



Name of meeting:	Overview & Scrutiny Committee
Meeting date:	1 July 2024
Report title:	Skills Scrutiny Review: Progress Report on the implementation of the recommendations arising from the review
Portfolio Lead:	Mayor of the West Midlands
Responsible Director:	Helene Dearn, Interim Executive Director – Employment, Skills, Health and Communities
Report author:	Fiona Aldridge Fiona.aldridge@wmca.org.uk
Key Decision?	No

Is the ability for the Combined Authority to make a decision internally reliant on Constituent or Non-Constituent Councils making a formal decision first?

Yes No

Public/private report: Public

Exempt by virtue of paragraph: n/a

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- 1. Decision/s Recommended**
 - 1.1 To note the progress made and next steps on the implementation of the recommendations of the Overview and Scrutiny Committee’s Skills Scrutiny Review.
 - 2. Voting Requirements**
 - 2.1 A majority of voting members, in attendance in the meeting room and indicating their preference, are required to vote in favour of any recommendation/proposition for it to become a decision of the Overview & Scrutiny Committee.
 - 3. Executive Summary**
 - 3.1 This report provides an update on the progress made on the implementation of the recommendation of the Overview and Scrutiny Committee that were supported by the Skills Advisory Board on the 25th September 2023.

4. Matters for Consideration

4.1 In 2023, the Skills Advisory Report were asked to consider the findings of a scrutiny review (see annex 1) undertaken in order to understand the impact of the devolution of the Adult Education Budget (AEB) to the WMCA on the delivery of local skills training within the region, and to identify the challenges and ways in which the WMCA and local authorities could most effectively use skills development to address short and longer term challenges in the region, particularly in relation to its big economic challenges.

4.2 The scrutiny review had sought to:

- Understand the current delivery of the devolved AEB within each constituent authority and the difference devolution has made to date.
- Understand how additional skills investment has increased the offer in each Local Authority for residents and businesses.
- Consider the approach to the relative distribution of investment in the context of need and the economic challenges – this should include consideration of balancing the needs of business against the drive to increase qualification levels of the workforce.
- Understand the key drivers in terms of current and future employment, including which job sectors and residents are most at risk and their locations within the region.
- Ascertain views on how skills development can best contribute to levelling up, improving career pathways, and addressing the challenges for the region and where it has limitations or dependencies on the impact that can be created.

4.3 Over the course of the review, a number of broad themes emerged including:

- strong agreement that devolution of AEB has delivered positive local impact with skills training aligned according to labour market need.
- A shared view that the success of the AEB strategy is a result of the WMCA partnership approach. Place-based investment alongside a continued investment on partnership, will strengthen this further.
- Reflection that AEB investment needs to evolve and focus on helping residents develop skills for employment, and to provide support for employers to meet labour market shortages. Working with education providers to ensure a more flexible curriculum offer will be key.
- Consensus that a regional employer engagement strategy is needed to better secure employer commitment to workforce development, navigate the skills system, and feed into the AEB strategy.
- The increased need to help learners succeed, through integrated employability skills and wraparound support models to tackle barriers, build confidence and secure successful employment outcomes.

- Agreement that getting careers guidance right was another cornerstone to better preparing residents for market entry and mobility, by developing better integration and understanding about labour market changes across the educational system. Working with schools will be key, alongside FE and HE providers, regional partners and employers.

4.4 After considering the written and oral evidence received, the review panel concluded that a number of recommendations should be considered by the Skills Advisory Board. This report provides a progress report on each.

4.5 **Recommendation 1: For the WMCA:**

4.5.1 To share participant data with constituent authorities about engagement of residents in local provision and review AEB procedures.

AEB participant data is now shared with all constituent authorities on a half-termly basis. We have also piloted review meetings, with Coventry, to review the data with Local Authority colleagues. This will now be rolled out across all authorities, in order to help inform our place-based approach to the adult skills pillar of the single settlement.

AEB performance is a standing agenda item in the monthly meetings with Local Authority Employment and Skills Leads, along with updates on the procurement pipeline, to support greater transparency of engagement opportunities.

4.5.2 Incorporate feedback into the development of the all-age careers strategy, with opportunity for constituent authorities and relevant stakeholders to input into the design and potential implementation as needed.

WMCA has now successfully incorporated the functional transfer of the Careers and Enterprise Company (CEC) contract from Local Enterprise Partnerships (LEPs). This includes the development of Career Hubs and the Cornerstone Employer Group. The first year of this delivery has laid the foundation for the development of the all-age careers strategy for the WMCA area.

The Regional Cornerstone Employer group has taken responsibility for developing a consistent approach to work experience and to extending the offer to those at risk, of becoming NEET (Not in education, employment or training). They are also working on developing a next step guide and increasing business volunteers.

The key learning from this work will shape our approach in the next academic year with a transition to a place-based approach of providing an enhanced offer to 92 priority schools. This learning will shape the articulation of our all-age careers offer which will be shared with Local Authority Employment and Skills leads for consultation and further development on the 10th July.

4.5.3 Provide an update on the development of a Provider Directory, particularly ITPs delivering provision to constituent authority residents, to support awareness of the range of commissioned providers.

A Provider Directory, incorporating active independent training providers (ITPs), provision type and geographies, has been provided to all Local Authorities. The Directory will be updated and re-circulated as new provision is commissioned.

4.6 Recommendation 2: For WMCA, Constituent Authorities and Regional Partners

4.6.1 Co-develop a regional engagement strategy with employers to identify and integrate skills requirements.

We have developed a blueprint to incorporate a 'people and skills' offer through Business Growth West Midlands (BGWM). As part of this work, we have established a connecting team with subject matter expertise on skills, within the CA, to support the BGWM business adviser network, based in Local Authorities.

West Midlands Growth Company have rolled out its strategic relationship management (SRM) approach, focused on the top 500 businesses in the region. As part of this strategic key account approach we're developing an integrated people and skills offer to respond to identified need.

In response to the Local Skills Improvement Plan (LSIP), Colleges are using Local Skills Improvement Funding (LSIF), collaborating to create employer-focused branding, a skills quality mark, and a standardised diagnostic to support employer engagement. The employer representative body (ERB), with the colleges have also undertaken a series of deep dives to identify current and future skills needs.

As part of the development of the Investment Zone (IZ), we are working with the Institute for Apprenticeships and Technical Education (IfATE) to identify industry qualification gaps. We have identified a gap in Health/Med Tech – a growth sector for both the IZ and WMCA's Plan for Growth – and are now working with IfATE to develop a new composite qualification at level 4.

4.6.2 Develop approaches to increasing work experiences / placements offering with employers maximising links to business support activity.

WMCA have secured £740,000 from Department for Work and Pensions to test a Job Rotation model in Coventry for 2024/25. This will engage in employers in upskilling their existing workforce, whilst also creating opportunities to backfill their roles with residents who are currently unemployed. Unemployed residents will benefit from funded work placements, existing workers will benefit from opportunities for career progression, and businesses will benefit from increased productivity resulting from staff development.

4.7 Recommendation 3: For WMCA with Constituent Authorities

4.7.1 Review and map out the range of available funding opportunities available to employers to help navigate the skills system and outline how Business Support is aligned with AEB investment to draw on full range of opportunities.

As part of the development of BGWM blueprint we are incorporating two specific skills offers to support employers. This includes investment of £11.5m in digital skills bootcamps and £2m in leadership and management training, recognising the importance of both skills sets to improve productivity and create growth.

4.7.2 Develop approaches to incorporate constituent authority services such as employment support, into SWAPs, in relevant localities.

Building on the activity outlined at 4.5.1 above, we are working with Coventry Local Authority to understand how we can develop approaches to incorporating local services and support into SWAPs. This will then be extended to other Local Authorities.

Through the Job Rotation model to be piloted in Coventry 24/25 (see 4.6.2), we are working with Coventry City Council to develop a pre-employment intervention through the Coventry Job Hub. This test and learn approach will provide an opportunity to develop test employment support interventions in SWAP's.

4.8 Recommendation 4: For WMCA with Education Providers

4.8.1 Design and integrate an employability programme that supports learners to develop transferable skills valued by employers to help secure good work, and to work with education providers to ensure effective delivery.

All colleges and ITPs have started designing programmes for adults that are relevant and adaptable, with a place-based approach, and offering intensive wrap around support. We will continue to develop this work over the coming months.

- The principle of relevance ensures programmes are set in a real sector context that promotes group work, problem solving, critical thinking, creative thinking, resilience, communication, appropriate work ethic and learning/study mindset. All of which are key transferrable skills and attributes valued by local employers.
- Setting programmes in real sector context ensure residents are confronted with realistic scenarios and current challenges faced in the local world of work. The best examples of this have been observed with provision delivered by RMF (including in partnership with Solihull College), NIS (in partnership with Wolverhampton College) and in Skills Bootcamps providers.
- The intensive wrap around support includes coaching and mentoring. Individual mentoring will support learners to develop their critical thinking and reflective skills to improve their ability to adapt to changes in the labour market due to technological advances. Learners will be equipped to assess and use to best effect their own skills, as well as further develop their knowledge and abilities through a learning/study mindset.

5. What options have been considered and what is the evidence telling us about them?

5.1 Activity in relation to each of the recommendations is underway and will continue to be progressed over the coming year. We are working closely with our constituent local authorities to ensure that these developments are informed by, and respond to, local need.

6. Reasons for recommending preferred option

6.1 n/a

7. Implications and Considerations

Priority:	Contribution:
Delivery of Strategic Transport Plan	n/a
Promote inclusive economic growth in every corner of the region	<p>Through our adult skills investment, we are seeking to boost inclusive economic growth, giving more people the training and support to find and progress in good well-paid work and improve their overall health and quality of life. Critically there is a focus through all skills investment in supporting those who experience that greatest labour market disadvantage.</p> <p>The four key pillars of our investment are:</p> <ul style="list-style-type: none"> - Building strong and inclusive communities - Providing a good education up to level 2 - Supporting residents into employment and supporting career progression - Meeting future skills needs at level 3 and above through upskilling and reskilling.
Ensure everyone has the opportunity to benefit	See above. WMCA have introduced a low wage threshold of £32,000 to ensure that residents who are out of work or on lower-than-average earnings are able to access training opportunities.
Connect our communities by delivering transport and unlocking housing and regeneration schemes	n/a
Reduce carbon emissions to net zero and enhance the environment	n/a
Secure new powers and resources from central government	n/a
Develop our organisation and our role as a good regional partner	Through the adoption of a place-based approach, and in collaboration with constituent local authorities, we are seeking to strengthen our role as a good regional partner.

8. Internal Consultation and Scrutiny:

8.1 The paper has been approved by the Executive Director for Employment, Skills, Health and Communities.

9. External Consultation and Scrutiny:

9.1 The paper will be shared with Local Authority Employment & Skills leads.

10. Financial implications:

- 10.1 There are no direct financial implications from this report. The progress made against the recommendations are all from existing approved budgets and grants.
- 10.2 To continue with the delivery against the recommendations and the strategies outlined in the paper, there is likely to be future financial implications arising, which will be funded from within the existing budget. Any new funding request above this will follow the existing governance processes to seek approval in advance of delivery taking place.

11. Legal implications:

- 11.1 There are no direct legal implications arising from the contents of this report. Where recommendations are to be further developed, Legal Services should be engaged at an early stage.

12. Single Assurance Framework implications:

- 12.1 n/a – this paper provides a progress update only.

13. Risk implications, including Risk Appetite:

- 13.1 n/a – this paper provides a progress update only.

14. Procurement Implications:

- 14.1 n/a – this paper provides a progress update only.

15. Equality implications:

- 15.1 n/a – this paper provides a progress update only.

16. Inclusive Growth Implications:

- 16.1 The intent of our skills investment aligns with and supports delivery of our Inclusive Growth Framework. In particular, it contributes to the education and learning priorities where devolved skills funding enables us to ensure that we are providing opportunities for residents to gain new skills or retrain for a new job. In addition, it underpins delivery of inclusive economy, power and participation, connected communities, health and wellbeing and equality.

17. Local Authority Impact:

- 17.1 Collaboration with local authorities will ensure that skills investment supports wider place-based strategies.

18. List of appendices referred to:

- 18.1 Annex 1: Skills Advisory Board Paper - A review of the impact of the delivery of local skills training following the devolution of the Adult Education Budget to the WMCA

19. Background papers used to compile this report:

- 19.1 n/a

20. List of Other Relevant Documents

[WMCA and Warwickshire Local Skills and Improvement Plan](#)

[WMCA Employment & Skills Strategy](#)