

Cabinet

Tuesday, 22 March 2022 at 2.00 pm

Meeting to be held: Northumberland County Council, County Hall, Morpeth, NE61 2EF

Notice to the public: This meeting will be streamed live on YouTube at https://youtu.be/IGF_Oa2-AwA and we encourage you to watch online.

Attendance in person at this meeting will be limited and allocated prior to the meeting. This is to help to ensure health and safety of all attendees. Should you wish to attend in person, please contact Victoria Miller by emailing victoria.miller@northoftyne-ca.gov.uk no later than 18 March. Seats will be allocated on a first-come-first-served basis.

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AGENDA

Page No

1. **Apologies for Absence**

2. **Declarations of Interest**

Please remember to declare any personal interest where appropriate both verbally and by recording it on the relevant form (to be submitted to the Democratic Services Officer). Please also remember to leave the meeting where any personal interest requires this.

Note: Members of Cabinet have been granted dispensations so that they may participate in decisions which relate to the constituent authority which appointed them.

3. **Any announcements from the Mayor and/or the Managing Director**

4. **Minutes of the Previous Meeting** 1 - 8

5. **Getting Stuff Done - NTCA Annual Report** 9 - 18

6. **Devolved Adult Education Budget mid-year update** **19 - 30**
7. **Skills Programmes** **31 - 38**
8. **Investment Fund Update and Funding Approvals**

Members are requested to note the intention to circulate the above report on a supplemental agenda in accordance with the provisions of the Local Government (Access to Information) Act 1985.
9. **Child Poverty Prevention Programme** **39 - 42**
10. **North East Local Enterprise Partnership - Funding Decisions Update** **43 - 48**
11. **Date and Time of the Next Meeting**

Tuesday, 7 June 2022 at 2pm (Annual Meeting).
12. **Exclusion of Press and Public**

Under section 100A and Schedule 12A Local Government Act 1972 because exempt information is likely to be disclosed and the public interest test against disclosure is satisfied.
13. **North East Local Enterprise Partnership - Funding Decisions Update: Appendix to the report** **49 - 80**

Contact Officer: Victoria Miller
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Cabinet

25 January 2022

(2.05 - 3.00 pm)

Meeting held: Committee Room, Civic Centre, Newcastle upon Tyne, NE1 8QH

Minutes

Present:

Chair: Mayor J Driscoll

Councillors P Holland, K Kilgour and G Sanderson, Mayor N Redfearn and Ms L Winskell

Observer: Mr R Fry

58 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors N Forbes, C Johnson and R Wearmouth.

59 DECLARATIONS OF INTEREST

There were no declarations of interests.

60 ANY ANNOUNCEMENTS FROM THE MAYOR AND/OR THE MANAGING DIRECTOR

The Mayor welcomed the news about Britishvolt securing significant funding for the business. He congratulated Britishvolt and colleagues in Northumberland for this achievement and commented on the task for the Combined Authority and its partners to ensure the supply chain for the business had landed in the North of Tyne area and thereby helped to create even more local jobs.

61 MINUTES OF THE PREVIOUS MEETING

The minutes of the previous meeting held on 30 November 2021 were approved as a correct record and signed by the Chair.

62 **NTCA RESPONSE TO NTCA CITIZENS' ASSEMBLY RECOMMENDATIONS ON ENERGY, SKILLS AND HOUSING**

Submitted: A report of the Chief Economist (previously circulated and copy attached to Official Minutes).

The Cabinet considered the report which summarised progress achieved to date and next steps around the NTCA Citizens' Assembly recommendations relating to energy, skills and housing. The report also provided information on the new work to build the evidence base for addressing the challenge of retrofitting domestic housing, aimed to support the transition to net zero, tackle fuel poverty and potentially create more jobs. The report was introduced by the Mayor J Driscoll who highlighted key messages emerging.

The Cabinet welcomed the report. Amongst the matters discussed by the Cabinet were:

- the weight and importance of practical, technical and academic skills for the new, emerging sectors in the region, which should not be considered separately or prioritised one over another.
- the continuing work of universities to prepare graduates for graduate jobs.
- the role and remit of North of Tyne Combined Authority (NTCA) in urging and encouraging academic institutions to work with it and its partners.
- the importance of evaluating and demonstrating how the Combined Authority's participatory form of policymaking was influencing delivery.

RESOLVED – That:

- i. The contents of the report be noted; and the approach the NTCA was taking to respond to the Citizens' Assembly's recommendations around energy, housing and skills be agreed.
- ii. Future reports, proposing how the Combined Authority should respond to other recommendations from the Citizens' Assembly be provided to future meetings.
- iii. An allocation of up to £1million to support the initiatives described in the report, indicatively comprising £0.8m for a programme of advice and support for businesses to help them reduce their carbon emissions and £0.2m for the development of a business case for a major housing retrofit programme, be approved.
- iv. The Managing Director be authorised, in consultation with the Mayor, lead Cabinet Members and Investment Panel to agree the appropriate delivery mechanisms for this programme and consider and approve the business case(s) for this activity.
- v. the Interim Monitoring Officer be authorised to finalise the conditions to be attached to subsequent funding awards and to complete the necessary documentation.

the continuation of the work of the Citizens' Assembly Oversight Panel, to provide ongoing technical input into the Combined Authority's work programme be approved.

63 NORTH OF TYNE RURAL ECONOMY - NORTHUMBERLAND STEWARDSHIP AND RURAL GROWTH

Submitted: A joint report of the Interim Director of Regeneration of Northumberland County Council and Principal Economy and Strategy Manager of the North of Tyne Combined Authority (previously circulated and copy attached to Official Minutes).

The Cabinet considered the report which invited it to recognise and build on the initial steps to support sustainable rural growth and productivity, going further in developing a long-term approach and a corresponding investment plan, whilst working in collaboration with local communities.

The report was introduced jointly by the Mayor J Driscoll and Councillor G Sanderson, the Cabinet Member for Culture, Creative and Rural, who highlighted the importance of a healthy rural economy and key challenges, opportunities and priorities facing the sector.

The Cabinet welcomed the report. Amongst the matters discussed by the Cabinet were:

- the wider links with, and independency of, the rural economy and labour market, transport systems, universities and other systems and infrastructures; and within that context, the impact of the success of rural economy in Northumberland on other sectors and areas of the North of Tyne area;
- a question of opportunities for the Community and Social Enterprise (VCSE) Sector in contributing to the rural growth vision;
- the role of rural growth, improved employment, housing and other infrastructures and opportunities within the sector in encouraging younger generation to stay in the area;
- the importance of understanding that Northumberland was a living place;
- food availability and security;
- the role of local food and food industry in the local economy and in the green agenda.

RESOLVED – That:

- i. the contents of the report be noted;
- ii. an allocation of up to £500k from the North of Tyne Investment fund to develop the Northumberland Stewardship and Rural Growth Investment Plan and related interventions be agreed; and

the Managing Director be authorised, in consultation with the Investment Panel, the Mayor and the Portfolio Holder, to consider and approve the business case and to then make subsequent funding awards.

64 **INCLUSIVE ECONOMY BOARD WELLBEING FRAMEWORK**

Submitted: A joint report of the Head of Inclusive Growth, North of Tyne Combined Authority and Assistant Director of Policy, Northumberland County Council (previously circulated and copy attached to Official Minutes).

The Cabinet considered the final report of the North of Tyne Combined Authority's (NTCA's) Inclusive Economy Board's Wellbeing Framework for the North of Tyne. The report was introduced by Councillor K Kilgour, the Cabinet Member Education, Inclusion and Skills.

The Cabinet welcomed the report. Amongst the matters discussed by the Cabinet were:

- the welcome approach of the Combined Authority regarding engagement;
- the welcome approach of the Combined Authority of focusing on all things important for its residents and not just on measurable outputs;
- the welcome inclusion of the Voluntary, Community and Social Enterprise (VCSE) Sector; and
- the importance of delivery.

RESOLVED – That:

- i. the proposed wellbeing framework for the North of Tyne, including the proposed outcomes and indicators, be approved; and
- ii. the Cabinet Member for Education, Inclusion and Skills, the Mayor and the Managing Director, in consultation with the Inclusive Economy Board, oversee and implement the framework.

65 **INVESTMENT FUND UPDATE**

Submitted: A report of the Chief Economist (previously circulated and copy attached to Official Minutes).

The Cabinet considered the report which provided an update on progress with the North of Tyne Investment Fund, specific projects within it and sought approval for funding allocation and related authorisation. The report was introduced by Councillor K Kilgour.

The Cabinet welcomed the report. The Mayor spoke about the role of small and medium enterprises in the economy and the significance of the North of Tyne Combined Authority (NTCA) investment into the sector, including helping to increase production capacity, increase sales and create jobs as well as support new opportunities, including in the global market. Attention was also drawn to the Combined Authority continuing to work in partnerships to deliver progress.

RESOLVED – That:

- i. the progress to date on the Investment Fund, achievement of key milestones and ongoing project development work, particularly in respect of the creation

of new jobs for residents as a direct result of the NTCA investments, be noted;

- ii. an allocation of £2.85m from the North of Tyne Investment Fund to support the growth of the NE Film and TV sector through the North East Screen Industry Development Programme, subject to the development and approval of a business case, be agreed;
- iii. the Managing Director be authorised, in consultation with the Investment Panel, the Mayor and the appropriate Cabinet Member, to consider and approve the business case for the North East Screen Industry Development Programme;
- iv. the Managing Director be authorised, in consultation with the Investment Panel, the Mayor and the Cabinet Member for Education, Inclusion and Skills, to consider and approve the business cases for the Skills for Growth Programme, including Energy Central Campus;
- v. the £712,856 of funding for the Challenge North Tyne Open Innovation Project, which would form part of the NTCA's Recovery Innovation Fund and be delivered by the NE Local Enterprise Partnership, be approved; and
- vi. the Managing Director be authorised to finalise the conditions to be attached to the above funding awards and the Interim Monitoring Officer be authorised to complete the necessary documentation.

66 **NTCA 2020-21 STATEMENT OF ACCOUNTS**

Submitted: A report of the Chief Finance Officer (previously circulated and copy attached to Official Minutes).

The Cabinet considered the report which presented the Statement of Accounts for the year ended 31 March 2021. The report was introduced by J Gillespie, the Chief Finance Officer.

Mr G Barker of Mazars provided Cabinet with information on the work to complete the audit of the North of Tyne Combined Authority (NTCA) accounts for the year ended 31 March 2021, including the status of the audit work to date and the reasons for delays.

It was noted that the audit work had substantially been completed and was at a final phase.

In presenting the audit completion report, Mr Barker explained that a detailed presentation had been delivered at the recent meeting of the Audit and Standards Committee on the findings of the audit.

Should the financial statements be approved by the Cabinet today, the auditor would then give an unqualified audit opinion. This was expected as soon as possible and provisionally at around 31 January.

In relation to the value for money work by the auditor, there had been a change in the arrangements. There would be a narrative report provided by the auditor setting out the NTCA arrangements regarding matters such as financial sustainability, governance and improving efficiency and effectiveness. Should there be any significant weaknesses identified as part of this work, these would be reported and recommendations made; and this work had not been completed yet. An extension had been allowed by the National Audit Office to complete the work within 3 months of issuing the audit opinion. Mr Barker confirmed that the auditor had done sufficient work to date to be sure that no significant weaknesses had been identified or were expected to be identified. The report highlighted the findings to date and explained them.

Cabinet noted the position regarding the Combined Authority's submission into the Whole of Government accounts. As guidance was still being awaited regarding this by both the NTCA and the auditor, this work could not be undertaken until the guidance had been received.

Mr Barker explained that the Audit Certificate formally closed the audit; and it would be issued when outstanding audit work had been completed.

The Cabinet noted the reasons for the delay in completing the audit, as explained by Mr Barker, and accepted apologies from Mazars. Mr Barker confirmed that the reasons included difficulties in finding resources in the local audit sector as well as the impact of the pandemic and sickness. The delays were longer than expected. No delays had been caused by the NTCA or its arrangements. Mr Barker thanked offices and members for their patience and assistance.

Mr Barker emphasized that despite the delays, the auditor applied the high quality of work that would be normally expected.

The auditor recognised the collective effort by the NTCA and its partners, including Nexus and the North East Combined Authority (NECA), in preparing financial statements.

In recognition of the recommendations made to the NTCA in the recent years, the auditor highlighted that the Combined Authority and its partners had clearly improved their arrangements regarding the provision of statements and underpinning information to support the statements. It was noted that very few adjustments had been made in the year, and that reflected the work that had been put in by NTCA and its partners.

The Cabinet welcomed the report. Attention was drawn to the value for money achievement, which was a priority for the Combined Authority. The Mayor, on behalf of Cabinet, thanked Mr Barker and Mazars for their work.

Thanks were offered to J Gillespie, the Chief Finance Officer, and the Finance Team for their work, and especially for their continued efforts to ensure that there were no significant weaknesses in the Authority's financial arrangements, as confirmed by the auditor.

RESOLVED – That:

- i. the Annual Governance Statement 2020/21 as presented for signature by the Mayor and Managing Director be approved.
- ii. the Audited Statement of Accounts 2020/21, including the Narrative Report in line with Audit and Accounting Regulations 2015 as presented, taking account of the views of the Audit and Standards Committee, be approved.
- iii. the Managing Director and the Chief Finance Officer be authorised, in consultation with the Mayor, to agree to any final amendments or changes to the NTCA 2020/21 Statement of Accounts, Narrative Statement and Annual Governance Statement made by the external auditors after the Cabinet meeting of 25 January 2022 and to approve the final 2020-21 Final Statement of accounts.

67 2021/22 QUARTER 3 NTCA BUDGET MONITOR REPORT

Submitted: A report of the Chief Finance Officer (previously circulated and copy attached to Official Minutes).

The Cabinet considered the North of Tyne Combined Authority (NTCA) Budget Monitoring report. The report was introduced by J Gillespie, Chief Finance Officer, who confirmed the position and explained key areas of focus set out in the report.

It was confirmed that there were currently no material variations to report. There had been some insignificant adjustments made regarding salary costs which had been offset by additional grants.

Work continued to track actual investment spend. Whilst making great progress in approving schemes, cash release remained a challenge.

The Mayor, on behalf of Cabinet, welcomed the report. Comments were made about the need for more involvement from the public in the consultation on the NTCA budget to enable a better understanding of the operation of the Combined Authority and dispel any myths.

RESOLVED – That the forecast budget monitoring position for the Combined Authority, as set out in paragraphs 1.2 through to 1.6 of the report, and the reserves position in paragraph 1.7 of the report, be noted.

68 DECISION TO OPT-IN TO NATIONAL SCHEME FOR AUDITOR APPOINTMENTS FROM APRIL 2023

Submitted: A report of the Chief Finance Officer (previously circulated and copy attached to Official Minutes).

The Cabinet considered the report which sought approval for the North of Tyne Combined Authority (NTCA) to opt into the national scheme of appointing local auditors for the five consecutive financial years commencing 1 April 2023, operated by Public Sector Audit Appointments Ltd (“PSAA Ltd”).

RESOLVED – That the North of Tyne Combined Authority would opt into to the national scheme of appointing local auditors for the five consecutive financial years commencing 1 April 2023 operated by Public Sector Appointments Ltd (“PSAA Ltd”).

69 **DATE AND TIME OF THE NEXT MEETING**

Tuesday, 22 March 2022 at 2pm.



Subject: Getting Stuff Done – NTCA Annual Report
Report of: Director of Policy and Performance
Portfolio: All

Report Summary

The NTCA has produced an Annual Report to set out the Authority's achievements and the work of the Mayor and Cabinet over the last year. The report 'Getting Stuff Done' includes information on how NTCA is attracting companies and jobs to the region; safeguarding existing jobs and supporting businesses with advice and guidance; working with communities; investing in rural technologies; providing courses for residents to get good jobs and helping people get back to work. In addition, there are also annual updates from the Inclusive Economy Board, the Housing and Land Board and the Voluntary, Community and Social Enterprise Group.

Recommendations

Cabinet is recommended to endorse *Getting Stuff Done*, the NTCA annual report.

1. Background Information, Proposals and Timetable for Implementation

- 1.1 This is the second Annual Report and is presented to Cabinet to record the work of NTCA in creating and safeguarding jobs, working with communities on climate change and tackling poverty and showcasing 'good' jobs through the Good Work Pledge, which now covers 35,000 employees. NTCA is delivering on devolution, providing skills and education opportunities, and developing work on reducing child poverty.
- 1.2 The report has been designed to be a quick read to enable residents to see the impact of NTCA clearly; a signpost to the more in-depth information that is available on the website through our press releases or cabinet reports.
- 1.3 Two stories have been chosen to show the range of the impact of NTCA. One relating to investing in an offshore company, Transmission Dynamics, to enable their innovative technology sensors for turbines; the other to provide skills and training to enable a young entrepreneur to set up his own business. There are other, shorter stories, relating to digital growth and inward investment; NTCA's success with Kickstart and community crowdfunding; the culture and creative investment and a story of a carer who has returned to work with NTCA's support.
- 1.4 The report demonstrates that NTCA adds value through strong collaboration with its local authority partners, universities, businesses, the North East LEP and the voluntary and community sector.
- 1.5 The top 5 achievements of the NTCA are included as headlines to showcase quickly and succinctly the work and successes of NTCA in 2021. A further list of achievements is on the final page.
- 1.6 The Annual Report will be followed by a Corporate Plan which will be presented at the Annual Meeting of Cabinet in June which will set out how the NTCA will deliver for the coming years.

2. Potential Impact on Objectives

The Annual Report is a reflective document which show how the NTCA has worked to reflect and be consistent with the priorities set out by the Mayor and Cabinet.

3. Key Risks

There are no specific risks relating to this report.

4. Financial and Other Resources Implications

There are no financial implications arising directly from this report.

5. Legal Implications

There are no direct legal implications arising directly from this report.

6. Equalities Implications

NTCA is mindful of its duty under the Public Sector Equality Duty and through its work will continue to promote policies and decision making which eliminates discrimination, harassment and victimisation; advances equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and fosters good relations between persons who share a relevant protected characteristic and persons who do not share it; and also considers the implications for people from different socio-economic backgrounds/low pay as a protected characteristic. NTCA set its Equalities Objectives at the beginning of this municipal year, and these are considered in the context of its work.

7. Inclusive Economy Implications

There are no direct inclusive economy implications arising in the report itself, however as a reflective document it showcases NTCA's inclusive economy ambitions and the five characteristics of an inclusive economy: participation; equity; growth; stability and sustainability.

8. Climate Change Implications

The North of Tyne Combined Authority and all three constituent Local Authorities have declared a Climate Emergency; the impact of the NTCA's decisions on climate is taken into account and its work in this area is reflected in the *Getting Stuff Done* document.

9. Consultation and Engagement

The Mayor, Cabinet and the whole NTCA team have been involved in the formulation of the Annual Report. The NTCA is a collaborative and supportive team and the Annual Report and the Corporate Plan are aligned with the internal work programme, targets and spend so each team can see how their individual effort contributes to the whole.

10. Appendices

Appendix 1 – *Getting Stuff Done* NTCA Annual report (to follow)

Appendix 1a - Inclusive Economy Board update

Appendix 1b - Housing and Land Board update

Appendix 1c - VCSE Stakeholder Engagement Group

11. Background Papers

None

12. Contact Officers

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13. Glossary

NTCA North of Tyne Combined Authority

**Inclusive Economy Board
Annual Report 2021/22**

1. Purpose

The purpose of this briefing is to provide an update for the Annual Report 2021/22 on the work of the Inclusive Economy Board, outlining the achievements and progress from the past twelve months.

“2021 marks another important year for NTCA’s inclusive economy board. My thanks to members and Chairs alike for helping us focus on practical actions for young people and to become the first Combined Authority to work to address the causes as well as the consequences of child poverty for a more inclusive North of Tyne”.

Cllr Karen Kilgour
Cabinet Member for Education, Inclusion and Skills
Vice Chair of the Inclusive Economy Board.

2. Background

NTCA’s Inclusive Economy Board is a unique feature of our Devolution Deal: independently chaired it is multi-sector and cross-area supporting Cabinet to bring our ambitions for a Zero Poverty, Zero Carbon future to life. The Inclusive Economy Board advises Cabinet on how to better integrate and strengthen education, skills and employment interventions in order to improve local education and employment outcomes for North of Tyne residents. It encourages NTCA to think creatively about the widest implication of a more inclusive economy – whether through digital inclusion, rural opportunities and access or wellbeing. This is underpinned by an ongoing commitment to understand and respond to some of the widening inequalities caused by the pandemic.

2021 has seen both continuity and change for the Board. We continue to be grateful to serving members for across business, civil society, education, academia and Government Departments including the Department of Work and Pensions (DWP), the Department for Education (DfE) and the Department for Levelling Up, Communities and Housing (DLUCH). In November 2021 we said goodbye to our founding Chair the Right Revd Christine Hardman, Bishop of Newcastle who retired from the Dioceses and the area. We were delighted Cabinet endorsed the Board’s recommended successor, Baroness Tanni Grey-Thompson, also a cross-bench member of the House of Lords with an active interest in inclusion, welfare and sport.

The Board meets quarterly.

3. Achievements

The Board started 2021 with two clear thematic priorities alongside its ongoing focus on employability and skills: child poverty and digital inclusion.

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Newcastle
City Council



North Tyneside Council

Northumberland
County Council

3.1. Driving a locally-tailored employment and skills offer

The Board continued to lend effective support across NTCA's growing programme of devolved employment and skills activities. In September 2021 it received a full programme update, led by the Head of Inclusive Growth with contributions from DWP and DfE highlighting the success of the Kickstart programme across 2021 (for young people at risk of long-term unemployment), and the coordination of learning and skills opportunities through the creation of local Youth Employment Partnerships. The Board also received an update on the implementation of NTCA's Apprenticeship Hub, a project they had initiated to better connect young people with apprenticeship opportunities in the local areas. In partnership with DWP colleagues NTCA reported on progress with our joint Employment Framework Agreement, now underpinned by an Action Plan informed by our local authority and VCSE partners.

3.2. Making an Impact

In 2021 the Board continued its successful track-record of driving action as well as thinking for a more inclusive economy. The Board continued to oversee the successful mobilisation of our Good Work Pledge, helping employers to demonstrate positive practice in relation to work which is well-paid and secure. 44 businesses now hold the Pledge, employing over 35,000 people between them. Many more applications to the Good Work Pledge are in the pipeline.

The Board was instrumental in supporting NTCA to become both the first Combined Authority to support a significant programme of child poverty interventions, as well as developing a Wellbeing Framework to 'measure what matters' for people across the North of Tyne, recommending both programmes to Cabinet for approval. The Board also engaged with the Good Things Foundation on national approaches to address digital inclusion and looked at research around rural lives and financial hardship in Northumberland. Bishop Christine Hardman was an active media and social media presence, as well as mentioning our work and the importance of economic inclusion in the House of Lords at its Budget Debate in November 2021.

We are grateful to both Chairs and Vice Chairs, the Mayor and all our members and ex-officio members for the commitment and dedication they have shown during 2021.

4. Next Steps

The first meeting of 2022 focussed on the implications of the Levelling Up White Paper: what it means for the North of Tyne and what members can do individually and collectively in response. The Paper and its implications reinforce the purpose and value of the Inclusive Economy Board, ensuring that NTCA continues to deliver economic growth which works for all our people and places across the North of Tyne.

Housing and Land Board Annual Report 2021/22

1. Purpose

The purpose of this briefing is to provide an update for the Annual Report 2021/22 on the work of the Housing and Land Board outlining the achievements and progress from the past twelve months.

2. Background

The remit of the Housing and Land Board is to oversee a strategic approach to the delivery of more and better homes across the North of Tyne from a baseline of 1,800 net new homes a year to 3,000 net new homes a year by 2032. The Board does this by acting as a strategic and advisory sounding board that works for the North of Tyne Combined Authority (NTCA) collaboratively with our partners to oversee an integrated housing pipeline, and to advance work on housing policy and delivery.

Membership of the Board is drawn from the Local Authorities, the Combined Authority and Homes England as well as a wide cross-section of the housing sector, including – but not limited to - registered providers, private developers, institutional investors, and organisations representing residential landlords.

The Board is led by Mayor Norma Redfearn, portfolio holder for housing and land at the NTCA, with strategic input from the wider NTCA Cabinet. We are fortunate that Duncan Sutherland, Vice Chair of Homes England, assists with the drive and focus of the Board thus helping to cement a strong working relationship with Homes England.

3. Achievements

Over the past year, the Board has maintained a consistent focus on matters relating to housing policy and, importantly, housing delivery. The following paragraphs outline this in further detail:

3.1. Policy Focus

In terms of housing policy focus, the Board has taken a strong interest in housing retrofit. The Energy Savings Trust who were commissioned to profile the current housing stock, identify retrofit measures required to achieve net zero, explore funding models and estimate the impact on skills requirements across the North of Tyne Combined Authority presented their findings to the Board. The Housing and Land Board noted the need for scaleable delivery models and investment packages across the different tenures and were keen to support the development of these.

The Board have helped to shape the development of a High Street Challenge to support the transformation of key town centres and high streets in the North of Tyne area, in response to both the pandemic and longer-term changes impacting on these local centres.

The following three pillars are central to the Challenge:

- **Leadership and partnership** - Each high street will develop a compelling shared vision for the future, with strong strategic leadership to make the vision a reality. A High Street Transformation Board will provide the essential focal point for a joined-up approach, harnessing all the resources and skills available towards the achievement of the shared vision.
- **Investing in a model for change** - The Programme will develop and test new models for high street transformation, learning from evidence of what is working in other areas, while capitalising on the distinctive strengths and opportunities of each individual high street.
- **Stimulating long-term investment** - The NTCA investment will enable high streets to develop Strategic Investment Plans to deliver the vision, create compelling new projects and investment propositions to introduce new end uses. These plans and propositions will prepare the ground to stimulate and attract the long-term investment needed to achieve genuine change.

Development of new approaches and delivery models will support the North of Tyne's cross cutting priorities and enable us to access funding from a wide range of sources such as the soon to be launched UK Shared Prosperity Fund as well as private investment.

3.2. Brownfield Housing Fund

The Board has taken a keen interest in the delivery of the Brownfield Housing Fund which has recently increased from £23 million to £31 million following the publication of the Levelling Up White Paper. Progress has been reported on the award of £12.4 million to schemes that were on the initial pipeline including The Rise, North Shields Masterplan and Bellingham Mart.

An additional call for sites to be included on the Brownfield Housing Fund pipeline was undertaken in summer 2021. At the most recent meeting progress was reported on the ongoing due diligence being undertaken to ensure new schemes that are allocated funding can deliver against the programme's objectives by March 2025. The call has put the North of Tyne Combined Authority in a strong position to deliver the additional funding that has subsequently been awarded.

The Board has helped to shape the development of the programme by providing their expertise and support which will help the Combined Authority successfully deliver the Brownfield Housing Fund.

3.3. Partnership Working with Homes England

The Board has worked with NTCA and LA officers to formalise the working relationship with Homes England resulting in the signing of a Memorandum of Understanding with a Joint Action Plan which sets out how we will work together and has been cited as an example of best practice.

We are working with Homes England and our Local Authority partners to develop a joint pipeline of housing sites and to identify what investment is required to unlock their development. Both organisations have supported schemes through market assessments, infrastructure plans, design and site investigation work for key schemes including Forth Yards and North Shields. This joined up approach will help ensure that schemes can come forward when future funding programmes are announced, for example the recent

announcement in the Levelling Up White Paper to focus on 20 priority areas for investment.

3.4. Joint Infrastructure Plan

The Board has played an important role in the development of a Joint Infrastructure Vision for the NTCA. This is a Devolution Deal priority. The central aim of the Infrastructure Vision is to maximise the impact and outcomes of future investment, recognising that with transformational infrastructure comes new opportunities to innovate and maximise the area's economic growth. This in turn will help attract funding – both private and public – by creating the conditions for strong strategic, cross-boundary alignment that connects priorities and helps to focus on the priorities of the NTCA.

The Infrastructure vision sets an ambition that the North of Tyne will be nationally and internationally recognisable as the Heart of Global Britain, at the centre of the UK's net zero transition, delivering inclusive and sustainable growth, with strong connections to Scotland, the wider North East, UK and beyond.

Focussing on transport, housing, economic and digital infrastructure, with green, inclusive economic growth as a cross-cutting theme significant added value can be realised by focusing infrastructure investment on both a number of cross-NTCA wide activities (retrofit, EV charging, rural growth) and in three strategic economic corridors, the Arc of Energy Innovation -from Ashington to the banks of the River Tyne, the Northumberland Line and the Urban Core of Newcastle City Centre.

The vision will provide the basis for the development of a joint pipeline, capacity and resourcing plan for each of the strategic economic corridors and the connections between these to enable the appropriated delivery mechanisms to be identified to enable this work to be taken forward.

3.5. Northumberland Line

The Northumberland Line presents significant potential to unlock both economic and housing growth. The Housing and Land Board were presented with an update on the wide range of opportunities that could be unlocked through the reopening of this key passenger rail service. As well as connecting communities with jobs, the Northumberland Line will support wider spatial priorities. These include unlocking sites for both housing and economic growth including in new and growing industries, improving sustainable transport connections between stations - new sites and existing towns, ultimately improving the attractiveness of the area for investors and residents. A detailed pipeline of activity linked to the Northumberland Line alongside further analysis of the spatial opportunities associated with these is being developed and will be reported to future meetings of the Housing and Land Board.

4. Next Steps

Over the next year, the Board will continue to focus on delivery: ensuring that priorities identified are progressing toward development and that the working relationship we have outlined continue to add value. The Board's guidance and insight will remain important to this delivery helping the work to progress smoothly.

The Board will continue to be appraised and updated on the work and delivery of the Brownfield Housing Fund as well as the development of the joint housing pipelines. A central ambition of this work is proving the Combined Authority is a capable delivery body by delivering on our obligations to MHCLG and ensuring that homes are built as quickly as possible which will help us to unlock additional investment post March 2025.

We will also continue to focus on key policy areas, such as affordable housing, modern methods of construction, housing retrofit to identify how the North of Tyne Combined Authority can collaborate with its partners to develop new models of delivery to ensure that the housing and associated infrastructure can support the wider economic objectives of the area.

VCSE Stakeholder Engagement Group Annual Report 2021/22

1. Purpose

The purpose of this briefing is to provide an update for the Annual Report 2021/22 on the work of the VCSE (voluntary, community, social enterprise) Stakeholder Engagement Group, outlining the achievements and progress from the past twelve months.

2. Background

The VCSE Stakeholder Engagement Group was established in 2019 and formalised in 2020. It is chaired by the Mayoral Ambassador for the VCSE sector Robin Fry, Chief Executive of the charity VODA in North Tyneside. The Group brings together Chief Executive Officers from the local infrastructure bodies for the voluntary sector, as well as VONNE, the regional sector agency, working in partnership with lead officers from our three constituent authorities.

The group meets quarterly and aims to work together to build an inclusive economy, as set out in its Terms of Reference. Its work is underpinned by our VCSE Accord, approved by Delegated Decision in March 2020. The Group is passionate about bringing together people and opportunities to build thriving, vibrant communities. It does this by advising NTCA Cabinet on the wealth, wellbeing and social inequalities in North of Tyne communities. It provides specific expertise in co-design and co-production, helping to ensure the voices of all residents inform NTCA's work and ambitions.

3. Achievements

At the beginning of 2021 the Group developed a 12-month workplan to help define and focus its efforts. Central to the plan was the ongoing impact of the pandemic and the opportunity to build on the VCSE sector, local authorities' and NTCA's collaborative efforts at regional recovery. The key achievements in-line with this workplan are detailed below.

3.1. Convening, influencing and co-production

The Engagement Group has continued to embed the North of Tyne VCSE voice and views across NTCA's work. The Mayoral Ambassador continues to attend Cabinet in an observer capacity and has contributed to relevant items including NTCA's first Annual Report and Corporate plan, our Child Poverty Intervention Fund and our new rural programme. The Mayoral Ambassador has also been a member of NTCA's Wellbeing Roundtable, directly supporting the co-design and co-production of the first Wellbeing Framework for a devolved area. This project included engaging 12 community-led groups in direct conversations about what matters to wellbeing in the North of Tyne, reinforcing our commitment to genuine co-production of policies and programmes with our residents.

VCSE representation remains strong on our Inclusive Economy Board. Following the retirement of Anne Lyall from Northumberland CVA we are grateful to Lisa Goodwin MBE from Connected Voice in Newcastle joining as her replacement.

3.2. Young people, employment and mental health

As a result of the ongoing effects of the pandemic the Group made this important topic a focus in 2021. Under their direction and guidance NTCA has committed to invest just under £400k in a VCSE small grants programme, and included the sector as key part of NTCA Youth Employment Partnership, jointly funded by NTCA and DWP under our Employability Framework. This programme has overdelivered on all its targets including young people and employers engaged, as a direct result of the support and guidance of the Group and Mayor's Ambassador. Funded projects have included Sport Works CIC providing work skills through a fitness and health focus, targeting young people with experiences such as special educational needs, disabilities or living in poor health; and, Headliners directly targeting young people with experience of care to gain digital and media skills, alongside work and life skills such as CV building, job searching, budgeting and interview skills.

The VCSE Ambassador has also informed early work to explore a social prescribing project, helping young people access non-clinical support services to improve their psychological and social wellbeing to enable a better journey to work and training.

3.3. Community-led approaches to co-investment

NTCA, our local authorities and our VCSE partners are clear about the role community-led co-investment can play in generating improved economic resilience across the North of Tyne. In 2021 the Engagement Group has supported interventions across a range of scales of activity: from small grants through our wellbeing programme and our Crowdfund North of Tyne community grants programme, to significant allocations through, for example, £4m committed to social enterprises within our new Access to Finance programme. This work sits alongside our established activities such as the devolved Adult Education Budget where community learning providers play a pivotal role, and our Community Hubs delivering sustainability support for community organisations and centres. Into 2022 the Group and Mayoral Ambassador will have an important role to play in understanding and framing our response to the opportunities presented by the UK Shared Prosperity Fund.

We remain grateful to Robin Fry, Mayoral Ambassador, the VCSE and local authority members for their invaluable advice and support during 2021.

4. Next Steps

Residents and communities are entering 2022 with a renewed set of challenges: the legacy of the pandemic, combined with a cost of living crisis and rising demand for voluntary sector organisations. The Group will use its first meeting in March 2022 take stock and build on the achievements and effective collaborations of 2021.



Subject: Devolved Adult Education Budget mid-year update
 Report of: Head of Inclusive Growth
 Portfolio: Education, Inclusion and Skills

Report Summary

The purpose of this report is to provide an update on provision that has been delivered through the devolved Adult Education Budget (AEB) for the 6-month period from 1 August 2021 to 4 February 2022. It sets out the adult education opportunities that have been created for North of Tyne Combined Authority (NTCA) residents during the first half of this academic year (AY) and outlines next steps in terms of managing AEB delivery for the remainder of this year and into AY 2022-23.

The report also sets out a proposal for a procured Provider Framework to enable NTCA to distribute skills funding in response to performance and demand. It will enable us to rapidly deploy funding to ensure there is a skills supply to respond to key growth areas with demand. This proposal aligns with the commissioning principles set out in the published NTCA Strategic Skills Plan.

The NTCA has successfully managed the devolved Adult Education Budget (AEB) for eligible local residents aged 19 and over since the beginning of AY 2020-21. We recognise that the devolved AEB is an important contribution to NTCA's inclusive economy and will play a major role in supporting recovery from the COVID-10 pandemic.

Devolution of the AEB has allowed us to develop close working relationships with NTCA's AEB provider base, and establish strategic, place-based networks to allow providers to be more involved in strategic discussions about the supply and demand for skills at a local level.

During the 6-month period from 1 August 2021 to 4 February 2022 **over 17,400 enrolment opportunities have been delivered** or are being undertaken. Providers deliver a range of provision targeting employed and unemployed residents including basic maths, English and digital skills and full Level 2 and Level 3 vocational programmes required for work.

NTCA's devolved AEB investment continues to reach residents most disadvantaged in terms of poverty and skills. Mid-year data reveals that (72%) of enrolment opportunities are undertaken by residents living in NTCA's top 20% deprived areas. **47% of enrolments are in the top 10% deprived wards across NTCA.**

NTCA providers have established a wide range of provision to support unemployed residents to meet individual and employer needs across the NTCA region. **(71%) of AEB opportunities are being undertaken by unemployed residents**, with 50% of these residents unemployed and actively looking for work.

A priority for the devolved AEB is to help address skills supply side issues that impact on our region including a significant over-representation of people with low or no qualifications in the NTCA area. Analysis of mid-year data reveals that the devolved AEB is upskilling residents, **with 72% of enrolments undertaken by residents with low or no qualifications.**

Devolution of the AEB continues to provide an opportunity to make commissioning decisions on an area focused and forward-looking basis. Our ambition is to improve the impact of AEB in the NTCA region and during AY2021-22 we will continue our approach to strategic relationship building and partnership working to develop localised, flexible, high quality provision that responds to the needs of our residents and employers.

Recommendations

The Cabinet is recommended to:

- i. Note the progress which has been made in terms of AEB delivery for the first half of the AY 2021-22 (1 August 2021 to 4 February 2022) and endorse the approach to managing AEB delivery for the remainder of this year and into AY 2022-23.
- ii. Approve the proposal for a procured Provider Framework detailed in section 1.9 of this report, and to authorise the Managing Director, in consultation with the Cabinet Member for Education, Inclusion and Skills to approve subsequent Call-off contracts and associated funding allocations for adult education providers on the Framework.

1. Background Information, Proposals and Timetable for Implementation

1.1 Background

- 1.1.1 The NTCA has successfully managed the devolved AEB for eligible local residents aged 19 and over since the beginning of AY 2020-21.
- 1.1.2 The devolved AEB is enabling NTCA to strengthen the strategic focus of education, work and skills provision for adults. We have put in place the fundamentals of skills devolution and intend to build on our approach of creating close collaborations, bringing together employers, colleges, training providers, local commissioners and the VSCE sector to construct a skills system that is joined up whether funding is devolved or not.
- 1.1.3 NTCA have made use of the flexibilities afforded by devolution of AEB in relation to its funding rules, rates and eligibility criteria to ensure the funding can be targeted where it is needed most. We have successfully secured provision which is based in the heart of our communities for innovative programmes that would not have been funded through non-devolved AEB.
- 1.1.4 We want to ensure that a greater focus on the economic and social outcomes for residents is secured through the devolved AEB rather than just the outputs in terms of qualifications delivered. This underpins our commissioning approach to secure provision which is increasingly focused on outcomes such as securing employment, progressing to higher levels of learning and progressing in employment.
- 1.1.1 NTCA's devolved AEB for the period 1 August 2021 to 31 July 2022 is £23,551,493 plus an additional £1,641,588 for the delegated Lifetime Skills Guarantee. This brings the total AEB for AY 2021-22 to £25,193,081.
- 1.1.2 Through the NTCA Scheme of Delegation for devolved AEB, 97% (including 3% for administration costs) of the allocation for AY 2021-22 including the delegated funds for the Lifetime Skills Guarantee which has been allocated through extensions to Grant Funding Agreements and procured Contract for Services.
- 1.1.3 Procurement exercises are underway to utilise the remaining AEB funding during AY 2021-22. These have been informed by consultations with employers, providers and wider stakeholders as well as analysis of delivery data to date.
- 1.1.4 On completion of these procurement exercises, £600,000 of AEB funding will be utilised to support provision in the following key sectors: Construction, Manufacturing, Retail & Commercial and Transport & Logistics. Local Jobcentre Plus (JCP) advisors and the Department for Work and Pensions (DWP) have also highlighted demand for programmes in these sectors across the North of Tyne region.
- 1.1.5 Provision will closely align to the Sector-based Work Academy Programme (SWAP) model of delivery and targeted at unemployed residents. Provision will link to employment opportunities in the identified sectors and include work placement/experience.

1.1.6 NTCA have also procured £200,000 of remaining AEB funding to offer more opportunities to residents who live with learning difficulties or disabilities. This funding will specifically focus on supporting residents living with learning difficulties or disabilities with independent living, moving closer to further learning opportunities or the workplace where appropriate.

1.2 Review of AEB delivery data from 1 August 2021 to 4 February 2022

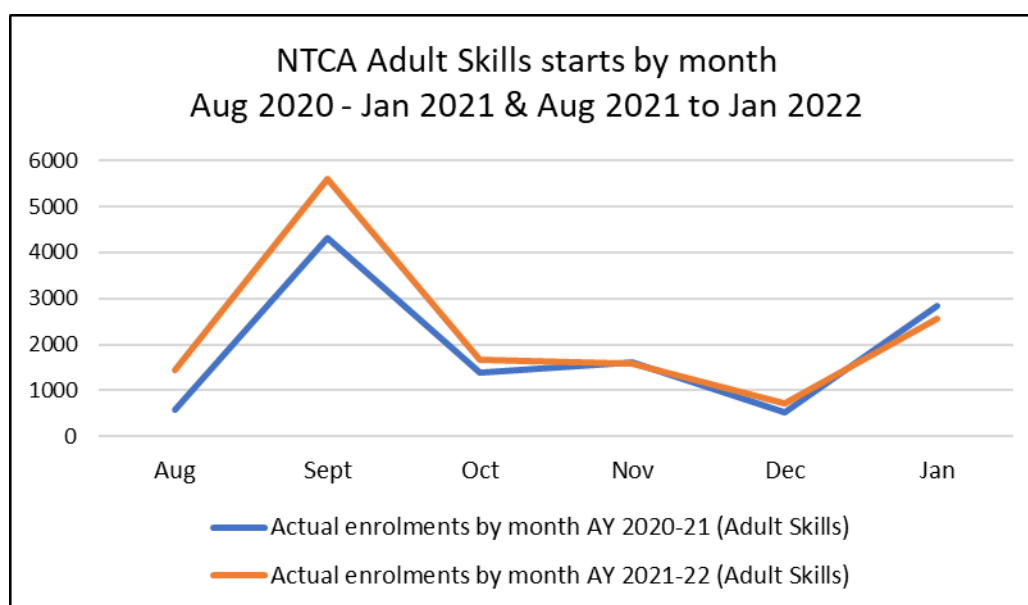
1.2.1 Delivery of the AY 2021-22 AEB commenced on the 1 August 2021 and the impact of COVID-19 continues to be closely monitored, both in terms of learner engagement during the pandemic and providers performance against delivery plans and payment profiles that were set out at the beginning of the academic year.

1.2.2 Providers have implemented innovative plans to ensure delivery continues. This has included transferring provision on-line, supporting vulnerable learners through one-to-one video calls and where classrooms have been able to open, delivering to groups of learners with effective safety measures in place.

1.2.3 Analysis of delivery data for the first half of AY 2021-22 and consultation with providers confirms that the first 6 months of delivery continues to be impacted by COVID-19. Providers have raised concerns regarding the mental health & wellbeing of adult learners as well as a lack of confidence to engage in training as the crisis continues. Further concerns have been raised related to rising numbers of COVID cases at the start of 2022 and the impact this had on staffing levels as well as learner engagement at the start of year.

1.2.4 Chart 1 below compares the number of Adult Skills courses residents started by month from August 2021 to January 2022, with the previous period in AY 2020-21. The chart reflects the number of residents enrolling in September 2021 compared to September 2020 is significantly higher, as COVID restrictions had eased. However, with the onset of the Omicron variant the numbers start to decrease to levels in the previous year and are slightly lower in January 2022.

Chart 1



1.2.5 In response, NTCA implemented further funding flexibilities from January 2022 to support learner engagement and address barriers to undertaking enrolment opportunities through the AEB. These flexibilities include fully funded accredited learning at Level 2 and Level 3 for employed residents in key sectors who would otherwise have had to contribute 50% towards the costs of learning.

1.2.6 We have introduced fully funded English and maths qualifications for unemployed residents regardless of prior attainment in these subjects. Providers and employers report a significant barrier

to learning and employment opportunities can be a lack of basic skills in English and maths. Under the national funding rules, residents with an existing qualification in English and maths are not entitled to provision to 'brush up' their skills or gain updated qualifications. NTCA have utilised the benefits of devolved powers to unlock this opportunity and remove a barrier.

1.2.7 A further flexibility is the extension of the digital entitlement through devolved AEB and full funding for a non-accredited digital learning aim that providers can utilise to deliver 'essential digital skills' for residents. Analysis of data has revealed that resident engagement with nationally funded Digital Entitlement qualifications is limited. Qualifications within the national entitlement do not adequately provide practical digital skills related to on-line banking, paying bills, shopping, or keeping in touch with friends/family online. These skills have proved essential during the COVID-19 crisis and will continue to be required into recovery.

1.3 AEB Enrolments 1 August 2021 to 4 February 2022

1.3.1 Up to 4 February 2022, **over 17,400 enrolment opportunities have been delivered** or are being undertaken. 2315 (13%) of these are being delivered as Community Learning.

1.3.2 NTCA recognise the value and positive impact that informal community learning can have on our resident's health and wellbeing. Recovery from the COVID-19 crisis continues to require outreach into disadvantaged communities, wrap around support to re-engage our residents, building confidence and breaking down barriers to work.

1.3.3 Table 1 illustrates the overall number of enrolments by Local Authority area and funding model.

Table 1

| Enrolments by Local Authority | R06 - Feb 22 | | |
|-------------------------------|------------------|--------------------|--------|
| | AEB Adult Skills | Community Learning | Total |
| Newcastle | 8,762 | 1,200 | 9,962 |
| North Tyneside | 2,874 | 639 | 3,513 |
| Northumberland | 3,515 | 476 | 3,991 |
| Total | 15,151 | 2,315 | 17,466 |

1.3.4 Delivery data is also analysed at Ward level to ensure that enrolment opportunities are being undertaken by residents in our most deprived areas. The review of data has revealed that **12,527 (72%) of enrolment opportunities are undertaken by residents living in NTCA's top 20% deprived areas. 8287 (47%) of enrolments are in the top 10% deprived wards across NTCA.**

1.3.5 Targeting areas where deprivation is high is a key priority in the NTCA Strategic Skills Plan to ensure that the AEB investment is reaching residents most disadvantaged in terms of poverty and skills.

1.3.6 Delivery data is also analysed at Ward Level to monitor engagement in AEB by residents in communities that are outside urban centres. This data suggests a significant proportion of residents living outside of urban centres are engaging with provision.

1.3.7 All NTCA AEB providers are required to submit delivery plans which outline how they will make their provision accessible for residents in communities outside of urban centres. This includes on-line and distance learning, support with transport and good use of Community venues across Northumberland and North Tyneside in places such as Alnwick, Amble, Berwick, Rothbury, Pegswood, Morpeth, Wooler, Hexham, Haltwhistle and Whitley Bay.

1.3.8 NTCA's constituent Local Authority providers utilise outreach venues and community venues and have made use of the flexibilities afforded by devolution of AEB in relation to its funding rules, rates, and eligibility criteria to ensure the funding can be targeted where it is needed most.

1.4 Range of Provision

1.4.1 Providers deliver a range of provision targeting employed and unemployed residents including basic maths, English and digital skills and full Level 2 and Level 3 vocational programmes required for work. There are effective links to Job Centre Plus (JCP) work coaches across the region who help promote the AEB offer and refer unemployed residents.

1.4.2 During the first 6 months of AY 2021-22, **71% of enrolment opportunities have been undertaken by residents who are unemployed**, 48% of these residents are unemployed and actively looking for work. It is essential that the AEB investment supports residents with skills that employers require, and programmes match labour market demand.

1.4.3 NTCA work closely with providers to promote collaboration with employers in designing skills opportunities. Providers have responded well and developed programmes to support residents to access jobs in the current labour market. These include courses to meet demand for warehousing and distribution and creating adult skills opportunities for the care sector which has seen a surge in demand for care workers and support staff as result of the COVID-19 crisis.

1.4.4 Sector based work academy programmes (SWAPS) continue to be co-designed with employers who have job vacancies in areas such as construction, installation of fibre networks and rail engineering. The AEB supports HGV driver training with 45 residents undertaking this programme from August 2021.

1.4.5 Table 2 below illustrates the range of provision across key subject sector areas.

Table 2

| Enrolments by subject sector area | R06 – Feb 2022 | |
|---|----------------|-----|
| | Number | % |
| 01 - Health, Public Services and Care | 2,812 | 16% |
| 02 - Science and Mathematics | 348 | 2% |
| 04 - Engineering and Manufacturing Technologies | 711 | 4% |
| 05 - Construction, Planning and the Built Environment | 394 | 2% |
| 06 - Information and Communication Technology | 754 | 4% |
| 07 - Retail and Commercial Enterprise | 916 | 5% |
| 13 - Education & Training | 246 | 1% |
| 14 - Preparation for Life and Work | 8728 | 50% |
| 15 - Business, Administration and Law | 600 | 3% |

1.4.6 Subject sector area (SSA) 14 – Preparation for Life and Work accounts for 80% of all enrolment opportunities. This provision includes all English for Speakers of other Languages (ESOL), English, maths and basic digital skills as well as routeways back to employment in vocational areas.

1.4.7 Enrolment opportunities in Health, Public Services and Care continue to increase demonstrating demand for skills in this sector during the pandemic. Similar increases have occurred in Retail and Commercial Enterprise which incorporates provision such as warehousing and distribution.

1.4.8 Prior to devolution, AEB delivered a significant proportion of enrolments across all sector areas that were below Level 2. Devolution has enabled us to work with providers to address the balance of low-level non-technical provision to ensure that there are more progression opportunities to valued provision at Level 2 and above. Currently 43% of enrolment opportunities are at Level 2 and above, which includes over 560 opportunities being undertaken at Level 3.

1.5 Statutory Entitlements

- 1.5.1 The AEB provides free statutory entitlements which include digital, maths, English and English for Speakers of other Languages (ESOL). Grant funded providers which include Further Education (FE) Colleges and Local Authority providers deliver a significant proportion of this entitlement for the NTCA.
- 1.5.2 Analysis of the delivery data to 4 Feb 2022 reveals that **1445 enrolment opportunities are being undertaken in maths and English provision** with 492 (**34%**) **undertaken as GCSE's** in these subjects which is often an essential entry qualification to further education, apprenticeships and employment.
- 1.5.3 In the first half of this academic year **over 4700 enrolment opportunities have been delivered or are being undertaken in ESOL**. Providers report an increase in asylum seekers and refugees accessing English Language provision at pre-entry level. Many of these residents have poor skills in their native language which is why starting points are significantly low.
- 1.5.4 First Full Level 2 and Level 3 qualifications for young people aged between 19 and 24 are also part of the statutory entitlement. The qualifications in this entitlement are **highly valued by employers and provide specialist skills in the NTCA growth and recovery sectors** as detailed in the NTCA Strategic Skills Plan and NTCA Corporate Plan. Colleges have engaged over **535 young people** in this provision during the first half of AY 2021-22.
- 1.5.5 328 qualifications are being undertaken by NTCA residents as part of the Level 3 Entitlement Offer. The Level 3 Offer enables adults without an A-Level or equivalent qualification to undertake a free, Level 3 fully-funded college course – **providing them with skills valued by employers**. Qualifications delivered to date include: L3 Diploma in Gas Engineering, L3 Diplomas in Adult Social Care and Residential Childcare, L3 Diplomas in Counselling and Understanding Mental Health, L3 Diploma in Work Supervision (Construction Sector).
- 1.5.6 Table 3 below illustrates statutory entitlement enrolment opportunities.

Table 3

| Statutory Entitlements | Number of enrolments |
|--------------------------|----------------------|
| English | 651 |
| Maths | 794 |
| ESOL | 4783 |
| Digital Entitlement | 219 |
| Full Level 2 Entitlement | 302 |
| Full Level 3 Entitlement | 233 |
| Level 3 Adult Offer | 328 |
| Total | 7310 |

1.6 Profile of residents engaged in AEB

- 1.6.1 Key priorities set out in the NTCA Strategic Skills Plan include supporting residents of all ages, including those in work, to develop their skills to progress into better jobs and increase their earnings. We also aim to extend the reach of learning opportunities to a broader range of underrepresented groups.
- 1.6.2 Analysis of the profile of residents engaged in enrolment opportunities during the first 6 months of AY 2021-22 suggests that the AEB investment is continuing to respond to these priorities:
- 72% of residents accessing devolved AEB reside in the top 20% deprived wards in our region (45% of in the top 10% deprived wards)

- 12,058, (71%) of AEB opportunities are being undertaken by unemployed residents
- 2752 (16%) of AEB opportunities are being undertaken by young people (19-24)
- 58% of AEB enrolment opportunities are being undertaken by women.
- Over 8,000 (47%) of enrolment opportunities are being undertaken by residents from our BAME community
- 72% of AEB enrolment opportunities are undertaken by residents with low or no qualifications.
- 3149 residents (18%) participating in provision self-declared a learning difficulty/disabilities

1.6.3 AEB provision is supporting women who are out of work and/or returning to work with a range of provision both informal to build confidence and maximise transferable skills and formal learning opportunities leading to qualifications and skills most valued by NTCA employers. In the first half of AY 2021-22 **63% of female enrolments are unemployed actively seeking work.**

1.6.4 The devolved AEB has enabled NTCA to offer a low wage flexibility for residents who earn less than the 'real' living wage. This provides full funding for employed residents who are on a low wage and may not have engaged in learning due to course fees being unaffordable. **Over 1700 enrolment opportunities were eligible for the low wage flexibility.** 62% of these enrolments were undertaken by women.

1.6.5 The pandemic has impacted all communities across our region, not least those from a BAME background who have been unduly affected by the virus in terms of transmission and health. The devolved AEB is providing over **8,000 enrolment opportunities undertaken by our BAME community.** Support for our BAME community includes provision from Action Foundation who deliver ESOL advice and career guidance to support refugees and asylum seekers in Newcastle and beyond.

1.6.6 **Over 3100 (16%) of AEB enrolment opportunities are accessed by residents who have self-declared a learning difficult/disability.** Further work is being undertaken in AY 2021-22 to understand the barriers to learning and employment that our residents with disabilities face. Provision is being secured to specifically target residents who experience learning difficulties/disabilities.

1.6.7 A priority for the devolved AEB is to help address skills supply side issues that impact on our region including a significant over-representation of people with low or no qualifications in the NTCA area. Analysis of delivery data to February 2022 reveals that the devolved AEB is upskilling residents, **with 72% of enrolments undertaken by residents with low or no qualifications.**

1.7 Outcomes for residents undertaking AEB provision

1.7.1 Complete outcome data for AEB delivery will be available at the end of the AY. Table 4 below illustrates outcomes in terms of completions and achievements of learning aims to 31 January 2022.

Table 4

| Outcomes (Learning aims completed to 31 st Jan 2021) | Number | % |
|---|--------|-----|
| Completed learning aim | 7527 | 43% |
| Achieved learning aim | 6535 | 87% |

1.7.2 We recognise that the devolved AEB is an important contribution to NTCA's inclusive economy and will play a major role in supporting recovery. Provider performance in the first half of this academic year has been mainly positive, however we are mindful that there may be further disruption from COVID-19 which may impact on delivery and learner engagement going forward.

1.8 Next Steps - managing AEB delivery for the remainder of this year and into AY 2022-23.

- 1.8.1 NTCA are exploring a number of options for consideration in relation to the management of funding allocations for the remainder of this year and for AY 2022-23. Options will consider the ongoing challenges the COVID pandemic is creating in the skills system and are being developed to maximise the potential for residents to take advantage of upskilling opportunities during these challenging times.
- 1.8.2 Ongoing dialogue with the NTCA providers is essential to inform the course of action NTCA should take, and, as was the case in AY 2020-21, a balance will be required between demonstrating appropriate use of public funds in line with the intention of the AEB, and maintaining provider stability, so that a robust skills system, with the required expertise of tutors and a breadth of curriculum offer to enable a strong economic recovery still exists as covid restrictions and impacts ease.
- 1.8.3 In line with the scheme of delegation in place for the devolved AEB, a Delegated Decision report will be submitted setting out the options available, with associated risks and mitigations. The report will present a proposed approach for approval by the Managing Director, in consultation with the Cabinet member for Education, Inclusion and Skills.
- 1.8.4 NTCA have received confirmation from the DfE of the devolved NTCA AEB allocation for AY 2022-2023. Table 5 below sets out the devolved AEB funding for the period 1 August 2022 to 31 July 2023. The table also sets out 'delegated' funding for the delivery of the Level 3 Entitlement Offer.

Table 5

| | Current year - AY 2021-22 | Next year - AY 2022-23 |
|-------------------------------------|---------------------------|------------------------|
| Devolved AEB | £23,551,493 | £23,586,796 |
| Delegated Level 3 Entitlement Offer | £1,641,588 | £1,959,315 |

- 1.8.5 Allocations of AY 2022-2023 funding to providers will be set out in the proposed options included in the delegated decision report outlined in paragraph 1.8.3.

1.9 Procured Provider Framework from AY 2023-24

- 1.9.1 In December 2019 a procurement exercise was undertaken to enable adult education providers to submit a tender for a place on the NTCA AEB Provider Framework. This 3-year framework expires at the end of AY 2022-23 and will need to be refreshed from AY 2023-24.
- 1.9.2 This report proposes to hold a procurement exercise in Autumn 2022 to enable adult education providers to submit tenders for a place on a NTCA Provider Framework. Providers who successfully secure a place on the Framework will then be able to submit tenders for Call-off contracts to deliver Adult Skills Provision, including the AEB which is devolved and/or delegated to NTCA. The proposed Provider Framework would be in place from AY 2023-24 for 3 years
- 1.9.3 This report also proposes to authorise the Managing Director, in consultation with the Cabinet Member for Education, Inclusion and Skills to approve Call-off contracts and associated funding allocations for providers on the Framework.
- 1.9.4 The procured Provider Framework will enable NTCA to distribute skills funding in response to performance and demand. It will mitigate risks related to 'underspend' of Skills funding and enable us to rapidly deploy funding to ensure there is a skills supply to respond to key growth areas with demand.
- 1.9.5 This proposal for a Provider Framework aligns with commissioning principles set out in the NTCA Strategic Skills Plan. These include: '*mapping the fullest practical range of providers with a view to understanding their current and potential to delivering our strategic skills ambitions*' and '*ensuring*

contracting processes are transparent and fair, facilitating the involvement of the broadest range of suppliers, including sub-contracting and consortia building, where appropriate’.

2. Potential Impact on Objectives

- 2.1 AEB links directly to NTCA’s strategic priorities and supports the Education, Inclusion and Skills delivery theme of NTCA’s Corporate Plan. We want everyone to have the opportunity to thrive, with access to good employment and progression. Supporting the availability of good quality, well paid work, whilst providing the right support for people to access these jobs and further training is crucial to our economic and social success.

3. Key Risks

- 3.1 AEB Devolution features as a strategic risk on the NTCA Strategic Risk Register. In addition, at a project level, appropriate risk management processes are in place to identify and mitigate risks, with escalation requirements embedded.

4. Financial and Other Resources Implications

- 4.1 Table 6 illustrates the total devolved AEB budget for Financial Year (FY) 2021-22. The table also details devolved AEB expenditure to February 2022.

Table 6

| Devolved AEB Budget FY 2021-22 | DfE Payment Date | Amount |
|--|-------------------------|--------------------|
| FY 2021-22 | Apr-21 | £8,683,992 |
| FY 2021-22 | Apr-21 | £14,759,370 |
| FY 2021-22 | Apr-21 | £356,122 |
| FY 2021-22 L3 Adult Offer | Apr-21 | £409,964 |
| FY 2021-22 L3 Adult Offer | Apr-21 | £1,231,191 |
| Funding reconciled from FY 2020-21 | N/A | £899,255 |
| Total Devolved AEB FY 2021-22 | | £26,339,894 |
| Devolved AEB Expenditure FY 2021-22 | | |
| AEB 3% Administration Costs | | £706,545 |
| Grant Awards | | £15,857,691 |
| Procured Services | | £6,650,510 |
| Delegated Level 3 Adult Offer Allocations | | £1,452,424 |
| Procured services in Lot 1 | | £800,000 |
| Increase to Grant Agreement approved by DD in January 2022 | | £150,000 |
| Total Expenditure | | £25,617,170 |
| Budget Remaining | | £722,724 |

5. Legal Implications

- 5.1 The grant funding process in relation to allocating the devolved AEB has been undertaken in accordance with all relevant legal requirements. A robust set of funding terms and conditions have been developed to protect NTCA’s position.
- 5.2 Procurement processes for Contracts for Service have been undertaken pursuant to the NTCA Order and Constitution and the Public Contracts Regulations 2015. In accordance with those legal requirements, contract for service awards have been based on the most economically advantageous tender.

5.3 The Interim Monitoring Officer's representative has advised throughout these processes (both procurement and grant funding) and attends the NTCA AEB Operational Steering Group on a weekly basis. There are no negative legal implications associated with either process.

6. Equalities Implications

6.1 As required by Section 149 of the Equality Act 2010, the NTCA has considered its obligations regarding the Public Sector Equality Duty and there will be no anticipated negative impact on groups with protected characteristics from these proposals.

6.2 Each organisation the NTCA will contract with will be required by law to meet all relevant requirements in the workplace in respect of equalities. Through the Due Diligence process, we have sought assurance from each provider that they have appropriate policies in place which protect and champion equality within their service.

6.3 In addition, we will encourage all companies we work with to be mindful of our commitment to equalities and direct them to guidance provided by the Equalities and Human Rights Commission. <https://www.equalityhumanrights.com/en/advice-and-guidance/guidance-businesses>

7. Inclusive Economy Implications

7.1 The NTCA believe the approach taken will positively contribute to creating a more inclusive economy in the North of Tyne with specific positive impact on addressing inequalities in skills and qualifications across the area.

7.2 The AEB is being used to better equip residents with low or no qualifications in the North of Tyne with the skills required to participate in our key recovery and growth sectors. The alignment of provision towards the North of Tyne growth sectors will better meet the needs of our businesses and in turn provide residents with clearer opportunities to contribute to and benefit from economic growth now and in the future.

7.3 The NTCA will continue to monitor the impact of the AEB on the inclusive economy aspirations as part of all performance management processes.

7.4 In due course, all providers will be invited to commit to the NTCA Good Work Pledge to advance their contributions as employers to the NTCA's inclusive economy aspirations.

8. Climate Change Implications

8.1 The NTCA has considered the implications relating to climate change in decisions regarding allocation of the AEB and believe there will be no negative impact as a result.

8.2 All providers are required to provide assurance that they have an environmental and sustainability policy.

8.3 In all procurement exercises, applicants were appraised on their commitments to climate change as part of Social Value. Where specific commitments have been made in relation to climate change, the NTCA will monitor compliance through performance management processes.

8.4 With the impact of COVID-19, early indication shows the provider base in the NTCA area have significantly increased the use of online learning as a means of delivery. Although no measurements are in place, the NTCA understand this will likely reduce carbon emissions associated with staff and learner travel.

9. Consultation and Engagement

9.1 NTCA have established effective working relationships with NTCA Grant and Contracted providers to monitor and respond to the impact of the COVID-19 crisis on the first year of devolved AEB. Insight and intelligence gathered has been used to inform funding flexibilities and additional provision made available through the AEB provider base to support recovery.

- 9.2 NTCA officers maintain regular contact with relevant stakeholders including the North East Local Enterprise Partnership, Skills Providers, the Department for Work and Pensions (DWP), the Department for Education (DfE) and Employers. This supports co-ordination of vacancy opportunities and skills development.
- 9.3 NTCA AEB officers attend regular meetings with DfE, the ESFA and other Mayoral Combined Authorities (MCAs) to share information and best practice.
- 9.4 NTCA will continue to work collaboratively with national strategic partners and local stakeholders to align the devolved AEB with other funding streams and activity to ensure it complements, rather than duplicates the wider learning experiences and opportunities aimed at supporting our residents to progress in learning and to move towards or into productive and sustained employment.

10. Appendices

None

11. Background Papers

NTCA Strategic Skills Plan 'Opportunity for All'
 AEB Cabinet papers 24 April 2019, 4 June 2019, 30 July 2019, 22 October 2019, 25 February 2020, 28 July 2020 and 29 September 2020, 23 March 2021, 30 November 2021

12. Contact Officers

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 Michelle Stone, AEB Policy and Data Officer michelle.stone@northoftyne-ca.gov.uk 07813 766998

13. Glossary

| | |
|------|---|
| AEB | Adult Education Budget |
| AY | Academic Year |
| BAME | Black, Asian and Minority Ethnic |
| DfE | Department for Education |
| DWP | Department for Work and Pensions |
| ESFA | Education and Skills Funding Agency |
| ESOL | English for Speakers of other Languages |
| FY | Financial Year |
| JCP | Job Centre Plus |
| LLDD | Learners with learning difficulties or disabilities |
| MCA | Mayoral Combined Authority |
| NTCA | North of Tyne Combined Authority |
| SSA | Subject Sector Area |
| SWAP | Sector based work academy programme |

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Report Summary

The purpose of this report is to highlight some of the emerging new skills programme opportunities that have been detailed in the recent HM Government Levelling Up White Paper and a proposed approach for NTCA to respond to these new opportunities for our area, working in collaboration with the Department for Education, employers and skills providers.

This collaborative approach will support the priorities set out in the NTCA Strategic Skills Plan to drive up the skills capacity of the local population which is linked to a more flexible and productive workforce.

Skills Bootcamps are one part of the Government's National Skills Fund, to help adults train and gain skills quickly to improve their job prospects. The bootcamps offer free, flexible courses of up to 16 weeks for adults aged 19 or over who are either in work, self-employed, recently unemployed or returning to work after a break.

NTCA has secured an additional £5 million to be made available to our residents for Skills Bootcamp training in sector areas such as digital, logistics, construction and green skills.

In line with NTCA's Corporate Plan, we also view this as another step forward in bringing together all direct funding for adult skills, including the flexibility to implement and lead a truly place-based response to the skills needs in the North of Tyne. Packaging together the Adult Education Budget, Lifetime Skills Guarantee Level 3 Adult Offer, and Skills Bootcamps.

NTCA view the allocation of funding to administer Skills Bootcamps in our region as an excellent opportunity to build on our approach of creating close collaborations to test, trial and co-develop coherent skills provision that adds value and secures positive outcomes for our residents, and welcome the ongoing discussions with the Department for Education to build on this place-based approach.

Recommendations

The Cabinet is recommended to

- i. Note the existing delegation in place for the NTCA Chief Finance officer to accept grant offers on behalf of the Authority, subject to all the terms and conditions set out by the grant awarding body.
- ii. Authorise the Managing Director, in consultation with the Chief Finance officer and Cabinet Member for Education, Inclusion and Skills to approve the commissioning approach for Skills Bootcamps detailed in paragraph 1.2.10 of this report and the commissioning approach for any subsequent new Skills funding received from the Department for Education to NTCA

Background Information, Proposals and Timetable for Implementation

1.1 Background

- 1.1.1 The Government has published the Levelling Up White Paper, which proposes a plan to transform the UK by spreading opportunity and prosperity to all parts of it. The Levelling Up White Paper underlines governments commitment to transforming Post-16 skills and the way people progress into the workforce and their lifelong learning throughout their career.

- 1.1.2 The Levelling Up White Paper sets out twelve missions - medium-term ambitions for the UK Government, which highlight areas where the Government believes progress is needed over the next decade to succeed in levelling up the UK.
- 1.1.3 Missions are intended to galvanise the efforts of government, the wider public sector, the private and voluntary sector, civic society and the whole community to direct efforts and resources towards improving access to opportunity across the country.
- 1.1.4 To help improve people's lives and boost the economy, the government is setting a skills mission: By 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the UK. In England, this will lead to 200,000 more people successfully completing high quality-skills training annually, driven by 80,000 more people completing courses in the lowest skilled areas.
- 1.1.5 Delivering and achieving the skills mission will require a national effort, and depend on national government, Mayoral Combined Authorities, local authorities, employers, and skills providers working together.
- 1.1.6 Government are investing £3.8bn in further education and skills over the Parliament to ensure people can access high-quality training and education that leads to good jobs, addresses skills gaps and boosts productivity.
- 1.1.7 Government will sequence and target investments in education and training, and use Skills reforms to support the Levelling Up agenda and meet the mission, supported by the creation of a new Future Skills Unit which will bring together information and data relating to skills and jobs.
- 1.1.8 The UK Shared Prosperity Fund (UKSPF) will support levelling up by providing £2.6 billion of new funding rising to £1.5bn by March 2025, with all areas of the UK receiving an allocation from the Fund. Places will be empowered to identify and build on their own strengths and needs at a local level, focused on pride in place, and delivered through three investment priorities including people and skills, covering the following objectives:

- Support disadvantaged people to access the skills they need to progress in life and into work
- Support local areas to fund local skills needs and supplement local adult skills provision
- Reduce levels of economic inactivity and move those furthest from the labour market closer to employment, through investment in bespoke employment support tailored to local need.

The Government will publish a full Prospectus on the fund later in Spring 2022.

- 1.1.9 Out of the UKSPF, Government are allocating up to £559m over the Spending Review period for Multiply, the government's new programme for improving adult numeracy, which is launching in Spring 2022. Multiply aims to transform the lives of adults across the by improving their functional numeracy skills through free personal tutoring, digital training and flexible courses.
- 1.1.10 Skills Bootcamps are being expanded to enable more adults to access free, flexible training and get the skills they need to secure careers in sectors including green, digital and construction as part of up to an additional £550 million boost to expand the popular Skills Bootcamps across the country.
- 1.1.11 Apprenticeships funding will be increasing to £2.7bn by 2024-25. This includes an enhanced national recruitment service for SMEs, which are more likely to employ younger apprentices and those living in disadvantaged areas, as well making it easier for large employers to transfer their Apprenticeship Levy to SMEs to further support apprenticeships in disadvantaged areas.
- 1.1.12 Local Skills Improvement Plans (LSIPs), together with supporting funding, will be set up across England to set out the key changes needed in a place to make technical skills training more responsive to local labour market skills needs. Lessons from the LSIP Trailblazers running in 2021-22 will inform this wider rollout. In the LU Paper government have committed they want MCAs and the Greater London Authority (GLA) to engage with the employer representative bodies leading the

development of these LSIPs, recognising MCAs and the GLA play an important role as a convener and commissioner in their areas, with devolved responsibilities including for the AEB. MCA/GLA involvement in the LSIP has now been included in the Skills and Post-16 Education Bill which is currently in progress, and which requires the Secretary of State to be satisfied that due consideration has been given to the views of the MCA/GLA if they have a presence in the area before approving a LSIP.

1.2 **Proposal**

- 1.2.1 Skills bootcamps offer free, flexible courses of up to 16 weeks for adults aged 19 or over who are either in work, self-employed, recently unemployed or returning to work after a break.
- 1.2.2 The government initially tested skills bootcamps in a range of digital skills such as digital marketing, software development and cyber security. It has since expanded, with a Wave 2 in Financial Year 2021-22 which were procured nationally across England to include a wider range of more technical and specialist courses.
- 1.2.3 NTCA was approached by the Department of Education in October 2021 with the aim of increasing the number of Wave 2 Skills Bootcamps in the NTCA area due to a significantly limited offer generated via the national procurement route.
- 1.2.4 Within considerably limited timescales set by the DfE NTCA officers responded with a proposal to meet identified need for Skills Bootcamps activity within our region. This proposal was aligned to market intelligence on skills needs of our residents and employers.
- 1.2.5 Through the NTCA Scheme of Delegation, NTCA secured £322,905 for the administration of Wave 2 Skills Bootcamp delivery in Rail Engineering, Digital, Logistics and Events. This provision is successfully being delivered and due to complete in March 2022.
- 1.2.6 DfE have now extended the Skills Bootcamp scheme to Wave 3 for delivery from 1st April 2022 to 31st March 2023. The DfE have directly approached MCA's/GLA to submit proposals for Grant Funding to administer Skills Bootcamps in their local areas.
- 1.2.7 This DfE approach is a result of extensive consultation with MCA's/GLA and in response to feedback that MCA/GLA administration of Skills Bootcamp funding would enable more flexible delivery and better meet local skills needs.
- 1.2.8 NTCA submitted a Wave 3 FY 2022-23 Skills Bootcamp proposal to DfE on 28th January 2022 for £5,531,537 which includes a 10% management fee to administer Skills Bootcamps in seven sector areas – these include digital, construction, logistics and green skills.
- 1.2.9 On 8th March 2022 DfE confirmed a funding allocation of £5,531,537 for FY 2022-23. The Grant Offer is subject to terms and conditions set by DfE and through Scheme of Delegation has been received by NTCA's Chief Finance Officer.
- 1.2.10 The approach to distributing the Skills Bootcamp funding allocation to providers, subject to approval, will consider the extension of existing NTCA Grant Agreements with providers delivering Skills Bootcamps for Wave 2 as detailed in paragraph 1.2.5. In addition, a procurement exercise for Contracts for Service will be undertaken pursuant to the NTCA Order and Constitution and the Public Contracts Regulations 2015. In accordance with those legal requirements, contract for service awards will be based on the most economically advantageous tender. Future Grant Agreements may also be considered.
- 1.2.11 NTCA view the allocation of funding to administer Skills Bootcamps in our region as an excellent opportunity to build on our approach of creating close collaborations to test, trial and co-develop coherent skills provision that adds value and secures positive outcomes for our residents.
- 1.2.12 This collaborative approach will support priorities set out in the NTCA Strategic Skills Plan to drive up the skills capacity of the local population which is linked to a more flexible and productive

workforce. For our residents this can lead to better employment opportunities, improved pay prospects and a better quality of life.

- 1.2.13 In line with NTCA's Corporate Plan, we also view this as another step forward in bringing together all direct funding for adult skills, including the flexibility to implement and lead a truly place-based response to the skills needs in the North of Tyne. Packaging together the Adult Education Budget, Lifetime Skills Guarantee Level 3 Offer, and Skills Bootcamps.
- 1.2.14 DfE is also in discussion with MCA's/GLA regarding a similar approach to funding other skills programmes and Cabinet is requested to:
Authorise the Managing Director, in consultation with the Chief Finance officer and Cabinet Member for Education, Inclusion and Skills to approve the commissioning approach for Skills Bootcamps detailed in paragraph 1.2.10 of this report and the commissioning approach for any subsequent new Skills funding received from the Department for Education to NTCA.

1.3 Timetable

- 1.3.1 NTCA are proposing to hold an open procurement exercise during April 2022 to 'onward fund' the Grant funding for Skills Bootcamps from DfE to employers and providers across our region. This procurement exercise will build on extensive consultations and market engagement activity that has been undertaken to inform the original proposal to DfE.
- 1.3.2 The Multiply programme will launch in Spring 2022 and MCA's/GLA are anticipating additional information on how MCA's/GLA will be involved in commissioning Multiply imminently.

2. Potential Impact on Objectives

- 2.1 The Skills programmes support NTCA's strategic priorities and supports the Education, Inclusion and Skills delivery theme of NTCA's Corporate Plan. We want everyone to have the opportunity to thrive, with access to good employment and progression. Supporting the availability of good quality, well paid work, whilst providing the right support for people to access these jobs and further training is crucial to our economic and social success.
- 2.2 NTCA's aspiration to work with DfE on the Skills Bootcamp propositions and future skills programmes strengthens NTCA's reputation for delivering skills solutions for its residents and employers and builds on our ability to mobilise skills interventions locally, further supporting the benefits of a devolved skills system.

3. Key Risks

- 3.1 Due to constrained timescales for working up Skills Bootcamps proposals, and the anticipated tight timescales for future skills programmes such as Multiply, NTCA officers have identified high level risks associated with administration of these programmes.
- 3.2 Officers have provided mitigation in the same table. Skills programmes will be included as a strategic risk on the NTCA Strategic Risk Register, alongside the devolved Adult Education Budget and the Delegated Level 3 Adult Offer. In addition, at a project level, appropriate risk management processes are in place to identify and mitigate risks, with escalation requirements embedded.

Table 1

| Risk description, causes and impact | Planned Mitigations |
|--|---|
| Compliance with grant conditions set out in the Grant Funding Offer Letter received from DfE. | Terms and conditions of the Grant Funding Offer have been considered by NTCA. These conditions will be replicated in providers Grant Agreements and/or Contracts to minimise risk of non-compliance with the grant conditions. |
| Capacity of NTCA to administer DfE Grant Offers for Skills programmes | The funding allocated for Skills Bootcamps includes a 10% management fee equating to £502,867 for FY 2022-23. Additional resource to administer the project will be secured through this funding. If additional Grant funding is secured, more capacity will be required to administer the programmes, including in the core team, finance, procurement and legal. Grant funding for additional programmes may or may not allow management fees to be included eg the existing Delegated Level 3 Adult Offer funding from DfE does not permit a % allocation to administration costs. |
| Delay in start of Skills Bootcamp delivery | Project Management is in place from existing NTCA staff. Extensive pre-engagement with providers and employer's pre-procurement to ascertain demand, engage delivery partners / potential employers. Capacity of providers/employers to start project from 1 st May ascertained in tender exercise. Routes to market identified. |
| Lack of interest from residents, businesses /employers to engage with Skills Bootcamps and other new skills programmes | Skills Bootcamps design based on reported employer / resident demand. Market and communications plan in place prior to project start to raise awareness amongst residents and business community. 'In area' business development presence. A similar approach would be taken with additional skills programmes. |
| Pandemic related factors | Socially distanced and on-line options available in Bootcamp delivery. Internal processes established for successful delivery during previous lockdowns, which would be incorporated into future skills programmes. |
| Delivery – Overlap/confusion with other skills funded activity in the region for participants and employers | A headline overview of current skills activity in the NTCA region has been assessed including AEB, L3 Offer and NTCA investment in skills activities. Tenderers for Bootcamps and other skills programmes will be required to outline how this provision will compliment not duplicate existing provision. |

4. Financial and Other Resources Implications

- 4.1 Skills Bootcamp funding to be received by NTCA from DfE for Financial Year 2022-23 is £5,531,537, including 10% management costs of £502,867.
- 4.2 Funding arrangements for Skills Bootcamps are set out in a Grant Funding Letter. NTCA will administer Grant Funding on payment on delivery by partners through monthly returns. This minimises risk and ensures payment on delivery.
- 4.3 The amount of any additional future skills funding is unknown at the time of writing this report.

5. Legal Implications

- 5.1 Procurement processes for Contracts for Service will be undertaken pursuant to the NTCA Order and Constitution and the Public Contracts Regulations 2015. In accordance with those legal requirements, contract for service awards will be based on the most economically advantageous tender.
- 5.2 The Interim Monitoring Officer's comments have been incorporated within this report.

6. Equalities Implications

- 6.1 As required by Section 149 of the Equality Act 2010, the NTCA has considered its obligations regarding the Public Sector Equality Duty and there will be no anticipated negative impact on groups with protected characteristics from these proposals.
- 6.2 Each organisation the NTCA will contract with will be required by law to meet all relevant requirements in the workplace in respect of equalities. Through the Due Diligence process, we have sought assurance from each provider that they have appropriate policies in place which protect and champion equality within their service.
- 6.3 In addition, we will encourage all companies we work with to be mindful of our commitment to equalities and direct them to guidance provided by the Equalities and Human Rights Commission. <https://www.equalityhumanrights.com/en/advice-and-guidance/guidance-businesses>

7. Inclusive Economy Implications

- 7.1 The NTCA believe the approach taken will positively contribute to creating a more inclusive economy in the North of Tyne with specific positive impact on addressing inequalities in skills and qualifications across the area.
- 7.2 The Combined Authority will continue to monitor the impact of Skills programme delivery on the inclusive economy aspirations as part of all performance management processes and programme monitoring.
- 7.3 In due course, all providers will be invited to commit to the North of Tyne Good Work Pledge to advance their contributions as employers to the Combined Authority's inclusive economy aspirations.

8. Climate Change Implications

- 8.1 The NTCA has considered the implications relating to climate change in decisions regarding allocation of the AEB and believe there will be no negative impact as a result.
- 8.2 All providers are required to provide assurance that they have an environmental and sustainability policy.
- 8.3 In all procurement exercises, applicants were appraised on their commitments to climate change as part of Social Value. Where specific commitments have been made in relation to climate change, the NTCA will monitor compliance through performance management processes.

9. Consultation and Engagement

- 9.1 NTCA have established effective working relationships with employers and providers to inform the proposal related to Skills Bootcamps and this will continue to inform additional future skills programmes. Insight and intelligence gathered informs provision proposals.
- 9.2 NTCA officers maintain regular contact with relevant stakeholders including the North East Local Enterprise Partnership, Skills Providers, the Department for Work and Pensions (DWP), the

Department for Education (DfE) and Employers. This supports co-ordination of vacancy opportunities and skills development.

- 9.3 NTCA AEB officers attend regular meetings with DfE, the ESFA and other MCA's/GLA to share information and best practice.
- 9.4 NTCA will continue to work collaboratively with national strategic partners and local stakeholders to align the Skills programmes with devolved AEB, the Level 3 Adult offer and with other funding streams and activity to ensure it complements, rather than duplicates the wider learning experiences and opportunities aimed at supporting our residents to progress in learning and to move towards or into productive and sustained employment.

10. Appendices

None

11. Background Papers

NTCA Strategic Skills Plan 'Opportunity for All'
NTCA Corporate Plan
HM Government Levelling Up the United Kingdom White Paper
Department for Education Skills for Jobs: Lifelong Learning for Opportunity and Growth.
DfE Skills Bootcamps Wave 3 Grant Funding Offer Letter

12. Contact Officers

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Michelle Stone, AEB Policy and Data Officer michelle.stone@northoftyne-ca.gov.uk 07813 766998

13. Glossary

| | |
|-------|----------------------------------|
| AEB | Adult Education Budget |
| AY | Academic Year |
| DfE | Department for Education |
| FY | Financial Year |
| GLA | Greater London Authority |
| DWP | Department for Work and Pensions |
| LSIP | Local Skills Improvement Plan |
| MCA | Mayoral Combined Authority |
| NTCA | North of Tyne Combined Authority |
| UKSPF | UK Shared Prosperity Fund |

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Subject: Child Poverty Prevention Programme
Report of: Head of Education Improvement
Portfolio: Education, Inclusion and Skills

Report Summary

The purpose of this report is to provide a progress update on the North of Tyne Child Poverty Prevention Programme and to seek delegation for a grant funded element of the programme.

Recommendations

The Cabinet is recommended to:

1. Note initial progress of a Child Poverty Prevention Programme for the North of Tyne.
2. Delegate authority to approve grant funding as part of the agreed Child Poverty Prevention Programme to the Managing Director in consultation with the Chief Finance Officer, Monitoring Officer and Cabinet Member for Education, Inclusion and Skills.

1. Background Information, Proposals and Timetable for Implementation

- 1.1 NTCA is committed to delivering an inclusive economy for the benefit of all our residents in the North of Tyne. Child poverty is one of the strongest indicators of an area's economic inequality. The North East currently has the second highest rate of child poverty of any English region after London, with over 25% of children in the North of Tyne living in poverty (37% with housing costs taken into account). More than half of those children are in working households. The COVID-19 crisis has put families and households at much greater risk due to loss of income, schooling, and access to practical and social support.
- 1.2 At the end of 2020 IPPR North published research into child poverty in the North East with a specific focus on devolution and made a series of recommendations for Combined Authorities to consider.
- 1.3 In June 2021, NTCA Cabinet approved £887,500 for a Child Poverty Prevention Programme pilot, to be funded from the Inclusive Economy Innovation Fund. The programme intended to build on the good work of constituent authorities, extending best practice and enabling additional activity. The programme outlined support for children in schools who currently experience poverty, helping families in poverty by supporting them with welfare advice in the trusted setting of primary schools, and working alongside employers in our area to develop poverty reduction strategies in the workplace. To this end, a programme based on three pillars was approved: funding an innovative programme of poverty interventions in schools across the North of Tyne; financial support through the school gate; and working with employers to address poverty.
- 1.4 **Progress so far**
- 1.5 A business case has been developed and internally appraised as 'green'.
- 1.6 In September 2021, the North of Tyne Investment Panel recommended the authorisation of £887,500 to be funded from the Inclusive Economy Innovation Fund, to include £340,000 for "pillar one" - a series of pilot interventions to support pupils facing poverty in North of Tyne schools.
- 1.7 A Senior Manager for the Child Poverty Prevention Programme has been recruited and will take up post in March 2022.

- 1.8 A tender is live to appoint delivery partners to deliver “pillar two” of the programme, offering welfare advice to families in 10 schools in each of the North of Tyne constituent authorities (30 schools in total).
- 1.9 Procurement is in process to appoint a partner to deliver “pillar three” of the programme, to work with 75 businesses across North of Tyne to address in-work poverty.
- 1.10 A steering group has launched, with an initial remit to shape the criteria for “pillar one”, grant funding for a programme of interventions to address poverty in schools. An overall budget of £340,000 has been set for this element of the project. Grant applications will be reviewed in line with our assurance framework ahead of approval.
- 1.11 The steering group consists of representatives from each constituent local authority, schools in each authority, the VCSE sector, local and nationally recognised experts, including the North East Child Poverty Commission and the Child Poverty Action Group.
- 1.12 Rocket Science have been awarded a contract to conduct an initial review of child poverty interventions across North of Tyne and have fed back interim findings to the steering group, with the final report due next month.
- 1.13 **Next Steps and recommendations**

In addition to working with partners to support delivery of pillars two and three, the steering group are set to recommend criteria for “pillar 1”, the grant funded element of the programme. Grant applications will be reviewed in line with our assurance framework ahead of approval. The following delegation is recommended to aid the expedient and efficient delivery of this element of the programme and to ensure delivery begins this academic year.

Cabinet is recommended to:

- 1. Note initial progress of a Child Poverty Prevention Programme for the North of Tyne.
- 2. Delegate authority to approve grant funding as part of the agreed Child Poverty Prevention Programme to the Managing Director in consultation with the Chief Finance Officer, Monitoring Officer and Cabinet Member for Education, Inclusion and Skills.

2. **Potential Impact on Objectives**

- 2.1 NTCA’s Vision is of a “dynamic and more inclusive economy...[which narrows] inequalities”.¹ We are committed to giving everyone the opportunity to thrive – to achieve a fair wage, and access good jobs, and by working in partnership with business, civil society and our residents to achieve this. Our Inclusive Economy Policy Statement reinforces this by committing NTCA to taking a people-focused approach to support every individual to succeed.²

3. **Key risks**

- 3.1 School engagement is essential to the success of this programme, which may be more challenging due to continued impact of COVID-19 disruption. Mitigation here is the co-designed nature of work thus far, and a focus on school engagement throughout delivery. Local authority relationships with schools and school networks will further support engagement.

¹ Home of Ambition: The Vision for the North of Tyne Combined Authority, November 2018, p3

² Inclusive Economy Policy Statement, North of Tyne Combined Authority, December 2018, p4

4. Financial and Other Resources Implications

4.1 The approved budget for the three programme pillars is outlined below:

| | |
|--|-----------------|
| Pillar 1 Schools-based poverty interventions | £351,500 |
| Pillar 2 Welfare advice in schools | £250,000 |
| Pillar 3 Working with employers to reduce in-work poverty | £150,000 |
| Programme management and evaluation | £136,000 |
| Total | £887,500 |

This paper seeks delegated authority to approve up to £340,000 grant funding within the schools-based poverty interventions element of the programme (Pillar 1).

5. Legal Implications

5.1 The comments of the Monitoring Officer have been incorporated in this report.

6. Equalities Implications

6.1 A Child Poverty Prevention Programme for NTCA will have specific positive impacts for groups experiencing protected characteristics, under the terms of the Equality Act 2010. Child poverty is a characteristic of socio-economic disadvantage and is highly correlated with single parent status, for example. Given the relationship between child poverty and in-work poverty, a Child Poverty Prevention Programme for the North of Tyne would specifically deliver the aims of the 2010 Equality Act: to advance equality of opportunity for all, especially for residents experiencing low pay/socio-economic disadvantage.

7. Inclusive Economy Implications

7.1 The Programme is proposed as part of NTCA's Employability and Inclusion policy priority, developing activities and interventions which achieve local economic resilience via strengthened communities, and more and good jobs. A Child Poverty Prevention Programme will specifically support the development of an inclusive economy in line with the following characteristics:

- Equity – Tackling inequality in the North of Tyne by addressing one of its main manifestations.
- Growth – Better understanding of specific interventions which can target poorer families and children, supporting residents towards more productive futures.

6 Climate Change Implications

6.1 There are no direct climate change implications for this report.

7 Consultation and Engagement

7.1 Under the direction of Portfolio holders, with the agreement of NTCA's Inclusive Economy Board independent Chair, the Board received a joint presentation from IPPR North and the North East Child Poverty Commission in November 2020. The Board asked officers to explore where NTCA could add value to work already underway in this area. Consultation with the North East Child Poverty Commission, Children North East and the North East Chamber of Commerce helped inform this proposal, moving from a series of workshops (already planned by wider stakeholders) to the proposed programme of activity. The Inclusive Economy Board then provided comments on an outline of proposals at their subsequent meeting in February 2021, noting in particular the need to

make work with both schools and employers practically-focused and provide sufficient support to implement change meaningfully.

- 7.2 Consultation has also taken place at an officer-level with: the Assistant Director: Education & Skills at Newcastle City Council, Director of Education and Skills at Northumberland County Council, and the Assistant Director for Education at North Tyneside Council, the communities and/or poverty leads with our three local authorities and a number of education specialists.

8 Appendices

None

9 Background Papers

Child Poverty Prevention Programme Cabinet Report June 2021

10 Contact Officers

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11 Glossary

IPPR The Institute for Public Policy Research
NTCA North of Tyne Combined Authority



Subject: North East Local Enterprise Partnership –
Funding Decisions Update
Report of: Chief Executive, North East Local Enterprise Partnership
Portfolio: All

Report Summary

The purpose of this report is to update the Cabinet on the work and decisions of the North East Local Enterprise Partnership (North East LEP). Since the North of Tyne Combined Authority Cabinet meeting held on 30 November 2022 there have been a number of project funding decisions related to the programmes managed by the North East LEP, for which NTCA is the accountable body since 1 April 2020. This report provides summary information about the Local Growth Fund (LGF), Getting Building Fund (GBF), Enterprise Zone (EZ), and North East Investment Fund (NEIF) programmes.

Recommendations

Cabinet is recommended to:

1. Note the report which provides information on the work and funding decisions of the North East Local Enterprise Partnership (North East LEP) over the last four months.

1. Background Information, Proposals and Timetable for Implementation

- 1.1 The report provides an update on the North East LEP project funding decisions made since the 30 November 2022. The North East LEP manages four funds; the Local Growth Funding (LGF), the Getting Building Fund (GBF), the North East Investment Fund (NEIF) and the Enterprise Zone (EZ) programmes. On the 28 May 2021, the North East LEP Board agreed to the development of a Project Development Accelerator fund being setup (sourced from NEIF, reallocated from GBF underspend and retained EZ surplus) to support the development of strategic regional projects. This fund now has a total of 21 projects that have been awarded funding to date.
- 1.2 Project funding decisions are made in line with the North East LEP Constitution and Scheme of Delegation which sets out how decisions can be made through the North East LEP Board, the Investment Board or through the delegated decision process.
- 1.3 The North of Tyne Combined Authority (NTCA), as the North East LEP accountable body, is the legal entity which issues the grant and loan agreements to project applicants and as such must satisfy itself of the legal and financial probity of any decisions it implements on behalf of the North East LEP. This means that the North LEP project funding decisions also need to be authorised through NTCA decision-making for legal and financial probity reasons, rather than endorsing the actual in principle decision of the North East LEP.
- 1.4 Project funding decisions made and implemented between 30 November 2022 and 14 February 2022 are as follows:
 - Grant offer letter for an increase in the grant budget from £2 million to £7 million for the North East Inward Investment grant using Enterprise Zone (EZ) surpluses and to remove the balance of £4.5m North East Investment Fund (NEIF) loan funds.
 - Agreed a budget for Commercial Property Investment Fund (CPIF) incentives of up to £5 million from Enterprise Zone surpluses, which will be subject to separate approvals by the North East LEP Investment Board and the North of Tyne Combined Authority (NTCA).

- Varied an existing agreement of a North East Investment Fund (NEIF) loan for the Common Room for the North Ltd project, deferring repayments of the loan by one year to January 2023.
- Varied an existing agreement of a NEIF loan extending the repayment date for The World Wheel Co Ltd, Giants of the Quayside (Whey Eye Wheel) from 31 December 2021 to 31 March 2022.
- Varied an existing agreement of a NEIF loan delaying the final payment for the Solar Capture Technologies project in Blyth, Northumberland by 12 months to March 2026, including a final repayment arrangement by Quarter 4 of 2026.
- Varied an existing Getting Building Fund (GBF) grant approval to Arbucc (Drum) Ltd for the Panther Court Commercial Property Investment Pilot project at Drum Industrial Estate revising the conditional milestones for the commencement and completion of the site works.

1.5 Project funding decisions that were also taken under delegated authority since the 30 November 2021 include:

| Project | Applicant | Grant /Loan amount | Date of decision | Decision maker |
|---|------------------------|--------------------|------------------|------------------|
| Project Development Accelerator Fund | | | | |
| Securing the generics supply chain for the UK project – market analysis of the supply of generic drug product in the UK with overall aim to develop a manufacturing plant to produce generic drug products at the Sterling Pharmaceutical site, North Tyneside. | North East Pharma Ltd | £36,000 Grant | 17/01/22 | Investment Board |
| Northern Renewable Energy Centre of Excellence – funding to enable outline design, business case development and site investigatory work to be undertaken to accelerate the development of the £2.8m learning /visitor centre. | South Tyneside Council | £71,500 Grant | 17/01/22 | Investment Board |
| Jarrow Energy Park – Preparation of a full business case, delivery plan and masterplan on Dow Chemicals redundant 13ha brownfield site, aim to seek implementation funding from LUF during 2022. | South Tyneside Council | £100,000 Grant | 17/01/22 | Investment Board |
| Forth Banks Connectivity and Infrastructure Package - Linked to the Forth Goods Yard re-development site this 'connectivity and infrastructure project' includes the re-use of the adjacent branch rail line, feasibility investigations will support a full business case and planning applications by summer 2022. | Bloc Group | £50,000 Grant | 17/01/22 | Investment Board |

| | | | | |
|--|--------------------------------|---------------|----------|------------------|
| Reimagining National Glass Centre –Technical feasibility and economic impact analysis; options analysis; RIBA Stage 3 designs and full business case to redevelop, enhance and develop new roof top commercial space. | Sunderland University | £75,614 Grant | 17/01/22 | Investment Board |
| North Shields Fish Quay – To prepare plans to RIBA Stage 4 to enhance public realm and visitor experience in vicinity of planned new Ferry Landing and full business case with view to a Levelling Up Fund (LUF) Round 2 bid. | North Tyneside Council | £60,000 Grant | 17/01/22 | Investment Board |
| Unlocking the North East Heat Networks - support to overcome delivery barriers including developing a model to help raise private finance to deliver the regions' £500m pipeline of Heat Networks and to identify measures to boost the regional supply chain capacity in this growth sector. | North East LEP | £40,000 Grant | 17/01/22 | Investment Board |
| North East Battery Alliance (NEBA) – Support initial start-up activities of NEBA and to help conduct a thorough analysis for the benefit of the region and ultimately the UK in coordinating and delivering a battery support ecosystem and building in core staffing capacity from April 20223. Partnership includes 4 Universities and CPI. | Newcastle University | £90,992 Grant | 17/01/22 | Investment Board |
| North East Investment Fund | | | | |
| Variation to Repayment- Deferral of the capital repayments on the main loan facility (£1.5m) another year to January 2023. | Common Room for the North Ltd | N/A | 17/01/22 | Investment Board |
| Business Growth project - loan repayment variation with a delay in final loan payment by 12 months to March 2026. | Solar Capture Technologies Ltd | N/A | 17/01/22 | Investment Board |

- 1.6 It is also reported that since the 30 November 2021 update, that The Glassworks project grant award of £3m, under the GBF Programme, to South Tyneside Council has been terminated and all grant paid out has been repaid following the Council's decision not to proceed with the project, due to the lack of affordability following a tender exercise.
- 1.7 The Velocity project at Washington, approved under the Getting Building Fund 'Commercial Property Investment Fund' (CPIF) pilot programme, has withdrawn. This has effectively deallocated LEP NEIF matched funding towards the GBF programme by £260,000.

2. Potential Impact on Objectives

- 2.1 The decisions support the vision and objectives of the North East LEP Strategic Economic Plan 2014- 2024, and the North East Recovery and Renewal Deal submitted to Government in September 2020.

3. Key Risks

- 3.1 The North East LEP is managing financial, regulatory and reputational risks at both project level and programme level. Individual project level risks are assessed prior to funding approval as part of the project appraisal process and in accordance with the recently updated North East LEP Assurance Framework.
- 3.2 NTCA's finance and legal officers are considering all related grant and loan funding agreements including subsidy control matters to ensure legal and financial probity as they are being determined.

4. Financial and Other Resources Implications

- 4.1 The Section 73 Officer is consulted on all funding decisions going through the NTCA decision-making process to ensure financial probity and whether the budget provision is available.

5. Legal Implications

- 5.1 The comments of the Monitoring Officer have been included within this report. The NTCA Monitoring Officer is consulted on all funding decisions going through the NTCA decision-making process to ensure legal probity.

6. Equalities Implications

- 6.1 All North East LEP funded projects are required to be delivered in accordance with the objectives set out under s149 of the Equalities Act 2010.

7. Inclusive Economy Implications

- 7.1 The North East LEP follows the policies set out in its North East Strategic Economic Plan (SEP) that promote sustainable economic growth across the region. The core objective of the North East SEP is to support the creation of 100,000 'more and better' jobs in the region by 2024.
- 7.2 Projects consider the impact on inclusive growth in the North East.

8. Climate Change Implications

- 8.1 Several of the projects directly support a greener economy for the North East.

9. Consultation and Engagement

- 9.1 Proposals have been developed through the North East LEP Board and Investment Board processes.

10. Appendices

Appendix A: Copy of the North East LEP Board, Investment update paper – 27 January 2022. This appendix is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, Information 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

11. Background Papers

None

12. Contact Officers

- 12.1 Helen Golightly OBE
Chief Executive, North East Local Enterprise Partnership
Helen.Golightly@nelep.co.uk

13. Glossary

LEP – Local Enterprise Partnership
LGF – Local Growth Fund
EZ – Enterprise Zone
NEIF – North East Investment Fund
GBF – Getting Building Fund

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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