



SKILLS COMMITTEE	AGENDA ITEM No: 3.2
17 JANUARY 2020	PUBLIC REPORT

SKILLS BROKERAGE CONTRACT EXTENSION

1.0 PURPOSE

- 1.1. This report is to request that the Skills Committee approve a 5-month extension for the Skills Brokerage contract delivered by Opportunity Peterborough on behalf of Cambridgeshire and Peterborough Combined Authority.
- 1.2. To note that a European Social Fund bid has been submitted by Officers for 3 years of funding to support the continuation of the Skills Brokerage activities via the Skills Talent Apprenticeship & Recruitment (STAR) Hub.

<u>DECISION REQUIRED</u>	
Lead Member:	Councillor John Holdich
Lead Director:	John T Hill - Director of Business and Skills
Forward Plan Ref: N/A	Key Decision: No
<p>The Skills Committee is recommended to:</p> <ul style="list-style-type: none">a) Agree a four month extension to the Skills Brokerage contract with Peterborough City Council as accountable body for Opportunity Peterborough at a cost of £75,000 to the Skills Brokerage CX0095 budget line.b) To note a European Social Fund (ESF) bid has been submitted to support the continuation and connectivity to Skills Brokerage activities.	<p>Voting arrangements</p> <p>Simple majority of all Members</p>

2.0 BACKGROUND

- 2.1 A significant part of the Combined Authority's emerging role in the skills system will be to ensure there is a coordinated and holistic approach to apprenticeships, education and training that makes it easier for businesses to engage with.
- 2.2 Opportunity Peterborough (OP) has been an effective delivery agent for Skills Brokerage in Peterborough, Huntingdonshire, Fenland and East Cambridgeshire. OP aim to support schools, and colleges in signposting between providers, employers and partners to implement strategic and operational plans. This includes a range of activities as outlined within the current contract such as work experience, mentoring, CV writing and careers fairs. This report recommends approving an extension of up to 4 months for the Skills Brokerage Contract with OP.
- 2.2 OP covers and delivers services to the north of the Combined Authority area, Peterborough, Fenland, East Cambridgeshire and Huntingdonshire. The Greater Cambridge Partnership (GCP) Brokerage 'Form the Future' provides a brokerage model in Cambridge and South Cambridgeshire. The Skills Strategy Evidence Base 2018 has stated that two different services allow the opportunity to tailor responses to appropriate geographies, sectors and learners, and therefore this model should also be considered when deciding on the future structure of delivery.
- 2.3 The Skills Strategy recommends that the brokerage and facilitation role bringing employers, learners and providers together is an important intervention for the Combined Authority to undertake. The Combined Authority and its partners already have strong collaboration with Schools, Colleges, Providers, Universities, Business and Local Networks. The Combined Authority now need to build on that success to make it a more sustainable model.
- 2.4 Creating a 'one stop shop' Skills Talent Apprenticeship & Recruitment (STAR) Hub that connects all these partners will help us achieve our targets and outcomes. This will strengthen and add real value to what is already happening in our region. Coming together as an integrated offer to all students, parents, businesses and skills providers will help increase supply and better match it to business and learner demand to better equip our young people and those looking for work with the skills for success.

3.0 ESF BID AND EXTENSION

- 3.1 Whilst consideration has been given to the future delivery of a skills brokerage funded by the Combined Authority and a decision taken to fund a three-year programme from July 2020 to June 2023 through an application for ESF funding, it is vital that the ongoing work undertaken by OP is continued in the short term between their current contract end of Feb 2020 and the beginning of the newly procured contract. This will allow time for the Combined Authority to receive confirmation of the European Social Fund (ESF) bid submitted on

the 20th August 2019 to move to a new joined-up progressive Skills Brokerage Service to support the delivery of skills from July 2020 and beyond.

- 3.2 Officers have negotiated a short extension to the contract with Opportunity Peterborough to cover Peterborough, Huntingdonshire, Fenland and East Cambridgeshire areas for up to 4 months at a cost of £75k.
- 3.3 If the ESF bid is secured during that time, the newly procured Skills Brokerage Service will take over the continuation of the contract, either from Opportunity Peterborough, if they are successful in the procurement, or under TUPE transfer to an alternative supplier, if applicable/ required. This would provide a Skills Brokerage offer for the Peterborough, Huntingdonshire, Fenland & East Cambridgeshire area, whilst Form the Future (FTF) would continue with Skills Service delivery in South Cambridgeshire and Cambridge for the remaining year of their contract with GCP, after which a joined-up provision would be offered through the newly procured all-Cambridgeshire service.

4.0 MATCH FUNDING AGAINST THE SKILLS BROKERAGE CONTRACT TO SUPPORT THE CAREERS AND ENTERPRISE COMPANY (CEC) CONTRACT

- 4.1 If the Skills Committee decide to support the extension of the current Skills Brokerage Contract with Opportunity Peterborough to fill the gap to the new procured contract, they are also supporting the provision and support provided by the Careers and Enterprise Company (CEC). The Skills Service providers in both areas have now expanded their offer with the inclusion of the Careers and Enterprise Company (CEC) programme, also managed by Officers at the Combined Authority.
- 4.2 The CEC contract is a 50% funded contract via CEC, that is 50% match funded by each Skills Brokerage Provider.
- 4.3 The match funding for the remaining 50% for the 1.5 FTE in Opportunity Peterborough is drawn from within the Skills Brokerage contract funding being provided by the Combined Authority to Peterborough City Council. The match for the 1.5 FTE in Form the Future is provided by GCP.
- 4.4 Officers have identified that in providing this resource and ensuring that the continued programme of activities can be undertaken by a mobilized service provider in OP, a contract with Peterborough City Council (PCC) will be made. PCC are sole shareholders of OP, and the CPCA can continue a strategic commissioning contract with PCC through a 'public service to public service' contract. This would allow OP to continue the work and avoid a disruption to service provision.

5.0 A SKILLS STRATEGY FOR THE FUTURE

- 5.1 The Skills Strategy has identified a need for the Skills Brokerage and the CEC Programmes to continue and become more targeted in achieving the outcomes required. An agreement has been reached with the Combined

Authority continuing to contract manage the CEC contract through our Brokerage partners. This will provide a bespoke service achieving the aims of all parties.

- 5.3 The Business and Skills Manager will continue to work to ensure value for money and target efficiencies within contract management of OP and the CEC. A monthly review of the programme performance will continue to be made to ensure that the programme is being successfully delivered.
- 5.3 The future service to be procured and start in July 2020 will include a Brokerage Service to support the promotion of Apprenticeships to connect employers, providers and learners; Brokering opportunities to encourage and increase work experience, T Level Industry placements, traineeships, apprenticeships, and graduate placements particularly through wider employer engagement and involving supply chains
- 5.4 The new service will also include growing Apprenticeships by creating a Levy Pooling Marketplace by working with Levy Employers to support SME's in Priority Sectors using the 25% Levy Transfer to create a Levy pot that SME's can access in partnership with our Training Providers and Levy Specialists trained to support with knowledge of Apprenticeships and Training and able to support employers to use their levy.

6.0 DEVELOPING AN OUTLINE BUSINESS CASE FOR THE STAR HUB SUPPORTED WITH AN ESF BID

- 6.1 Combined Authority officers are currently developing the business case and funding strategy that will allow the delivery of a three-year pilot of the STAR Hub.
- 6.2 As set out above, the STAR Hub brings together a set of activities into a single entity that delivers value through its central coordination. As such the funding strategy will be built up from a variety of sources. At this stage these are anticipated to include:
- Revenue funding allocated within the Combined Authority 2019-23 Budget for the implementation of the Local Industrial Strategy and Skills Strategy
 - Capital funding sought from the remaining Local Growth Fund (LGF) allocated the Business Board
 - In-kind contributions from key partners
- 6.3 These funding sources can be maximised through the development of a bid to the European Social Fund (ESF) to allocate matched revenue funding, as the outcomes of the STAR Hub align closely with the objectives of Priority Axis below;
- 6.3.1 brokering opportunities to encourage and increase work experience, work placements, traineeships, apprenticeships, and graduate placements particularly through wider employer engagement and involving supply chains

- 6.3.2 building capacity in SMEs to provide project/placement/ internship opportunities and enhance the contribution of advanced skills to SME growth, including programmes to specifically engage the most disadvantaged groups or those who face particular local disadvantages in utilising advanced skills

7.0 OUTLINE TIMELINE FOR THE NEXT STAGES IN DEVELOPING THE SKILLS BROKERAGE SERVICE VIA THE STAR HUB (MAYOR'S GROWTH SERVICE)

- 7.1 As an overview to the Committee of developments for the future Skills Brokerage Service via the STAR Hub within the Mayor's Growth Service the key stages of development are as follows:
 - (i) SOBC – July 2019
 - (ii) OBC – November 2019
 - (iii) FBC – January 2019
 - (iiii) Procurement of Skills Brokerage (STAR Hub as part of the Mayors Growth Service) between Jan and April 2020, with contract start on 1st July 2020

8.0 FINANCIAL IMPLICATIONS

- 8.1 If approved, the £75k funding for the contract extension with PCC will be met from the Skills Brokerage Budget Line CX0095 in the 2020/21 budget as this extension is purely to the end of this academic year, and has no financial impact on the current financial year. The budget that is currently being consulted on has a £98k Subject to Approval line within Skills Brokerage CX0095. If this budget is approved by the Board, the £75k will be covered by this funding.

9.0 LEGAL IMPLICATIONS

- 9.1 The proposed extension to the Contract is in accordance with the Combined Authority's Contract Procedure Rules.

10.0 SIGNIFICANT IMPLICATIONS

- 10.1 The skills landscape is going through many changes; in particular the reforms in Technical Education with the introduction of the Apprenticeship Levy, Trailblazers and T Levels. This has created a more complex system to an already complicated skills eco-system. The Combined Authority needs to ensure it future-proofs its investment and ambitions for a skills solution fit for purpose to support the Skills Strategy, LIS and CPIER recommendations.

<u>Background Papers</u>	<u>Location</u>
<p>Skills Committee 3 April 2019</p>	<p>Skills Committee Reports 3 April 2019</p> <p>Room; Large Meeting Room 1 Cambridgeshire and Peterborough Combined Authority, The Grange, Nutholt Lane, Ely CB7 4EE</p>