

**Subject: North East Strategic Skills Plan****Report of: Head of Inclusive Growth****Portfolio: Education, Inclusion and Skills**

Report Summary

The report recommends the appointment of a supplier to facilitate the development and drafting of the North East Strategic Skills Plan for the new North East Mayoral Combined Authority (NEMCA), following an open procurement process.

Recommendations

The Director of Finance is recommended to approve the award of a contract in the sum of £76,250 to Matt Hamnett and Associates Ltd, for the development of a North East Strategic Skills Plan on behalf of NEMCA.

1.1 Background Information, Proposals and Timetable for Implementation

1.1.1 Leaders across the Local Authority areas of Durham, Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland have entered into an agreement with Government to create a new North East Mayoral Combined Authority (NEMCA) following a Mayoral election in May 2024.

1.1.2 The Northeast Devolution Deal sets out that local leadership and coordination of the skills system is essential to support the people of the North East and its economy. To support the ambition of the Devolution Deal our region requires a skills infrastructure that is fully aware of and responsive to labour and skills shortages and planned growth in our economy, both current and projected.

1.1.3 A Strategic Skills Plan, co-developed with all relevant stakeholders, will provide the North East region with an overarching plan which provides clarity and strategic direction, which is underpinned by the political priorities captured in the new Combined Authority's emerging vision and missions.

1.1.4 The Strategic Skills Plan will bring the adult skills system together and provide a clear direction of travel to skills commissioners, skills providers, employers, and residents. It will influence local skills provision and curriculum design and will be a vital tool in allocating resources and funding, and setting out relevant, inclusive, and innovative progression pathways aligned to the North East's economic opportunities.

1.1.5 NTCA is undertaking this on behalf of NEMCA before it is legally established, to begin initial work to develop the Strategic Skills plan over the period to May. There is a requirement for work to begin now to ensure that a strategic vision for Skills development can be agreed within the first months of NEMCA's formation.

1.1.6 It is not felt appropriate to develop this work 'in house' either in NTCA, or within the constituent local authorities. This is because the process will be resource intensive, bringing together evidence, strategy, stakeholder engagement and political negotiation over a period of months. It will also need some independent brokerage to ensure that different voices are heard and brought together in a way that is properly facilitated and so that stakeholders are included collaboratively. Key NTCA officers will be involved in the process ensuring NEMCA's requirements are well represented throughout the process.

1.1.7 In February 2024 NTCA launched an open procurement inviting tenders for the development of the North East Strategic Skills Plan. The procurement deadline closed on 04/03/2024. Bidders were evaluated against the published award criteria, and then ranked in respect of their final weighted scores for quality and prices from highest to lowest. The outcome of the evaluation is detailed in appendix 1.

1.2 Proposal

1.2.1 It is proposed that contract awards will be made to the organisation detailed in this report for an initial contract period from 1st April 2024 to 31st December 2024.

2 Potential Impact on Objectives

2.1 On behalf of the New Combined Authority, the NTCA are seeking to commission an organisation to facilitate the development of the Strategic Skills Plan. This piece of work will bring together evidence, strategy, significant stakeholder engagement and political negotiation over a period of months. This supplier's capacity will support the development of a New regional Strategic Skills Plan.

3 Key Risks

3.1 Development of the North East Strategic Skills plan will be included on the Strategic Risk Register, alongside the devolved Adult Education Budget (AEB) and the Delegated Level 3 Free Courses for Jobs Offer.

3.2 In addition, at project level, appropriate risk management processes are in place to identify and mitigate risks with escalation requirements embedded.

3.3 Key risks associated with the proposal in this report have been considered and include: This work will require a considerable level of resource as well as specialism in stakeholder engagement and political negotiation. Not having a specialist provider picking up this work risks causing disruption to BAU operations, may impact on the launch and delivery of NEMCAs strategic skills ambitions, and create a risk of confusion as the new Combined Authority is established. Mitigation: Capacity and resource to develop the Skills plan, by October 2024, has been ascertained through the procurement responses. High level delivery plans have been submitted setting out project plans for stakeholder and evidence development through to a draft submission to NEMCAs cabinet in October. The project plans will be monitored on a monthly basis by officers.

4 Financial and Other Resources Implications

4.1 The cost for facilitation, development and drafting of the North East Strategic Skills Plan is £76,250, excluding VAT. The appropriate procurement processes have been completed.

5 Legal Implications

5.1 The Monitoring Officer has been consulted and has no comments to add.

6 Equalities Implications

6.1 The chosen supplier has shown a commitment to advancing Inclusion and Diversity

7 Inclusive Economy Implications

7.1 The recommended supplier has demonstrated an understanding of what an inclusive economy is and a commitment to this.

7.2 The successful provider will be invited to commit to the Good Work Pledge to advance their contributions as employers to the region's inclusive economy aspirations.

8 Climate Change Implications

8.1 NTCA has considered the implications relating to climate change in decisions regarding the development of the Strategic Skills Plan and believe there will be no negative impact as a result

9 Consultation and Engagement

9.1 There have been conversations between the NTCA Chief Executive, Directors, LA7 Chief Executives and Leaders, and NTCA Legal and Procurement support to discuss this approach.

9.2 We will be engaging with a wide range of stakeholders to inform the development of the North East Strategic Skills Plan.

10 Appendices

Appendix 1 – [Summary of Procurement Exercise](#)

11 Background Papers

none

12 Contact Officers

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13 Glossary

NTCA	North of Tyne Combined Authority
VCSE	Voluntary, Community, and Social Enterprise
NEMCA	North East Mayoral Combined Authority

11. Sign-off

1) Portfolio holder: Yes	2) Director/SMT: Yes	2) Director of Finance: Yes	3) Monitoring Officer: Yes
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