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MAYORAL
COMBINED AUTHORITY

Friday, 20 August 2021

To: Members of the MCA - Education, Skills and Employability Board and Appropriate Officers

You are hereby invited to a meeting of the Sheffield City Regional Mayoral Combined Authority to be held at **Virtual Meeting**, on: **Tuesday, 31 August 2021** at **1.00 pm** for the purpose of transacting the business set out in the agenda.



Dr Dave Smith
Chief Executive



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Member Distribution

Councillor Sir Steve Houghton CBE (Co-Chair)	Barnsley MBC
Nigel Brewster (Co-Chair)	Private Sector
Councillor Lani-Mae Ball	Doncaster MBC
Councillor Denise Lelliott	Rotherham MBC
Councillor Tim Cheetham	Barnsley MBC
Councillor Paul Turpin	Sheffield CC
Professor Chris Husbands	
Kate Josephs	Sheffield CC
Helen Kemp	MCA Executive Team

MCA - Education, Skills and Employability Board

Tuesday, 31 August 2021 at 1.00 pm

Venue: Virtual Meeting



Agenda

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MCA - EDUCATION, SKILLS AND EMPLOYABILITY BOARD

MINUTES OF THE MEETING HELD ON:

TUESDAY, 15 JUNE 2021 AT 1.00 PM



Present:

Councillor Sir Steve Houghton CBE (Co-Chair)	Barnsley MBC
Nigel Brewster (Co-Chair)	Private Sector
Councillor Lani-Mae Ball	Doncaster MBC
Councillor Denise Lelliott	Rotherham MBC
Councillor Tim Cheetham	Barnsley MBC
Helen Kemp	MCA Executive Team
Kevin Straughan (substitute)	Sheffield CC

In Attendance:

Helen George	Assistant Director - Skills & Employment	MCA Executive Team
Rob Harvey	Senior Programme Manager	MCA Executive Team
Wendy Dodson	Senior Programme and Performance Manager	MCA Executive Team
Roger Wild	Senior Development Manager	MCA Executive Team
Jacque Chambers	Consultant	MCA Executive Team
Nici Pickering	Strategic Marketing Manager	MCA Executive Team
Angela Foulkes	Chair of Skills Advisory Network	
Gill Richards	(minute taker)	

Apologies:

Professor Chris Husbands		
Kate Josephs	Chief Executive	Sheffield CC

1 **Welcome and Apologies**

The Chair welcomed everyone to the meeting.

Apologies were noted as above.

2 **Declarations of Interest by individual Members in relation to any item of business on the agenda**

None.

3 **Urgent items / Announcements**

None.

4 **Public Questions of Key Decisions**

None.

5 **Minutes from Last Meeting**

RESOLVED – That the minutes of the meeting held on 2nd March 2021 be agreed as a true record.

6 **Adult Education Budget (AEB) Update**

A report was submitted which updated the Board on the overall readiness for the devolution of the Adult Education Budget (AEB) including an update on the commissioning process.

Members were reminded that the devolved AEB was being commissioned through two strands. Strand one was to continue to provide grant funding to nine Local Authority and Further Education Colleges based in South Yorkshire.

All grant providers had been offered a core grant which would match the value of their grants provided in 2018/19. An additional 15% growth funding had also been offered to providers as long as the additional funding was aligned to key delivery priorities. Details of the amounts of funding offered were contained within the report.

Members were informed that there was an issue with Northern College who were currently going through the FE Commissioner's Structure and Prospects Appraisal. To ensure residential provision for South Yorkshire residents the Authority had proposed that the current residential uplift of 4.7% would apply until 2023/24.

With regard to the Prince's Trust programme in Doncaster, a proposal had not been submitted via the procurement round. Discussions were ongoing as to how the provision could be delivered.

Strand two was the procurement round which had been split into four lots:

1. Supporting residents into employment.
2. Provision for adults in employment, self-employed or at risk of redundancy.
3. No young person left behind.
4. Test and Learn Adult Key Worker Model.

There had been a total of 191 bids received.

Successful providers had been selected and were detailed at Appendix A to the report.

Due to the timing of the report not aligning with the procurement process, officers would write to members of the ESE Board to confirm the contractors who had been successful in securing AEB contracts separately.

It was noted that funding of £2,791,136 had been received to support the additional National Skills Funding offer around Full Level 3 Qualifications for adults in priority sectors. A summary of the current offer was contained within the report.

The Authority expected to have a closer working relationship with providers. The Authority would increase engagement starting with the Grant letters which would reinforce key priorities and would also include an Onboarding event and an initial visit from the Programme Performance Unit prior to delivery starting in August.

It was noted that the Communications and Marketing team had developed a Communications plan to support AEB Devolution, details of which were listed in the report.

RESOLVED – That the report be noted.

7 **Skills Strategy Roadmap**

A report was considered which sought Members' support for proposals to commence the development of a Skills and Employability Strategy. It also sought agreement for the overall approach and proposed timeline and members' feedback on emerging themes for the strategy to help prioritise the forward plan of work.

It was proposed that the skills strategy should comprised of three key components:

1. A solid evidence base which set out the current skills position in South Yorkshire.
2. A robust labour market overview providing the backdrop to current labour market intelligence and signalling direction of travel for skills demand in the future.
3. A skills strategy document which set out how the mechanisms and levers of strategic influence would be used, partnership working and funding.

With regard to the solid evidence base as mentioned in 2.1, it was confirmed that there was a comprehensive list which could be shared.

In answer to a question from Cllr Ball it was confirmed that production of a draft report by September was achievable.

The draft report would be an analysis of the database and the labour market information which would probably bring up additions to the priority list, especially around graduate retention and attraction. Areas of higher need would be pinpointed through stakeholder engagement.

R Wilde confirmed that the local authority strategies had been taken into account.

Members agreed the importance of the strategy being a 'living' document and that stakeholders should be involved at every stage of development.

RESOLVED – That the Board agree:

- i) The overall approach to the works and skills strategy structure and the timeline proposed.
- ii) The proposed scope of the skills and employability strategy based on emerging priority themes.
- iii) The process to enable the commissioning of Labour Market Intelligence research and consultant analysis of evidence base.

8 **Careers/Labour Market Intelligence (LMI)**

A report was submitted which provided an update on activity relating to careers provision within South Yorkshire. It provided information on steps taken to merge two Careers and Enterprise Company funded hubs and also presented some proposals for future development of the MCA's approach into all-age careers service within South Yorkshire.

Cllr Ball was supportive of the recommendations but commented that it was important to make the Skills and Apprenticeship Fair accessible to all and questioned whether the Careers Operational Group would be able to make funding decisions.

H Kemp agreed that the Skills and Apprenticeship fair needed to be accessible and confirmed that a number of options were being considered, including a virtual event, should the pandemic situation require it.

With regard to funding decisions, this was a matter for the Board to determine but it was felt that funding decisions should rest with the Board to ensure transparency and openness and provide robust governance.

A Foulkes commented that the Skills Advisory Network had discussed the skills event at length and the following points had been made:

- The event should focus around traineeships and apprenticeships.
- In this instance, the event should focus on 19-30 year-olds.
- Questions around ownership and financing of the event.
- Preference for a face-to-face event if possible.
- Recommend a 5-year piece of work.
- Potential to take out as a roadshow for greater reach.

N Brewster questioned the feasibility of providing an all-age careers service across South Yorkshire with everyone having the same experience of the service, especially as each authority already had some level of provision. It was important to work out exactly what was trying to be achieved and by whom.

The Chair agreed stating that this situation was replicated in every area of the MCA's work in the sense of what belonged locally where there was local authority or other provision and where the MCA needed to plug any gaps whilst supporting the local authorities at the same time.

Cllr Lelliott informed the Board of a well-attended Jobs Fair that had been held in Rotherham for the last nine years which sounded very similar to what was being planned. There was an opportunity to work in partnership to build on what had already been achieved.

H George commented that N Brewster's point was valid. The paper was not trying to set out the answer to all of the issues around an all-age careers service. It was positive that CEC funding was available to bolster careers activity for young people but this was not the service needed for all residents, there was a need to understand what needed to be delivered through careers advice for everyone.

K Straughan commented that Sheffield CC was very supportive of the strategy in many ways but there needed to be an added value purpose to what was already being provided and to tie into local agendas.

The Chair commented that all the points should be fed back to the working group.

Cllr Lelliott queried whether the SAN was aware of Rotherham's Leaf event and had it been factored into discussions.

A Foulkes replied that SAN had not been aware of the event.

One action from the SAN Board had been to create a small group to map out what was being done and create a specific plan. Details of the Leaf event had now been noted and would be fed into discussions.

Cllr Lelliott commented that it was important to complement what was already being done and not duplicate. Working together to bring the event into a central location would be a positive move.

RESOLVED – That the Board:

- i) Note continued investment by the Careers and Enterprise Company in South Yorkshire and the potential to use the opportunities for further CEC funding for 2021/22 and also the move to a single Hub to renew and strengthen the focus on careers activity.
- ii) Note the continuation of the Opportunity Area in Doncaster and that the START platform provided a first step towards an all-age careers service.
- iii) Approve the recommendation to carry out scoping with partners.
- iv) Approve a proposal for the MCA to establish a Careers operational Group to co-ordinate activity with partners across South Yorkshire.
- v) Approve a proposal to apply for CEC Incubation funding for a project with pupils and parents/carers.
- vi) Approve the recommendation to host a South Yorkshire Skills and Apprenticeship Fair.
- vii) Note the Authority's work to develop relevant accessible Labour Market Intelligence.
- viii) Agree that filling gaps in the Careers Education Information and Guidance was a skills priority should further funding become available within the MCA.

9

Skills Bank 3

A report was submitted which sought approval of the shape of the Skills Bank 3 Operating Model and funding of the future regional Skills Bank programme. It also sought agreement to the development of a specification for the future programme which took into account previous decisions made and the agreed options presented at Appendix A to the report.

A group consisting of local authorities, the Chamber of Commerce, private sector employees, LEP members and Skills Board members had met to go through all the elements of the Operating Model and how they linked to Skills Bank principles.

The group had looked at a range of options and made recommendations which were summarised at Appendix A.

The Board were asked to consider the options and recommendations made by the stakeholder group to agree to move to the next stage of work in developing the specification.

Cllr Ball commented that it was positive that social value was included as an outcome but it was very difficult to measure and would need to be managed and evidenced effectively. The examples at Appendix A were quite broad and would be difficult to demonstrate. DMBC had a social values outcomes framework which provided commissioners with discussion points on how social value could be achieved through the commissioning and procurement process.

and would be happy to provide officers with sample documents. This was welcomed.

N Brewster commented on the lack of consequences for the non-achievement of social value outcomes and that there was a need to be more robust in this area.

RESOLVED – That the Board:

- i) Accept the recommendations made by the stakeholder group.
- ii) Agree to a specification being developed based on previously approved principles, economic and social value outcomes and the operating model as presented in the report.

10 **Skills Support for Redundancy**

A report was considered which gave details of the provisions in place to provide skills support for people being made redundant in South Yorkshire in preparation for them finding new roles. The report also recommended further work to help prepare for an increase in redundancies should that arise.

It was noted that the current support package was available to businesses with 15 or more employees and comprised of three elements:

- DWP funded Rapid Response to Redundancy.
- National Careers Service delivered in South Yorkshire through Prospects.
- Skills Support for Redundancy delivered by the Growth Company.

The package was triggered once a business identified a threat of redundancy and notified DWP.

Examples of support packages in other areas had been looked at where significant improvements had been made by putting effort into the way that intelligence was gathered and used by the Redundancy Team.

It was noted that there was a gap in support for employees of organisations with under 15 employees which needed to be filled.

It was noted that each local authority had support available and there was also duplication in intelligence gathering.

N Brewster commented that there was an urgency around this and that the points in 2.6 around securing better outcomes for individuals and employers who were coming through and understanding how the gap in support for small employers could be stemmed needed to be addressed immediately.

Current programmes within the MCA and LEP's control should be looked at to see if they could be flexed to add value e.g the Skills Bank. More needed to be done and more quickly.

RESOLVED – That the Board:

- i) Note the current mix of provision available.
- ii) Note the learning from other areas.
- iii) Approve further work by the MCA to lead some joint work with partners to develop a coherent offer as described in 2.6 within the report.

11 **Skills Advisory Network (SAN) Update**

A Foulkes gave a verbal update on the work of the SAN.

A report was considered which contained an Apprenticeship Hub proposal with seven key elements which were detailed within the report.

It was noted that it was critical that the Hub be independent of any specific training providers and impartial.

Cllr Ball commented that it was vital to ensure there were local gateways to support residents in accessing the scheme. She agreed with all the actions needed but existing work must be taken into account.

RESOLVED – That the Board agree that officers work with the SAN and stakeholders to develop a fully costed proposal for the Apprenticeship Hub which would be brought to the September meeting of the Board.

12 **Any Other Business**

None.

In accordance with Combined Authority’s Constitution/Terms of Reference for the Board, Board decisions need to be ratified by the Head of Paid Services (or their nominee) in consultation with the Chair of the Board. Accordingly, the undersigned has consulted with the Chair and hereby ratifies the decisions set out in the above minutes.

Signed

Name

Position

Date

Education Skills and Employability Board

31 August 2021

Devolved Adult Education Budget Commissioning Update

Is the paper exempt from the press and public?	No
Purpose of this report:	Policy Decision
Is this a Key Decision?	No
Has it been included on the Forward Plan?	Not a Key Decision

Director Approving Submission of the Report:
 Helen Kemp, Director of Business and Skills

Report Author(s):
 Helen George
 Helen.george@sheffieldcityregion.org.uk

Executive Summary

This report provides members of the Education, Skills and Employability Board with an update on the commissioning process for devolved Adult Education Budget (AEB) funded learning. The paper sets out how the balance of provision is starting to shift as a result of the priorities set by the Board. It also describes some of the challenges in managing the transition and what the Authority is doing in response including the intention to run a Lessons Learned exercise. The paper also seeks approval to undertake an analysis of any gaps in skills and employability provision to inform and develop proposals for the use of the remaining 2021/22 Adult Education Budget funding.

What does this mean for businesses, people and places in South Yorkshire?

Responsibility for the Adult Education Budget for residents in South Yorkshire has been devolved to the Authority from 1st August 2021. The Authority believes its commissioning approach will result in providers having an increased sense of accountability for delivery within Barnsley, Doncaster, Rotherham and Sheffield with a stronger focus on collaborative working which supports learner progression. We are seeking to place AEB funded provision at the heart of skills and employability activity across South Yorkshire which helps:

- residents develop skills, find work and lead fulfilling lives
- employers attract and retain staff with the skills needed for performance and growth and
- local communities to thrive and grow based on increasing prosperity, social mobility and civic engagement.

Recommendations

- Note the positive changes in the balance of provision across South Yorkshire that we expect to come out of the devolved approach;
- Note the steps being taken in conjunction with local authorities to stimulate collaboration between providers and accountability for delivering in a place;
- Note the need to step up our transition arrangements to support learners;
- Note the proposal for a Lessons Learned exercise and consider any specific elements to review;
- Approve the approach to undertake an analysis of any gaps in skills and employability provision to inform and develop proposals to make full use of AEB and maximise provision for residents.

Consideration by any other Board, Committee, Assurance or Advisory Panel

None

1. Background - Update on AEB devolution

1.1 As of 1st August, the Adult Education Budget was devolved for South Yorkshire residents. A total of £30.6m has been committed through grants to South Yorkshire based FE Colleges and local authority providers and contracts for provision worth £10.2m have now been let for procured provision. All grant agreements and contracts have been issued and the initial commissioning phase is complete.

1.2 AEB Commissioning Outcomes

More work will need to be done to analyse data on performance as the academic year gets underway. However, there are some really positive messages emerging from analysis of delivery plans which show a shift in provision consistent with the Authority's priorities. High level examples include:

Grant funded provision

- An increase of over 20% in all regulated / entitlement basic skills provision
- A much more significant increase of 284% in basic Level 1 digital entitlement provision
- Almost double the number of Full Level 2 learning opportunities for 19-23 year olds
- A 51% increase in Full Level 3 learning programmes for 19-23 year olds
- Almost 1000 places for adults aged 24+ to study on programmes leading to high value Level 3 qualifications or qualification units.

Procured provision

- A shift in provision for people who are unemployed with a significant focus on Sector Work Academy Programmes offering rounded skills support, work experience and a guaranteed interview. Over 3,200 places are expected to be available.

- A moderate increase in the number of enrolments available for low skilled employees over the baseline year of 2018/19, both in basic skills and in progression learning. Within this overall figure, there is a significant shift in enrolments towards regulated progression learning including:
 - o increases in Full Level 2 provision from around 10 (estimate) to 1060
 - o 462 new opportunities for second Level 2 provision (baseline 0)
 - o 452 new opportunities for first Full Level 3 provision (baseline 7)
 - o 513 new opportunities for Level 3 units, with a baseline of 0.
- 430 new programmes to support vulnerable young people including those not in education, employment or training (NEET) across South Yorkshire delivered as a Test and Learn pilot
- 721 integrated employability / key worker learning opportunities across South Yorkshire as part of the key-worker Test and Learn pilot.

1.3 Overall, this package represents significant progress in moving towards fuller qualifications and away from short, repetitive learning and is consistent with the Authority's view that this approach will better support progression for residents across South Yorkshire.

ESE Board members are invited to note the expected shift in the balance of provision.

2. Key Issues Transition

2.1 The process of commissioning devolved AEB has had an impact on the pre-devolution provider base and this has resulted in representation being made to the Mayor, MPs and members of the ESE Board about the outcomes of the procurement exercise. However, devolution is the catalyst for change in the approach we take and the outcomes we are looking for and in order to achieve those changes some degree of disruption and discomfort in the system is an inevitable consequence. Where disruption is unavoidable, the challenge to the Authority is to ensure that the disruption is explained, justified by the outcomes, and mitigated.

2.2 In order to do this, we are working hard with local authorities to maximise the benefits of the provision that we have commissioned for residents across South Yorkshire and to develop signposting to help new learners and those who wish to continue learning find new programmes. Two strands of activity are underway.

Learner transition

There are three key actions here.

- Ensure that information is available in as many different settings as possible to help potential learners find the learning opportunities we have commissioned. We will add to the information already uploaded to the MCA website to help residents navigate the offer.
- Work with third parties, such as DWP and the local authority START platform, to ensure that information about courses is available to them for referrals.
- Work with those providers who will no longer be providing AEB funded activity to help them understand where to signpost new provision for learners they may have relationships with.

ESE Board members are invited to note learner transition as a priority issue.

'Place making' sessions

Sessions have been arranged for each of the local authorities (as local authorities rather than as training providers) to meet with the grant and procured providers who will be delivering on their patch. Sessions have taken place to date with Rotherham, Sheffield and Barnsley and the Doncaster session will follow shortly.

The sessions have provided the Authority with an opportunity to describe the kind of relationship we would like with providers in each place – strategic and focused on learner progression - and the need for collaborative rather than competitive working. Each of the local authorities has had a chance to set out their strategic drivers and to talk through the way in which they would like to work with providers.

This is an important opportunity for local authorities to think about how the newly commissioned activity fits with the needs of priority groups within their area. For example, Lot 3 provision for those who are not in education, employment or training (NEETS) includes delivery that will be focused on care leavers. The local authority role in making effective use of that provision is critical.

Feedback from the sessions so far has been very positive and plans are in development for further contact between local authorities and providers in each area.

ESE Board members are invited to note the ongoing place making work and to support this approach within individual authorities.

2.3 Lessons Learned

Now that we have reached the end of the initial commissioning process, the Mayor has requested that we carry out a 'Lessons' Learned' exercise. This will be an exercise in listening, learning and improving for the future and will be an important opportunity to review whether we can do more or do things differently in future to secure an even greater impact on the priorities set for devolved AEB. Timing of this exercise will be this Autumn and we will report back on progress to the Board in October.

Do Board members support this approach? Do ESE Board members have specific questions they would like included?

2.4 Following the allocation of grant funding and the end of the procurement exercise, the Authority has approximately £400k AEB unallocated. This is a substantial pot of funding if allocated to a relatively tightly defined set of priorities and measurable outcomes. It is proposed that the Authority carry out an analysis of gaps in skills and employability provision to inform the approach to allocating the remaining funds.

2.5 The recommended approach to allocating the remaining AEB funds will be brought to the October Board and will take consideration of the following:

- If the gap analysis demonstrated priorities consistent with the type of provision sought under Lots 1 and 2 of the previous exercise, it would be possible to go out to the providers already on our AEB framework contract. However, we would want to be sure of the link between the additional

provision and our development priorities. Lots 3 and 4 would be out of scope because allocations to providers under those Lots have reached the maximum value of the procurement. Other priorities would need to be addressed through a completely new procurement which would need time to run.

- It would be possible to distribute remaining funds through additions to existing grants. This would add further capacity into FE College and / or local authority provision, but it is worth noting that growth funding has already been added to the 18/19 baseline for these providers.

Do Board members support this approach to developing plans for the remainder of the Adult Education Budget? Do Board members have an early view on areas they may want to prioritise, subject to evidence confirming there are gaps in provision?

3. Options Considered and Recommended Proposal

3.1 This is not an options paper.

4. Consultation on Proposal

4.1 Stakeholder consultation not appropriate for this decision.

5. Timetable and Accountability for Implementing this Decision

5.1 ESE Board members are invited to give a view about the remaining AEB funding so that the MCA Executive Team can develop a plan and return to the Board in October for approval. Given the timeframe needed for a procurement exercise, any delay to the start of that exercise is a delay to provision being available and increases the risk of under-performance at the end of the year.

6. Financial and Procurement Implications and Advice

6.1 A budget of at least £400k is currently available for any additional commission in this financial year. An additional internal budget would also need to be identified to be used to fund the costs of any procurement process, both internally and externally.

7. Legal Implications and Advice

7.1 There are no specific legal implications arising from the report. Any future procurement will follow appropriate procedures to ensure compliance with procurement regulations

8. Human Resources Implications and Advice

8.1 HR have read the paper and at this stage based on the paper presented do not have any comments from a HR perspective.

9. Equality and Diversity Implications and Advice

9.1 No new equality and diversity implications are expected since the previous update.

10. Climate Change Implications and Advice

10.1 This will be kept under review as our Climate Change review processes evolve.

11. Information and Communication Technology Implications and Advice

11.1 New provision / providers will involve adapting the systems that have been developed to manage the current AEB system. It depends on the provision as to how straightforward this will be to manage.

12. Communications and Marketing Implications and Advice

12.1 The MCA Executive Team will be pulling together a South Yorkshire Mayoral Combined Authority AEB comms and marketing strategy – collaboratively as partners. This sits alongside a marketing toolkit for the providers. Aligned with PR around the Education, Skills and Employability Agenda, and in this instance the Adult Education programme. We are building a profile page for service providers across South Yorkshire to enable clear signposting, this promotes who and what is covered.

The aim is to deliver the message through the lens of the learner journey, so that it demonstrates how the Adult education provision can have an impact and provide a greater level of support for adult communities and people in South Yorkshire.

Reiterating this through cases of learner progression, what that actually means and how it can inspire others to seek upskilling.

List of Appendices Included

None

Background Papers

None

Education Skills and Employability Board

31 August 2021

South Yorkshire Jobs Fund

Is the paper exempt from the press and public?	No
Purpose of this report:	Funding Decision
Is this a Key Decision?	No
Has it been included on the Forward Plan?	No

Director Approving Submission of the Report:

Helen Kemp, Director of Business and Skills

Report Author(s):

Tina Slater

Tina.slater@sheffieldcityregion.org.uk

Executive Summary

This paper provides an update on programme development activity and work undertaken for South Yorkshire Jobs Fund, which builds on the approvals given from the board in March 2020. The paper seeks members support to revise the delivery and funding model and also seeks approval to progress the development of a full business case.

What does this mean for businesses, people and places in South Yorkshire?

Businesses in South Yorkshire will have access to a pipeline of people that are actively looking for work and are keen to share and develop their own skills in order to support the business to grow and recover post pandemic.

Businesses will have access to funding to pay for an employee over a 6-month period. They will also have access to further business incentive funding to support with any training or organisational needs. This support is vital to the cash flow recovery of a business in recovery of the pandemic.

People will gain experience of work within a quality environment, that is paid for 6-months. They will have the opportunity to develop their skills, knowledge, and networks to support them in securing permanent employment in the future.

South Yorkshire Jobs Fund will support to build an infrastructure for employment support at **place** that will help to reduce unemployment and drive economic improvement.

Recommendations

That the board:

1. Approve the recommended programme design
2. Approve the revised funding model
3. Approve the recommended delivery option
4. Approve progression to full business case development
5. Agree timescales for project development

Consideration by any other Board, Committee, Assurance or Advisory Panel

Mayoral Combined Authority Board

20 September 2021

1. Background

- 1.1 In March 2021, the Education, Skills and Employability board approved funds of up to £1.2m for a test and learn intermediate labour market (ILM) model to support activities under the People Strand of the Authority's Renewal Action Plan (RAP).
- 1.2 It was agreed that the working title for the model would be South Yorkshire Jobs Fund, which would be a back to work programme for South Yorkshire residents aged 25+ that primarily have been unemployed and claiming Universal Credits for between 6-12mths.
- 1.3 SYJF will cover:
- 6 months wages for eligible participants, based on National Living Wage plus National insurance contributions for up to 30 hours per week.
 - £1,500 payment incentive to employers for support covering costs such as admin, support and in-house training.

We last updated that the Department for Work and Pensions (DWP) would provide a secondee that would be embedded in the Authority work specifically with key stakeholders to develop and prepare for launch of South Yorkshire Jobs Fund. The secondee has now been allocated. This is provisionally a 6-month appointment with an extension agreement from DWP if needed.

- 1.4 Since the approval in March, a steering group has been formed, with membership including representatives from the following partner organisations:
- The Authority
 - SY Local Authorities
 - DWP
 - TUC
 - Chambers of Commerce (Doncaster as lead)
 - Local Training Provider

Clear Terms of Reference (ToR) have been developed to set out the roles, responsibilities, and accountability arrangements of the steering group. The approved ToR is depicted in Appendix A.

- 1.5 Following consultation with members from the steering group, it is agreed that a revision of the original programme design and funding model is required to ensure maximum outcomes are achieved for SY residents and employers.

- 1.6 After consultation with internal stakeholders, we understand that a revised programme design and funding model will require open procurement activity, and also further approval from both the ESE and MCA board, therefore, a full business case will be developed and submitted to the Assurance panel for approval recommendation to the relevant board.

2. Key Issues

2.1 Programme Design Impact

The purpose of the programme is to give participants who have been out of work for 6-months, the confidence, skills, and sector-based work experience necessary to help them secure sustainable employment. The programme will fill a gap in existing DWP provision for Universal Credit claimants. Existing support is targeted at 13 weeks and for those who have been unemployed for 12 months+.

- 2.2 South Yorkshire continues to be disproportionately affected by the economic turmoil of the pandemic. According to the latest comparable data from the ONS, the South Yorkshire Region has an unemployment rate of 4.9% of the working population, compared with a national average of 4.5% (*ONS, LI01 Local labour market indicators by unitary and local authority, Jan-Dec 2020*).

- 2.3 Furthermore, the most recent claimant statistics from DWP, shown in appendix B show that while signs of recovery are evident over the last four months, these are slow and we are far away from pre-pandemic levels (*Stat-xplore, 6/8/2021*).

- 2.4 Programmes to support those looking for work into employment are needed. South Yorkshire Jobs Fund not only gives UC Claimants looking for work an opportunity to be economically active, but also supports local businesses to grow and develop in the difficult post-pandemic environment.

2.5 Outcomes

The aim of the programme is to support more people into work and provide participants with the opportunities to develop their skills and gain meaningful work experience to enhance their chances of securing employment.

- 2.6 South Yorkshire Jobs Fund will work with key stakeholders in South Yorkshire to ensure that it is closely aligned to other employment programmes in the region. In addition to the support available from SYJF, participants will be able to access wrap around support and training opportunities from other sources, which include:
- DWP Flexible Support Fund – The Authority and Local Authorities have recently submitted a collaborative proposal to DWP to pay for work-coach brokerage and support based in local authorities to help people into work, specifically in four key sector areas.
 - Adult Education Budget (AEB) funding to access low value procurement to provide short, sharp vocational or occupational training to participants claiming Universal Credit, who have a job offer or need training to be able to compete for vacancies in the local labour market

- AEB funding to support delivery of suitable DWP Sector Based Work Academy programmes and ongoing literacy / language, numeracy and digital provision where required
- Additional DWP funding to support removal of barriers to work including CSCS cards, travel passes, clothing etc

2.7 In addition to the skills development of participants that will be on programme, we should also consider the skills needs of business, and how we can support development opportunities in order to take on an employee. SYJF will ensure it works closely with employers to identify any training needs prior and during the work placement. Where needed referrals will be made to other programmes of support for example, SCR Advance, Skills Bank, Access to Finance.

2.8 Outputs

Building on the pilot model presented in March to support 130 people and following consultation with stakeholders, we would like to now enhance this offer further. It is proposed that dependant on a successful pilot, SYJF is developed as a full programme that will place 350 people, in total, over 2.5 years into work placements, within a quality work environment.

2.9 Over the course of the programme we estimate that approx. 1,000 people claiming Universal Credit will engage with the programme. DWP work coaches will maintain a caseload of job ready customers referred from across South Yorkshire, meaning there will be approx. 3 candidates for any vacancy, allowing the employer to appoint their candidate of choice.

2.10 SYJF will directly engage and support 350 businesses to recruit employees that will help support organisational growth and post pandemic recovery. In addition, SYJF will engage with a further 50% of employers to raise awareness and understanding of the programme, which will take the number of businesses engaged to 525 over 2.5 years.

Do members support the programme design?

2.11 A revised funding model is required to ensure achievement of outputs meaning an increase in funding from £1.2m to £4m (over the 2.5 years) is needed. The revised funding model will cover:

- Payment of wages for 6 months based on National Living Wage (£8.91 from 1/4/21 plus 12% National Insurance = £9.98ph). The board previously agreed up to 30 hours per week. However, we have since undertaken further work and have revised the hours per week increasing from 30 to 34 hours. The rationale behind this is it will allow participants to work more hours if required by the employer but will also keep them within the threshold for receiving Universal Credits and the associated benefits. It is also important to note that thresholds are different per individual and dependant on their circumstances.
- We recognise that the MCA is an accredited Real Living Wage (RLW) employer and that we have a commitment to champion the Real Living Wage to companies that we contract with. However, if we were to apply the

RLW to SYJF we would have to reduce the hours of work from 34 to ensure that participants wages fall below the set threshold so that they could still be in receipt of Universal Credits. The principles of this programme are to make sure that residents of South Yorkshire are not financially worse off by participating. We do not want to upset any other benefit claims that participants have for example: housing benefit and childcare, which would be a detrimental loss and would certainly be seen as a barrier to programme engagement and participation. We want to maximise these benefits and opportunities and give participants the best chance to thrive and secure sustainable employment. Through business case development we will explore if this approach will impact on our accreditation as a Real Living Wage employer.

- The reduction of hours would also be less attractive to employers looking for fulltime workers and is also considered a barrier for people looking for fulltime work. SYJF will be developed to ensure that individuals will not be placed at a disadvantage and employees' total income is maximised.
- A business incentive of up to £1,500 will be made available to employers to support with any inhouse training, admin, tailored supervision that is required. The payment to employers is consistent with similar Covid recovery payments to employers for other programmes e.g. kickstart 19-24 (£1,500), traineeship incentive (£1,000), and Apprenticeships (1,500 for 25+).
- The cost of the business support function for the programme is currently being investigated to inform the maximum value that will be included within the procurement specification.

Do members support the revised funding model?

3. Options Considered and Recommended Proposal

3.1 Interventions

Whilst there is certainly a place for SYJF within the region's employment support market, it is fair to say that it is a complicated landscape and both residents and employers find it difficult to navigate around what support is available to them. SYJF will work with key partners in the region, including local authorities and DWP to deliver the programme ensuring strategic alignment and effective communications are deployed.

3.2 Options for the programme's delivery model have already been considered and discussed with members of the steering group and internal stakeholders. Appendix C sets out a three-stage delivery plan to accompany option 1 below however, alternative options are included for the board to consider.

3.1 Option 1

Outsource a delivery partner / partners to undertake a business support role that will:

- transfer the business incentive payment and employee salary from MCA through to employers

- be the employer link to;
 - build strong relationships with employers and the MCA
 - identify any issues / concerns relating to the work placement
 - identify skills needs and refer to other programmes of support
 - report back to the Authority on programme performance

3.4 **Option 1 Risks and Mitigations**

Open procurement processes could delay the start date of the programme by 8 weeks (From December 21 to February 22). There is a risk that the market need could change over the next 6 months.

During this time, we will work closely with the procurement team to look at alternative ways that could speed up the procurement process.

We will also work closely with internal officers and steering group members, including DWP to ensure we have close sight on the market and any changes to the needs of residents and employers.

There is a risk that employees could be placed into businesses that are not financially secure therefore, we will look to build a due diligence process into the programme to mitigate against this risk. We will work with steering group stakeholders to develop this process. We need to be sure that the opportunities presented are genuine, of good quality and that there is evidence (where possible) of fair treatment of trainees across the organisation. This should be underpinned by genuine learning and progression planning with link to recognised training providers.

If the full £1,500 business incentive payment is paid to employers at the beginning of the programme, there is a risk that the employee's leave shortly after starting the work placement. To mitigate against this risk, we propose to stage the business incentive fund into 3 £500 payments throughout the 6-month period. As part of the business case development, we will consider if there should be a separation between opportunity generation and payment of incentives. We will seek advice from audit and assurance colleagues on this.

3.5 **Option 2**

Bring the programme inhouse using MCA resource to deliver the services of SYJF.

3.8 **Option 2 Risks and Mitigations**

Resource within the MCA is already limited and taking on the delivery of SYJF would negatively impact the workload across internal departments. The MCA would need to recruit additional resource to deliver the programme inhouse.

We are not resourced to undertake the payment or the business engagement functions, we therefore run the risk of losing these functions of the programme. There is a risk that employees could be placed into businesses that are not financially secure therefore, we will look to build a due diligence process into the programme to mitigate against this risk. We will work with steering group stakeholders to develop this process. We need to be sure that the opportunities presented are genuine, of good quality and that there is evidence (where possible) of fair treatment of trainees across the organisation. This should be underpinned by genuine learning and progression planning with link to recognised training providers.

3.9 **Option 3**

A hybrid model that retains some of the SYJF programme inhouse and outsources other delivery elements.

3.12 **Option 3 Risks and Mitigations**

Resource within the MCA is already limited and taking on part delivery of SYJF would negatively impact the workload across internal departments.

Splitting the business support element of the delivery model between two organisations would complicate the already complicated landscape even further.

There is a risk that employees could be placed into businesses that are not financially secure therefore, we will look to build a due diligence process into the programme to mitigate against this risk. We will work with steering group stakeholders to develop this process. We need to be sure that the opportunities presented are genuine, of good quality and that there is evidence (where possible) of fair treatment of trainees across the organisation. This should be underpinned by genuine learning and progression planning with link to recognised training providers.

3.13 **Recommended Option**

Option 1

Are members in agreement with option 1 for the SYJF delivery model?

4. **Consultation on Proposal**

Inputs

4.1 Members of the steering group have been consulted to develop the programme so far, with representation including:

- MCA
- DWP
- Four Local Authorities across South Yorkshire
- Chambers of Commerce
- Training provider
- TUC

MCA internal stakeholders have been consulted on the programme developments and suggest that a full business case is developed. Consulted stakeholders include:

- Director of Business and Skills
- Assistant Director – Education, Skills and Employability
- Assistant Director – Policy and Assurance
- Assistant Director – Programme and Performance Unit
- Assistant Finance Manager
- Head of Procurement
- Legal / Principle Solicitor
- Marketing Manager

Early suggestions indicated that we undertake a pilot programme for 6 months and procure the business support services that are required for delivery. Evaluation of the pilot would be completed and if successful a further request would be submitted

to approve progression to deliver a full programme. Further procurement activity would also be required. However, after consultation with stakeholders it is clear that if we take this approach, the programme will be left with a gap in service delivery where we would have to halt participants accessing the service until further board approval and procurement activities were complete.

Taking on board the feedback provided by stakeholders, it is recommended that SYJF is developed as one procurement exercise and will therefore require the approval of £4m. In order to comply with procurement regulations, we would advertise the tender opportunity for up to £4million for the full duration of the project. However, the initial pilot will run from 6-9 months (exact timeframe to be worked up in the business case). During this time, we will undertake an evaluation of the pilot in order to recommend continuing or ceasing services.

A pilot programme will be developed to include an evaluation, which will inform us of the successes achieved during that timeframe. For example:

- number of people on programme
- number of people undertaking skills development training
- programme retention rate
- number of business supported

and will then provide recommendations to the board on a) to continue or b) to withdraw services. The tender specification will inform interested parties that the full programme will be dependent on a successful pilot.

With board recommendation, an update paper will be presented to the MCA board in September to update on the development of a full business case. The business case will be submitted to the Assurance panel, and if recommended will be taken to the relevant board for approval in November.

Do members recommend the development of a full business case?

Members to note, an update paper will be presented to the MCA board in September.

5. Timetable and Accountability for Implementing this Decision

5.1 Based on option 1:

Tender spec ready to go live	September 2021
Publish tender opportunity	September 2021
Full Business case development	August – October 2021
SYJF update paper submitted to MCA board	September 2021
Full business case submitted to Assurance panel for recommendation.	October 2021
Evaluation and moderation	Further detailed required and will be worked into the full business case
Contract Award	Further detailed required and will be worked into the full business case
Programme launch	Preferred launch date: December 2021 Potential launch date: February 2022

Do members agree with the timescale presented?

6. Financial and Procurement Implications and Advice

- 6.1 £4 million of Gainshare funding has been made available for this purpose. This plan therefore will ensure that the allocation is fully used.
- 6.2 Within this £4 million, regard will be required to understand internal costs around the project, including internal staff, marketing and any evaluation required of both the pilot and the development of the full offer.

7. Legal Implications and Advice

- 7.1 Due to the estimated value of the contract for the managing agent, compliance with the Contract Procurement Regulations will require a full procurement exercise. The contract with the successful managing agent will contract for the pilot period and then an extension for the full-service period if the MCA wish to extend following the pilot review period. There will need to be a Data Protection Impact Assessment given the likely processing of personal data, and the contractual arrangement will appropriately manage any data processing and sharing requirements.

8. Human Resources Implications and Advice

- 8.1 2.11 refers to payment of National Living Wage as opposed to Real Living Wage, the report recognises that as an organisation the MCA is accredited to the Real Living wage foundation, need to understand whether funding/paying only National living wage (and leaving it as a choice to employees to pay Real living wage) impacts on our accreditation and also how this fits with the mayors messaging on the real living wage.
- 8.2 1.3 references seconded employees from DWP, currently not all internal approvals are in place for these and therefore IT equipment and access is not granted, risk of information and data been sent outside of the organisation.
- 8.3 Resource Implications
Option 1 – has potential resource implications within the procurement and PPU team, unable to confirm and understand what these are at this stage to understand whether able to do within current resources or whether additional resources would be needed. Also, timescales are not clear to determine resource requirements. If this option is taken, then possibly need to work with the AD to look at whether work can be reallocated pending recruitment activity

Option 2 – Likely to be resource requirement (not only people but also IT implications), however, to review and make informed decision would need to understand more information

9. Equality and Diversity Implications and Advice

- 9.1 An Equality and Impact Assessment will be undertaken and will be included within the full business case.

10. Climate Change Implications and Advice

10.1 None

11. Information and Communication Technology Implications and Advice

11.1 Not at this stage.

12. Communications and Marketing Implications and Advice. Please also refer to consultation undertaken as per Section 4

Working closely with the marketing team so that effective marketing and communications levers the issue and the proposed resolution for South Yorkshire residents in alignment with the collaborative approach to the Renewal Action Plan, Education, Skills and Employability marketing agenda.

List of Appendices Included*

- A Terms of Reference
- B Most recent claimant statistics
- C Recommended delivery model

Background Papers

Renewal Action Plan RAP update – SYJF (March 2021)

<https://governance.sheffieldcityregion.org.uk/ieListDocuments.aspx?CId=202&MId=411&Ver=4>

South Yorkshire Jobs fund is a back to work programme for South Yorkshire residents aged 25+ that primarily have been unemployed and are claiming Universal Credits for between 6-12mths. The programme is being developed to deliver activities under the People Strand of the SCR MCA Renewal Action Plan.

TERMS OF REFERENCE

Purpose: To drive the development and successful delivery of the South Yorkshire Job Fund (SYJF) programme. The group will provide guidance and a strategic steer on programme development and activity.

Objectives: The objectives of the group will include,

- To share local place knowledge and experience to inform, shape and develop the SYJF programme.
- To ensure that programme commissioning is open, fair, transparent and value for money for the public purse.
- To support the successful implementation and delivery of SYJF through integration with local services and ensure alignment to other strands of service reform and policy activity.
- To capture, share learning and good practice ensuring a level of consistency across the SY.
- To receive feedback from the evaluations and ensure that learning is collected and embedded in the provision to strengthen service delivery.
- To review and manage escalations from the programme operations group such as performance exceptions and programme risks.
- Provide ongoing input and direction to ensure that the project remains current and does not duplicate existing activities.
- Monitor and steer marketing and PR activity for the programme to ensure maximum programme awareness and take up.
- Monitor programme spend and financials to ensure delivery within budget

Membership:

- Chair – Tina Slater, Senior Development Manager, SCR MCA
- SCR MCA / DWP – Rich Hill, Partnerships Manager
- DWP
- Barnsley Local Authority
- Doncaster Local Authority
- Rotherham Local Authority
- Sheffield Local Authority
- SY Chambers of Commerce (Doncaster lead as employer representative)
- Training Provider (Whychange)
- Trade Union Congress (TUC)

Format of meetings:

- Meetings will be chaired by the Sheffield City Region Mayoral Combined Authority.
- Meetings will be serviced by the Executive Team for the Combined Authority.
- Quorum is 6 members of the Steering Group.
- Meetings will be held monthly with the ability to arrange extra-ordinary meetings as necessary.

Attendance

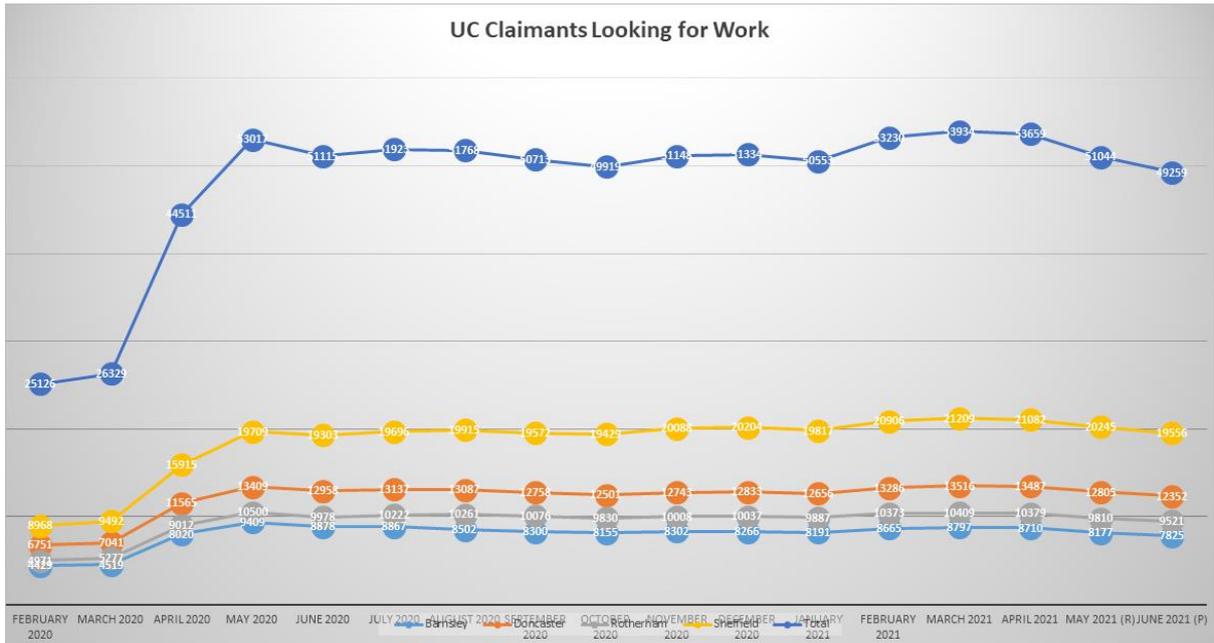
Members must commit to attend each meeting. If a member is unable to attend a meeting, it is required that they send a representative or send comments by email to the Chair so their view can be tabled.

If a member has a continued reason for absence for two or more meetings, then (with the prior agreement of the Chair) a designated interim replacement can be appointed.

Declarations of Interest

Members are required to declare any relevant interests relating to the agenda at each meeting.

Appendix B



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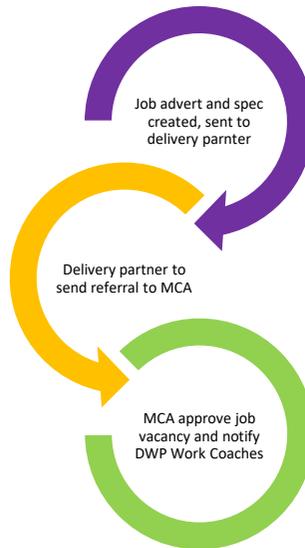
Phase 1 Initial Assessment to shortlisting

Appendix C

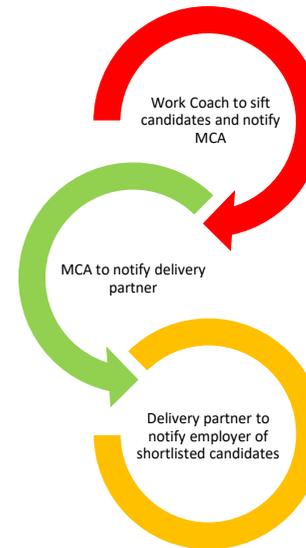
Stage 1:



Stage 2:

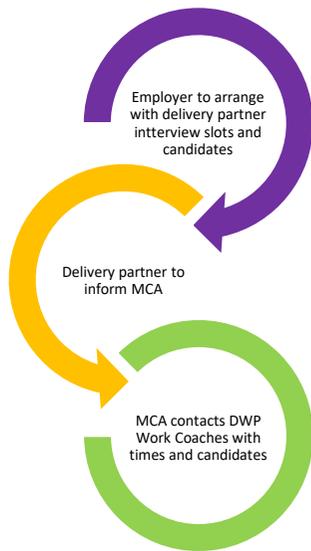


Stage 3:

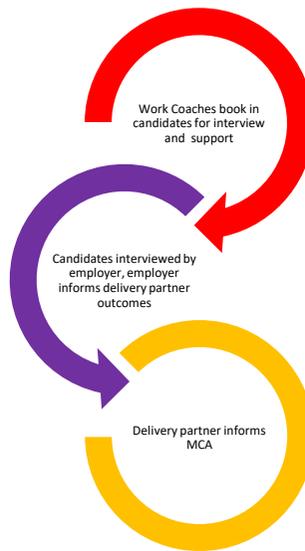


Phase 2 Interviews to recruitment point

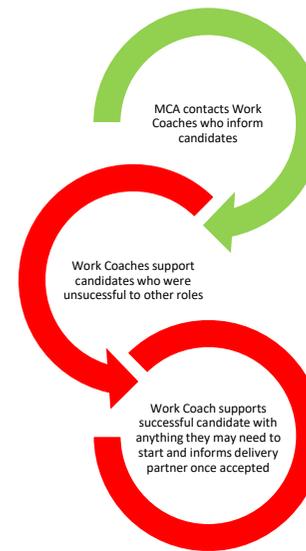
Stage 1:



Stage 2:

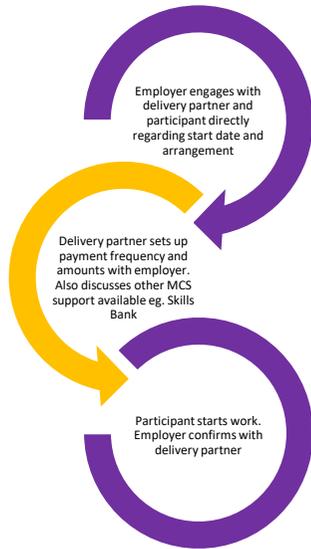


Stage 3:

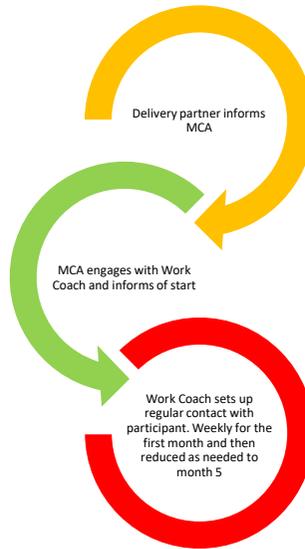


Phase 3 Job start to 6 months

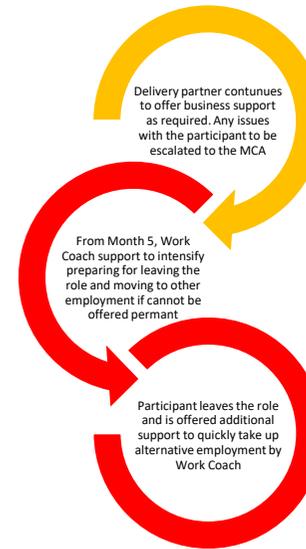
Stage 1:



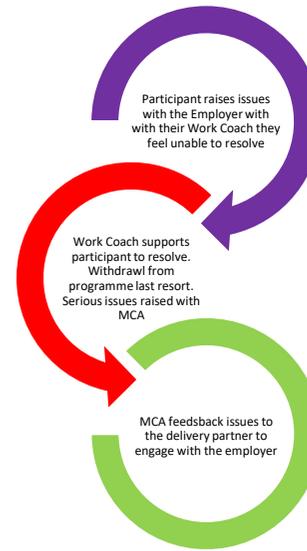
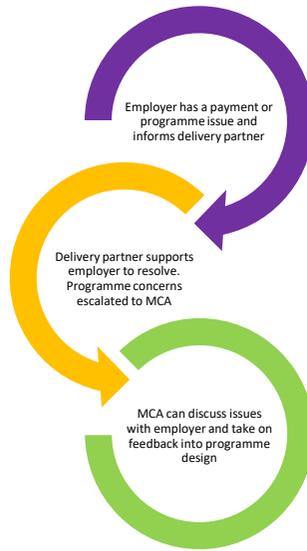
Stage 2:



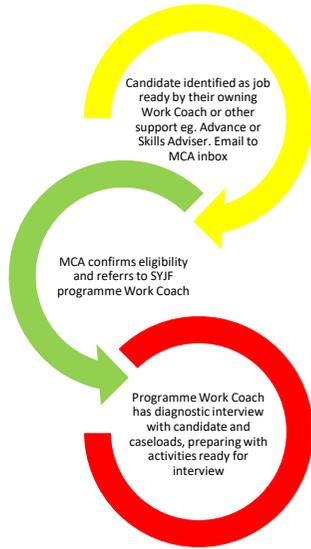
Stage 3:



Issues and Escalation



Phase 0 - Candidate referral



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Education Skills and Employability Board

31 August 2021

Skills Support for Redundancy

Is the paper exempt from the press and public?	No
Purpose of this report:	Discussion
Is this a Key Decision?	No
Has it been included on the Forward Plan?	Not a Key Decision

Director Approving Submission of the Report:

Helen Kemp, Director of Business and Skills

Report Author(s):

Wendy Dodson

Wendy.dodson@sheffieldcityregion.org.uk

Executive Summary

This report provides an update on initial activity undertaken to consider the skills support requirement for people being made redundant in South Yorkshire in preparation for them finding new roles.

What does this mean for businesses, people and places in South Yorkshire?

Ensuring there is an effective and coordinated offer in place to help residents upskill / reskill if they face redundancy will help to minimise the length of time that they are unemployed and dependant on benefits.

Recommendations

The Board is invited to:

- Note the activity undertaken to date
- Note the agreements reached and plan for future activity
- Request LA CEO's continue to support the process by raising with their exec teams
- Request a short note from Cllr Sir Steve Houghton to Dave Barrow at DWP to secure their support for this initiative

Consideration by any other Board, Committee, Assurance or Advisory Panel

None

1. Background

- 1.1 A report was considered at the last meeting of the Education, Skills and Employability (ESE) Board which outlined the potential for increased redundancies across the region following the end of the governments furlough scheme. The paper also pointed out that South Yorkshire residents may be particularly vulnerable because of the higher than average (1 in 3) number of people in low paid jobs who have already been disproportionately impacted by business closures or because the pandemic has accelerated changes to the nature of the businesses they work in.
- 1.2 The ESE Board approved the recommendation for the MCA to lead some joint work with partners in order to explore how to improve our preparedness for dealing with redundancy and develop a coherent offer across the area. It was agreed that the work should consider:
 - Intelligence gathering
 - Co-ordination and joint working in delivering support
 - Ways to secure better outcomes for individuals and employers who are coming through the process
 - Understanding how the gap in support for employers with 15 or less employees can be stemmed.
- 1.3 Following the decision of the ESE Board contact was made with regional partners to bring them together to consider the best way of taking forward this work. Partners were updated on the issue and direction of the Board and asked to nominate a representative from their organisation who would be best placed to contribute to this work. Nominations were received from all four Local Authorities, DWP, Prospects (National Careers Service), The Growth Company and the TUC.
- 1.4 An initial meeting was held in July covering the background to the meeting, anticipated impact from the end of the furlough scheme and examples of responses from other areas including their successes and challenges. The meeting was concluded with a discussion on the approach required in South Yorkshire.
- 1.5 This paper provides an update on the outcome of the initial meeting and the proposed next steps and seeks the Board's views on the options presented for funding to support skills activity linked to redundancies.

2. Key Issues

2.1 Employment landscape

The latest employment and labour market information release from ONS shows the labour market continuing to recover across the country and, although still below pre-pandemic levels, there was a significant increase in the number of payroll employees in July. Job vacancies between May and July were at a record high, higher than pre-pandemic levels suggesting a rapid catching up in terms of employment levels as labour demand is currently rising faster than supply. For the

same period redundancies decreased by 1.9 per thousand employees taking the redundancy rate back to pre-pandemic levels at a national level.

- 2.2 The latest Small Business Survey undertaken by BEIS between the period September 2020 to April 2021 reports SME employers' plans for employment reflect expectations of employment prior to 2019 when growth was more likely than decline. 26% of SME's report they expected to increase their number of staff in the next year (compared to 25% in 2018 and 28% in 2019) whilst 10% expect to employ fewer people in a year's time (9% in 2018, 16% in 2019).
- 2.3 Whilst the above two sets of data reflect the national picture HMRC figures for Sheffield City Region at the end of June show a total of 31,200 employed people currently on furlough. This is a significant reduction, of 8,100 individuals since the previous month and represents 6% of all employed people which is slightly lower than the national average of 7%. Barnsley and Doncaster, at just 5%, have slightly lower rates of furlough than the regional average. This reduction of Furlough rates in the region has been quicker than that anticipated by recent analysis from the Resolution Foundation.
- 2.4 Current rates indicate potentially 21,000 people could be left on furlough at the end of the scheme at the end of September and if all of these people were to be made redundant unemployment rates across the region would increase from 5.4% to 7.8%. However, there is a lot of uncertainty as to what is likely to happen and recent figures suggest optimism that numbers will be lower. Whilst there is concern about the potential impact of furlough unwinding, so far there has been no increase in redundancy activity. HR1 forms sent to the Insolvency Service show both levels of redundancy and the number of jobs notified by employers as at risk of redundancy are showing falls and are now at slightly lower than pre-pandemic levels.
- 2.5 If labour markets in the region recover in line with the national picture there is potential for many of those made redundant to secure roles elsewhere, however this may be impacted if those individuals do not possess the skills required to transfer to other roles or sectors.
All of the above makes it very difficult to predict the likely levels of redundancy across the region over the next few months.
- 2.6 **Current Offer**
Whilst the focus of the first meeting of the group was not on the current offer this was inevitably part of the discussions that took place and it became apparent that there are differing views of what is available and differing experiences of support across the region.
- 2.7 The Department for Work and Pensions (DWP), Prospects and The Growth Company do work together to support employers reporting 15 or more potential redundancies as part of an already established Redundancy Team.
- 2.8 When a business identifies a threat of redundancy and notifies DWP the team will make contact and work together to establish who is likely to be made redundant, what their roles are and how they can best be supported to find new work. As part of this offer DWP can fund some vocational training through the Flexible Support Fund, offer a vacancy matching service and analyse the workforce and

roles being made redundant. Prospects, who deliver the National Careers Service in South Yorkshire offer practical support such as CV writing and interview practice and are also able to refer onto other organisations for training provision. The Growth Company deliver a redundancy element through their Skills Support for the Workforce contract which offers fully funded training for ESF eligible provision.

- 2.9 There was a view amongst some partners that there is sufficient support available and no need for any additional activity. It was clear that these differing views need to be considered and that the detail of current support needs to be fully understood by all, further work is needed on this issue as a priority. LA CEO's could support the process by reiterating this with their own exec teams and we will be reminding the group that the LA CEO's viewed this as an important piece of work. It would also be helpful if Cllr Sir Steve Houghton, as Chair of this Board, could write to Dave Barrow at DWP to secure their support for this initiative.

2.10 **Challenges**

There are some notable challenges with the current support on offer:

- This support is only available for those employers making 15 or more redundancies. Smaller employers and those with fewer redundancies would not be picked up through this route and can easily slip through the net. The lack of large/blue-chip companies and higher proportion of SME's makes this a particular issue in South Yorkshire.
- Provision of current support relies on employers being comfortable in communicating their difficulties and potential redundancies. Such businesses often find this a very difficult time, a sensitive area and commercially challenging and many are not willing to make contact or request support early enough to secure support before redundancies are made. This has been a notable challenge in other regions.
- Funding rules mean that those currently in-work are often precluded from receiving support to undertake the training they need to avoid redundancy, switch to higher growth sectors or upskill in key areas such as digital. This leaves those identified as at risk of redundancy unable to access the training they need until they are finally made redundant leading them to an inevitable period of unemployment.
- Local businesses in the supply chain of those making redundancies can often be similarly affected in the aftermath through loss of contracts/business, they often go without support due to their size and/or lack of awareness of support provision.
- Many individuals look to retirement or self-employment as a follow on to redundancy and whilst there is some support around for these options it is not linked or coordinated with redundancy support activity. This can lead to a delay in vital decision making whilst such individuals try to navigate their own way around the support network.

2.11 **Experience from other areas**

During the initial meeting the group heard directly from Greater Manchester Mayoral Combined Authority (GM) and Lancashire Local Enterprise Partnership

areas who outlined their own experiences of trying to coordinate a response to redundancies in their areas.

- 2.12 GM reported success by involving unions from the outset who were particularly helpful in communicating with the workforce. They also had some success by including the National Retraining Scheme in their task force although this has now been integrated with the government's new £2.5bn national skills fund.
- 2.13 One of GM's major challenges continues to be with data sharing, with large numbers of staff being made redundant and leaving employment earlier than originally anticipated causing the team to have no means of contacting individuals to offer/resume support. As initial contact was directly through employers, they were unable to pass on contact details because of GDPR.
- 2.14 Lancashire had set out to improve the coordination of their redundancy response, open up support to supply chain businesses, offer support to individuals before they are made redundant and to reduce the plethora of contact to employers by different partners.
- 2.15 Both areas reported improvements in joint working between partners, improved understanding of where redundancies might arise, a much wider understanding of the offer and a much quicker, more coordinated response to employers. Lancashire reported particular success with the development and distribution of a marketing flyer and a link into a hospitality group supporting recruitment difficulties as a means of linking redundant workers with employers who have vacancies.
- 2.16 In both cases they have made improvements to the service offer but have yet to resolve some of the major issues identified.
- 2.17 **Funding skills support**
A common theme from other areas and from local knowledge in South Yorkshire is the lack of funding to support training for those at risk of redundancy but still in work. For these individuals being able to undertake training in advance that allows them to move into different roles, upskill in key transferrable skills such as digital or transfer their skills to higher growth/less at risk sectors/jobs could make the difference between them transferring into a new role or becoming unemployed. Timeliness of such training is key here to avoid redundancy, retain skills within the region and reduce dependency on benefits
- 2.18 Whilst there is some funding for those in work, such as the Skills Support for the Workforce offer, in many cases it does not cover the sort of training those at risk of redundancy require or is not available early enough to prevent redundancy.
- 2.19 We cannot change ESF rules so any training which is funded through ESF and only available to out of work learners would remain off limits.
- 2.20 Within the Adult Education Budget provision that the Authority has now commissioned, there is substantial provision for people who are in low paid jobs (as defined by the Real Living Wage) and whose jobs may be at risk of redundancy. This includes support for basic English, maths and digital skills development and funding to undertake a first or second full Level 2 qualification or a first Level 3. It also includes Sector Work Academy Programme provision, which gives people the

opportunity to have a work trial and a guaranteed interview plus access to skills development. With the Authority as funder, we will now seek better alignment between the AEB offer and those supporting employees at risk of redundancy.

- 2.21 There is a 'back to work' and 'train to work' provision funded through Gainshare under an agreement reached as part of the Renewal Action Plan (RAP). Some funding has also been set aside from Gainshare to support the South Yorkshire Jobs Fund as well as apprenticeship activity, some of which is currently being underutilised. Consideration could be given to diverting a portion of this funding to bridge this gap and provide support to those facing redundancy.
- 2.22 We also have funds within the Skills Bank reserve and consideration could be given to a ringfenced pot of funding taken from here to support individuals at risk of redundancy where other funding is not available. Whilst there are sufficient funds in the Skills Bank reserve to cover this option without affecting the current Interim Skills Bank programme or the proposals for Skills Bank 3 this does cut across the key principles of the Skills Bank programme which is predicated on supporting business growth.
- 2.23 Initial funding levels would be a maximum £300,000.
- 2.24 **Forward Plan**
The initial meeting concluded with agreement to form a Task and Finish Group, the first priority being to undertake a thorough review of what support and good practice is already in place, discussions on the current offer made it clear to all that a deeper understanding is required from all parties before we are in a position to make informed decisions about what else, if anything, is needed.
- 2.25 Further activity would cover the challenges outlined in this paper including a focus on our own skills response and how to address the gap in funding to support training in advance of being made redundant.
- 2.26 A draft forward plan has been developed and can be found at Appendix A.

3. Options Considered and Recommended Proposal

3.1 Option 1 (Recommended)

Undertake a piece of work to explore what flexibilities are possible and align with current AEB funded provision

3.4 Option 1 Risks and Mitigations

Most of the AEB allocation has been allocated across grant allocations and contracted provision and may be required to address any gaps in provision for skills and employability, which may reduce the funds available or flexibilities.

3.5 Option 2

Diverting a portion of Gainshare funds from the provision outlined in the RAP.

3.8 Option 2 Risks and Mitigations

Potentially reduces the funding available for other activities, although this would not be an immediate impact as the allocation for apprenticeship activity is not currently being utilised.

3.9 Option 3

Consider the introduction of some flexibility to Skills Bank principles and ringfence funds from the Skills Bank reserve to support individuals at risk of redundancy where other funding is not available.

3.12 Option 3 Risks and Mitigations

Could create confusion within the Skills Bank programme which is predicated on business growth. Would also need considerable changes to the delivery model to support the admin required to manage this training. May incur additional costs for current Managing Agent to deliver or even a procurement exercise which could delay the start of support.

3.13 Recommended Option

Option 1

4. Consultation on Proposal

4.1 Nominations were received from all four Local Authorities, DWP, Prospects (National Careers Service), The Growth Company and the TUC. A meeting took place in July for initial consultation. Further work will be planned and discussed at the next meeting.

5. Timetable and Accountability for Implementing this Decision

5.1 Task force to undertake a full review of current offer, work to continue throughout the summer/early autumn to address the challenges outlined in this paper.

6. Financial and Procurement Implications and Advice

6.1 All 3 options have funding available but come with different implications.

6.2 Option 1 is to use AEB funding. Currently, there is very little spare capacity within the AEB allocation to provide £300,000 to fund the proposal. However, if the current AEB offer from an independent provider was assessed to contain the correct solution, they may deliver this using their existing allocation.

6.3 Option 2 is to utilise existing Gainshare funding under the RAP proposals. Both RAP allocations are currently in the process of being costed, and so the cost models would need to be altered to take account of this requirement for £300,000. The RAP fund has 2 allocations, one being the SY Jobs Fund and one being Apprenticeships based – it would need to be assessed by the commissioning team therefore which fund should be used for this purpose.

6.4 Option 3 is to utilise Skills Bank monies. The Skills Bank Fund is a finite pot of money which currently has capacity to utilise for this purpose, but a decision will need to be made to divert funds away from the established purpose of the Fund. It will also need to be assessed by the contracts team whether this is an agreed usage for such funds.

7. Legal Implications and Advice

7.1 No legal implications.

8. Human Resources Implications and Advice

8.1 No training, recruitment, or other HR related requirements for the organisation.

9. Equality and Diversity Implications and Advice

9.1 Proposals support provision for people at risk of redundancy and unemployment. Supports some of our most vulnerable people.

10. Climate Change Implications and Advice

10.1 No climate implications at this stage.

11. Information and Communication Technology Implications and Advice

11.1 No ICT implications at this stage.

12. Communications and Marketing Implications and Advice

12.1 Working closely with the marketing team so that effective marketing and communications levers the issue and the proposed resolution for South Yorkshire residents in alignment with the collaborative approach to the Renewal Action Plan, Education, Skills and Employability marketing agenda.

List of Appendices Included

A Skills Support for Redundancy Forward Plan

Background Papers

None

Appendix A

Skills Support for Redundancy

Representatives who attended first meeting have signed up for a Task and Finish Group to look at the region's response to potential forthcoming redundancies.

This draft plan sets out potential actions and series of meetings/areas for discussion.

Action		Date	
Raise non-attendance at first meeting, secure representative from all partners at right level for group		13/08	WD
Pre-meeting work around current offer – identify what could be done in advance of meeting to inform debate on current offer. This could be framed around a series of questions followed by a short presentation from partners at first meeting to summarise their own offer – but would need to cover all activity from their own organisation not just their own areas (e.g. LA's).		20/08	WD
Draft TOR for discussion at next meeting		20/08	WD
Meeting 2	What support is on offer at the minute – Dedicated meeting to look at current offer, share good practice, identify gaps in provision and areas for potential collaboration	w/c 23/08	
	Agree TOR		
	Consider marketing and Comms – e.g. Lancs leaflet		
Meeting 3	What processes do we want to look at?	w/c 06/09	
	What do we do collectively to identify earlier any business making redundancies?		
	What other challenges do we face – such as Data protection, funding for training pre-redundancy, encouraging upskilling in digital skills, getting employers to communicate a potential redundancy situation early, support for retirement and self-employment		
	What is our skills response? What is missing and how can we address that gap?		
Meeting 4	How do we share intelligence on those employers who are recruiting? How can we identify those with roles that would be suitable for others being made redundant and how do we connect them up?	w/c 20/09	
	Who/how do we analyse the job roles being made redundant		
Draft ESE Board update paper		10/08	WD
Review activity to date, consider next actions			WD/All

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