

Skills and Employment Board

Private and Confidential: No

Wednesday 15th June

Area Based Review (ABR) and Growth Deal 3

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Executive Summary

This paper provides an up-date from the ABR Working Group, a draft of the principles which will underpin the LEP 'skills conclusion' for review, and the Growth Deal 3 recommendations made to the LEP Board.

Recommendation

The Committee is asked to comment on the draft high level principles, mapped against the Lancashire Skills and Employment Strategic Framework. The principles will be worked up further and brought back to the next Skills and Employment Board.

1. Background Information

- 1.1 As reported previously, the ABRs, driven by Government and the FE Commissioner, will review the College infrastructure across England with view to delivering institutions which are financially viable, sustainable, resilient and efficient with an offer that meets each area's educational and economic needs. This includes focusing on specialisms and ensuring sufficient access to high quality and relevant education and training for all which reflects changes in Government funding priorities and future demand.
- 1.2 It is anticipated that the review will commence in September 2016 in Lancashire. A steering group will be established to drive the review which will involve representation from the LEP, Local Authorities and each College's Chair of Governors and Principal / CEO. The Joint Area Review Development Unit (JARDU) will administer the review and the steering group.
- 1.3 As per current reviews, the LEP will be required to produce a visioning document to help guide the outcomes of the review.

2 Working Group up-date

- 2.1 The working group met on the 26th May. Membership has been expanded to include Blackpool Unitary Authority (Mike Taplin). Debbie Corcoran also attended the meeting on behalf of JARDU and provided an overview of the process.
- 2.2 Interestingly Debbie questioned the logic for two separate reviews in Lancashire (Lancashire – Pennine and Lancashire – Coastal). The decision for 2 reviews (in 2 different waves) was previously challenged by the LEP, referencing the fact that the LEP (and allied strategies and plans) is Lancashire wide, and that the evolving Combined Authority is also Lancashire wide. As a result BIS agreed to bring the two reviews together under Wave 4 – with 2 sub-reviews and an overarching Lancashire-wide steering group led locally. Debbie agreed to discuss the approach with JARDU with view to bringing the 2 sub-reviews together. In terms of strategic alignment, and from a resourcing perspective this would be welcomed. Confirmation is awaited.
- 2.3 The note from the working group meeting is provided in Appendix A.

3 LEP 'Skills Conclusion'

- 3.1 An initial view of the principles, mapped against the Lancashire Skills and Employment Strategic Framework is provided for comment by the committee, see following page. This has been developed with Paul Holme, in his role as expert adviser. This will be developed further and brought back to the next Skills and Employment Board.
- 3.2 A paper is to be presented at the LEP Board meeting on Tuesday 14th June (the day before the committee) outlining the ABR and guidance, the work of the working group and the Skills and Employment Board, the draft principles and recommendations in regard to Growth Deal 3 (see next section). The board have also been asked to comment on the draft principles. Feedback from the board will be provided at the committee meeting.

Draft ABR principles against the Skills and Employment Strategic Framework

<p style="text-align: center;">FUTURE WORKFORCE</p> <ul style="list-style-type: none"> • Use of Labour Market Information (LMI) to shape curriculum offer. • Use of LMI to inform Careers Education, Information, Advice and Guidance (CEIAG) offer / consistent offer for all students. • Engagement of employers in curriculum development • Embedding employability and enterprising skills, attitudes and behaviours throughout the education journey. • Improve route ways from classroom based provision and apprenticeships to higher level professional & technical education across the geography. • Adequate access to foundation level and Level 2/3 provision within each area of Lancashire (with reasonable 'travel to learn'), including adequate provision for SEND students. • Ensure that our post-16 learning physical infrastructure is fit-for-purpose, financially viable and aligned to our economic priorities and labour market demands. 	<p style="text-align: center;">SKILLED AND PRODUCTIVE WORKFORCE</p> <ul style="list-style-type: none"> • Contribution to growth in the number of apprenticeships (including higher level and degree) across our priority sectors including both 16-18 and adults. • Strong collaboration between institutions and employers to ensure there are seamless progression routes for people across Lancashire. • Adequate access to specialist provision at L3 and higher levels which is relevant locally, and includes provision with (inter)national draw, based on learner and employer demand. • Specialist provision which complements ambitions for growth, for example supporting inward investment opportunities at the EZs. • Increase engagement with business during and after studies. • Sufficient provision to address skills shortages and hard-to-fill vacancies highlighted in the skills and employment evidence base.
<p style="text-align: center;">INCLUSIVE WORKFORCE</p> <ul style="list-style-type: none"> • Outcome focused provision – raising skills levels and employability of unemployed adults and NEET young people (including English and Maths), which results in employment and improved prospects. • Integrated approaches to skills and employment which tackle barriers to progression, working with partners in Lancashire. • Facilitate routes into employment through sector specific provision targeted at areas with labour market demand and/or to support inward investment opportunities. • Integration of digital skills to improve social mobility and engagement with public services, and to increase employability. • Adequate access (travel to learn) for adults and young people with SEND, which boost life skills and employability. 	<p style="text-align: center;">AN INFORMED APPROACH</p> <ul style="list-style-type: none"> • Outcomes which go beyond achievement of qualifications – for example, employability, progression, employment / further training, earning potential and contribution to succession into Lancashire's priority sectors and STEM related industries. • Use of information to inform curriculum offer and remove provision, e.g. volumes, Ofsted gradings, learner and employer feedback and progression; ability to be flexible to meet future demands. • Ensure institutions are financially viable, sustainable and resilient and efficient; robust financial projections based on policy and efficiency benchmarks. • Greater collaboration (rather than competition) between providers, including Colleges, Universities, private providers and sixth forms.

4 Growth Deal Skills Capital & Growth Deal 3

- 4.1 As discussed at the last meeting, Government is intending to allocate its remaining Growth Deal allocation of £1.8 billion by national competition between the LEPs.
- 4.2 The Government's approach to Growth Deal 3 is the same as in previous rounds with a focus on capital investment proposals linked to the delivery of local and national growth objectives. Government has indicated those LEP submissions with the strongest economic and housing growth, and private funding leverage outcomes will be advantaged. Housing growth priorities have been heavily emphasised in reference to this Growth Deal round.
- 4.3 The available direction suggests the Government is also looking to prioritise skills capital proposals that link and relate to the delivery of outcomes in ABRs, and are anticipating skills capital requests in this programme.
- 4.4 Growth Deal 3 was discussed at the last Skills and Employment Board, and based on what was agreed at the meeting, the following was recommended to the LEP Board in a paper on Tuesday 14th June 2016: *'It is recommended that an amount of funding be requested to support the outcomes of the ABR, which would add to the residual referred to earlier. As per 4.4, ideas for projects which are currently in the pipeline can be referred to, but until the outcome of the ABR is known, these are ideas will support the 'ask' of Government and a procurement process (as previously) will be run to allocate the funding to those projects which fit with the skills and employment strategic framework and provide economic impact. The pipeline includes requests for investment in STEM related equipment; health related infrastructure; construction skills; incubation, innovation and research facilities; international equine facilities; and a centre of excellence in arboriculture. The Skills and Employment Board are also keen to commission activity which address skills shortages in the digital technology arena, and review availability of provision aligned to the chemical industry to ensure a pipeline for growth at the Hillhouse EZ. The 'ask' is recommended to be £15m'.*
- 4.5 Feedback from the LEP Board will be provided at the meeting.

5 Recommendation

- 5.1 The Committee is asked to comment on the draft high level principles, mapped against the Lancashire Skills and Employment Strategic Framework. The principles will be worked up further and brought back to the next meeting.

Appendix A: Notes from the Working Group Meeting.

Lancashire Area Based Review Working Group

Second Meeting: Thursday 26th May

Present:

Julia Coleman
Paul Holme
Dean Langton
Michele Lawty-Jones
Lisa Moizer
Robin Newton-Syms
Mike Taplin
Andy Walker

Guest:

Debbie Corcoran (Skills Funding Agency (SFA) / Joint Area Review Development Unit – JARDU)

Key Points:

ABR guidance / learning from current ABRs

Debbie Corcoran provided an input on the ABR guidance and process, and also learning from other reviews.

- Debbie was complementary of the working group, and indicated that the coming together of a group before the ABR process begins which brings together views would help the ABR to run smoothly and cohesively. Debbie cited areas that had discussed options at steering group 2 as a result of pre-work.
- Debbie encouraged engagement of experienced people e.g. Paul Holme.
- Debbie also encouraged communication with other LEP areas to gain insight and provided a copy of the skills conclusion from Thames Valley.

Debbie questioned the rationale for two reviews, and sought the group's opinion in regards to bringing the two Lancashire ABR's together into one. From a strategic alignment perspective and in terms of resourcing it was agreed that it would be useful to have one review – as originally thought and requested.

ACTION: Debbie to discuss merging the two sub-reviews into one with colleagues at JARDU.

In other areas the College, deputy FE commissioner, LEP and the Combined Authority have had follow up meetings after each College visit. This was something that was felt to be beneficial to the process and will be considered by the shadow Combined Authority once established.

In Manchester they requested their own local indicators that supplemented the national scoring template. This is something we may wish to consider in Lancashire. Whilst the review commences in September it is likely that the first steering group will take place in the first week of October. Dates are to be confirmed.

Preparation for the ABR

A common data set and approach to presenting the data was highly recommended by Debbie.

Robin provided an up-date on the RCU data. The RCU data report is still in draft form due to errors in SFA published data being corrected. It is hoped that once the reports have been finalised the reports will be shared with the working group, as agreed at the Principals meeting in May.

LCC, Blackpool and Blackburn with Darwen are collecting data to feed into the review, and hope to have pulled this together by mid-June. This will include:

- Demographic forecasts for the 16-18 cohort, supplemented by major economic and housing growth information which is deemed have an impact on the cohort predictions.
- SEND data.
- NEET and September Guarantee data.

ACTION: All to share data and information for review at the next working group.

Governance – sub-reviews and overarching Lancashire wide steering group

Discussion re: the Lancashire wide steering group was parked, as this may not be needed if the reviews are merged.

An up-date from the Leaders workshop for the Combined Authority was provided. It is likely that the review will be chaired by the FE or SFC Commissioner as the Combined Authority will be in shadow format when the review commences.