



Report To: Greater Cambridge City Deal Executive Board

13 July 2016

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Six monthly report on the Greater Cambridge City Deal Skills Service

Purpose

1. The Skills Service will help to achieve the City Deal objectives of promoting an additional 420 apprenticeships over the first 5 years of the Deal in areas aligned to Greater Cambridge's growth sectors (eg. professional scientific, bio-medical, clean tech, technology and advanced manufacturing) and generally support the employability of young people.

Recommendations

2. It is recommended that the Executive Board note the progress of the service to date and its achievement against key performance indicators.

It is recommended that the Executive Board note that the November six monthly report will share the findings from the interim evaluation and ask the Board to consider the future funding position for the service

It is recommended that the Executive Board note the significant changes that are due from April 2017 with respect to the transformation of apprenticeships (the shift from apprenticeship frameworks to employer led apprenticeship standards) and the introduction of the employer apprenticeship levy. These changes may have a significant impact on the work we need to undertake to meet the target. The detail on the proposed changes is due between July and October 2016. We will appraise the implications of these changes for the Board in the November report.

Reasons for Recommendations

3. There is a need to consider that the position with respect to priority sectors and the skills agenda (apprenticeships) is not static and in fact we are in a period of considerable change. The apprenticeship market is potentially volatile and the decision around what is and what is not a priority sector is now a few years old. It may need to be reviewed following the refresh of data as a result of the Area Based Review.

Background

4. The Skills Service contract started 1st September 2015 and is approaching the end of its first year of delivery. Activity has been profiled and reports are received on a quarterly basis. The contract focuses on a number of areas as follows;
 - Delivering events and activities that provide young people with information on the local economy and expectations of employers
 - Delivering apprenticeships events and providing information relating to apprenticeships to employers, young people, parents and staff in schools
 - Engaging employers and connecting them to schools and apprenticeship providers
 - Supporting the development of strategic relationships between schools and employers

We are approaching the end of the first year and the interim evaluation is underway. We are gathering the views of schools on the services they have received and we are identifying the activities they want to engage with next year. We will also gather a summary of the employers that have been involved with the Skills Service.

The baseline was set using the Skills Funding Agency data cube which allows us to see starts by local authority (district) level against the range of apprenticeship frameworks that support key sectors. Progress will be reviewed annually in line with the availability of district level data.

In January 2015 the LEP and Form the Future reviewed the Key Performance Indicators and identified the evidence required and the anticipated profile of activity. The quarterly report requires Form the Future to provide a report by exception where the expected progress for any indicators is below target. Further we identified a range of smaller actions and activities that would lead to a positive impact on the apprenticeship target.

Considerations

5. At the end of quarter three progress against the skills service contract was on target. There are no issues to report.
6. The baseline recommendations for monitoring the progress towards the additional 420 apprenticeships has been set with the following parameters and in consultation with the Assembly skills sub-group. 2014 should serve as the baseline year;
 - Apprenticeships starts for young people and adults have been included (recognised that the skills service focuses on young people alone but the apprenticeship target is not age specific)
 - Progress against target includes apprenticeship starts where the delivery location i.e. the employer's address is within Cambridge City or South Cambridgeshire. We do have access to data on apprenticeships starts by residents as opposed to the workplace. However, this was felt not to reflect activities and efforts in the City Deal area as well as the workplace data, which looks at where the apprenticeships were delivered rather than who it was delivered to (the emphasis being on where the employer is based rather than the apprentice).

- The table below sets out the recommendation for sectors to be included in calculating the total target.
- The way we monitor and measure the delivery of apprenticeships may need to evolve in the light of broader changes in Skills policy. The November skills report will provide further analysis. . The Area Based Reviews will begin in December 2016 and as part of this the LEP will produce an economic assessment and skills conclusion. This may well lead to a need to change which sectors are determined as priority.
- Secondly, in April 2017 the apprenticeship frameworks will be switched off and replaced with the new apprenticeship standards. The new standards have to be developed and approved by employers and we will need to decide which of the new standards we will include in the targets and which we won't. We propose to capture updates to which apprenticeships are being counted towards the target, in all future reports in a way which ensures consistency of monitoring.

Frameworks Include in target	2014	2015
Laboratory & Science Technicians	3	8
Electro technical	9	16
Engineering	0	0
Composite Engineering	0	0
Engineering Manufacturing	18	33
Engineering Manufacturing (Operator & semi)	0	0
Engineering Manufacturing (craft & technician)	0	0
Food & drink Manufacturing	8	5
Food Manufacturing	0	0
Glass Industry	1	4
Improving Operational Performance	2	4
Manufacturing Craft & Technician	0	0
Manufacturing Engineering	1	3
Polymer Processing Operations	0	0
IT, Software, Web and Telecomm Professionals	18	53
IT Applications Specialist	3	6
Total in City Deal Agreed Growth Areas	71	132
Frameworks included in original baseline BUT previously determined as not being in line with spirit of growth sectors		
Building Services Engineering Technologies & Project Management	0	2
Engineering construction	1	1
Heating & Ventilation	7	7
Plumbing and Heating	13	19
Refrigeration & Air Conditioning	0	1
Total not deemed in line but included in original baseline	21	30

Options

7. We could maintain a fixed view of which sectors are determined as key and which apprenticeships are included in the target or we could review and refresh this annually to take into account the impact of changes on the apprenticeship landscape and changes in the economic assessment following the Area Based Reviews. Any changes would need to be approved by the Skills Funding Agency.
8. We could review the apprenticeship sectors that we have decided not to include in the target.

Implications

9. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, there are no significant implications.

Background Papers

The following background papers were used in the writing of this report:

Profile for the Skills Service activity and progress to date as of the end of quarter 3 May 2016
- Greater Cambridge and Greater Peterborough Enterprise Partnership

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