

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD3222

Title: Skills Bootcamps Wave Five Funding Approach

Executive Summary:

The Department for Education (DfE) invited the GLA to apply for funding to deliver Wave Five of the Skills Bootcamps programme in London from 1 April 2024 to 31 March 2025. The GLA applied for £21.62m and has been awarded the full amount (see appendix A). The programme will deliver skills for adults aged 19+, required by key sectors of London's economy.

This Mayoral Decision (MD) asks the Mayor to approve the receipt and expenditure of the funding; and to delegate authority to the Assistant Director, Skills and Employment (Delivery) to make all further programme related decisions in line with the scope of this decision form.

Decision:

That the Mayor:

1. approves the receipt of £21.62m funding from the Department for Education, and expenditure of the £21.62m on delivery of Wave Five of the Skills Bootcamps programme (including expenditure of up to £2.15m to cover the management and administration costs of the programme)
2. delegates authority to the Assistant Director, Skills and Employment (Delivery) to make all further programme-level decisions.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

23/1/24

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1. The government's Skills Bootcamps were rolled out from Autumn 2020 onwards, to out of London regions. These aim to deliver flexible training programmes lasting up to 16 weeks, based on employer/sector 'in demand' skills needs; and may be either regulated (that is, qualification-based) or non-regulated (for example, based on alignment with industry standards). They enable adults to do their training around work and other commitments and are targeted at those looking to gain work or additional responsibilities, or to access new opportunities. They offer a guaranteed job interview to individual participants on completion of the courses.
- 1.2. Local areas were invited by the Department for Education (DfE) to join a national programme of delivery of Bootcamps (Wave Three) and the GLA received £18.9m to expand delivery in Digital, Construction and Technical Skills Bootcamps for London, as approved by the Mayor under cover of [Mayoral Decision \(MD\)2960](#). Following this the GLA received £19m for Wave Four, as approved by the Mayor under cover of [MD3088](#). In June 2023, the Assistant Director – Skills and Employment approved an award of £16.25m to 32 organisations to deliver Wave Four Bootcamps in 2023-24 financial year (FY) including 86 bootcamps, supporting 5,143 learners to access training.
- 1.3. Wave Three of Skills Bootcamps was commissioned via a combination of approaches. This included direct awards to existing GLA contract holders for delivery of employer-responsive skills provision leading to job outcomes, and an open, competitive bidding process. Wave Four was commissioned via allocating funding to existing Wave Three providers who met performance criteria.
- 1.4. Wave Three supported 3,391 learner starts against the expectation of 5,234 with a 74 per cent completion rate. The Wave Four programme, as of November 2023, has supported 2,927 learner starts of which 76 per cent have completed learning. This improvement in Wave Four delivery is due to the approach to commissioning which allowed delivery to start earlier than in Wave Three. This dual approach is also proposed for Wave Five as described in paragraph 2.5 below.
- 1.5. It is proposed that Wave Five of the Skills Bootcamps programme continues to support the development of in-demand skills needs required by key sectors of London's economy, including Technical (engineering and manufacturing), Construction, Accelerated Apprenticeships, Logistics (HGV), Creative, Early Years, Hospitality, Health and Social Care (including Life Sciences) and Professional Services (Financial, Leadership & Management). Green skills are now being included within Technical, Construction and Green Other sectors to acknowledge cross-cutting skills. Early Years has been introduced as a new national sector for Wave Five alongside the Creative Sector.
- 1.6. Expenditure on management and administration programme costs (M&A) of up to £2.15m for which approval is sought under this MD includes cover for salaries for up to eight dedicated provider managers who manage the Bootcamp grants, including the programme manager; part salaries of staff who also contribute to the successful delivery of the programme; and four support officers responsible for data management, commissioning, and performance reporting back to the DfE. This also includes a request for funding for the creation of three new posts which will provide extra resource for the growth of Wave Five programme whilst closing down Wave Four, and to focus on business engagement activities for the programme.
- 1.7. The remaining M&A cost includes revenue for programme evaluation, data and systems support, commissioning external scoring resource and auditing costs. M&A spend will be managed in line with business need and to support programme delivery. Commissioning of any external resource will be approved by the Assistant Director, Skills and Employment (Delivery) via a contract award recommendation.
- 1.8. Procurement of services will be completed competitively in line with GLA Contracts and Funding Code. Wave 5 grants will be disbursed using a combination of: direct awards to existing Wave Four

providers who have previously been selected via a competitive process and are meeting and/or exceeding required performance levels; and competitive application process. It is also proposed, to maximise the efficient administration of the programme that grant and contract recommendations be approved by the Assistant Director, Skills and Employment (Delivery) and as part of the local management arrangements. Similarly, management costs (excluding salaries and GLA overhead costs which are fixed as part of GLA processes) will require the approval of the Assistant Director, Skills and Employment (Delivery) as part of the local management arrangements.

2. Objectives and expected outcomes

Wave Five funding priorities

- 2.1. Skills Bootcamps are intended to support London's employers to fill skills shortages in the sectors set out in this MD at paragraph 1.5 by bringing participating individuals closer to good jobs through training that meets the skills needs of local employers, followed by guaranteed job interviews. The overarching objectives are to ensure participating employers commit to interviewing for their identified skills shortage vacancies from the pool of trained individuals.
- 2.2. The main outcomes required to meet the conditions of the DfE Wave Five funding are:
- a minimum of 5,800 learner starts in total between 1 April 2024 and 31 March 2025 at an average cost per learner of £3,730
 - at least 80 per cent of those who start training will complete the course, and of which 100 per cent of relevant learners must be offered a guaranteed interview with an employer with appropriate vacancies
 - at least 75 per cent of learners who complete their course will have a positive outcome (includes: a new job providing continuous employment for at least 12 weeks; an apprenticeship; increased responsibilities; a new role with an existing employer; or increased opportunities for the self-employed) within six months of completion of the course.
- 2.3. The payment milestones for learner outcomes were amended slightly for Wave Four, with an increased weighting for the final payment to providers to further incentivise progression into positive learner outcomes. The payment milestones for Wave Four are set out below and will be replicated for Wave Five:

Commencement	Contract Delivery	Outcome
	Course completion and interview offered	On job offer (or equivalent)
40 per cent	30 per cent	30 per cent

- 2.4. Experience from Waves Three and Four will be applied to Wave Five, with the aim to improve the programmes KPI performance. The following principles will be implemented for Wave Five:
- **Sectoral focus:** Wave Five of the Skills Bootcamps programme will continue to focus on funding Skills Providers who are delivering a locally relevant training offer aligned with Mayoral priority sectors. To date, a high proportion of Bootcamps have been delivering digital skills, with 62 per cent of the total Wave Four budget funding Digital Skills Bootcamps. For Wave Five, there is a need to increase other priority sector Bootcamps, including green skills which contribute towards the Mayor's commitment to London becoming a Net Carbon Zero city by 2030. Funding will be prioritised for those sectors where greater levels of Bootcamp delivery is required based on Mayoral priorities and latest labour market evidence, to be established in the Wave Five

Prospectus. Additionally, stakeholder and employer engagement will seek to raise awareness of the funding opportunity.

- **Implementing funding measures to ensure delivery of KPIs:** Delivery of job outcomes has been lower than expected and measures are currently in place to improve Wave Four performance. DfE have indicated a likelihood that further flexibility for local areas to determine local need will be offered only to those areas which are performing well. As implemented in Wave Four, more weighting will be given to the payment on job outcomes milestone to ensure greater commitment to the job outcomes KPI from delivery partners. In addition, greater scrutiny of employer engagement and the plan for delivery of job outcomes set out in the Wave 5 funding applications will be applied, as well as increased performance control measures.

Wave Five funding: combined approach

- 2.5. As a condition of DfE's award to the GLA of Wave 5 funding that funding must be spent on Bootcamp delivery which takes place in FY 2024-25 and 20 per cent of learner starts must be achieved by July 2024. To ensure delivery of Wave Five can therefore commence as quickly as possible and meet DfE's delivery requirements within the tight window, it is recommended that funding is allocated via a combination of two approaches. Firstly, Wave Four providers that are demonstrating strong performance in line with their delivery profile and contracted milestones will be offered funding to continue delivery of existing bootcamps. This will be based on their performance and where they demonstrate they meet criteria for value for money and strength of delivery proposals.
- 2.6. As mentioned above, DfE Wave Five funding conditions require that a minimum of 5,800 learner starts in total between 1 April 2024 and 31 March 2025 at an average cost per learner of £3,730. It is proposed therefore, that an average cost per learner of £3,730 on the Wave 5 programme is used as the benchmark for achieving value for money. Using this benchmark GLA officers will take steps to ensure that Wave 5 direct awards will not involve the payment of sums which exceed the market rate for equivalent services. To meet DfE's funding conditions those steps will include taking all relevant professional advice and taking into consideration any regional differences, the scale of services being funded and any resulting efficiencies of scale; and keeping records in each case of the basis on which the appropriate level of payments has been determined. It is proposed the GLA conduct an exercise to compare rates with relevant national/regional available skills datasets and commissioned services to help establish a market rate for equivalent services. The exercise will ensure the Wave 5 Direct Award adheres to DfE's funding conditions as set out above.
- 2.7. Prospective Wave 5 providers will be required to submit updated employer references, and additional documents supporting their delivery, including updated risks and issues, equalities targets and course content to support wider quality assurance and inspection activities in accordance with GLA and DfE guidelines. Final allocations may be adjusted based on latest insight from current Wave Four delivery after the signing of this decision. Financial due diligence will be carried out on existing providers by the GLA before awarding further funding.
- 2.8. Proposals will be reviewed, and any award of funding will be agreed only once officers are content with the value for money they provide. Grant awards will be made based on providers' proposals meeting defined criteria which, it is proposed, approval for which will be sought from the Assistant Director, Skills and Employment (Delivery). Should Wave Six Bootcamps funding become available to the GLA and the GLA is minded to continue the programme, the intention is to run a full, open competitive commissioning process. This will be subject to notice of funds from DfE. Where there are time constraints and the need to start delivery within a short period of time, then extensions may be given to Wave 5 providers.
- 2.9. Secondly, a portion of Wave 5 funding will be available via an open commissioning process for new Bootcamps and Providers, whereby a new competitive application process is followed. It is recommended that a proportion of funding is made available to commission new Bootcamps to ensure delivery levels are increased to meet DfE contract targets and facilitate continued value for

money. This takes into account poor performance in Wave Four being discontinued and to achieve greater levels of Bootcamp delivery for sector skills where delivery has been low to date, such as green skills. It is proposed, on current estimates that approximately half of the Wave Five funding will be competed by way of open commissioning process, but approval of the final split between direct and competed awards will be sought from the Assistant Director, Skills and Employment (Delivery) in line with the delegation sought under by this MD.

- 2.10. Existing providers invited to propose Wave Five bootcamp delivery will be identified based on latest performance data at the R05 reporting point (the week commencing 22 January 2024).
- 2.11. The open competition will include a new Wave 5 funding prospectus as well as application form to complete. Both will be made available on the GLA's website. All prospective applicants will be required to submit their application by a pre-set deadline.
- 2.12. This combined approach will enable the highest delivery and outcomes within the short delivery timeframe, on the basis that the existing providers are already experienced in delivering the bootcamp model and have established relationships with employers to ensure interviews and job outcomes. Furthermore, the existing Bootcamps providers could begin delivery on 1 April 2024, with the successful providers of the open commissioning process beginning delivery in May 2024.
- 2.13. Proposals submitted to the open commissioning process will be scored by the Skills and Employment Unit's contracted external scoring consultants. Once moderated, any award of funding will be agreed only once officers are content with the value for money they provide, and the GLA has carried out due diligence on the providers' financial health. Grant awards will be made based on providers' proposals meeting defined criteria which, it is proposed and will be subject to the Assistant Director, Skills and Employment (Delivery) approval.
- 2.14. In the event there is any remaining unallocated funding from Wave Five, under the delegation set out in this MD, the Assistant Director, for Skills and Employment (Delivery) will decide how to allocate this funding, including via open competition, existing growth for current providers, or a combination of both. The delegation supports the decision made due to the quick turnaround required to deliver the DfE targets in year 2024-25 financial year.

3. Equality comments

- 3.1. Section 149(1) of the Equality Act 2010 provides that, in the exercise of their functions, public authorities – of whom the Mayor is one – must have due regard to the need to: eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010; advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 3.2. The relevant protected characteristics are age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The Mayor is required to comply with the duty to have due regard detailed above in making any decisions relating to the Skills Bootcamps Programme.
- 3.3. Skills Bootcamps will be open to all adults aged 19 or over who are full-time or part-time employed, self-employed or unemployed, as well as adults returning to work after a break. The grant offer requires Skills Bootcamps to be designed to encourage the participation of underrepresented groups, such as those with protected characteristics and those who might face barriers to employment e.g. veterans or serving prisoners due to be released within six months of completion of the Skills Bootcamp and those on temporary release. The application process will therefore focus on ensuring individual Bootcamps make a commitment towards these groups and include appropriate targets in the signed grant agreement.

- 3.4. An Equalities Impact Assessment will be produced prior to any funds being allocated and the approach to allocate funding will be amended accordingly, subject to approval by the Assistant Director, Skills and Employment (Delivery) under the recommended delegation.

4. Other considerations

- 4.1. One of DfE's express funding conditions is the award of contracts for services or grants following the seeking and evaluation of competitive tenders/grant applications, in the latter case approximating as closely as possible to a competition for the award of a public contract subject to the provisions of section seven of the Public Contracts Regulations 2015 (light-touch regime).
- 4.2. The conditions also provide, however, that where the GLA reasonably considers that it would not be appropriate for providers to be selected using a competitive process (whether in accordance with the Public Contracts Regulations 2015 or under a single tender action), the grant recipient may, using its sectoral knowledge and existing relationships, award funding by way of grant on the basis of objective criteria without any prior competitive process. The adoption of this approach is subject to the GLA taking steps (for example, by relevant benchmarking as is proposed at paragraph 2.6 above) to ensure that none of the funding awarded to recipients represents more than the market rate for equivalent services, taking relevant professional advice in this regard and taking into consideration any regional differences, the scale of service provided and any resulting efficiencies of scale.
- 4.3. Officers are satisfied that the approach to grant fund existing providers by way of direct award aligns with the conditions noted above, at paragraph 4.2. This because:
- those providers were all previously selected via competitive process, including conducting financial due diligence on the organisations and have shown an understanding of the Skills Bootcamp programme and can quickly turn around onboarding of learners whilst establishing the required employer relationships as quickly as possible
 - the previous competitive process was conducted and awards were made using objective criteria and took account of GLA officers' sectoral knowledge and the existing relationships with those providers
 - application materials for previous waves (including Wave 4) allowed for future funding awards and related grant agreement extensions (in the GLA's discretion)
 - such extensions (here by way of Wave 5 direct awards) will be based on the costings and plans submitted in their initial applications.

Links to Mayoral strategies and priorities

- 4.4. The Skills Bootcamps programme outlined in this decision aligns with commitments made in the Mayor's Skills for Londoners Strategy, the Skills Roadmap for London, and the Helping Londoners into Good Work recovery mission.
- 4.5. The Bootcamps programme directly addresses skills challenges in London and will respond to London's recovery, including targeting skills areas with the highest job vacancies and skills and qualifications gaps. Strengthening partnership working between employers and skills providers will be vital to achieving this. It will help shape the types of courses on offer, meaning courses directly respond to business need and equip Londoners with the skills needed in the workplace. It will mean Londoners can be confident the training they undertake is directly relevant to job opportunities and developing long term careers.
- 4.6. Supporting Jobs and Skills – Accelerated Green Pathways: The London Recovery Board, co-chaired by the Mayor of London and London Councils aims to double the size of London's green economy to £100 billion by 2030. The Bootcamps programme will support this by upskilling Londoners to

work in a range of disciplines and sectors, including green finance, professional services, renewable energy, waste management, low carbon transport and building technologies.

- 4.7. [London's Housing Strategy](#) – currently London's construction industry is struggling to employ people with the skills that the industry needs and not enough Londoners are choosing the industry for a career. If we rely on traditional building methods alone, it will be very hard to significantly increase the number of new homes. The Mayor will therefore work to address the construction skills gap by improving London's construction skills training system and sporting the industry through the risks posed by Brexit. Construction is a key skills area for the Bootcamps programme to deliver training in.
- 4.8. [Health Inequalities Strategy](#) – the Bootcamps programme, through its training and interview offers, contributes towards promoting well paid and secure employment, which responds to the commitments set out in the Health and Inequalities Strategy Implementation Plan.

Risks arising/mitigation

- 4.9. The key risks and mitigation measures are outlined below:

Risk Description	Planned Mitigations	RAG Rating
Delivery partners are unable to deliver eligible activity to a level which uses funding allocation within the 2024-25 FY.	Using the experience of Wave Four delivery, and related performance tracking tools, underperformance can be effectively monitored and addressed at key milestones during Wave Five delivery period, with funding being redirected if necessary.	A
There is insufficient capacity within the team to manage the application process and possible delays to completion of the application process due to tight timescales.	Additional staff have been brought into the team to address capacity and the Skills and Employment Unit have contracted an external consultant to score funding applications.	G
Insufficient bids/response to the open commissioning process for Wave Five.	The GLA has used knowledge from recent application exercises and monitoring of the Wave Three and Four programmes to predict likely provider capacity in London. Officers are engaging provider and industry representative bodies to ensure the opportunity is promoted widely.	A

Conflicts of interest

- 4.10. There are no conflicts of interest to note from those involved in the drafting or clearance of this decision form.

5. Financial comments

- 5.1. Approval is sought for the receipt of £21.62m funding from the DfE, and expenditure of the £21.62m on delivery of Wave Five of the Skills Bootcamps programme (including expenditure of up to £2.15m to cover the management and administration costs of the programme) .

- 5.2. The DfE invited the GLA to apply for funding to deliver Wave Five of the Skills Bootcamps programme in London from 1 April 2024 to 31 March 2025. The GLA applied for £21.62m and has been awarded the full amount.
- 5.3. This receipt and expenditure of £21.62m would be managed through the Skills Bootcamps programme budget in 2024-25 financial year.

6. Legal comments

- 6.1. The foregoing sections of this report indicate that:
- the decisions requested of the Mayor concern the exercise of the GLA's general powers, falling within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development and wealth creation in Greater London
 - in formulating the proposals in respect of which a decision is sought, officers have complied with the Authority's related statutory duties to:
 - pay due regard to the principle that there should be equality of opportunity for all people
 - consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom
 - consult with appropriate bodies.
- 6.2. In taking the decisions requested, the Mayor must have due regard to the Public Sector Equality Duty – namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010 and to advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion) and persons who do not (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to section 3 (above) of this report.
- 6.3. The Mayor may delegate the exercise of the GLA'S functions to the Assistant Director, Skills and Employment (Delivery) as proposed.
- 6.4. If the Mayor makes the decisions sought, officers must ensure that:
- they are satisfied that their proposed delivery of Wave 5 of the Skills Bootcamps Programme remains compliant with the DfE funding conditions (including, should any direct award of funding be proposed, the existence of a robust rationale of why to do so is better than competing the funding opportunities based clearly upon the GLA's "...sectoral knowledge and existing relationships..." and by reference to "...objective criteria..."), taking all necessary advice on market rates for the funded services and professional advice in this regard and taking into consideration any regional differences, the scale of service provided and any resulting efficiencies of scale; and
 - the competitive award of grant funding is conducted fairly, transparently, in manner which affords value for money and in accordance with the requirements of DfE and the GLA's Contracts and Funding Code and grant funding agreements are put in place between and executed by the GLA and recipients before any commitment to fund is made;
 - payment for services, those services are procured in liaison with TfL Procurement and in accordance with the GLA's Contracts and Funding Code and contracts are put in place between and executed by the GLA and contractors before commencement of such services; and

- payment for staffing resourcing at the GLA, if such staffing is to be covered by establishing any new roles, they comply fully with the GLA's "establishment control" procedures.

7. Planned delivery approach and next steps

7.1. Planned activity is set out in the table below:

Activity	Timeline
Outcome of roll over funding awards	April 2024
Delivery for existing providers to commence	April 2024
Open commissioning application window	Late February 2024 – early April 2024
Outcome of open commissioning	May 2024
All delivery to commence by	June 2024
Final evaluation start and finish (external)	March 2024 to March 2026
Delivery end date	March 2025

Appendices and supporting papers:

Appendix A - Signed Memorandum of Understanding Wave Five Skills Bootcamps.

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral

Is the publication of Part 1 of this approval to be deferred? NO

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer:

Beth Lackenby has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Tunde Olayinka has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Jules Pipe has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 22 January 2024

✓

INTERIM CHIEF FINANCE OFFICER:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature:



Date:

22/01/2024

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature:



Date:

22/01/2024