



**GREATER  
CAMBRIDGE  
CITY DEAL**

Securing future prosperity

**Report To:** Greater Cambridge City Deal Executive Board 10 November 2016  
**Lead Officer:** Stella Cockerill, Skills Lead – City Deal Partnership

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## **Building a locally responsive skills system - progress update**

### **Purpose**

1. This report seeks to review the progress that we have made from September 2015 to August 2016 against the skills related commitments that are articulated in the City Deal. Specifically, it focuses on three key areas; firstly, a review of the performance of the Local Skills Service (Form the Future), secondly, a review of our progress against the skills related commitments in the City Deal (including recommendations for future activity) and finally, a review and recommendations about the way we measure our progress moving forward.
2. We set out to enable a new wave of innovation-led growth by investing in the infrastructure, housing and skills that will facilitate the continued growth of the Cambridge Phenomenon. To achieve this, we need to develop a locally responsive skills system that will drive business growth in our STEM based priority sectors (professional scientific, bio-medical, clean-tech, technology, and advanced manufacturing). However, our ambitions are also to enable the wider population of Greater Cambridge and the surrounding area, to benefit economically from that growth. Therefore, our approach to skills must be wide enough to impact on all our businesses and provide an appropriate workforce to support growth, whilst at the same time continuing to place an emphasis on our all-important growth sectors, which define the unique nature of Greater Cambridgeshire.
3. To successfully develop a locally responsive skills system we need to focus on the three areas below.
  - **Stimulating the demand from businesses, ensuring they can articulate their skills needs**
  - **Providers able to offer high quality training to meet the skills needs of businesses**
  - **Supply of an appropriately skilled workforce**

In addition, what is vital is that we are developing a strong connectivity between employers, providers and young people (the potential workforce) ensuring that the career aspirations and skills of our residents are aligned to the needs of our local businesses.

4. It is useful to remind ourselves about the skills related commitments that we undertook. These activities are general as opposed to being focused on our STEM based growth sectors alone. Extracts from the City Deal can be found in Annex A but they can briefly be summarised as follows;
  - Create locally funded skills teams to work with Small Medium and Enterprises in the area to develop training plans and to act as co-ordinators to ensure training aligns with employer need
  - Establish a skills action plan for each of the priority sectors including identifying the Apprenticeship framework offer
  - Create locally funded Adult careers teams to enhance Information Advice and Guidance in growth sectors based on strong Labour Market Information
  - Develop Labour Market Intelligence to inform the provision of information, advice and guidance for young people, providers, parents and employers
  - To work closely with the National Careers Service local offer
5. In response to the activity we proposed the SFA and BIS (as it then was) made a financial commitment to support the growth of apprenticeships (the funding model is a lagged model so significant growth would require a commitment from the SFA that funding would be made available to providers) and that the National Careers Service would work with us to align local activity. These are the skills outcomes that the City Deal agreement identifies;

#### **Over 5 years from 2014/15**

- 420 additional Apprenticeships to support growth sectors (baseline of 113 from final year data 2012)
  - 50 more employers engaging with schools and colleges
  - 25 more employers engaging with traineeships
  - 150 more employers raised awareness of apprenticeships
6. In September 2015, we set up our own local skills service to cover the City Deal area. The current contract runs until August 2017 and is delivered by Form the Future. This service provides brokerage between businesses and educational partners to support the development of young people's employability skills. It does seek to promote the growth sectors but provides a broader service for all young people. It also focuses on promoting apprenticeships to young people and will refer employers to training providers where an employer requires information or support to identify their skills needs or requires help to find an appropriate training provider. The local skills service does not develop curriculum nor is it approved to deliver training or apprenticeships. Their focus is primarily about bringing employers and schools closer together to support young people to be aware of, aspire towards and be ready for the opportunities in the local job market. The design of the local skills service is such that it would seek to hit the latter three skills targets above but it would not on its own increase the number of apprenticeship starts. Its role does include the promotion of apprenticeships to young people in schools. A summary of the performance of the local skills service's first year can be found in the rationale for recommendations. The Board might also wish to refer to the interim evaluation of the Form the Future contact.

#### **Recommendations**

7. We are seeking the Board's endorsement for the following eight recommendations;

#### **LOCAL SKILLS SERVICE**

- i. To extend Form the Future's contract for another 12 months (September 2017- August 2018). The contract for 2017/18 will place more emphasis on outcomes as opposed

to activity and we will be benchmarking the service to ensure we are achieving value for money. The evaluation at the end of year 2 will provide an opportunity to assess the impact of the local skills service. The contract is meeting its targets, and the demand from schools appears to be high, but it is too early to assess the full impact. However, we expect there to be a continued need for brokerage support. A full evaluation will be undertaken at the end of the academic year 2016/17 to review impact and value for money. We will in 2017 need to look at the longer-term funding position and sustainability of the service.

- ii. To set aside £160,000 for the academic year 2017/18 and assume a continuation of funding for a brokerage service in 2018/19 at approximately the same funding level.
- iii. To review the focus and targets for the period of 2017/18 and begin contract negotiation along these lines. The contracted figure is based on 30 schools with an average of £5,000 worth of support for each. We will also review funding rates to ensure they are in line with current market rates for similar services and there will be a greater emphasis on outcomes and impact rather than activity. The nature of the contract will be refocused slightly to ensure that we are focusing on the feedback from schools and businesses. We will continue to place an emphasis on the numbers of businesses engaged with an emphasis placed on encouraging businesses from the growth sectors to get involved.
- iv. Set aside £35,000 for the period January- December 2017 and assume a continuation of this into 2018, to develop Career Champions in schools to develop their capacity to engage with the Local Skills Service and support the careers conversation with young people in line with our economic needs.

#### **STIMULATING THE DEMAND FROM BUSINESSES AND ENSURING PROVIDERS CAN DELIVER THE TRAINING BUSINESSES NEED**

- v. To endorse the approach to progressing with the development of Labour Market Information to inform the Information Advice and Guidance for young people adults, providers, parents and employers and support the work of the Local Skills Service and National Carers Service. There is no cost to the City Deal as the costs are being met by GCGP and Cambridgeshire County Council as part of their wider work on Signpost2Skills and the Area Review.
- vi. To begin negotiations with Cambridge Regional College to develop an outcome based activity plan that will support businesses to understand the changes in relation to apprenticeships and the levy and carry out Training Needs Analysis (TNA) to help businesses to identify their skills needs. We ask the Board to set aside £60,000 from January – December 2017 with an assumption of continuation at the same level into 2018/19. There will be a focus on developing stronger engagement with all employers in the growth sectors to enable us to aggregate skills demand creating a greater chance of financial viability to invest in developing new curriculum areas (Apprenticeship Standards). Funding will be activity based and outcomes will be articulated by the number of employers receiving information about apprenticeships, number of employers receiving a TNA, new Apprenticeship Standards added to the curriculum offer or in development and employers recruited to the Apprenticeship Ambassador and Enterprise Adviser Networks. There will be an expectation that Cambridge Regional College will draw on and broker to the GCGP provider network if appropriate. A skills action plan will be developed for the following sectors;
  - Advanced Manufacturing
  - IT
  - Construction & Infrastructure

- Engineering
- Health and Science/Life Sciences

## **MEASURING OUR PROGRESS**

- vii. To endorse a revised approach to how we measure progress towards the 420 Apprenticeship starts and gain agreement from the SFA and BEIS to our approach.
- viii. To endorse our approach to recording and monitoring the additional skills related outcomes in the City Deal

## **Reasons for Recommendations**

### **Local Skills Service Year 1 Performance update- the continued need for brokerage support to develop employability skills and promote apprenticeships**

8. There has been a significant engagement with the brokerage service by both employers and schools and the contracted outcomes have in the main been achieved or in some instances we are ahead of the contracted profile of activity. The contract for the Skills Service is primarily about brokering employer contacts into schools to support a range of events or activities. There is also a need to develop young people's aspiration in a way that reflects the needs of industry and they are supported to make good career decisions based on robust information. Young people and adults (particularly those not currently employed) need to better understand what employers want and what the different pathways are to support their chosen career path, as well as being clear which employers might provide those job/career opportunities. It is too early to be able to assess the impact of the Local Skills Service but the outputs in the contracts are performing well. We are mindful of the fact that schools are currently booking activity two terms in advance and hence we will need to be able to confirm the position post September 2017 by January 2017 at the latest, hence the request now to extend the contract for another year pending a fuller evaluation. Activity of the Local Skills Service will broadly remain the same in 2017/18 but there will be a greater emphasis on the engagement of all schools and a focus on those areas that have been proven to be successful and or that schools are demanding.
9. Form the Future have completed their own end of year evaluation (see Annex C). GCGP has also been working with the Head Teachers and Principals to understand their views of the service. These discussions have informed the recommendations around the need to add capacity in schools to engage with the Local Skills Service. We are also aware that there is limited ability to assess the impact of the events that the City Deal is supporting. GCGP has offered to work with all schools to develop their strategic plans and an aspect of this will look at how they can more effectively evaluate interventions and understand which activities are having the biggest impact. This will take two or three years to embed and obtain useful data sets but it will help us to understand which activities the Local Skills Service should focus on in 2017/18.
10. We have also observed that the level and type of Labour Market Information (LMI) needs to be enhanced. GCGP is working alongside the County Council to develop the Labour Market Information that will support the Careers Conversation. We are refreshing the economic analysis as part of the Area Review. We will be consulting with schools and colleges about the best way to collate this data and how to ensure staff are aware of the local economy and able to feed this data into the careers conversation.
11. Strengthening the Local Skills Service offer by providing additional funding to develop the capacity of schools to fully engage with the Local Skills Service and provide 'career coaching support' to young people to help them to make sense of the employer

interventions that the Local Skills Service delivers. Teachers play a pivotal role in influencing the career decisions and we want to ensure teachers are informed about the local job market, different pathways such as apprenticeships and who the local employers are that have entry point jobs. This is to ensure young people are appropriately supported to make informed decisions about their career pathway and that their aspirations and choices are fully informed by Labour Market Information (including aspirational sectors, and identification of the opportunities generated by the infrastructure and housing developments and the creation of 44,000 additional jobs across the City Deal area). The proposal includes upskilling staff to Level 6 in careers related qualifications and training teachers/staff in schools to support young people through a careers coaching model. We plan to work with 8-12 schools on pilot basis.

12. The Careers Enterprise Company has released a mentoring fund and we are awaiting the outcomes of that tendering process. We will seek to direct some provision towards the City Deal area (schools have registered an interest in this type of support) but this may not be delivered by our Local Skills Service.
13. The funding for the Skills Service in Greater Cambridge area can be reduced for several reasons;
  - To allow for the fact that East Cambridgeshire is now being supported via GCGP from another Skills Service. The current contract that Form the Future have is mainly funded by City Deal with a contribution from GCGP. This reduction in the funding to the local skills service does not represent a reduction in the resource available for Greater Cambridge schools.
  - GCGP is funding a full-time member of staff to support the work in the City Deal area and develop strategic plans with all schools as well as also providing support for businesses engagement.
  - GCGP is currently working with the SFA Ambassador Network and the SFA's approved provider to develop apprenticeship information events for schools supported by a network of existing apprentices and the GCGP provider network. This will be free to schools.
  - To bring the costs of this Local Skills Service more in line with comparative services.
  - GCGP has commissioned a Careers & Competition Fair (June 2017) in partnership with World Skills UK and the Chamber of Commerce which will be available to all schools. There are also a series of jobs fairs that will be delivered across the LEP area and this will complement the offer locally and be available to City Deal schools free of charge. We expect to continue with the LEP wide approach in 2017/18.

## **BUSINESSES NEED TO BE ABLE TO IDENTIFY HOW THEIR INVESTMENT FOR SKILLS WILL SUPPORT THEM TO GROW**

14. Our focus is to provide better connectivity between employers, providers and young people, creating a balance of supply and demand. We have focused so far on the relationship between schools and employers. This needs to continue but there is a need for us to also invest our efforts in supporting businesses to identify and articulate their skills needs and for the provider base to develop its offer in response to the needs of businesses and prepare for the change from apprenticeship Frameworks to Standards. With the changes to both the curriculum content of apprenticeships (move from Frameworks to Standards) and the way apprenticeships are funded there is a need to

change the way providers develop their offer. With most employers being small and medium sized they are unable to commission providers on their own as they will not be wanting high volumes of apprenticeship starts. We need therefore, to focus on the aggregation of skills needs from several small employers to generate sufficient interest at any one time to make it viable for providers to deliver the required training.

15. Employers might need support to identify exactly what skills they need, who can deliver it and how they can ensure a continued supply of appropriately skilled workforce. They need high quality providers that can deliver what they need when they need it. Changes to public funding for skills and the introduction of the levy coupled with the changes from apprenticeship frameworks to standards mean many employers are left confused and in need of information. They will all need to develop strong relationships with providers to ensure someone can deliver the training they need, to a high standard and for an acceptable cost.
16. We had expected that there would be an ESF funded contract that would support the development of Training Needs Analysis. This activity was delayed for various reasons by the SFA but the contract has recently been agreed. GCGP will be meeting with the successful provider to understand and influence what might be delivered in the City Deal area to support our objectives. However, this may not be sufficient and is likely to focus on higher skills and may not cover all the sector areas we wish to cover. It is, therefore, recommended that we instigate our own local activity. The current Local Skills Service does not, nor was it expected, to deliver this type of activity. We would need use SFA approved training providers/colleges.
17. It is recognised that many employers are confused by changes in the skills system and there is a need to support them to understand more fully what the changes can mean for them. There is momentum for this and the GCGP provider network is developing resources that they will use with their employers and make available to groups such as Cambridge Ahead to promote amongst the business community. However, we need to ensure that the employers that are not currently engaged also receive this information and we need to target the sectors we wish to grow. We also need to ensure that this connection with employers identifies the skills needs from employers as well as cascading information.

## **PROVIDERS NEED TO UNDERSTAND WHAT EMPLOYERS WANT AND NEED**

18. They need to gather this intelligence effectively and robustly to enable them to plan their curriculum development. This is even more critical considering policy changes that will, from April 2017, direct funding to employers rather than to providers. There are huge opportunities for providers to work with employers to tailor their offer of training but the new model does create risks for providers to develop new areas of curriculum. They need to be able to develop their offer with a clear understanding of which employers will need it and that there is a sufficient demand for it to make delivery financially viable.
19. We need to encourage and support the provider base to explore and develop the curriculum offer in relation to our growth sectors. We need to ensure that our local providers can deliver a relevant range of Apprenticeship Standards that meet the needs of businesses in our priority sectors. We are currently doing work as part of the Area Review to understand the gaps in more detail but know that we will need to strengthen our offer in our priority sectors if we are to see the type of growth we need to deliver. In short we must develop the offer.

20. We will develop Skills action plans in five of the STEM based growth sectors that will support economic growth, which are;

- Advanced Manufacturing
- IT
- Engineering
- Health and Science/Life Science
- Construction.

This is a new addition because whilst it is not a STEM based growth sector as such it is critical to the plans for economic growth across the priority sectors and in Greater Cambridge. The planned developments for the A14 and housing will have a huge impact on skills demand in construction and failure to respond to this will impact on the wider success of the City Deal.

21. The outcomes will be;

- Businesses provided with information about Apprenticeship Standards and the levy
- Training Needs Analysis carried out on businesses in the five sectors identified above
- Apprenticeship Ambassadors identified and recruited to support us to engage more employers
- Enterprise Advisers recruited to support strategic work in schools
- New Apprenticeship Standards developed or in process of development
- Top employers for entry point jobs from the priority sectors identified (shared via newsletter, job fairs and GCGP top employer booklets)

### Measuring success

22. The table below provides details of current activity for generic non-apprenticeships targets that are in the City Deal area. The Local Skills Service (Form the Future) will provide the evidence behind many of these, but not all.

| Target   | Progress  | Comment  |
|--|---|--|
| 420 Apprenticeship starts  | Q3 Aug- Apr 2015-16<br><b>Apprenticeships all sectors under 24 year olds</b><br>360 L2 apprenticeships<br>250 L3 apprenticeships<br>20 L4 apprenticeships<br><br>Total= 630 | Need to agree approach i.e. what we include then we can run a progress report<br>Apprenticeships by sector across all ages Levels 2-4<br>180 in Engineering<br>40 in IT<br>None in Science and Mathematics<br><b>Biggest sector areas for apprenticeship delivery are</b><br>Business Admin = 290<br>Retail & Commercial Enterprise = 250<br>Health and Public are = 200 |
| Development of Skills Action Plans                                       | No current activity but included in recommendations   |  |
| Development of LMI to inform Careers and Information Advice and Guidance | In progress   | GCGP LEP wide activity driven by Area Review   |
| Launch Local Skills Service  | Broadly met but the remit/coverage is not as full as we described it in the City Deal Document  | Note we have not included the remit of helping businesses to do TNA and develop new apprenticeships but this has been added in the recommendations   |
| Launch Adult Careers Service   | No activity   | Would require a separate review and suggestions as to potential costings. LMI activity will enhance the National Careers Service offer but not add resource to deliver it  |

| Target                                      | Progress  | Comment   |
|---|---|---|
|   |   | <p>Could extend this Career Coaching to staff supporting adults if it is successful.</p> <p>There is a question mark about whether we need to invest more resource for staff supporting adults.<br/><b>Requires further investigation</b></p> |
| 25 Traineeships                             | Zero baseline 2014/15   | Activity can be picked up via GCGP and CRC normal activity. There is not likely to be much demand for Traineeships in the growth sectors.   |
| 150 Employers made aware of Apprenticeships | Need to start afresh to ensure being made aware in the light of changes, particularly the apprenticeship levy | Included in the recommendations<br>We are awaiting final guidance on the levy in October and providers have been holding communicating to employers until the detail has been confirmed. GCGP provider network planning an event January 2017 |
| 50 More employers engaged with schools      | Data for this baseline is not collected by DfE or Local Authorities   | Employer engagement is strong with Local Skills Service with over 250 businesses  |

23. Having reflected on the range of outcomes that we are expected to deliver it is recommended that we review our approach to measuring our progress and impact. The City Deal agreement places an emphasis on the number of apprenticeship starts as a means of assessing our impact on the wider skills agenda. We are tasked with supporting the existing businesses and creating 44,000 additional jobs. If we choose to only focus on apprenticeships in the priority growth sectors we will fail in our attempts, to meet the skill needs that these 44,000 jobs will generate, because the additional 44,000 jobs will be across a range of sectors and occupations. The people employed will represent a mixture of skills levels and age ranges. We need to focus on the areas that will enable us to drive the Cambridge Phenomenon without ignoring other areas. For example, the impact of the housing and infrastructure planned on the demand for skills in construction will be significant. Currently we have not included construction related occupations such as plumbers, electricians and bricklayers in our apprenticeship targets but we will need to supply the demand here if the construction companies are to deliver on that agenda.
24. If our focus is in part to enable the population of Greater Cambridge to benefit from the Cambridge Phenomenon we need to be cognisant of the fact that we will need to include a wider range of apprenticeships than just the STEM related occupations and jobs if we are to have an impact on the wider community.
25. The SFA have not prescribed which sectors they expect to see the 420 apprenticeships in, the agreement refers to the 'apprenticeships that support the growth sectors'. Arguably all employment impacts on inward investment decisions and businesses ability to attract the workforce they need to the area. For example, if we do not have good schools and leisure facilities employers of growth sectors will not want to move to the area. If we do not have bus drivers we cannot transport the workers to work. The system is all interlinked.
26. The growth sectors will demand an offer at level 3 and above. It makes little sense to not include higher apprenticeships (at Level 4). We propose to seek SFA agreement that these apprenticeships should be included, given their benefits to the wider economy.
27. We are targeted to deliver 50 Traineeships. These will be almost impossible to achieve via the growth sectors as there will be little employer demand for below level 2 jobs.
28. It is proposed that we will present the SFA with a list of what we propose to include in the Apprenticeship categories but they will follow the broad principles below. The reason for including all apprenticeships in the target is quite simply that apprenticeships are business

led. If businesses are investing in jobs and skills they are doing it because there is a need, why then would we not count every start as a success. However, by retaining the breakdown we can evaluate our impact on those areas that we are seeking a step change in. The target for 44,000 jobs is not restricted to STEM or priority sectors; we are proposing that we are consistent with our approach to apprenticeship jobs. We will provide a breakdown of actual starts by framework/standard in the categories, high, medium and low (see the section 31 table below).

29. We want to achieve the 420 target in a way that supports growth sectors, promotes opportunity and supports the Cambridge Phenomenon. If we restrict this to the growth sectors alone we are in danger of missing skills and occupations that vital to supporting the growth sector but they are generic in their title. For example, Leadership and Management, Sales and Accountancy. We cannot identify from the apprenticeship data which sector these generic apprenticeships relate to. Further, if the Board wishes to retain a priority sector focus in terms of what we include in the target, we will need to invest considerably greater sums in the development of of the offer and the stimulation of demand for apprenticeships from businesses.

30. The table below provides an outline as to how we would report our impact on apprenticeships to the City Deal. Shaded areas represent what we would include in the target provided by the BIS/SFA now the DfE. Our initial conversation with DfE and the SFA indicates this approach would be acceptable. We will add the STEM based frameworks and standards as high priority. Those apprenticeships that are in cross cutting occupation will be classed as medium because there is the added complication that we cannot identify from the apprenticeship description which sector the worker is employed. For example, an accountancy apprentice could be working in Retail, Finance or a Life Science organisation. Business growth will require skills across functions such as accountancy, management and leadership, marketing and sales to support their growth. We will add Construction here as it is key to the housing and infrastructure plans for the City Deal. We will categorise those with the least impact on the growth sectors as low priority. We will not have been seeking to direct resource towards these areas but will seek to count and record our progress with these. They are all important in terms of sustaining vibrant and diverse communities.

31. We will provide DfE and the SFA with a brief update on our activity and progress against the skills related outcomes in the plan. We will present our methodology and rationale for measuring the 420 apprenticeship starts for formal written sign off.

| Type of apprenticeship framework or standard | 16-18 | 19-23 | 24+ |   | Apprenticeship Category  |
|--|-------|-------|-----|---|--|
|  |       |       |     | We will measure apprenticeship starts in the City Deal area as identified by the Postcode of delivery on the ILR. This will be the provider location or employer location | <div style="background-color: #d9ead3; padding: 5px;"> <p><b>High</b><br/>Occupations that are relevant to the growth sectors</p> <ul style="list-style-type: none"> <li>• STEM</li> <li>• Clean Tech</li> <li>• Life Sciences, Health &amp; Science</li> <li>• Engineering</li> <li>• IT</li> </ul> </div> <hr/> <div style="background-color: #d9ead3; padding: 5px;"> <p><b>Medium</b><br/><i>Non-growth sector but key to underpin City Deal Ambitions</i></p> <ul style="list-style-type: none"> <li>• Construction</li> </ul> <p><i>Unable to identify the sector by the apprenticeship title</i></p> <ul style="list-style-type: none"> <li>• Management and Leadership</li> <li>• Customer Service and Business administration</li> <li>• Marketing and Sales</li> <li>• Accountancy</li> </ul> </div> |

|              |   |   |   |  |   |
|--------------|---|---|---|--|---|
|              |   |   |   |  | <b>Low</b> <ul style="list-style-type: none"> <li>• Hair &amp; beauty</li> <li>• Hospitality</li> <li>• Health and Care</li> <li>• Education</li> </ul> <b>Not an exhaustive list</b> |
| Traineeships | x | x |   |  |   |
| L2           | x | x | x |  |   |
| L3           | x | x | x |  |   |
| L4 and above |   | x | x |  |   |

### Options for measuring the 420 Apprenticeship starts

- If the Board wished it could seek to only include those Apprenticeships in the growth sectors. This would be a challenging target and would require significantly more investment and engagement with businesses (Training Needs Analysis) than has been factored into the funding request in this report. It would require the development of several new Apprenticeships Standards. Challenges associated with this would include; the time it takes to develop a New Standard (on average 18 months) and the cost of releasing staffing to undertake this activity (this is an issue if providers do not already have a relationship with the employers in this area. This would be a high-risk investment for a provider). We would expect providers to be continuously developing their offer but they will need to balance that with delivering services where the income stream is more established and therefore certain.
- The Board might wish to only include the high and medium priority apprenticeships but exclude those that sit firmly in vocational areas that are not the growth sectors. The impact of this would be that we will not be capturing the skills activity generated by the targeted 44,000 jobs or recognising the impact that the education, health and leisure facilities make to employers when choosing where to locate their businesses.

### Considerations

32. DfE and the SFA have been consulted by both Cambridgeshire County Council and GCGP and we have taken their guidance into account in proposing the amendments to our approach and the method of measuring our impact and success in relation to the apprenticeship target.
33. GCGP has undertaken discussion with Cambridge Regional College to understand their current offer and plans for curriculum development and employer engagement. However, we would need to agree with them the detail behind the proposal's that identify them but there is an expectation that we might want them to increase activity and a clear willingness for them to respond to the direction of the City Deal Board. The detail of the funding and the outcomes we would be looking for has not been discussed.
34. GCGP has had conversations with Form the Future and there is a desire on their part to continue to deliver for another year but the detailed conversation about what the focus of activity would be and the funding has not started.

### Background Papers

- Annex A - Extracts from the City Deal agreement
- Annex B - GCGP Summary of Skills Service Contract Performance
- Annex C - The Local Skills Service - Form the Future's Self Evaluation of the first year

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# **Annex A – City Deal Agreement Extract**

## **A locally responsive skills system that will support Greater Cambridge's growing sectors**

To maximise the potential of the area, City Deal partners want to create a locally responsive skills system that will maximise the impact of public investment, forge stronger links between employers and the education system and drive growth across Greater Cambridge. There are three aspects of an integrated programme that will support growth sectors (professional scientific, bio-medical, clean-tech, technology, and advanced manufacturing) and deliver the next wave of the Cambridge Phenomenon:

### **1) Supporting employers to increase training**

Greater Cambridge will create and locally fund Local Skills Teams to work with small and medium-sized businesses in the area to support development of their training plans, including a five year funding commitment from the employer. Local skills teams would provide a co-ordination and brokerage role between businesses, training providers and the local community, bringing together providers and businesses to jointly develop training that meets employers' needs and supports growth.

### **2) Enhancing Information, Advice and Guidance in growth sectors**

City Deal partners will build on a successful model established in early 2013 by the Cambridge Area Partnership, in which local businesses aim to provide support for all schools and colleges in the area. Greater Cambridge will accelerate the programme using independent advisors to offer information and advice on careers in growth sectors, creating and locally funding Adult Career Team Advisors. It will work in partnership with the National Careers Service so as to avoid duplication and align services delivered locally through the National Careers Service to provide up-to-date Greater Cambridge-centric careers advice and guidance based on local labour market information about growth sectors, and will raise awareness amongst young people of science, technology, engineering and maths career choices. It will also broker more strategic links between business and the education sector to encourage more business involvement in schools and colleges, and greater uptake of training such as traineeships and Apprenticeships, in line with the Government's objectives.

### **3) Increasing the uptake of Apprenticeships in growing sectors**

By working more closely with employers and young people, City Deal partners will generate increased demand for an additional 420 Level 2 and 3 Apprenticeships over five years in areas aligned to Greater Cambridge's growth sectors. In return, Government commits to ensuring that funding is made available within the skills system over the five years of City Deal from 2014/15, in line with the level of demand brought forward from employers. Usual Adult Skill Budget funding parameters will apply and this additional capacity will be drawn down when demand outstrips existing local budget capacity. Subject to affordability and meeting performance and quality thresholds, additional funding will be available to support increases in 16-23 year old Apprenticeships through the growth process.

Through the City Deal, partners commit to greater alignment of learner demand with employer need, making the skills system more responsive locally:

- delivering 1,556 apprenticeships aligned to local growth sectors; 420 of which are additional;
- supporting local growth in SMEs and larger employers in growth sectors; and
- and supporting industries linked to the central government's Industrial Strategy.

## The locally responsive skills system

| <b>Greater Cambridge commitments</b>   | <b>Central Government commitments</b>   |
|--|---|
| <ul style="list-style-type: none"> <li>• Create locally-funded local skills teams to work with small and medium-sized businesses in the area to develop training plans and to act as co-ordinators to ensure training provision aligns with employer need.</li> <li>• Establish skills plan/ action plan for each of the priority sectors including identifying the Apprenticeships framework offer.</li> <li>• Create locally-funded Adult careers teams to enhance the delivery of information, advice and guidance in growth sectors – based on local labour market intelligence provision and working with local businesses.</li> <li>• Develop local labour market intelligence to inform the provision of information, advice and guidance for young people, providers, parents and employers;</li> <li>• To work closely with the National Careers Service and schools careers advisers to enable a localised careers offer and ensure that this complements the National Careers Service local offer.</li> </ul> | <ul style="list-style-type: none"> <li>• That Government commits to ensuring that funding, within Adult Skills Budget parameters, is made available as needed to meet additional demand within the skills system over the five years of city deal from 2014/15 to support the growth in provision of Apprenticeships (for 16-23 year olds) brought forward by city deal partners: 420 Apprenticeships over five years in growth sectors;</li> <li>• The National Careers Service commits to working with Greater Cambridge to align local activity through the contracted service offer.</li> </ul> |

## Annex B - GCGP Summary of Local Skills Service Contract Performance Year 1

| CITY DEAL YEAR 1 Performance   |  |                 | Profile Yr 1 | Actual Yr 1 | Variance volume |
|--|--|-----------------|--------------|-------------|-----------------|
| GCGP comment   | KPI Description  | Volume contract | Quarter 4    |             |                 |
|  | Number of events for KS3 & KS4   | 100             | 50           | 58          | 8               |
|  | Number of events for Primary schools   | 10              | 5            | 4           | -1              |
|  | Number of events for KS 5 (post 16)  | 30              | 15           | 15          | 0               |
|  | Number of students involved<br>(some double counting if they take part in more than one event)   | 20000           | 10000        | 11931       | 1931            |
| Level of engagement is variable across schools would like to improve this  | Number of schools engaged  | 30              | 15           | 29          | 14              |
| This is not an employer supported activity thus value of this is under review  | Number of schools using work experience preparation support  | 16              | 8            | 9           | 1               |
| Schools are paying for part of this service (health and safety checks) but this is reported on to show impact of the preparation events. Schools want help finding the employers that offer work experience and this is not part of the existing offer | Number of young people taking up work experience because of the above KPI<br>(note schools pay for placement support outside of this contract) | 1500            | 750          | 888         | 138             |
| GCGP is offering this service free of charge to all schools across the LEP now so will not continue in 2017/18   | Brokering strategic relationships with businesses and schools  | 8               | 4            | 4           | 0               |
| Too early to review impact and value (late start affected performance)   | STEP UP KPI 1- no of employers using site  | 100             | 50           | 38          | -12             |
| Too early to review impact and value   | STEP UP KPI 2 - 80% of 28 schools using the site   | 22              | 11           | 16          | 5               |

| CITY DEAL YEAR 1 Performance  |  |    | Profile<br>Yr 1 | Actual<br>Yr 1 | Variance<br>volume |
|---|--|----|-----------------|----------------|--------------------|
| GCGP has plans to support this with the SFA's Apprenticeship Ambassador network and make use of the free support offered nationally | <b>Apprenticeships KPI 1 - Apprenticeship events interactions (B2B, Students, parents)</b> | 48 | 24              | 27             | 3                  |
| GCGP provider network with SFA Ambassadors network developing this free of charge to reflect the changes.                           | <b>Apprenticeships KPI 2 - Change staff awareness CPD pack produced</b>                    | 2  | 1               | 1              | 0                  |
| This has been enhanced in the Careers Champion request  | <b>Apprenticeships KPI 3 -CPD (no of schools)</b>  | 20 | 10              | 16             | 6                  |
| GCGP has commissioned jobs fairs across the patch to support this will expect skills service to connect in their employers          | <b>Apprenticeships KPI 4 - Recruitment Assistance</b>                                      | 30 | 15              | 12             | -3                 |
| This has been enhanced in the request to support CRC to work with employers   | <b>Apprenticeships KPI 5 - Enable Business Apprentice Employer Interaction</b>             | 30 | 10              | 16             | 6                  |
| GCGP will take this on as part of their connection to the broader provider network would expect CRC to act as key contact too.      | <b>Apprenticeships KPI 6 - Provider referral</b>   | 30 | 10              | 5              | -5                 |
| GCGP funding a single newsletter across the area embedding LMI from 2017  | <b>Newsletter LMI shared</b>   | 8  | 4               | 10             | 6                  |

