GREATER**LONDON**AUTHORITY

REQUEST FOR DIRECTOR DECISION – DD2541

Title: Skills Advisory Panel implementation funding 2021-22

Executive Summary:

Skills Advisory Panels (SAPs) aim to bring together local employers and skills providers to pool knowledge on skills and labour market needs, working together to understand and address key local skills challenges.

On behalf of the Greater London Authority (GLA), the Mayor's Skills for Londoners (SfL) Board leads on the SAPs work. Comprising public and private sector employers, local authorities and colleges, the SfL Board advises the Mayor on skills and employment priorities in London, so is already configured to support the SAP funding and its constitution was updated in April 2019 to reflect these additional responsibilities

As set out in $\underline{DD2345}$ and $\underline{DD2463}$, the Department for Education (DfE) provided each SAP area with £75,000 funding in 2019-20 and 2020-21. The DfE has now confirmed that each SAP area will receive a further £75,000 for 2021-22 to help produce high quality local level skills analysis, maintain relationships to deliver the local skills agenda and refresh Local Skills Reports.

It is proposed that this funding is used to to fund the renewal of the GLA subscription to Economic Modelling Specialist International (Emsi) job-postings data renewal for the period, 1 July 2021 to 30 June 2022 and to part fund a Grade 10 role who will support the work of the Skills and Employment Unit by conducting strategic analysis of London Skills system and labour market.

As with previous SAP funding, this grant will be subject to a Memorandum of Understanding (MoU). The MoU will stipulate the purpose of the grant and set out how the funding will be used to support the analytical requirements of the SAP. The GLA will also be asked to provide a Use of Funds statement at the end of the 2021-22 financial year.

Decision:

That the Executive Director of Communities and Skills:

- approves the receipt of £75,000 from the DfE in 2021-22 for the Skills Advisory Panel (SAP) work; and
- approves that the £75k SAP funding will be used to fund the renewal of the GLA subscription Emsi job-postings data renewal for the period, 1 July 2021 to 30 June 2022 (the sum of £23k) and a Grade 10 role in the second half of the financial year.

AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Sarah Mulley

Position: Executive Directors,
Communities and Skills

Signature: Date:

21 July 2021

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required - supporting report

1. Introduction and background

- 1.1 SAPs were a 2017 HM Government manifesto commitment and a key initiative under Government's Industrial Strategy to address mismatches between skills supply and employer demand more effectively.
- 1.2 There are now 36 well-established SAPs within Mayoral Combined Authorities (MCAs) and Local Enterprise Partnerships (LEPs) across the country, bringing together local employers, skills providers and local government to pool knowledge on skills and labour market needs, and to work together to understand and address local skills challenges. Grant funding in previous years has helped increase the quality of local-level labour market analysis and strengthen the links between local employers, skills providers, and other relevant stakeholders.
- 1.3 SAPs are local partnerships that strengthen the link between public and private sector employers, local authorities, colleges, universities, and independent training providers. They operate at a local level through MCAs or LEPs to identify the current and future skills needs in their area, ensuring provision better matches local employment opportunities and local employers' needs. SAPs adopt a local leadership role on skills and are expected to identify skills priorities for the area based on high-quality analysis.
- 1.4 SAPs aim to bring together local employers and skills providers to pool knowledge on skills and labour market needs, and to work together to understand and address key local challenges. This includes both immediate needs and challenges and looking at what is required to help local areas adapt to future labour market changes and to grasp future opportunities. This will help colleges, universities and other providers deliver the skills required by employers, now and in the future.
- 1.5 In order to achieve this aim, in 2019-20 and 2020-21 the DfE provided £75,000 funding to each local area for the purpose of building capacity, growing local capability sustainably and for producing high quality analysis to underpin the work of the SAP. This was approved under $\underline{DD2345}$ and $\underline{DD2463}$.
- 1.6 The DfE has now confirmed an additional £75,000 funding to each SAP area in 2021-22. The funding is expected to be used to achieve three broad objectives:
 - continue to produce high quality local-level skills analysis
 - maintain relationships to deliver the local skills agenda
 - refresh Local Skills Reports.
- 1.7 On behalf of the GLA, the SfL Board holds the SAP responsibilities for London¹, closely supported by the SfL Business Partnership² and the London Economic Action Partnership (LEAP) the Local Enterprise Partnership for London. The SfL Board is asked to consider all SAP funding decisions.
- 1.8 The first London Local Skills Report, a requirement of the 2020-21 SAP funding, was published in March 2021.³ The report is expected to be refreshed in November 2021 and annually thereafter.

¹ In other areas the SAP forms part of the Local Enterprise Partnership (LEP) or Mayoral Combined Authority (MCA).

² This business-led partnership is responsible for advising the Mayor on how to improve and better align skills provision including specialist, industry-relevant and higher-level skills provision to meet skills needs in London.

³ Available at: https://www.london.gov.uk/sites/default/files/final - locals skills report london 160321.pdf

2. Objectives and expected outcomes

- 2.1 The £75,000 funding is provided for the 2021-22 financial year and will be used to fund the renewal of the GLA subscription to the Emsi job-postings data for the period 1 July 2021 to 30 June 2022 and to fund a Grade 10 role in the second half of the financial year. This role will support the work of the Skills and Employment Unit by conducting strategic analysis of London Skills system and labour market, helping inform Adult Education Budget (AEB) delivery.
- 2.2 Renewing the subscription with Emsi will allow the GLA to further develop its understanding of skills-demand in London and to maximise the value and use of Emsi data through additional data analysis and products. It will also support further detailed analysis of online vacancy trends in the next version of the London Local Skills Report.
- 2.3 The current GLA subscription with Emsi is due to expire on 30 June 2021. Under advice from TfL Procurement, GLA officers recently ran competitive tender process based on a Request for Quotation Form in accordance with the GLA Contracts and Funding Code. Through this process, Emsi was identified as offering greater value for money.⁴
- 2.4 The Grade 10 role was approved by the Chief Officer on 25 May 2021 (CO-284) through the GLA's Establishment Control Procedure. As the SAP funding is not confirmed for future years, the GLA will explore other sources of funding for the Grade 10 role and the renewal of the GLA subscription to the Emsi job-postings data beyond June 2022.
- 2.5 As indicated above, the work will be overseen by the SfL Board, which is the SAP for London, working closely with the SfL Business Partnership and LEAP. This will ensure that the analysis produced by the posts is able to influence strategic skills and employment decisions in London.
- 2.6 In order to receive the funding, the GLA will be required to enter into a MoU with the DfE, detailing current capacity and capabilities and setting out the arrangements to use the funding to grow local analytical capability and deliver the SAP role sustainably.
- 2.7 The DfE published further guidance on the <u>role and governance of SAPs</u> in 2019.⁵ The guidance sets out how HM Government will support SAPs and its expectations as to their role, structure and governance.

3. Equality comments

- 3.1 In carrying out any functions in respect of his skills and employment programmes, including the work of the SAP, the Mayor will comply with the public sector equality duty under section 149 of the Equality Act 2010.
- 3.2 Under Section 149 of the Equality Act 2010, as a public authority, the GLA must have 'due regard' of the need to:
 - eliminate unlawful discrimination, harassment and victimisation
 - advance equality of opportunity and foster good relations between people who have a protected characteristic and those who do not
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

⁴ This was based on considerations of the quality of the data offered by two suppliers; flexibility in data access and utilisation; and overall price.

⁵ Available at

3.3 The evidence base for the SfL Strategy found that key groups with protected characteristics, including women, Black, Asian and minority ethnic Londoners and disabled Londoners are under-represented in London's labour market. The funded posts will support work to develop actions to address this, including the prioritisation of inclusive and good quality education and transition opportunities for all, with targeted actions to improve access for protected and under-represented groups. The posts will also support the development of proposals to deliver economic fairness and a more inclusive London, with proposed actions to promote diversity, inclusion and community cohesion.

4. Other considerations

- 4.1 The £75,000 funding confirmed by the DfE for each SAP area is for 2021-22 only. The GLA notes that the MoU between the GLA and the DfE stipulates that there should be no expectation, at the current point in time, that further funding will follow in future years as it is subject to any outcome of Spending Reviews and local areas must plan on this basis.
- 4.2 Uncertainty about the labour market landscape in light of any cessation of Government support for businesses affected by the Covid-19 pandemic may have an impact on the next version of the London Local Skills Report. Only the latest data that is available at the time of publication will be used to support any analysis or recommendations made in the report.
- 4.3 SAP funding is not guaranteed beyond 2021-22. If the funding from the DfE is to cease, then the expenditure will be contained in within the AEB.
 - Links with Mayoral Strategies and priorities
- 4.4 The funded post will primarily be involved in producing analysis to better understand the supply and demand for skills in London. The funded post will, for example, be involved in producing analysis for the London Local Skills Report.
- 4.5 The funded post will also support the development of employment and skills policy and programmes in London. The SfL Strategy sets out the need to improve London's skills system across a number of areas, particularly the AEB which has been delegated to the Mayor.
- 4.6 The London Local Skills Report will include references to any work underway in London to support the Local Skills Improvement Plans that were proposed in the Skills for Jobs white Paper, published in January 2021.
- 4.7 There are no conflicts of interest to declare from those involved in the drafting or clearance of this decision.

5. Financial comments

5.1 This decision is seeking the approval of receipt of £75,000 from the DfE in 2021-22 for the SAP. This will be used to fund the renewal of the GLA subscription to the Emsi job-postings data for the period 1 July 2021 to 30 June 2022 and to fund a Grade 10 role in the second half of the financial year.

6. Legal comments

- 6.1 The foregoing sections of this report indicate that the decisions requested of the Mayor concern the GLA's exercise of its general 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 and in formulating the proposals in respect of which a decision is sought officers have complied with the GLA's related statutory duties to:
 - 6.1.1 pay due regard to the principle that there should be equality of opportunity for all people

- 6.1.2 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
- 6.1.3 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 or belief, pregnancy and maternity and gender reassignment) and persons who do not share it (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 Should the Mayor be minded to make the decisions sought officers must ensure that an appropriate contract is entered into and executed by the GLA and EMSI before the commencement of the supplies and services.

7. Planned delivery approach and next steps

| Activity | Timeline |
|-------------------------------|---------------|
| Receipt of funding | Summer 2021 |
| Publish a Local Skills Report | November 2021 |

Supporting papers:

SAPs MOU (Financial Year 2021-22)
Use of Funds Statement (Financial Year 2021-22)

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 <u>or</u> on the defer date.

Part 1 - Deferral

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

If YES, for what reason:

Until what date: (a date is required if deferring)

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: | 3. |
| <u>Laura Marshall</u> has drafted this report in accordance with GLA procedures and confirms the following: | ✓ |
| Assistant Director/Head of Service: | |
| <u>Michelle Cuomo Boorer</u> has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval. | ✓ |
| Financial and Legal advice: | |
| The Finance and Legal teams have commented on this proposal, and this decision reflects their comments. | ✓ |
| Corporate Investment Board | |
| This decision was agreed by the Corporate Investment Board on 12 July 2021. | |

EXECUTIVE DIRECTOR, RESOURCES:

D. Garg

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

Signature Date
21 July 2021