

GMCA Overview & Scrutiny Committee

Date: 14 December 2022
Subject: GMCA Education, Work & Skills (EWS) Progress update
Report of: Cllr Eamonn O'Brien GM Portfolio Lead for Education, Skills, Work and Apprenticeships and Gemma Marsh Director of Education, Skills and Work at the GMCA.

Purpose of Report:

To provide an overview of the skills and work-based learning initiatives to achieve the GMS ambition to **'ensure businesses are able to access the skills and talent they need, by providing high quality learning, and wrapping support around individuals, enabling them to realise their potential – with access to good employment for those who can work, support for those who could work and care for those who can't.'**

Background, context, and key messages:

- There are real challenges facing GM in terms of how the system can prioritise and target resources in the future:
 - In skills terms, one in nine GM residents holds no qualifications and a similar proportion of residents' highest qualification is at level 1, while at the higher skills end of the spectrum, GM has fewer residents qualified at or above Level 4 than the national average. Both of these figures mask large variations between districts, and we need to look at how we might target resources in the future to support the appropriate pathways in each place.

- Inactivity reached a new post-Covid record in the North West in the three months to September 2022. It stood at 23.6% of 16-64 year old people in the region (1,062,475 people). This compares with 21.6% nationally.
 - A smaller workforce is Covid's main labour market legacy – and a contributory factor to high levels of job vacancies. Inactivity refers to people who are not participating in the labour market – they are neither working nor seeking work).
 - Unemployment also rose sharply. In the three months to September 2022 unemployment was 4% (up from 3.5% in the three months to August). However, in historical perspective unemployment remains low.
 - Total working age employment fell. It was 73.3% in the three months to September 2022 in the North West. This was lower than the three months to August (73.8%), which was in turn lower than the three months to July (74%). Employment has fallen in the North West consistently since the summer of 2022. Nationally, the employment rate in the three months to September 2022 was 75.5%.
 - Unemployment is anticipated to increase as the recession takes a toll on the wider economy.
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- Coming out of the pandemic, there is a particular challenge in balancing the response to some long-standing issues around inequalities of opportunity and the 'internal levelling up' that is needed across GM (including responding to the recommendations from GM's independent inequalities commission), with the actions needed to support and promote inclusive growth and productive gains, based on our industry intelligence reports and, in the future, employer-led Local Skills Improvement Plans.

 - There is a real opportunity in GM, through the unique range of devolved functions across policy areas to align adult education and skills plans with employment support in ways that are not possible/evident at national level. GMCA is already doing this through the AEB and GM Working Well but have an opportunity to take this further through our innovative social prescribing model, which has the potential to transform the way we use networks of public

services and other touchpoints to provide support and opportunities for our residents.

- In particular, the Levelling Up White Paper, with government's invitation to GMCA (and West Midlands CA) to explore deeper devolution, offers a once in a generation opportunity to extend the principles and successes of devolution to date to new areas.

Programme headlines and highlights

Policy development and influencing

GMCA EWS is working with a range of government departments, both individually and as part of the M10 group of MCAs/GLA, to articulate the possibilities of 'place' in emerging policies, to provide constructive challenge to emerging proposals, and to highlight opportunities around policy join-up, interdependency and alignment on the ground (and risks around a lack thereof). We also develop GM-wide skills and employment policies, both to address gaps in national policy and to support implementation / integration of Mayoral commitments within the wider GM landscape:

- Providing **system stewardship** where the CA has no formal role but can support integration of national policy into the local landscape, eg Kickstart; and facilitating partnerships around a specific subject area, for example the provision of training and employment for over-50s via the Ageing Hub.
- **Developed/delivered England's first online Apprenticeship Levy Matchmaking Service, retaining over £10m levy funding within GM and creating over 1000 of new apprenticeship opportunities** to date. A similar model is has been rolled out nationally but with limited uptake from large employers.
- Harnessing learning from GMCA's unique range of devolved and co-designed functions across skills, work and health to develop **place-based, evidence-led proposals to feed into national policy**, such as the Levelling Up White Paper and our deeper devolution negotiations

- **Sharing good practice and lessons learned from GM activity to inform government policy**, eg contributing to the In-Work Progression Commission, responding to the health & disability Green Paper, influencing implementation of further education reforms linked to the Skills for Jobs White Paper and associated draft legislation/consultations.

Funding & programmes:

The team currently hold around 100 contracts for adult skills, retraining and employment support programmes, collectively worth c. £170 million p/a, ranging from funding associated with GM's devolved functions to co-commissioned and local activity. The team along with partners have developed commissioning approaches (including a flexible procurement system (FPS) in order to improve the efficiency, quality and consistency of commissioning), performance management and assurance systems, and led on the development of a social value framework that ensures all GM commissioning and investment adds wider value to our communities and residents:

- **Supported 19,500 residents to date through the devolved Working Well (Work & Health Programme), of whom more than 7,500 have entered work**, outperforming the national WHP. It has delivered over ten times the national rate of onward referrals to related support services that deliver wider systemic benefits
- Developed additional local services within the **GM Working Well** (Work & Health Programme) suite, including:
 - Supporting **>20,000 newly unemployed people since the start of the Job Entry Targeted Support (JETS) programme** (launched Oct 2020), achieving 125% of the referral target and more than 200% of the job outcome target. JETS has now been extended (total value £19.5m)
 - **£6.5m Early Help programme, designed to test an early intervention system which supported over 3,000 residents** who were newly unemployed or at risk of becoming so due to adverse health conditions

- **£4m three-year Specialist Employment Service supported 1,200 people with complex health needs and disabilities** to move towards/into work. An 18-month extension has been approved to the Specialist Employment Service to provide up to an additional 143 service starts (totaling 501) for GM residents with learning disabilities and/ or autism seeking work; and up to an additional 150 IPS service starts (totaling 500).

- **Testing a new way of working/integrating services via a new GM social prescribing platform as part of our integrated support offer linked to Working Well and JETS.** Working in partnership with the HSCP, the platform is enabling standardised and safe referral pathways into Working Well programmes and between referral partners, supporting a menu/map of services and interventions across GM available to WW/JETS clients, and enabling a potentially ground-breaking level of referral data/intelligence about the needs of our GM residents, how they are met with support, and what gaps in support exist.

- **Supported 2,576 (Sept 22) low-income self-employed residents and gig economy workers through the £8m Enterprising You pilot.** Two-thirds of participants reported increased business turnover, 54% increased business profitability, 59% improved business stability and longevity, and 71% report having improved skills needed to run their business. This is the only programme of its kind in England supporting workers in the gig economy and has received approval to be extended to March 2023.

- **Funded over a quarter of a million adult skills courses for 150,000 residents during the first three years of the devolved Adult Education Budget** (c.£96 million/pa). We have introduced flexibilities to respond to changing needs during the pandemic and to fill gaps in national support (eg supplementing the new L3 entitlement with a GM qualifications list including retrofit & digital), and provided targeted funding including a £1.5m annual Local Authority grants programme to tackle digital exclusion and barriers to accessing AEB and ESOL courses

- GMCA has recently been successful in securing **£7m of funding to deliver “Skills Bootcamps” in the region supporting adults to retrain and employers to fill skills shortage vacancies.** The aim is to support 2500 people into real job vacancies in the region across the range of LIS Frontier Sectors including digital & creative, advanced materials/manufacturing, green economy & life sciences. Building upon the recommendations of the inequalities commission GMCA will target groups of residents underrepresented in key sectors and facing disadvantage in the labour market.

- Commissioning further skills and employment activity through the **ESF co-financing organisation status:**
 - **£10m NEET prevention/reduction and youth employment programme** for 6,000 15-24 year olds facing barriers to education, training and work
 - **£30m Skills for Growth programme**, supporting up-skilling and progression for 25,000 residents, and support for 3,000 SMEs. To date this programme has supported:
 - 2655 SMEs
 - 3633 individuals completed training since summer 2021

- **Developed an offer for young people which includes investment from Careers & Enterprise Company:**
 - An offer to young people – GMACS , Curriculum for Life , Our Pass and Meet your Future
 - An offer to the education system to build their capacity to integrate high quality careers programmes into their curriculum and meet statutory duties
 - An offer to businesses to support them to inspire and work with young people and education leaders

All leading to the following outcomes

- every young person able to explore the different options and career paths available to them, to help them make informed decisions about their future

and have a line of sight to the opportunities in the Greater Manchester labour market

- every young person to leave school and college with a careers plan
 - a reduction in the number of young people who become NEET (not in education, employment or training)
 - Greater awareness of technical and vocational pathways and the value they play in securing good occupational outcomes
 - All schools and colleges to have an embedded careers curriculum as part of the school and colleges improvement plans.
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- **Developing targeted test & learn activity**, including the Over-50s Employment Pilot in partnership with Centre for Ageing Better, the Removing Barriers apprenticeship pilots, and the Tameside in-work progression pilot in partnership with DWP.

Ways of working in the future

Through devolution and national policy landscape the way in which local policy & programmes need to respond is changing. Within the GMCA EWS team there is a huge focus on data & evidence to ensure that current provision are working as hard as they possibly can; there is also a focus on where there is new policy/provision that the data is used to drive a targeted model understanding that funding is tighter and cos of delivery has increased so it has to do less at more cost; and finally where there is no funding how does the system come together with the collective vision for a GM system?

GMCA and the wider system is looking to reset the vision set within the changing landscape so partners will be involved in shaping this going forward.

Additional background information/reading

- [GM's Local Skills Report & Labour Market Plan](#) (March 2022) and [annexes](#)
- GM [ESF Skills for Growth](#) overview and [sector-based Industry Intelligence reports](#)

- Working Well: <https://www.greatermanchester-ca.gov.uk/what-we-do/work-and-skills/working-well/>
- GM STEM Framework: <https://www.greatermanchester-ca.gov.uk/what-we-do/work-and-skills/greater-manchester-stem-framework/>
- Young Persons' Guarantee: <https://www.greatermanchester-ca.gov.uk/what-we-do/children-and-young-people/youth-task-force-and-young-persons-guarantee/>
- GM Apprenticeship and Careers Service (GMACS): <https://gmacs.co.uk/>
- Fast Track Digital Workforce Fund: <https://www.greatermanchester-ca.gov.uk/what-we-do/digital/fast-track-digital-workforce-fund/>
- Greater Manchester's annual [Labour Market and Skills Review](#) dashboards

Recommendations:

The GMCA Overview and Scrutiny Committee is requested to:

1. Consider the work of the GMCA EWS Team to support people aged 11-19+ to access education and work based training and identify any further ways to deliver the ambition of the Greater Manchester Strategy to '**ensure businesses are able to access the skills and talent they need, by providing high quality learning, and wrapping support around individuals, enabling them to realise their potential – with access to good employment for those who can work, support for those who could work and care for those who can't.**'
2. Consider whether this presentation provides assurance as to the question initially raised by members of the Committee in that those groups who are disproportionately engaged have access to the same skills and work-based opportunities as others.
3. Determine whether there are any specific areas of this portfolio which require further scrutiny.

Contact Officers

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