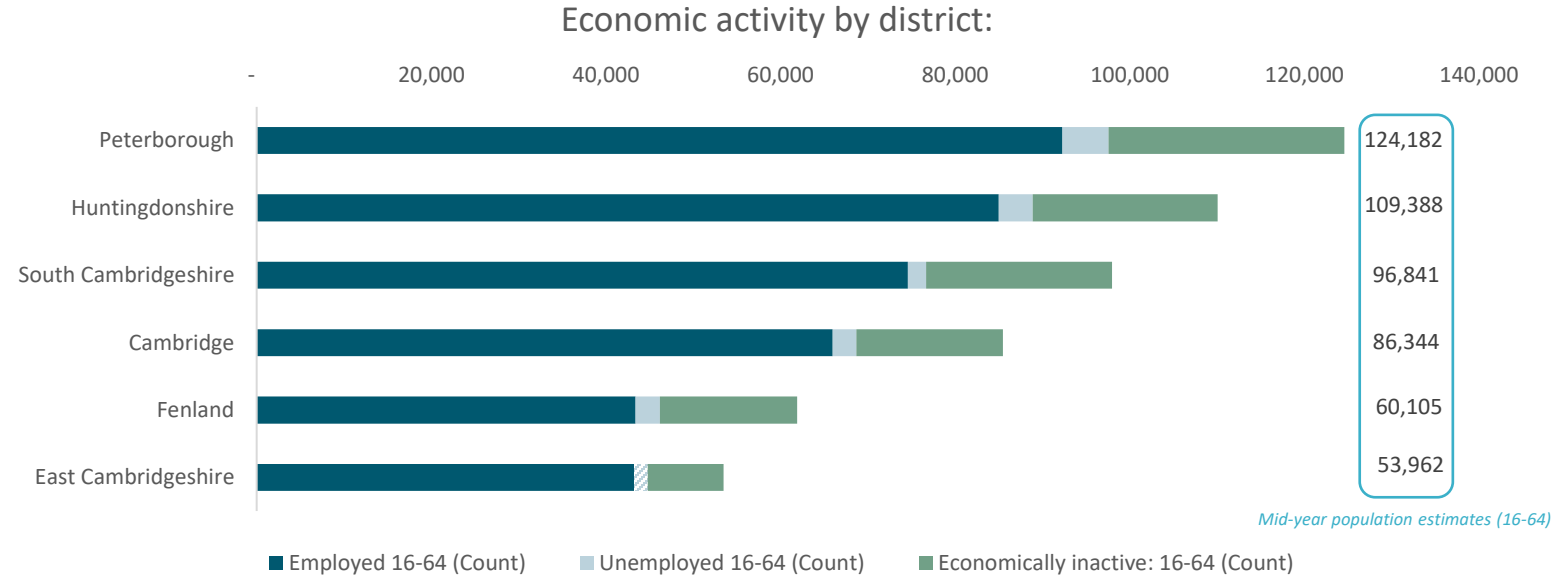
LIS

The Local Industrial Strategy sets out how Cambridgeshire and Peterborough will maximise the economy's strengths and remove barriers that remain to ensure the economy is fit for tomorrow's world. It supports the aims of the National Industrial Strategy by boosting productivity in Cambridgeshire and Peterborough. CPCA must continue to recognise the importance of growth in its new Employment and Skills Strategy.

LERS

The Local Economic Recovery Strategy sets out a specific activity in local priority areas that the CPCA and partners are pursuing to support people and businesses to recover from the economic impact of Covid-19. This includes but is not limited to activity around skills brokerage and upskilling of displaced employees; targeted employment support; business growth coaching and investment programmes; and place-specific developments such as construction sector FE centres in Huntingdonshire and green skills FE centres in Peterborough.

Population context



| | South Cambridgeshire | Peterborough | Fenland | East Cambridgeshire | Huntingdonshire | Cambridge |
|--|----------------------|--------------|---------|---------------------|-----------------|-----------|
| Projected population change to 2040 (%) | -3.7% | 11.7% | 9.1% | 0.0% | -0.6% | -2.1% |
| Proportion of population in most deprived quintile (%) | 0.0% | 41.1% | 20.0% | 0.0% | 1.9% | 4.3% |

Labour market headlines:

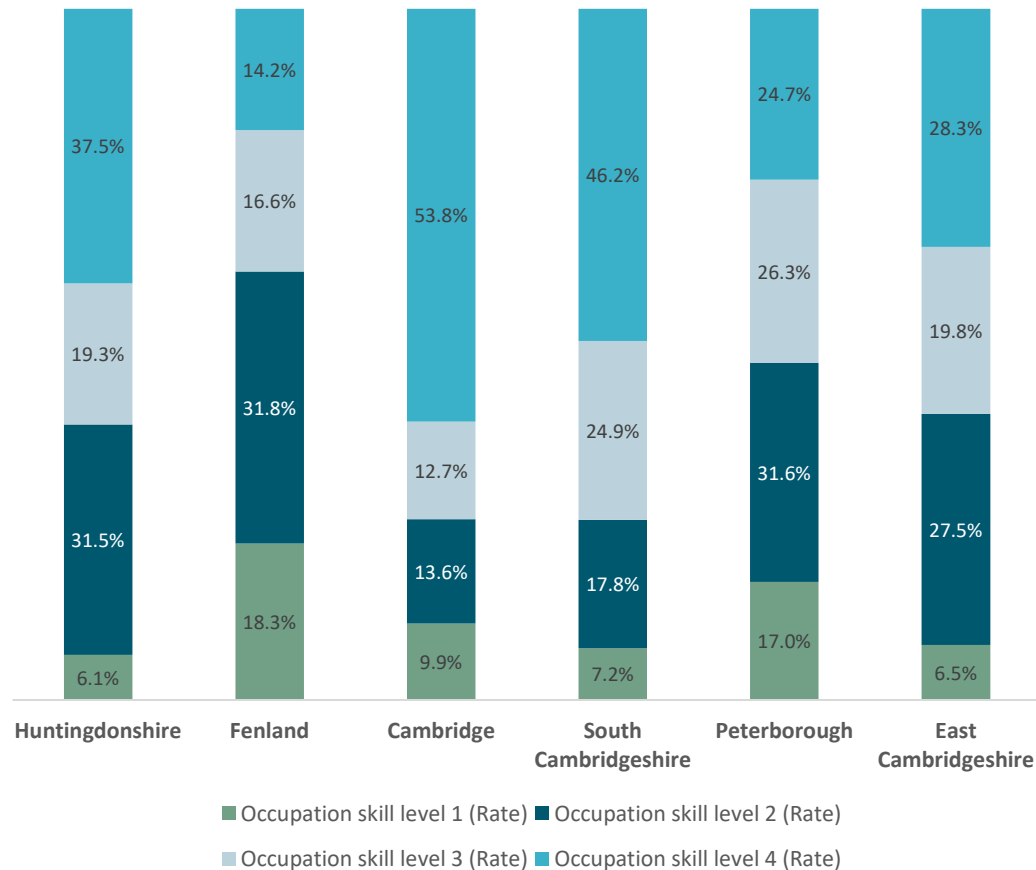
Priority sectors and self employment

- Employment in priority sectors is rising faster in the area than average at 17.4% vs. 6.6% nationally.
- Clusters of employment in priority sectors are growing in South Cambridgeshire, Cambridge and East Cambridgeshire, with opportunities for residents to benefit from growth with the right skills provision and support.
- However, presence of and growth in jobs in priority sectors is not evenly spread across the area. Fenland in particular is home to very few priority sector jobs.
- Fenland, Peterborough and Huntingdonshire all saw lower employment increases closer to (or lower than) the national average than the CPCA average.
- An interesting pattern in the data is that, over the same period, these areas saw much sharper increases in self-employment.
- There has been an extremely high growth in levels of self-employment in Fenland, which is the only area to have more people self-employed than employed in a priority sector.

| | Cambridge | East Cambridgeshire | Fenland | Huntingdonshire | Peterborough | South Cambridgeshire |
|--|-----------|---------------------|---------|-----------------|--------------|----------------------|
| <i>Self-employed 16-64 (count)</i> | 6,500 | 4,500 | 8,100 | 10,900 | 10,300 | 8,900 |
| <i>Self-employed 16-64 change (%)</i> | -27.8% | -26.2% | 39.7% | 10.1% | 12.0% | -7.3% |
| <i>Employment in priority sectors</i> | 21,350 | 6,775 | 4,705 | 12,200 | 13,100 | 32,750 |
| <i>Employment in priority sectors % change</i> | 15.1% | 14.3% | 5.4% | 7.5% | 8.0% | 29.1% |

Labour market headlines :

Occupational structure and skill levels



- Occupational structure varies significantly across the area, from just 14% of residents working at occupational skill level four (jobs which typically require a degree or equivalent period of relevant work experience) in Fenland, compared to 53% in Cambridge.
- In Huntingdonshire, Fenland, Peterborough and East Cambs, approx. 30% of the workforce are employed in level 2 roles – those which require the knowledge provided via a good general, but which typically have a longer period of work-related training or work experience.
- This structure is reflected in the 5 highest employing occupations across the CPCA area:
 - sales and retail assistants (16,155 people),
 - administrative occupations which (12,925),
 - care workers and home carers (11,350),
 - elementary storage occupations (10,725) and
 - nurses (10,600).
- Higher skill levels are in line with national averages – around 43% of the working age population are qualified to NVQ Level 4+, but higher-level skills are growing more slowly than average.
- Reflecting the jobs, there is large variation in levels of NVQ 4+ qualifications across the area – ranging from 60% of the working population in Cambridge to 27% in Fenland. In Fenland, Cambridge and East Cambridgeshire, rates are falling. But rates are rising fastest in Huntingdonshire at 6.7%.

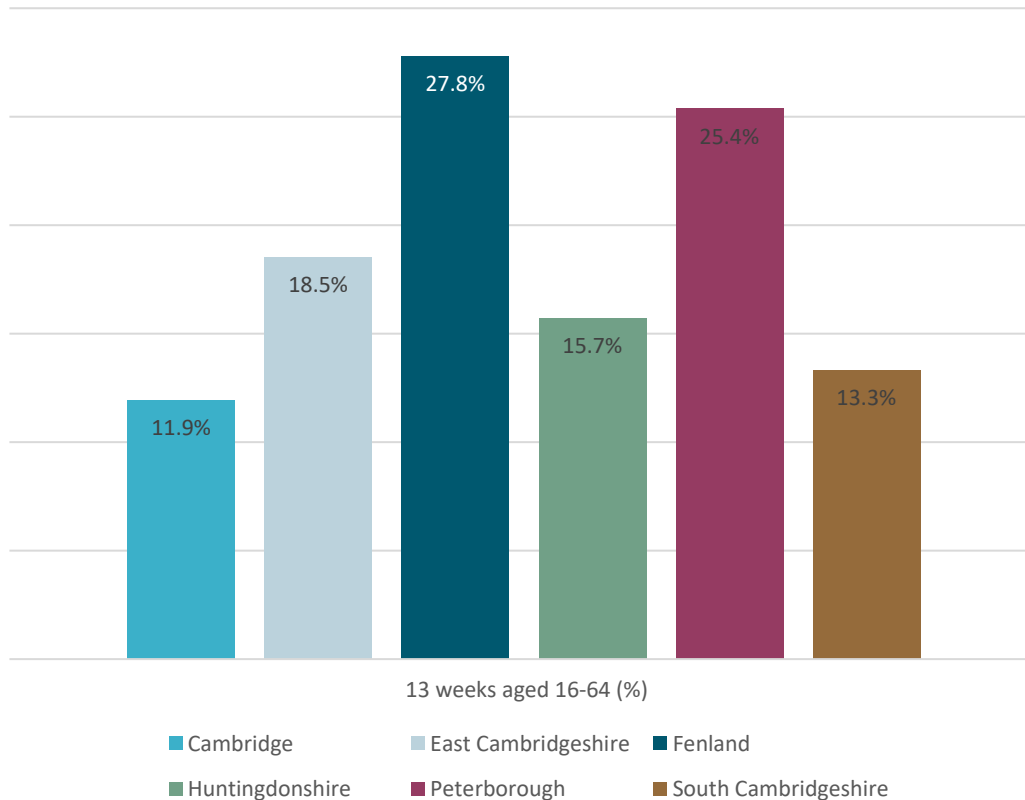
Labour market headlines: Productivity and wages

- Productivity has shrunk in Cambridgeshire and Peterborough by 1.1% compared with 1.2% growth nationally. But total GVA is growing across the CPCA area faster than average – at 9.4% vs. 8.6% nationally.
- The highest productivity levels are driven by manufacturing and in Peterborough and Huntingdonshire
- Peterborough has the fastest growing GVA levels at 15% vs. 8.6% nationally.
- Whereas Fenland has the lowest productivity and GVA levels in the area that are both falling – by 11.6% and 4.1% respectively
- Strong productivity and GVA performance in Peterborough is not following through to wages for residents, Peterborough (with Fenland) has the lowest average earnings in the area, at £23k compared with £31k in Cambridge and South Cambs.

| | Huntingdonshire | Fenland | Cambridge | South Cambridgeshire | Peterborough | East Cambridgeshire |
|---------------------------------|-----------------|----------|-----------|----------------------|--------------|---------------------|
| Resident weekly earnings | £ 28,911 | £ 23,972 | £ 31,673 | £ 31,425 | £ 23,973 | £ 27,238 |
| Total GVA (£) change % | 10.5% | -4.1% | 4.6% | 13.1% | 15.0% | 9.4% |
| Productivity | £ 58,025 | £ 46,364 | £ 55,031 | £ 55,301 | £ 57,357 | £ 54,930 |
| Productivity change (2014-2019) | 2.9% | -11.6% | -4.8% | -5.4% | 7.9% | -6.0% |

Labour market headlines: Training and progression

Total received job related training in last 13 weeks



- Skill progression appears to be slipping back overall with variation in qualifications access.
- Qualifications up to level 3 are growing at 2.3% compared with a fall of 0.1% nationally. School leavers at 18 are less likely to progress into HE and FE than average – 31.5% vs. 35.2% nationally for HE, and 6.4% vs. 9% nationally for FE.
- The lowest progression rates into FE at 18 in the area are in Cambridge at 2.8% and Fenland at 4.1%, compared with 8.3% in Peterborough and 9.8% in South Cambridgeshire.
- The lowest rates for HE are in South Cambridgeshire at 20.5% and East Cambridgeshire at 25.4% compared with 41.2% in Cambridge and 35.6% in Huntingdonshire.
- The impact of lower skill levels in places such as Fenland means that communities struggle to benefit from the region's growth and threatens future opportunities.
- Fenland and Peterborough have very high workplace training rates, showing employers are providing training, but also indicating skills shortages and limited training supply.

Labour market SWOT analysis: Cambridgeshire and Peterborough CA



People



Place



Providers



Employers

Strengths



GVA and employment in priority sectors is strong and growing – maintaining CPCA's role as an economic growth centre



Furlough rates were lower than average in May 2021, suggesting relative resilience in the economy



Many areas experience very low levels of deprivation and offer good quality of life for residents (but high levels of deprivation are also a weakness).

Weaknesses



Overall skill levels and now economic inactivity and unemployment closer to national averages indicate inequality and disparities across the CPCA area, and gaps in people having the experience, exposure and opportunities – from providers and employers – to lead their own learning and career development



Covid has triggered significant increases in Universal Credit claimants – weakening the past strength of CPCA area being below average on claimants

Opportunities



CPCA's knowledge and manufacturing based economy is well placed to innovate and build new opportunities around Industry 4.0 and net zero priorities



Promote good work for residents with employers in the foundational economy who have lost staff due to Brexit and Covid closure and are now recruiting with pipelines of talent for employers and reskilling opportunities – e.g. retail and hospitality vacancies up 40.2.% and construction up 25% from Feb 2020

Threats



Overall productivity has fallen slightly by 1.1% vs. 1.2% growth nationally – this with slower than average growth in higher level skills and lower levels of progression of current school leavers into HE, FE and apprenticeships threatens employers accessing the right skills and staff for growth, and future residents benefiting from high skilled opportunities and points to upskilling needs during people's careers



The working age population is growing more slowly than average at just 0.1%, with the projected overall population rising by 2.6% by 2040 – suggesting faster future ageing

Labour market SWOT analysis: Peterborough



People



Place



Providers



Employers

Strengths



Relatively high workplace training rates at 25.4% suggest residents can access up to date work experience and skills – including digital, technical and soft skills at work



Good engagement in post-18 formal education with 31.6% of pupils moving from 16-18 study into HE.



Highest GVA growth and productivity of any local authority area

Weaknesses



With low levels of high skills in the area -the proportion of Peterborough's population qualified to NVQ4+ is 32.1% - communities struggle to benefit from CPCA's growth, evident in low earnings (£23,973)



High levels of Universal Credit claimants at 13.5%, lower average earnings, and a rise in self employment of 12% suggests precarity in work in Peterborough.



41.1% of Peterborough's communities are deprived



Poor engagement in post-18 technical education with just 8.3% of pupils moving from 16-18 study into FE.

Opportunities



Promote good work for residents with employers in the foundational economy who have lost staff due to Brexit and Covid closure and are now recruiting with pipelines of talent for employers and reskilling opportunities – e.g. retail and hospitality vacancies up 40.2.% and construction up 25% from Feb 2020



Capitalise on clusters of priority sectors in Peterborough to increase high skilled local opportunities with clarity from employers about their skills and capability needs to meet these opportunities

Threats



Despite high GVA output, job creation has been slower than average in these sectors - 8% in recent years – presenting a levelling up challenge as priority sectors innovate around net zero targets.



Higher proportion of people are qualified up to NVQ level 2 than level 3 at 21.1% and 17.8% respectively, threatening residents benefiting from

Labour market SWOT analysis: Fenland



People



Place



Providers



Employers

Strengths



High levels of self-employment at 18.7% point to a strong entrepreneurial culture.



Relatively high workplace training rates at 27.8% and levels of 16-18 year olds entering apprenticeships at 10.7% suggest residents must access up to date work experience and skills – including digital, technical and soft skills at work – through the workplace rather than skills providers

Weaknesses



Relatively high levels of Universal Credit claimants at 4.9%, lower average earnings at £23,972, and a rise in self employment of nearly 40% suggests precarity in work for people in Fenland and other barriers – health, financial – to learning and working



With lowest levels of high skills in the area – highest proportion of school leavers at 16 entering vocational courses, but these are at both levels 2 and 3, 27% are qualified to NVQ4+ - communities struggle to benefit from CPCA's growth, evident in low earnings and low proportion of jobs in priority sectors (5.4%) – presenting a levelling up challenge as priority sectors innovate around net zero targets.



Rural geography and lower physical connectivity is a barrier for people travelling and accessing online learning and work in Fenland, as well as being an area with climate related flooding risk, worsening connectivity

Opportunities



Utilise Covid impact of digital by default to increase digital learning and upskilling

Threats



Poor engagement in post-16/18 formal education – the lowest levels of residents in HE in the area at 3.2% vs. 8% in Huntingdonshire, and Fenland also has the lowest rates of progression into FE – threatening future higher skilled opportunities for residents.



Qualifications up to NVQ level 3 have risen by 8.1% at the same time that level 4+ have fallen by 1.5%

Labour market SWOT analysis: Huntingdonshire



People



Place



Providers



Employers

Strengths



Higher level skills in Huntingdonshire are growing with 42.1% now qualified to NVQ4+, and the district has the highest proportion of residents in the area in HE at 8% with recent growth



Large engaged workforce earning above average levels with resident annual earnings of £28,911, and self employment is also growing – offering opportunities and quality of life

Weaknesses



Poorer engagement with formal post-16/18 education with lower than average proportions of 16-18 year olds entering FE at 5.4% and apprenticeships at 9.2%, suggesting gaps in skills provision access.

Opportunities



Utilise Covid impact of digital by default to increase digital learning and upskilling

Threats



In Huntingdonshire the working age population is falling at a rate of -0.3% and the population is projected to further fall to 2040 -0.6% suggesting future ageing and a smaller future workforce.



Higher proportion of people are qualified up to NVQ level 2 than level 3 at 18.9% and 17.6% respectively, threatening residents benefiting from future job opportunities

Labour market SWOT analysis: East Cambridgeshire

Strengths



Large engaged workforce earning above average levels with resident annual earnings of £27,238 – offering opportunities and quality of life.

Weaknesses



Poor engagement with post 16/18 education with lower than average proportions of 16-18 year olds entering HE at 25.4% suggesting gaps in skills provision access HE



People



Place

Opportunities



Clusters of employment in priority sectors are growing quickly with 14.3% individuals employed in priority sectors meaning there are opportunities for residents to benefit from growth with right skills provision and support.

Threats



In East Cambridgeshire population growth has been slight and isn't projected – suggesting future ageing and a smaller future workforce.



Highest growth in people qualified up to NVQ Level 2 at 6.5% - while falling elsewhere – and the proportion at this level is 25.1% vs. 15.5% nationally and higher than those qualified to level 3 at 19.2% – indicates that a significant proportion of the workforce has lower level skills that could limit future opportunities.



Providers



Employers

Labour market SWOT analysis: Cambridge


People


Place


Providers


Employers

| Strengths | Weaknesses |
|--|---|
| <div><p>High levels of high skills and employment in priority growth sectors, resulting in a growing economic centre</p></div> <div><p>High quality of life for residents persists with high level earnings of £31,673</p></div> | <div><p>Lower than average productivity levels overall alongside rises in UC claims of 6.6% and unemployment of 28.6% in Cambridge suggest very localised inequalities</p></div> <div><p>Lowest levels of progression into FE at just 2.8% compared with 9% nationally and apprenticeships at 4.8% compared with 9.3% nationally, suggesting gaps in the right provision for some cohorts</p></div> |
| Opportunities | Threats |
| <div><p>Growing high level skills, with 60% qualified to NVQ4+ and high levels of progression into HE at 41.2% means residents can benefit from future opportunities in growth sectors and net zero innovation.</p></div> | <div><p>Falls in employment levels of 3.5% and productivity levels may threaten to limit the growth opportunities of priority sectors and expanding the benefit among local residents.</p></div> |

Labour market SWOT analysis: South Cambridgeshire




People


Place




Providers


Employers


Strengths

-  High quality of life for residents persists with higher average annual earnings of £31,425 and a rise in part-time working of 11.9%.
-  High levels of high skills at 56.2% and employment in priority growth sectors of 29.1% resulting in a growing economic centre.


Weaknesses

-  Lower than average productivity levels overall alongside a 2.9% rise in UC claims and 60.2% rise in economic inactivity in South Cambridge suggest very localised inequalities.
-  At 20.5%, lower progression into HE suggest gaps in the right provision for some cohorts in South Cambridgeshire.

Opportunities

-  Working age population in South Cambridgeshire is growing at 2% against a projected overall fall in population to 2040 of 3.7% – suggesting net employment and labour market participation growth opportunities.

Threats

-  High growth of 60.2% in economic inactivity levels and falling productivity may threaten to limit the growth opportunities of priority sectors and expanding the benefit among local residents.

Where do we want to get to?

Reflections on existing strategic priorities and short-term actions
Emerging long-term strategic priorities and actions

In the short-term

- Looking firstly at short-term, the following slide presents an overview of existing strategic priorities as set out in the core national, regional and local strategies.
- The national strategies provide the direction for central Government investment over the coming months and years; driving forward economic recovery, the levelling-up agenda and delivering on the commitment to net-zero carbon.
- The regional strategies include both those which pre-date and respond to these national documents.

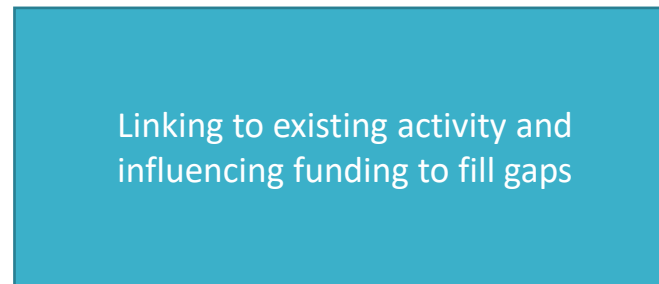
Where are we now:



Where do we want do get to:



How to get there requires:



Next steps:



Existing strategic priorities

| Focus area | Strategic objectives | National | | | Regional | | | | Local |
|--------------|--|-------------------|---------------------|---------------------|----------|------|-----|-------------------|-------------------|
| | | HMT Plan for Jobs | HMT Plan for Growth | DFE Skills for Jobs | LIS | LERS | AEB | Sector Strategies | Market Town Plans |
| Education | Upskilling and reskilling learners | | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ |
| | Raising education access and participation | | ✓ | ✓ | ✓ | | ✓ | | ✓ |
| | Capital investment to improve teaching facilities, particularly FE | | ✓ | ✓ | | ✓ | | | |
| | Increasing and improving work-based learning, particularly apprenticeships | ✓ | ✓ | ✓ | ✓ | | ✓ | | |
| Employment | Supporting sector growth strategies by developing priority skills | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | Skills to support the Net Zero transition | ✓ | ✓ | | ✓ | | | ✓ | ✓ |
| | Increasing employers' engagement with & influence of post-16 education | ✓ | ✓ | ✓ | | | | ✓ | |
| | Embedding modern work practices and conditions | | | | | ✓ | | ✓ | |
| | Improving careers information, advice and guidance | | ✓ | ✓ | ✓ | ✓ | | | |
| Worklessness | Reducing long-term unemployment / NEETs | ✓ | | | ✓ | | ✓ | | ✓ |
| | Covid-19 recovery and transitions | ✓ | ✓ | | | ✓ | | | |
| | Inclusive growth and support for disadvantaged groups | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

Existing ongoing action

The LERS published in March 2021 set out specific activity in local priority areas that the CPCA and partners are pursuing to support people and businesses to recover from the economic impact of Covid-19, progress to date:

| LERS action | Progress |
|---|---|
| Local job clubs and targeted redundancy support – e.g. Peterborough | To progress – CPCA working with DWP on Youth Hubs, and looking at 50+ unemployment through the Midlife MOT |
| Business growth coaching and investment programme | To progress – through Growth Works |
| Start up and entrepreneur programme for displaced employees | To progress – through Growth Works |
| Advanced manufacturing cluster development for Fenland | Potential gap |
| Learning funds for displaced employees and career restarts | To progress – AEB programmes progressing |
| Sharing apprenticeship funding between large and small firms | To progress – apprenticeship levy pooling mechanism established |
| Skills brokering to link displaced employees with growth firms | To progress – push to establish a Construction Sector Forum, careers pilots have closed |
| Construction sector FE centres in Huntingdonshire and Wisbech | To progress – planning permission has been granted for a metalworks in Wisbech |
| Green skills FE centre in Peterborough | To progress – early stage development of a business case |
| Expansion of Peterborough University to 6,500 students pa | To progress – in development, due to open in 2022 – but success not proven |

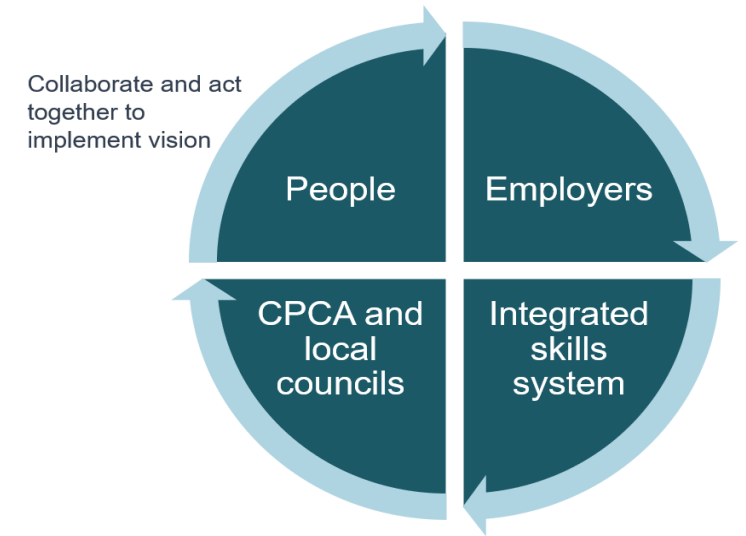
Reflections on existing strategic priorities

- The process to date has reinforced the importance of pursuing the skills strategic priorities as set out in the LIS and LERS. These all remain important and urgent.
- It has raised for additional emphasis in the short-term:

| Focus area | Strategic objectives | Why? |
|---------------------|---|--|
| Education | Improving careers education, specifically around STEM and green skills | Immediate steps should be taken to begin to influence future career choices of those who will join the workforce in coming years and be a critical part of the transition to net-zero. |
| Employment | Increasing employers' engagement with and influence of post-16 education, | Vital to ensure that employers (in all sectors – not only priority sectors) shape the short-term supply of training to drive recovery. |
| Worklessness | Ensuring an explicit emphasis on supporting young NEETs | Enable first time labour market access to avoid prolonged disengagement or ongoing barriers. |

In the long-term

- Moving on to consider the long-term, the following slides set out a series of draft logic chains articulating evidence and perspectives so far that begin to set out the case for long-term change for core stakeholder groups.
- Stakeholders were pro ‘being brave’ – pursuing a vision and set of actions that will deliver a step change for the area.
- At the heart of this was the need for real collaboration, for the area to have the desire and the mechanisms to act and move as one – albeit at different speeds - drawing on examples of other Combined Authorities and regions who have a longer experience of collective action.
- Core to this would be setting out visions of the future for each stakeholder group and agreeing a set of core common principles.



Where are we now:

Review of
achievements,
context & SWOT
analysis

Where do we want to get to:

Longer-term change that is needed and
a vision for a different future

How to get there requires:

‘Be brave’ game changing action that
takes time to plan, deliver and sustain

Next steps:

Further engagement needed to
agree outcomes, gain commitment
to action and plan a route forward

People

Currently:

- Overall skills and now economic inactivity and unemployment levels are closer to national averages, indicating inequality and gaps in people having the experience, exposure and opportunities – from providers and employers – to lead their own learning and career development.
- Covid has triggered significant increases in Universal Credit claimants – weakening the past strength of CPCA area being below average on claimants.
- Largest employing sectors are foundational - many facing recruitment problems from Covid and Brexit, and average earnings vary across the area – from £23,973 in Fenland to £31,673 in Cambridge.
- The working age population is growing more slowly than average at just 0.1%, with the projected overall population rising by 2.6% by 2040 – suggesting faster future ageing overall. South Cambridgeshire and Peterborough are the only places where the working age population is growing by more than 1%.

Moving forward it will be important that people:

- Are equipped with the soft and technical skills to respond to opportunities in the labour market and see clear pathways into and between a variety of occupations and careers.
- Can access - physically and digitally – and navigate an agile and responsive skills system to upskill and reskill throughout their careers.
- Can access support into employment how and when they need it, at any point in their lives and whatever their starting point.
- Are drivers of their own learning and work journey, making informed decisions about the selection of training, development and work activities that are right for them.
- Understand how their ambitions can be realised through learning and training and are connected to opportunities, experiences and role models.

Getting to this will require:

[Ongoing element of work – outcomes and objectives to be agreed, prior to actions.]

Delivering this will lead to a future in which:

People experience fulfilment and good physical and mental health with productive, quality working lives. They drive their own learning and career journeys and feel confident to enter and re-enter the labour market over the course of their lives. They can access support and learning to meet their ambitions when and how they need.

[Potential outcome measures: improved health, reduced length of inactivity, increased adult training]

Employers/Businesses

Currently:

- Local knowledge and manufacturing based economy is well placed to innovate and build new opportunities around Industry 4.0 and net zero priorities
- But overall productivity has fallen slightly by 1.1% vs. 1.2% growth nationally, with the highest GVA growth and productivity in Peterborough, and the lowest in Fenland – this with slower than average growth in higher level skills and lower levels of progression of current school leavers into HE, FE and apprenticeships threatens employers accessing the right skills and staff for growth
- Relatively high workplace training rates in Peterborough and Fenland suggest residents can access up to date work experience and skills – including digital, technical and soft skills at work
- Furlough rates are lower than nationally, suggesting some resilience in employment, but the foundational sector is facing recruitment demand from Covid and Brexit

But, the future will require employers who:

- Can access a pipeline of skilled people seeking to move into the workforce and the right skills development training for their current staff.
- Have well defined and designed jobs, for which the skills requirements and development prospects are clear to staff and candidates.
- Can and do articulate their skills needs both in terms of long-term workforce planning/strategy (skills for which they have consistent/repeating demand over time) and short-term workforce demand (skills which for which they have an immediate, unmet need).
- Can easily access – physically and digitally - and navigate support to adapt their workforce planning in response to structural changes in the economy.

Getting to this will require:

[Ongoing element of work – outcomes and objectives to be agreed, prior to actions.]

Delivering this will lead to a future in which:

Employers are providing good quality jobs; have the skills they need in their staff and can recruit the right person for the right job. They understand their skills needs and their inputs shape an agile, responsive skills system that delivers a regional pipeline of talent, matched to job opportunities to support strong businesses and enable business growth.

[Potential outcome measures: % earning Real Living Wage, productivity, job creation]

Providers

Currently:

- Varying levels of engagement with post-18 education – higher than average progression into HE in Cambridge and Huntingdonshire, higher than average progression into FE in South Cambridgeshire, and higher than average progression into apprenticeships in Fenland, East Cambridgeshire, and South Cambridgeshire
- Variation in post-16 education, with 69% of Y11s going on to do vocational qualifications in Fenland, compared with 68% taking A Levels in Cambridge
- Variation threatens employers accessing the right skills and staff for growth, and future residents benefiting from high skilled opportunities and points to upskilling needs during people's careers

But, the future will require employers who:

- Collectively plan, design and deliver learning and training provision responding to employers' long-term needs and can respond with agility to short-term demand.
- Are outcomes driven, progressing learners into jobs and careers with the skills – from basic employability, to soft skills, to technical capabilities – that employers need.
- Have increased numbers of students taking courses and apprenticeships aligned both to local job opportunities and their interests and ambitions.
- Have higher uptake of vocational courses at higher levels – from level 3 upwards – to support priority sectors, net zero transition and economic growth.
- Have learners engaged flexibly in upskilling and reskilling throughout their careers

Getting to this will require:

[Ongoing element of work – outcomes and objectives to be agreed, prior to actions.]

Delivering this will lead to a future in which:

Providers work collaboratively across Cambridgeshire and Peterborough in an integrated education and skills system to deliver learning, qualifications, careers education and support to enable people to enter the labour market in the ways that suit individual's needs and ambitions.

[Potential outcome measures: % into employment or improved employment,]

Place leaders

Currently:

- There is inequality and disparities across the CPCA area – many areas experience very low levels of deprivation and offer good quality of life for residents, but deprivation is clustered in Fenland and Peterborough with pockets in Cambridge
- Connectivity varies across the area – Cambridge and Peterborough have better connected infrastructure, whereas the rural geography and lower physical connectivity is a barrier for people travelling and accessing online learning and work in Fenland, as well as being an area with climate related flooding risk, worsening connectivity

But, the future will require employers who:

- Expand opportunities for residents across Cambridgeshire and Peterborough to access skills development and quality jobs, and benefit from the region's economic growth.
- Reduce barriers – physical, digital, physical and mental health and emotional – for people to access employment and training.
- Secure improved health, mental health, and financial support for people who are unemployed or on low pay at any point in their lives.

Getting to this will require:

[Ongoing element of work – outcomes and objectives to be agreed, prior to actions.]

Delivering this will lead to a future in which:

Place leaders secure outcomes for the whole place, convening and supporting collaboration between employers and the integrated skills system, as well as linking into other local services for people across Cambridgeshire and Peterborough to lead healthy lives and fulfilling careers.

[Potential outcome measures: transport connectivity]

Emerging actions for the long-term

- **An approach with employers *and* individuals together at the centre**, with a strategic focus on priority occupations as well as sectors and clear pathways for development
- **Strong data and information to inform decision making**, with a customer behaviour perspective understand what employers need, and what learners gain in education and from providers – to better assess gaps in learning and experience and inform skills development and delivery decisions among providers.
- **A regional curriculum, with learning and training aligned to local job opportunities and careers** – using robust data and information from employers to inform the skills development and qualifications that school and college students need for local job opportunities and careers.
- **Co-ordinated place-based action areas, to engage all stakeholders in addressing multiple/complex issues** – convening place leaders, providers, schools and partners to focus on improving skill and qualification levels and getting people into good jobs and to achieve higher earnings.
- **Offer and promote higher uptake of apprenticeships at level 3 upwards with pathways into degree apprenticeships** in subject areas that offer employers relevant skills and expand opportunities for people to train, gain experience, and progress in their careers in vocational routes.
- **A dual-track system, anticipating long-term needs and responding with agility in the short-term** – with providers who can *both* lead on future workforce development and training requirements aligned to industry needs providing a pipeline of talent and respond to short term skills needs.

Moving from short-term to long-term

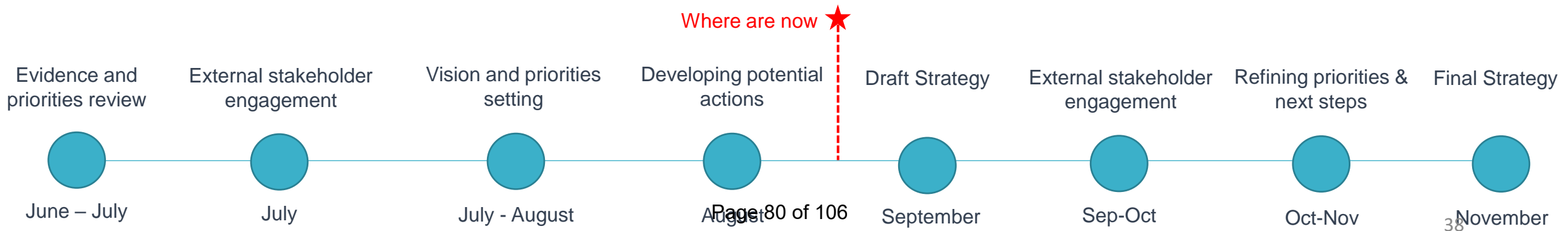
In the context of the Government's Plan for Jobs and progress on priorities from the Local Economic Recovery Strategy, in the short-term, CPCA and partners should:

| Continue | Start |
|--|---|
| Covid recovery support programmes – Kickstart, Restart, Youth Hub, traineeships and apprenticeships incentives, and Growth Works business and people support | As a first step to developing a more integrated, accessible skills system, CPCA partners to assess gaps in the local provision signposted through Growth Works gateway – e.g. adding employability support and Adult Education Budget projects |
| Apprenticeship levy pooling for SMEs and engagement with wide range of employers | Apprenticeship providers to immediately enhance marketing and promotion of existing apprenticeship opportunities aimed at young people and parents in the area, including working with schools to promote opportunities as part of careers education |
| AEB programmes focused priority places and cohorts – particularly Fenland and Peterborough where skills levels and earnings are lower, and economic inactivity and unemployment are higher | To improve careers advice, schools and colleges start to engage parents and students in career conversations about interests and ambitions and encouraging them to explore and engage in how students start building their skillsets and future careers |
| Build on Opportunity Area data and activity in Fenland and East Cambridgeshire to galvanise partners around place targeted activity in skills into adulthood | Providers start to build intelligence now, engaging their students and parents, with support from place leaders to engage with employers, to build better data sources on needs and opportunities |
| Capital project development of new skills facilities – ARU Peterborough, metalworks centre in Wisbech, construction FE centre in Huntingdonshire, green skills centre in Peterborough | To break down barriers to people accessing training and job opportunities, place leaders to work with providers and DfE to ensure digital access for students, create transport solutions to remove rurality as a barrier for people to accessing skills development and work |

Next steps

Next steps

- Feedback from the Skills Committee
- Input of further evidence from Cambridgeshire Insights
- Further development of the strategic priorities and logic chains via stakeholder engagement
- Development of strategy document





Agenda Item No: 3.3

Careers Hub

| | |
|----------------------|---|
| To: | Skills Committee |
| Meeting Date: | 13 September 2021 |
| Public report: | Yes |
| Lead Member: | Councillor Lucy Nethsingha, Chair of the Skills Committee |
| From: | Fliess Miller, Senior Responsible Officer – Workforce Skills |
| Key decision: | No |
| Forward Plan ref: | N/A |
| Recommendations: | <p>The Skills Committee is recommended to:</p> <p>a) Note the report approved by the Combined Authority Board on 3 June 2021.</p> |
| Voting arrangements: | A simple majority of all Members |

1. Purpose

- 1.1 The purpose of this paper to inform the Skills Committee of the proposed Careers Hub for the Cambridgeshire and Peterborough area funded by the Department for Education (DfE) through the Careers and Enterprise Company (CEC). This paper outlines the key considerations for taking this forward.
- 1.2 The Skills Committee are asked to note the paper approved by the Combined Authority Board on 30th June 2021 to accept the funding and to vary the contract between Cambridgeshire and Peterborough Business Growth Company (Growth Co) and Gateley Economic Growth Services Limited ("Gateleys") in accordance with the new Grant Funding Agreement.

2. Background

- 2.1 The CPCA have held a contract with the Careers and Enterprise Company for the delivery of the Enterprise Advisor Network since 2018. The Enterprise Advisor Network links schools and businesses to support careers guidance, benefitting young people with their future learning and career path.
- 2.2 A Careers Hub offers a more focused service with a greater level of funding. Hubs work with a group of between 20 and 40 secondary schools and colleges in a dedicated area. Collectively they together to deliver the Gatsby Benchmarks collaborating with business partners, the public, education, and voluntary sectors.
- 2.3 Careers Hubs exist in 32 LEP areas and it is the ambition of the Careers and Enterprise Company to roll out hubs nationally.
- 2.4 A competitive bid was submitted in February 2021 by the CPCA for the Cambridgeshire and Peterborough area to form a Careers Hub.
- 2.5 30 schools, colleges and SEND schools from across the region have been identified to join the Careers Hub in the academic year of 2021/22. All eligible secondary schools in the region were asked to complete an expression of interest as a part of the application process.
- 2.6 It is the intention that the Combined Authority will apply for a second Careers Hub in the next academic year, so that all schools in the CPCA will be able to join a Careers Hub. The CEC advised the Combined Authority to take a staged approach implementing the lessons learned from year one.

Significant Implications

3. Financial Implications

- 3.1 There are no direct financial implications as this is reporting a decision already taken by the Combined Authority. For the Committee's reference the implications of the decision taken by the Board are set out below.
- 3.2 The Grant Funding from the CEC for the academic year of 2021/22 is £172,100. This is an increase from the funding received in 2020/21 by £47,100.
- 3.3 The funding allocated is to support the following job roles:
- 3x Enterprise Coordinators
 - 1x Senior Enterprise Coordinator
 - 1x Strategic Hub Lead

The Strategic Hub Lead is fully funded by the CEC. The four other roles require a 50% match.

- 3.4 In previous years the Senior Enterprise Coordinator was fully funding by the CEC, as the role was attached to the Opportunity Area. This enhanced funding has now stopped and therefore additional funds from the Combined Authority are required to fund 50% of this role.
- 3.5 Currently the Senior Enterprise Coordinator is employed by the Combined Authority.
- 3.6 The Enterprise Coordinator roles are currently employed or contracted by Gareth Preece Consulting, part of the Gately Consortium delivering Growth Works with Skills.
- 3.7 The Strategic Hub Lead is a new role and will be employed by the CPCA as per the conditions of funding.
- 3.8 It has been identified that an additional £22.5k this year is required this financial year This will be resourced from existing B&S budgets until March 2022. Approval will be sought for the additional budget requirements to be funded via MTFP from April 2022.

4. Legal Implications

- 4.1 Currently the Senior Enterprise Advisor is employed by The Combined Authority as a condition of the funding; this post is 100% funded to cover the Opportunity Area. This funding will be reduced to 50% upon commencement of the Careers Hub.
- 4.2 All other Enterprise Advisors are employed or contracted by Gareth Preece Consulting, part of the Gately Consortium who deliver Growth Works with Skills.
- 4.3 It is proposed that the identified post is TUPE to Gareth Preece Consulting in line with other Enterprise Advisor roles.

- 4.4 It is proposed that the TUPE process will conclude by September 2021.
- 4.5 The Current CEC contract forms a part of the wider Growth Works With Skills contract. To allow for delivery of the Careers Hub, the contract (Business Growth Service Agreement) between Cambridgeshire and Peterborough Growth Company and GEG Services Limited will need to be varied to reflect the changes.

5. Appendices

- 5.1 None

6. Background Papers

- 6.1 [Combined Authority Board Report 30th June 2021 – Careers Hub \(Item 4.6 refers\)](#)



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 3.4

Digital Skills Bootcamps

| | |
|----------------------|--|
| To: | Skills Committee |
| Meeting Date: | 13 September 2021 |
| Public report: | Yes |
| Lead Member: | Councillor Lucy Nethsingha, Chair of the Skills Committee |
| From: | Fliss Miller, Senior Responsible Officer – Workforce Skills |
| Key decision: | No |
| Forward Plan ref: | N/A |
| Recommendations: | <p>The Skills Committee is recommended to:</p> <p>a) Note the report approved by the Combined Authority Board on 28 July 2021.</p> |
| Voting arrangements: | A simple majority of all Members |

1. Purpose

- 1.1 The purpose of this paper is to inform the Skills Committee of the successful, competitive consortium bid submitted to the Department for Education (DfE) for the delivery of Digital Bootcamps in the East of England. This paper outlines the key considerations for taking this forward.
- 1.2 The Skills Committee are asked to note the paper approved by the Combined Authority Board on 28th July 2021, to approve the contract to deliver the Digital Skills Bootcamps and to delegate authority to the Director of Business & Skills, in consultation with the Chief Finance Officer, to award and enter into contracts with consortia partners.

2. Background

- 2.1 The Department for Education has invested £43 million, via the National Skills Fund to deliver Technical and Digital Skills Bootcamps across the country to meet the skills needs of local areas. Digital Bootcamps form part of the Lifetime Skills Guarantee announced by the Prime Minister in September 2020.
- 2.2 The pandemic has accelerated the automation of jobs, the adoption of Artificial Intelligence and the ability to effectively work remotely. These are some of the technology-driven trends that are altering the workplace and changing the skill requirement of employers. Digital Skills Bootcamps will respond to employer needs by ensuring employees and future talent have the skills required to work in an increasingly digital environment.
- 2.3 Skills Bootcamps offer free, flexible courses up to 16 weeks in length for adults aged 19 or over and who are either in work or recently unemployed. They give people the opportunity to build up sector-specific skills and fast-track to an interview with a local employer.
- 2.4 The Combined Authority submitted a competitive consortium bid to the DfE on the 12th February 2021 for the delivery of Digital Bootcamps in the East of England.
- 2.5 The Combined Authority received notification that it has been awarded £1,826,250 for the delivery of Bootcamps in the East of England. Of the nine consortium delivery partners, the DfE have only approved two providers to deliver the Bootcamps in the Consortia; Cambridge Regional College and Purple Beard, an Independent Training Provider.
- 2.6 The funding is to support 805 learners within the East of England. The Bootcamps are Level 3 or above and must address the needs of employers and the wider economy.
- 2.7 The CPCA was the only successful bidder in the East of England for the delivery of Digital Bootcamps.
- 2.8 There has been a significant delay in the notification of the award. The original schedule by DfE was for successful bidders to be informed of the outcome in March/April 2021. Due to this delay, there is now urgency to deliver this contract at pace.

3. Funding and Governance

- 3.1 The Combined Authority is the Lead Partner and will be the accountable body for the delivery of the contract.
- 3.2 The consortium will operate through a partnership agreement, as defined by the Combined Authority.
- 3.3 The Combined Authority will award £1,764,157.50 to consortium partners to deliver the Digital Bootcamps. Currently two delivery partners are in the consortium. The Combined Authority can apply to the DfE for additional consortium members if required, likewise consortium partners can request to subcontract out some of their Bootcamps if required with prior approval by DfE. It is requested that delegated authority is given to the Director of Business and Skills in consultation with the Chief Finance Officer can approve additional consortium partners if required to meet the contract outputs.
- 3.4 The Combined Authority will charge a 3.4% management fee – this is the current fee used for the Adult Education Budget. These monies will cover legal, finance, marketing and overall project management costs.
- 3.5 A project manager will be recruited for the length of the contract to ensure all contract deliverables are met. The project manager will report directly into the SRO Workforce Skills who is responsible for the delivery of the contract. It is anticipated that this role will be recruited to in September 2021.
- 3.6 Funding from the DfE will be paid monthly in arrears based on performance as outlined below:
- 30% on receipt of data collection sheet detailing learners start date
 - 60% on receipt of data recording of achievement
 - 10% on receipt of recording of 'job outcome' (with job outcome being either new job, change of role for existing employee or new opportunities in the case of the self-employed)
- 3.7 The Bootcamps are fully funded by the Government for those that are:
- Employed, self-employed, or
 - Career changers/returners/redeployed, or
 - Unemployed within the last 12 months

Where an employer requests for an employee to attend a Bootcamp it is co-funded: the employer's contribution is 30% and the Government pays 70% of the cost of the Bootcamp.

Significant Implications

4. Financial Implications

- 4.1 There are no direct financial implications as this is reporting a decision already taken by the Combined Authority. For the Committee's reference the implications of the decision taken by the Board are set out below.
- 4.2 This project is not currently reflected in the 21/22 budget and a budget line will need to be established.
- 4.3 All costs incurred by this project will be covered by the 3.4% management fee, resulting in a net zero impact on current budgets.

5. Legal Implications

- 5.1 The recommendations accord with CPCA's powers under Part 3 of the Cambridgeshire and Peterborough Combined Authority Order 2017 (SI 2017/251).

6. Appendices

- 6.1 None

7. Background Papers

- 7.1 [Combined Authority Board Report 28th July 2021 – Digital Skills Bootcamps \(Item 3.6 refers\)](#)



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No:3.5

Implications of the Skills and Post-16 Education Bill

| | |
|----------------------|--|
| To: | Skills Committee |
| Meeting Date: | 13 September 2021 |
| Public report: | Yes |
| Lead Member: | Councillor Lucy Nethsingha, Chair of the Skills Committee |
| From: | Fliss Miller, Senior Responsible Officer – Workforce Skills Parminder Singh Garcha, Senior Responsible Officer – Adult Education |
| Key decision: | No |
| Forward Plan ref: | N/A |
| Recommendations: | <p>The Skills Committee is recommended to:</p> <ul style="list-style-type: none">a) Note the potential implications of the Skills and post-16 Education Bill and risks to the Combined Authority's strategic role for accelerating the improvement of skills in the region.b) Note the Combined Authority will be responding to two of the Department for Education's open consultations on the National Skills Fund and Reforms to Further Education Funding and Accountability. |
| Voting arrangements: | A simple majority of all Members |

1. Purpose

- 1.1 The purpose of this paper is to inform the Skills Committee of the implications of the Skills and Post-16 Education Bill for the Combined Authority.

2. Background

- 2.1 The Government published the Skills and Post-16 Education Bill on 18 May 2021 in the House of Lords. The Bill implements proposals set out in the Government's Skills for Jobs White Paper and makes provision for several statutory changes to post-16 education in England. The Bill had its second reading in the House of Lords on 15 June 2021.
- 2.2 There will be one final amendment published for comments after summer recess. Following this the Bill will be read out and 'passed' in the House of Commons in Autumn. At this point it will be legally binding, with enhanced powers granted to the Secretary of State.
- 2.3 This paper provides an overview of concerns from the Greater London Authority (GLA) and Mayoral Combined Authorities (MCAs) regarding the Bill.

3. Key Points in the Bill

- 3.1 The Bill makes several provisions relevant to the GLA and MCAs, but two are priority areas that will have most impact on the Combined Authority. The first point is the Bill provides for a statutory underpinning for Local Skills Improvement Plans (LSIPs), led by Employer Representative Bodies (ERBs), such as Chambers of Commerce. Introducing a new power for the Secretary of State for Education to designate ERBs to lead the development of the plans with duties on providers to co-operate in the development of and then have regard to the plans.
- 3.2 MCAs and the GLA are of the view that skills and employment strategies - including, but not limited to the devolved / delegated Adult Education Budget (AEB), should be led by democratically accountable and objective organisations with the capacity and resource to provide strategic oversight, long term vision and resource to ensure coordinated and impactful delivery, in partnership with all relevant stakeholders (employers, providers, voluntary community organisations and residents).
- 3.3 The White Paper that preceded the Bill stated that LSIPs must be led by ERBs and approved by the Secretary of State. Whilst final drafts of the LSIPs need to be approved by MCAs/GLA, this one-size-fits-all model does not provide adequate opportunities to ensure alignment and coordinated skills training and provision within our complex local geographies and economies.
- 3.4 Without a meaningful role for existing strategic stakeholders such as MCAs and the GLA, there is a risk that this will considerably undermine work underway to increase the coordination and integration of skills and employment provision in regions at a time when it is increasingly important to have local understanding and coordination powers.

- 3.5 To avoid unnecessary overlap and further fragmentation of adult skills funding and provision, the powers delegated or devolved to Mayors in shaping adult skills provision in their areas must be protected.
- 3.6 The second point is that the Bill “Enable[s] the Secretary of State for Education to make regulations to provide for a list of post-16 education or training providers, in particular Independent Training Providers (“ITPs”), to indicate which providers have met conditions that are designed to prevent or mitigate risks associated with the disorderly exit of a provider from the provision of education and training”
- 3.7 A new list of independent training providers will be created, any provider not on the list will not be granted funding agreements or be allowed to subcontract with another provider who is on the list. This could mean that the GLA and MCAs would be prohibited from funding any provider that does not appear on the Secretary of State’s new list of approved providers. This could preclude funding for high quality specialist commercial training providers and the subcontracting prohibition could have a particular impact on voluntary and community services and social enterprises delivering vital initial engagement and outreach provision.
- 3.8 As part of the delegation and devolution agreements it was agreed that the GLA and MCAs would determine their own procurement requirements (with compliance with the appropriate legal regulations).
- 3.9 Mayors must be able to use their devolved or delegated powers and discretion to work with any providers they deem fit for delivery, subject to the fair and robust procurement processes that are already in place.

Significant Implications

4. Financial Implications

- 4.1 There are no immediate financial implications for the Combined Authority’s budget for 2021/22 fiscal year nor the 2021/22 academic year. Following the conclusion of the DfE’s consultations, the Department for Education will be implementing changes to Further Education funding, which includes proposed changes to the national formula for how allocations are calculated for the Adult Education Budget to devolved areas.

5. Legal Implications

- 5.1 There are no immediate legal implications for the Combined Authority for the 2021/22 academic year. Should the Skills and Post-16 Education Bill be passed through Parliament in its current form, additional statutory powers for ERBs and the Secretary of State will impact on MCAs.

6. Appendices

6.1 None.

7. Background Papers

7.1 Skills and Post-16 Education Bill [Skills and Post-16 Education Bill \[HL\] - Parliamentary Bills - UK Parliament](#)

7.2 DfE Consultation – [The National Skills Fund - Department for Education - Citizen Space](#)

7.3 DfE Consultation - [Reforms to Further Education Funding and Accountability - Department for Education - Citizen Space](#)



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 3.6

A Summary of the Employment and Skills Board Meeting 29th June 2021

| | |
|----------------------|---|
| To: | Skills Committee |
| Meeting Date: | 13 September 2021 |
| Public report: | Yes |
| Lead Member: | Councillor Lucy Nethsingha, Chair of the Skills Committee |
| From: | Fliss Miller, Senior Responsible Officer – Workforce Skills |
| Key decision: | No |
| Forward Plan ref: | N/A |
| Recommendations: | <p>The Skills Committee is recommended to:</p> <p>a) Note the paper which provides a summary of the recent Employment and Skills Board held on 29th June 2021.</p> |
| Voting arrangements: | A simple majority of all Members |

1. Purpose

- 1.1. This paper provides the Skills Committee a summary of the recent meeting of the Cambridgeshire & Peterborough Combined Authority Employment & Skills Board (ESB), which includes the role of The Combined Authority's Skills Advisory Panel (SAP).

2. Background

- 2.1 The last meeting of the ESB was held on the 29th June 2021. 12 members were in attendance.
- 2.2 The meeting was split into two sections. The first half members received updates on significant activities being led by the Combined Authority. The latter part of the meeting was used to help shape the development of the process to take forward the new Employment and Skills Strategy.

3. Meeting Overview

- 3.1 University of Peterborough – Members received a presentation of the progress of the University of Peterborough Programme. The Board noted the update and the Chair advised that the progress of the building works was on schedule.
- 3.2 The Art of the Possible: Devolved Adult Education in the Region - Members received a presentation providing an overview of the Devolved Adult Education in the Cambridgeshire and Peterborough region. The Board noted the update, recommending all training should be industry led to increase the employability and suitability for the future.
- 3.3 Business Growth Service – The Board received a short video introducing the new service. The Board were advised that the programme formerly known as the Business Growth Service has been renamed as Growth Works now that the service was in the public domain.
- 3.4 The Board received a briefing about the implications of the Skills for Jobs White Paper.
- 3.5 Development of the Employment and Skills Strategy – Members received a presentation about the proposed process and timelines to develop the new strategy. Members were supportive of the proposed approach.
- 3.6 It was agreed that new members should be invited to join the Board. These included representation from ARU Peterborough, The University of Cambridge, Public Health England, Chamber of Commerce and the Federation of Small Businesses.
- 3.7 The next meeting of the ESB is scheduled for the 19th October 2021.

Significant Implications

4. Financial Implications

4.1 None.

5. Legal Implications

5.1 None.

6. Appendices

6.1 None.

7. Background Papers

7.1 [Employment and Skills Board 29th June 2021 Meeting Papers](#)

Budget and Performance Report

| | |
|----------------------|--|
| To: | Skills Committee |
| Meeting Date: | 13 September 2021 |
| Public report: | Yes |
| Lead Member: | Councillor Lucy Nethsingha, Chair of the Skills Committee |
| From: | Vanessa Ainsworth, Finance Manager |
| Key decision: | No |
| Forward Plan ref: | N/A |
| Recommendations: | <p>The Skills Committee is recommended to:</p> <ul style="list-style-type: none">a) Note the update and financial position relating to the revenue funding lines within the Skills Committee remit.b) Note the current Medium-Term Financial Plan and consider whether there are any recommendations they wish to make to the Combined Authority Board in November. |
| Voting arrangements: | A simple majority of all Members |

1. Purpose

- 1.1 To provide an update and overview of the revenue and capital funding lines that are within the Business & Skills Directorate to assist the Skills Committee to enable informed decision making regarding the expenditure of these funds.

2. Background

- 2.1 The Skills Committee has requested a summary of the revenue and capital funding lines available within the Business & Skills Directorate, to assist in ensuring financial decisions relating to the revenue and capital funding lines under their control are well informed, financially viable, and procedurally robust.
- 2.2 At the January 2021 Combined Authority Board Meeting, the Board approved a Medium-Term Financial Plan (MTFP) which includes balanced revenue and capital budgets for 2021/22. This report shows the actual expenditure to date and forecast outturn position against those budgets.
- 2.3 The outturn forecast reflects costs incurred to date, accrued expenditure and the impact on the current year assumptions made on staffing, overheads and workstream programme delivery costs as set out in the MTFP.

3. Revenue Expenditure & Income

- 3.1 A breakdown of the Business & Skills Directorate 'Skills Revenue' expenditure for the period to 31 July, is set out in Table 1. below.

| Table 1. Skills Revenue Expenditure Budgets 2020/21 | | | | | | |
|---|------------------------------|---|-------------------------------------|---|---------------------------------------|--|
| Skills Revenue Expenditure | June Budget £'000 | June Board Approvals & Adjustments £'000 | Revised Budget £'000 | Actuals to 31st Jul 2021 £'000 | Forecast Outturn £'000 | Forecast Outturn Variance £'000 |
| AEB Devolution Programme | 11,367.6 | - | 11,367.6 | 3,788.6 | 10,700.5 | (667.1) |
| AEB High Value Courses | 236.6 | - | 236.6 | 38.2 | 236.6 | - |
| AEB Innovation Fund - Revenue | 500.0 | - | 500.0 | 131.1 | 279.1 | (220.9) |
| AEB Level 3 Courses | 808.8 | - | 808.8 | 10.0 | 808.8 | - |
| AEB National Retraining Scheme | 39.5 | - | 39.5 | - | 39.5 | - |
| AEB Programme Costs | 442.1 | - | 442.1 | 120.4 | 475.6 | 33.5 |
| AEB Sector Based Work Academies | 233.2 | - | 233.2 | - | 233.2 | - |
| Careers and Enterprise Company (CEC) | 50.0 | 172.1 | 222.1 | 5.5 | 222.1 | - |
| Digital Skills Bootcamp | - | 1,826.3 | 1,826.3 | - | 1,826.3 | - |
| Health and Care Sector Work Academy | 3,031.0 | - | 3,031.0 | 94.5 | 1,094.5 | (1,936.5) |
| Mid-life MOT | - | 40.0 | 40.0 | 20.6 | 40.0 | - |
| Skills Advisory Panel (SAP) (DfE) | 112.3 | - | 112.3 | 2.3 | 112.3 | - |
| Skills Rapid Response Fund | 115.2 | - | 115.2 | 5.3 | 115.2 | - |
| Total Skills Revenue Expenditure | 16,936.3 | 2,038.4 | 18,974.7 | 4,216.5 | 16,183.7 | (2,791.0) |

- 3.2 The Forecast Outturn as set out in the table above shows a reduction in expected costs for the year of £2,791k compared to the budget. 'Actual' figures are based on payments made and accrued expenditure where known.

3.3 Variances between the revenue outturn position and the annual budget are set out below:

- a. The £667.1k forecast underspend in the AEB Devolution Programme is due to the allowance for in-year growth as detailed in Item 2.1 presented to this committee.
- b. The AEB Innovation Fund is allocated as grants to providers and is done on a project application basis, with further projects likely to apply over the course of the year. Further details are contained in Item 2.1 presented to this committee.
- c. AEB Programme costs is showing an overspend of £33.5k due to additional marketing costs which are currently forecast within this budget. Item 2.1 of the meeting discusses the additional costs involved and, if approved, this allocation will move budget lines and therefore bring this budget in line with the MTFP.
- d. As reported at previous committees, the Health & Social Care Work Academy is forecasting a large underspend. A revised agreement with Department for Work & Pensions is being sought, to enable an extension of the end date of the contract. The Committee will be provided with an update to confirm this extension, after it has been granted.

3.4 A breakdown of the Business & Skills Directorate 'Skills Revenue' income for the period to 31 July, is set out in Table 2. below.

Table 2. Skills Revenue Income Budgets 2020/21

| Skills Revenue Funding Streams | June Budget £'000 | June Board Approvals & Adjustments £'000 | Revised Budget £'000 | Actuals to 31st Jul 2021 £'000 | Forecast Outturn £'000 | Forecast Outturn Variance £'000 |
|---|----------------------|---|----------------------------|--------------------------------------|------------------------------|--|
| Adult Education Budget | (12,097.6) | - | (12,097.6) | (13,174.0) | (13,174.0) | (1,076.4) |
| Careers Enterprise Company Funding | (125.0) | - | (125.0) | - | (125.0) | - |
| Mid-Life MOT | (40.0) | - | (40.0) | - | (40.0) | - |
| Skills Advisory Panel Grant | (75.0) | - | (75.0) | - | (75.0) | - |
| Total Skills Revenue Expenditure | (12,337.6) | - | (12,337.6) | (13,174.0) | (13,414.0) | (1,076.4) |

3.5 The Forecast Outturn as set out in the table above shows an increase in funds to the agreed budget as detailed below:

- a. AEB income is higher than originally forecast due to additional funding being provided which will be brought to the Skills committee at the next meeting to confirm the details.

4. Performance Reporting

4.1 The Cambridgeshire and Peterborough Devolution Deal is about delivering better economic outcomes for the people of our area and commits us to specific results. The Combined Authority needs to monitor how well it is doing that.

4.2 Appendix 1 shows the Skills Performance Dashboard, with an update on delivery against the following growth outcomes at the heart of the Devolution Deal (of which outcomes are embodied in the business cases which the Board and Committee consider):

- Prosperity (measured by Gross Value Added (GVA))
- Housing
- Jobs

- 4.3 These metrics are updated to align with the Board Performance Reports
- 4.4 Appendix 1 also shows the current RAG status for Skills' projects, as at the end of July 2021.

5. 2022 Budget and Medium-Term Financial Plan

- 5.1 At its November meeting the Combined Authority Board will be presented with a draft budget for 2022-23 and a Medium-Term Financial Plan (MTFP) to the end of 2025-26. The draft budget is the result of work in the proceeding 8 weeks between Officers and Leaders to ensure that it is fit for purpose, affordable, and enables the Combined Authority to deliver on its strategic objectives.
- 5.2 The Constitution states that the Executive Committee may make recommendations to the Combined Authority Board on projects to be included in the Business Plan and MTFP. As such, the Executive Committees are being asked to review the current MTFP and provide feedback and direction to shape the projects which will be considered in the work to develop the draft budget in the coming weeks. The Skills committee's sections of the MTFP are presented in Appendix 2.
- 5.3 Approved project costs have been committed by the Combined Authority Board for use on the current phase of a project. Subject to approval costs have been nominally allocated to ensure there are sufficient funds available to continue with a project's development, but use of these funds is dependent on the completion of the current phase and subsequent approval by the Combined Authority Board. Both approved and subject to approved costs are affordable within the Combined Authority's current resources.
- 5.4 The Skills Committee's expenditure is predominantly funded by ringfenced grants provided by Government for a specific purpose, as such these projects' budgets are not considered subject to approval and so all the Skills Committee's budgets are approved.
- 5.5 The Committee are invited to review the current MTFP.

Significant Implications

6. Financial Implications

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

7. Legal Implications

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

8. Other Significant Implications

- 8.1 There are no significant implications.

9. Appendices

9.1 Appendix 1 – Performance Dashboard

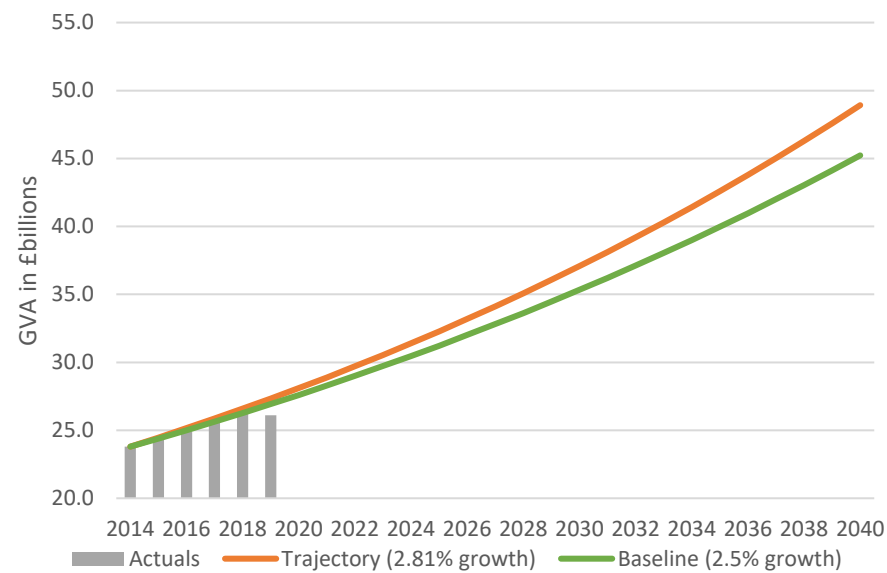
9.2 Appendix 2 – Skills Committee Extract of the 2021-25 Medium-Term Financial Plan

Sources:
Baseline: Current trend without Devolution Deal interventions
Outturn data source: GVA and Jobs - Office of National Statistics (ONS);
Housing - Council Annual Monitoring Reports/CambridgeshireInsights.

SKILLS COMMITTEE

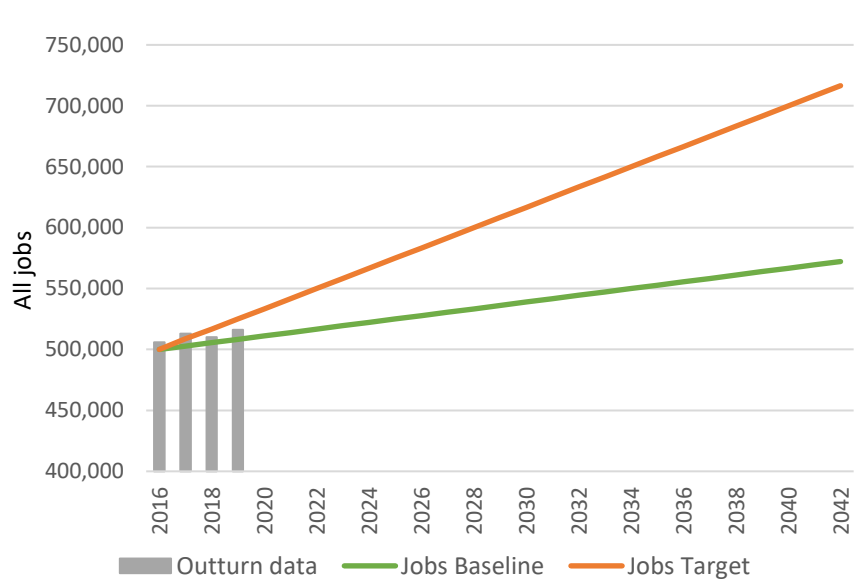
COMBINED AUTHORITY PERFORMANCE DASHBOARD
DEVOLUTION DEAL TRAJECTORY

GVA TRAJECTORY V BASELINE



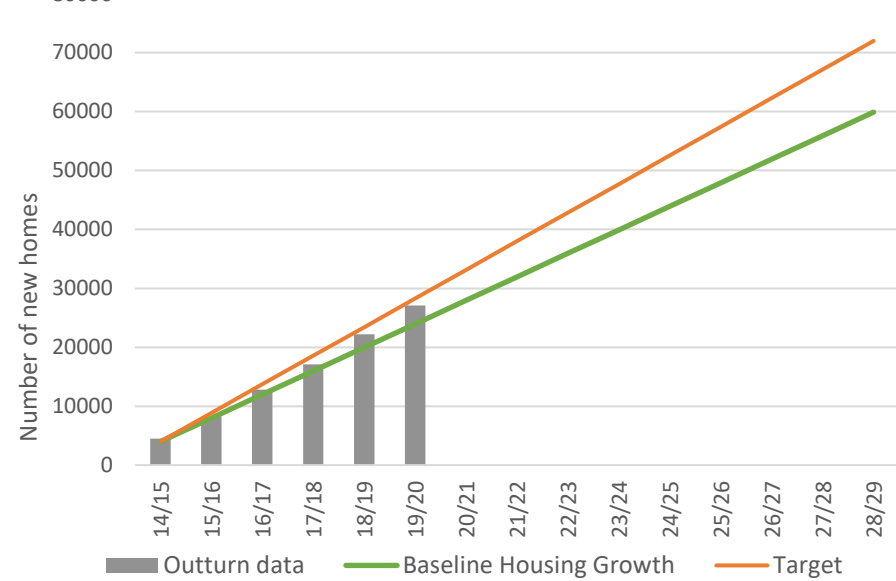
This has been updated in line with National Reporting standards. The CPCA Devolution Deal committed to doubling GVA over 25 years with 2014 as the baseline. To achieve this target the CPIER identified the region would require annual growth of 0.31% on top of the 2.5% baseline growth.

JOBS TRAJECTORY V BASELINE



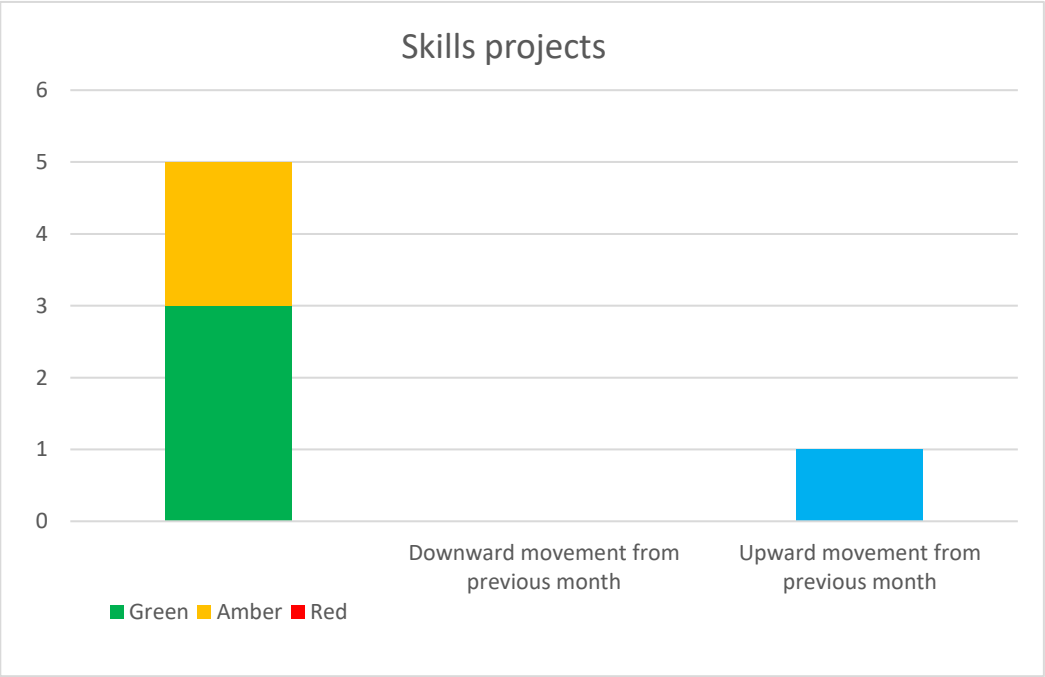
Target is derived through the CPIER by the GL Hearn report with a high growth scenario of 9,400 additional job growth per annum and a baseline of 4,338 jobs per annum.

HOUSING PERFORMANCE (*cumulative figures)



Devolution Deal target to deliver 72,000 new homes over a 15-year period. £170m affordable homes programme is expected to deliver over 2,500 additional homes.

Combined Authority Skills Project Profile:



| Skills projects | |
|---|------------|
| Project | RAG status |
| Adult Education Budget (AEB) | Green |
| Business Growth Service | Green |
| University of Peterborough | Green |
| | |
| Health & Care Sector Work Academy (HCSWA) | Amber |
| National Retraining Scheme Pilot | Amber |

Data as at the end of August 2021

Appendix 2 – Skills Committee Extract of the 2021-25 Medium-Term Financial Plan

| Skills Committee Revenue | | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|---|--|----------------|----------------|----------------|----------------|
| | | £000's | £000's | £000's | £000's |
| AEB Devolution Programme | | 11,368 | 10,449 | 10,449 | 10,449 |
| AEB High Value Courses | | 237 | - | - | - |
| AEB Innovation Fund - Revenue | | 500 | 500 | 500 | 500 |
| AEB Level 3 Courses | | 809 | | | |
| AEB National Retraining Scheme | | 40 | - | - | - |
| AEB Programme Costs | | 442 | 367 | 367 | 367 |
| Careers and Enterprise Company (CEC) | | 222 | 50 | 25 | - |
| Digital Skills Bootcamp | | 1,826 | - | - | - |
| Health and Care Sector Work Academy | | 3,031 | - | - | - |
| Mid-Life MOT | | 40 | - | - | - |
| Sector Based Work Academies | | 234 | - | - | - |
| Skills Advisory Panel (SAP) (DfE) | | 112 | - | - | - |
| Skills Rapid Response | | 115 | 100 | 150 | 150 |
| Total Skills Approved Budgets | | 18,975 | 11,466 | 11,491 | 11,466 |
| Total Skills Subject to Approval | | - | - | - | - |
| | | | | | |
| Total Skills Revenue Expenditure | | 18,975 | 11,466 | 11,491 | 11,466 |

