

GREATER MANCHESTER COMBINED AUTHORITY

Date: 11th February 2022

Subject: National Skills Fund: Priorities & Approach for 2022/23

Report of: Cllr Bev Craig; Portfolio Lead for Education, Skills, Work & Apprenticeships and Digital City Region and Tom Stannard; Lead Chief Exec for Education, Skills, Work & Apprenticeships and Digital City Region.

PURPOSE OF REPORT:

The purpose of the report is to provide members with:

- An update on National Skills Fund/Skills Bootcamps particularly the opportunities to access devolved funds to support retraining in 22/23.
- Outline a delivery proposal for skills bootcamps in 22/23 including sector focus and set out the approach for developing the call for proposals further with stakeholders.
- Key recommendations to ensure that this ambitious programme can be delivered on time, with full draw down of funding and maximum benefit for GM residents.

RECOMMENDATIONS:

GMCA is requested to:

BOLTON
BURY

MANCHESTER
OLDHAM

ROCHDALE
SALFORD

STOCKPORT
TAMESIDE

TRAFFORD
WIGAN

1. Consider and note overall progress of the Skills Bootcamps Pilot.
2. Comment on the proposed approach to new Skills Bootcamp delivery in 22/23.
3. Delegate authority to the GMCA Treasurer in consultation with the Portfolio Lead for the Education, Skills, Work & Apprenticeships and Digital to agree S14 grant conditions, commissioning route and award of individual grants/contracts.

CONTACT OFFICERS:





Matthew Ainsworth, Acting Director, Education, Skills & Work, GMCA; Email Address:

Matthew.Ainsworth@greatermanchester-ca.gov.uk

Adele Reynolds, Principal Skills Manager (Higher Level Skills & Employer Engagement),

GMCA; Email Address; Adele.Reynolds@greatermanchester-ca.gov.uk

Equalities Impact, Carbon and Sustainability Assessment:

Impacts Questionnaire			
Impact Indicator	Result	Justification/Mitigation	
Equality and Inclusion	G	The Skills Bootcamps Proposal supports those who are economically disadvantaged by ensuring they can access fully-funded skills provision with bespoke programmes for disadvantaged groups to support removal of barriers. This supports residents to progress in learning and to move towards / into productive and sustained employment. The Skills Bootcamps Proposal for 2022/23 set out what we plan to deliver to fill in-demand skills vacancies in the region with a focus on responding to the inequalities commission and targeting those groups facing most barriers to accessing employment.	
Health	G	The opportunity to upskill and retrain into good quality well paid work will promote better physical and mental health for residents. Providers will need to show the wrap around support in place; for example with childcare, resilience and mental health support.	
Resilience and Adaptation	G	Upskilling residents and tackling skills gaps will support individuals, businesses and GM's labour market to become more adaptable and resilient, future proofing the economy. The specific focus on green skills will support GM's low carbon infrastructure.	
Housing			
Economy	G	The Skills Bootcamps proposal will address key skills gaps identified in GM (especially those within priority sectors, such as Digital and Green) by employers and will provide local residents with opportunity to access fully funded training leading to improved employment. The proposal addresses the needs for upskilling and retraining to support career progression.	
Mobility and Connectivity			
Carbon, Nature and Environment	G	The proposal outlines green skills as one of the key priority areas for upskilling residents in GM. This will not only give residents the opportunity to upskill in areas such as retrofit, and electric vehicle installation, but will help reduce carbon emissions and achieve GM's Net Zero targets through filling these in demand "green economy" roles.	
Consumption and Production			
Contribution to achieving the GM Carbon Neutral 2038 target		This proposal supports Greater Manchester to become carbon neutral by 2038 through the delivery of skills training relating to the green economy (such as retrofitting, and electric vehicle installation). The commissioning also goes beyond delivering skills programmes and includes working with sector business leaders and training providers to build systemic capacity to lead/respond to the low carbon agenda through employer led skills bootcamps.	
Further Assessment(s):	N/A		
 Positive impacts overall, whether long or short term.	 Mix of positive and negative impacts. Trade-offs to consider.	 Mostly negative, with at least one positive aspect. Trade-offs to consider.	 Negative impacts overall.

Risk Management:

A risk assessment has been developed for the programme identifying key risks and planned mitigations – strategic risks are highlighted under section five. GMCA's Education, Work & Skills Directorate will work with providers to ensure comprehensive processes are in place to identify and manage risk including managing the performance of delivery.

Legal Considerations:

Colleagues from legal have played a key role in the delivery of the Skills Bootcamp pilot thus far. GMCA's Education, Work & Skills Directorate will continue to work with legal support to ensure contractual documents are in place on the timescales required.

Financial Consequences – Revenue:

This proposal provides an additional external funding stream of £7m to support retraining provision in GM. To note – it is only a one year funding stream at this point in time.

Financial Consequences – Capital:

Not applicable.

Number of attachments to the report: 0.

Comments/recommendations from Overview & Scrutiny

Committee:

Engagement will take place with Economy, Business Growth & Skills Overview & Scrutiny Committee on 11th March providing the opportunity to scrutinise prior to the commencement of any activity. The short timescales provided by DfE to submit a proposal unfortunately did not allow time for engagement prior to this report coming to the Combined Authority.

BACKGROUND PAPERS:

[Skills Bootcamps Policy Spec Wave Three FY2022-23 Grants.docx](#)

TRACKING/PROCESS	
Does this report relate to a major strategic decision, as set out in the GMCA Constitution?	Yes – impacts on all 10 LA Areas.

EXEMPTION FROM CALL IN	
Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?	No
GM Transport Committee	Not applicable
Overview & Scrutiny Committee	To be considered 11 th March 2022.

1. INTRODUCTION & BACKGROUND

As part of the “Plan for Jobs” the Department for Education (DfE) are providing £2.5bn for the National Skills Fund (NSF) to help adults build skills for the economy of the future; complementing provision available through Adult Education Budget (AEB). NSF comprises of Skills Bootcamps and the Level 3 Free Courses for Jobs Offer. **Skills Bootcamps** offer free flexible courses of up to 16 weeks giving people the opportunity to build up sector specific skills and fast track to an interview with a local employer. The key objectives are to support adults to retrain and help employers to fill current skills shortage vacancies.

Skills Bootcamps are targeted at all adults aged 19+ who are in-work, self-employed, unemployed, returning to work after a career break and prisoners on temporary release or due to be released within six months. Opportunity to target specific priority groups.

GMCA initially worked with DCMS, Lancashire Digital Skills Partnership & more recently DfE to test “digital skills bootcamps” (now expanded to retrofit) through a multi-year £5.9m pilot. (Details on impact under section 2). The success of which has led to further opportunities to work with Government to develop local approaches to retraining in the region.

For 22/23 DfE are making available £150m of funding for skills bootcamps split equally between a national procurement and Section 14 grants to Mayoral Combined Authorities (MCAs). This represents an excellent opportunity for GM to develop local retraining opportunities for residents/businesses building upon the success of the pilot phase. It should be noted that DfE have a three year allocation from HMT, and we are pushing hard for the same certainty to be given to MCAs to support with long term strategic planning. However, at this point we are only able to submit a one year proposal.

GM's Labour Market is at a pivotal moment; skills and work activity has a critical role to play in supporting the recovery of growth and foundation sectors and tackling inequalities. GM is working with industry to shape our training offers, creating more routes into skilled employment – Skills Bootcamps are one element of a broader approach dovetailing with:

- **Adult Education Budget** focuses on ensuring adults aged 19+ have the core skills that they need for work and fulfills several statutory entitlements relating to english, maths and digital skills as well as first Level 2 and 3 qualifications and ESOL. AEB also delivers pre-employment training to support Sector Based Work Academies for jobseekers.
- **Skills for Growth** is a £42m three year ESF funded programme which supports businesses to fill occupational skill gaps and upskilling for people in-work. At present it is supporting upskilling through flexible skills provision in the following key sectors; retrofit, construction, health & social care, digital and manufacturing.
- Greater Manchester has a thriving **Apprenticeships and Technical Education** landscape incorporating; Traineeships, T-Levels, Apprenticeships, The GM Institute of Technology and Higher Technical Qualifications.

At a future meeting we intend to discuss with leaders the wider approach to supporting key sectors meet their employment & skills requirements, now and into the future.

2. PROGRESS MADE TO DATE

Following an announcement in the October 2018 Budget GMCA worked with the Department for Culture Media & Sport (DCMS) to test “digital skills bootcamps”. The pilot funded twenty consortia of employers & providers to deliver innovative digital skills training with a wide range of employers engaged of all sizes and across all sectors. A wide range of underrepresented/disadvantaged groups were supported including unemployed young people, women returners, ethnic minorities and residents displaced by Covid-19. The success of the pilot led to an opportunity to work with DfE to further test the model and skills bootcamps are now being rolled out nationally as part of National Skills Fund.

In the last three years we have generated significant learning on “what works” including; employer led approaches, focus on place & the importance of targeted bespoke support. Some models of good practice that we would wish to highlight include:

- **Skills City** – Based at HOST at MediaCityUK, Skills City aims to break down barriers faced by those from underrepresented and disadvantaged backgrounds by fast tracking them into careers in technology. Delivering bootcamps in the most in-demand industry skills including Cloud, Cyber Security and Data Analytics.
- **Sharp Futures** – Based at the Sharp Project in Manchester, Sharp Futures is a social enterprise that supports diverse talent into the creative & digital sector in partnership with the likes of BBC & ITV. Through the pilot they ran short courses in production management and content creation helping young people get into the creative industry.
- **Tech Returners** – Tech Returners remove the barriers faced by returners faced by career breaks and empower skilled people back into technology careers in partnership with the likes of Autotrader & AO. Through the pilot they ran software related programmes helping people to return to a tech career & upskill into a better role.

Impact to Date: On the DfE funded skills bootcamps there have been 585 participants, 508 of which have completed so far with 279 entering skilled digital employment (55% of completers). Key demographic data of participants:

- Gender: 49% Male: 49% Female (2% prefer not to say)
- Age: 34% aged 19-25: 5% aged 50+
- Ethnicity: 41% of participants were from ethnic minorities
- Prior Employment Status: 47% unemployed, 43% in-work, 5% self-employed, 2% in-education, 1% returners to work (2% unknown).
- Prior Skill Status: 91% qualified to level 3+, nearly 64% were educated to degree level. Important to note there is a long standing issue with skills underutilisation in GM and although these people had level 3+ skills, many were in low paid work.
- Geography: The majority of participants came from Manchester (42%), Salford (14%) & Trafford (11%) mainly due to the cluster of digital/tech employers in these areas. In this next phase GMCA will work with localities to develop ways to connect a greater number of residents from all ten boroughs into these opportunities.

3. OVERVIEW OF 22/23 PROPOSAL: SKILLS BOOTCAMPS

By 28th Jan DfE require MCAs to submit a high level proposal setting out what we plan to deliver in **22/23 only** (starting from April) to fill in-demand skills vacancies in the region.

Including quantum of funding required, numbers to be trained and sector/occupational focus. The proposal has been developed based on Local Industry Strategy priorities, vacancy data and insight gathered from employers, localities, and key skills & employment stakeholders.

Over a three year period we believe GM could deliver an ambitious £25m+ programme to support at least 10,000 people. But as we are only able to submit a one year programme without any assurance of future funding there is a need to strike an appropriate balance between ambition and deliverability. Our proposal is to request £7m¹ for 22/23, which will allow us to build upon the pilot phase and maintain quality whilst ensuring the demand is there from learners and employers. We will however; continue to lobby DfE for a three year allocation and explore the potential to increase delivery over and above the initial £7m should the demand be there. DfE have already indicated that there will be the opportunity to bid for increased investment in 23/24 (particularly if we deliver successfully in 22/23).

For £7m GMCA will commission bootcamps across the range of LIS Frontier Sectors including digital & creative, advanced materials/manufacturing, green economy & life sciences supporting 2500 people into real job vacancies in the region. We will also use year one to explore the potential of whether the bootcamp model could support sectors with labour shortages such as health & social care and hospitality – in the medium/long term these industries need to transition their employment & workforce development models.

Building upon the recommendations of the inequalities commission we will target groups of residents underrepresented in key sectors and facing disadvantage in the labour market. Bespoke, targeted packages of support have proved highly successful thus far in helping for example - returners to work and black women overcome the barriers they face.

Please see table one below for a breakdown of sector focus, possible bootcamps, numbers to be trained and possible funding splits. (To note: this is flexible, and funding can be moved around to meet local priorities once it has been secured from DfE).

The rationale for the sector focus / proposed funding split is as follows:

- Digital & Creative as the key focus due to the significant demand for talent from a wide range of employers & large volume of skills shortage vacancies - over 38,000 IT related

¹ To note: GMCA can draw down management fee up to 10% to support administration of the programme.

roles were advertised last year alone. From the pilot we know these bootcamps work well and provide residents with a pathway into good quality employment.

- Other areas of technical skills such as advanced manufacturing and life sciences/health innovation are a significant opportunity. Particularly given major strategic developments such as the Advanced Machinery & Productivity Institute headquartered in Rochdale and home to the largest life sciences cluster outside the South East of England.
- GM will see several environmental initiatives roll out over the next few years supporting the journey to Net Zero by 2038. Ensuring the right skills support is critical – particularly in construction, net zero transport solutions, net zero buildings and de-carbonisation of existing sectors. We suggest starting reasonably cautiously in Y1 to ensure the job roles are there for people to move into but with a clear trajectory of significantly increasing the focus on green skills in years two and three as market demand increases. As GM transitions to Net Zero all jobs will need to be “green jobs” so we will look to include core green skills such as carbon literacy across all the bootcamps.

Table One: Skills Bootcamps Delivery Proposal

	Sector Focus	Potential Bootcamp Subjects	Estimated numbers to be trained	Estimate Funding required
1	Digital, Creative & Technology	Cloud Cyber Security Data Analysis & AI Dev-Ops Digital Marketing UX Design Games Design Networking IT Support Web Development Agile Delivery Animation Production Management Content Creation Service Design	1550	£4.5m
2	Advanced Manufacturing & Life Sciences	Electrical Engineering Advanced Machinery Electronics	450	£1.2m

		Product Development Manufacturing Operative Quality Improvement & Project Control Laboratory Technician Health innovation roles - bioinformatics, data science, clinical research		
3	Green Economy (inc Construction)	Grid Infrastructure Electric Vehicle Infrastructure Electric Vehicle Maintenance & Repair Rail Engineering Retrofit Roles Tradespeople e.g. plumbing, joinery On-Site Construction operative/supervisor Off-Site Professional e.g. design, surveying, architecture	450	£1.2m
4	HGV Driving (DfE Priority)	Retention of existing HGV Drivers Transport Managers Custom/Export HGV/DCPC Instructors	50	£100k
In total £7m delivery funding required to support 2500 learners to undertake bootcamps.				

4. ENGAGEMENT APPROACH & TIMELINE

In developing this proposal so far engagement has taken place with; key employers & sector bodies, localities, GM Employment & Skills Partnership, and organisations engaged in the skills bootcamp pilot phase. Overall feedback received was positive and in agreement with the approach to prioritise LIS key sectors. Key comments included the hybrid nature of many digital roles, the need to upscale retrofit provision and support under-represented groups and engaging with stakeholders already delivering flexible bootcamp provision in the region.

The call for proposals will be worked up with stakeholders. During February/March market engagement will be taking place with employers and providers as well as further engagement with localities. We intend to launch an initial call for proposals focusing on digital by the end of March with a likely second phase for wider sectors in May/June.

The timescales set by DfE are that delivery should start as soon as possible after 1st April 22 (within reason) and all delivery must be completed by end March 23.

5. KEY RISKS AND ISSUES

Although DfE have a three-year settlement MCAs will only receive a one-year allocation making long term strategic planning difficult. Although we can draw down a management fee, we will have to start with our current staffing structure impacting upon other activities.

The policy intent of the programme is to train people for jobs that are here in the economy now and the target is to get 75% of participants into employment. If programmes do not secure guaranteed interviews & job outcomes, we will not draw down full funding.

GMCA needs to work with DfE to ensure oversight of the whole of National Skills Fund in place regardless of which element or who it is commissioned by (national commissioning is currently underway). This “whole system approach” is critical to provide clarity to residents and businesses on the offering and target local funding appropriately.