# GREATER LONDON AUTHORITY

## **REQUEST FOR DIRECTOR DECISION – DD2591**

## Title: Skills Advisory Panel implementation funding 2022-23

#### **Executive Summary:**

On behalf of the GLA, the Mayor's Skills for Londoners (SfL) Board leads on Skills Advisory Panel (SAP) work for London. The Department for Education (DfE) has confirmed that SAP areas will receive funding of up to £55,000 in financial year 2022-23 for the production and sharing of local-level skills and labour market analysis, down from £75,000 in previous financial years (see <u>DD2541</u>).

It is proposed that these funds are used to part fund the salaries of two analytical staff members in GLA Economics. These members of staff will (i) produce and make available robust analysis of London's labour market and skills needs and (ii) support the GLA to work collaboratively with the London employer representative body in the development of a Local Skills Improvement Plan (LSIP) for London. The balance of the salaries is funded from the Skills and Employment budget.

Additionally, this decision seeks approval for the renewal of the GLA subscription to Emsi Burning Glass job postings data for the period 1 July 2022 to 30 June 2023. This will contribute to the development of the LSIP for London and support the work of the GLA's Skills & Employment Unit more widely. Previously, this subscription was funded through SAP grant funding, but due to reduced funds for the year, it will now be funded from the Skills and Employment budget.

### Decision:

That the Executive Director of Communities and Skills approves:

- the receipt of £55,000 from the DfE in 2022-23 for the Skills Advisory Panel (SAP) work
- expenditure of the £55,000 SAP funding to part-fund the salaries of two analytical staff members in the GLA Economics team
- expenditure of £24,300 from the Skills and Employment Unit budget to renew subscription access to local online job vacancy data from July 2022 to June 2023.

### **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: Tunde Olayinka

**Position:** Executive Director, Communities and Skills

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Date: 02/08/22

Signature:

### PART I - NON-CONFIDENTIAL FACTS AND ADVICE

## **Decision required – supporting report**

## 1. Introduction and background

- 1.1 The DfE has been working with local areas since 2018 through the Skills Advisory Panel (SAP) programme to increase the quality of local-level skills and labour market analysis, strengthen the links between local employers and skills providers and increase the continuity of output across the country through the publication of Local Skills Reports in 2020-21 and 2021-22.<sup>1</sup>
- 1.2 To support these aims, the DfE provided £75,000 of grant funding to each area in 2019-20, 2020-21 and 2021-22. This funding was provided for the purpose of building capacity, growing local capability sustainably and for producing high quality analysis to underpin the work of the SAP. The use of this funding in London was approved under <u>DD2345</u>, <u>DD2463</u> and <u>DD2541</u>.
- 1.3 In 2021, the Skills for Jobs White Paper set out an intention to put employers more firmly at the heart of the skills system through the introduction of Local Skills Improvement Plans (LSIPs). Led by designated employer representative bodies (ERBs), LSIPs are strategic plans that will articulate employers' skills needs and the priority changes required in a local area to help ensure that post-16 technical education and skills provision delivered through colleges of further education better meets local labour market skills needs.
- 1.4 The DfE has now confirmed that it will provide a contribution of up to £55,000 funding to each SAP area in the 2022-23 financial year. While LSIPs are not intended to be a direct replacement for SAPs, the aim and objectives of the grant funding for 2022-23 have been revised compared to previous years. More specifically, the key objectives of the funding for this year are as follows:
  - produce and make available robust analysis of skills needs and the local labour market
  - work collaboratively with the ERB (once designated) in the development of an LSIP for the local area.
- 1.5 The GLA holds the SAP responsibilities for London<sup>2</sup> (being administered internally via the SfL Board), closely supported by the Jobs and Skills Business Partnership<sup>3</sup> and the London Economic Action Partnership (LEAP) the Local Enterprise Partnership for London. The SfL Board is asked to consider all SAP funding decisions as part of the GLA's Skills & Employment Unit's governance arrangements.

## 2. Objectives and expected outcomes

2.1 The £55,000 funding is provided for the 2022-23 financial year. It is proposed that it is used to part- fund the salaries of two existing staff members in the GLA Economics team.<sup>4</sup> These members

<sup>&</sup>lt;sup>1</sup> The first London Local Skills Report, a requirement of the 2020-21 SAP funding, was published in March 2021. See: <u>https://data.london.gov.uk/dataset/skills-for-londoners-strategy-local-skills-report-and-annexes</u> An updated London Local Skills Report for the 2021-22 financial year was published in February 2022. See: <u>https://data.london.gov.uk/dataset/london-local-skills-report-and-annexes-february-2022</u>

<sup>&</sup>lt;sup>2</sup> In other areas the SAP forms part of the Local Enterprise Partnership (LEP) or Mayoral Combined Authority (MCA).

<sup>&</sup>lt;sup>3</sup> 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.

<sup>&</sup>lt;sup>4</sup> Existing posts approved by the Chief Officer in May 2021 (CO-284) through the GLA's Establishment Control Procedure.

of staff will help to produce and make available robust analysis of skills needs and the London labour market and support the GLA to work collaboratively with the ERB (once designated) in the development of an LSIP for London. Key activities of these posts will include:

- updating existing analysis and producing further rounds of analysis to ensure that the ERB leading the London LSIP (once designated) has access to up-to-date macro level information on the local labour market and skills needs
- undertaking additional analysis and/or deep dives into areas of particular interest, agreed with the ERB, around local skills needs and labour market challenges
- producing materials that disseminate and present updated analysis and strategies to relevant stakeholders including the designated ERB
- facilitating/supporting the sharing of their analysis and intelligence on the local labour market with the designated ERB and other local stakeholder (e.g. skills providers).
- 2.2 These activities will also support the work of the GLA Skills & Employment Unit, helping to inform Adult Education Budget (AEB) delivery, for example. As a result, the balance of staff salaries will be funded by the Skills and Employment Unit budget.
- 2.3 As indicated above, the work will be overseen by the GLA's SfL Board, which is the SAP for London, working closely with the Jobs and Skills Business Partnership and LEAP. This will ensure that the analysis produced by the posts influences strategic skills and employment decisions in London.
- 2.4 In order to receive the funding, the GLA will be required to enter into a Memorandum of Understanding (MoU) with the DfE, detailing current capacity and capabilities and setting out the arrangements to use the funding to grow analytical capability and deliver the SAP role sustainably.
- 2.5 To support with the objectives outlined above, it also proposed that £24,300 of skills funding is used to fund the renewal of the GLA subscription to Emsi Burning Glass job postings data for the period 1 July 2022 to 30 June 2023. Previously, this subscription was funded through SAP grant funding, but due to reduced funds, it will now be funded from the Skills and Employment budget.
- 2.6 Alongside traditional sources, this near real-time information is used to track and assess job vacancy trends in London, providing valuable information about labour demand.<sup>5</sup> Continued access to this data will support the effective planning and delivery of adult skills provision in London. It will also allow the GLA Economics team to maximise the value and use of this data through the development of outputs that disseminate and present the latest trends.
- 2.7 The current GLA subscription with Emsi Burning Glass expired on 30 June 2022. Under advice from Transport for London (TfL) Procurement, GLA officers recently ran a competitive tender process based on a Request for Quotation Form in accordance with the GLA Contracts and Funding Code. Through this process, Emsi Burning Glass was identified as offering greater value for money.

<sup>&</sup>lt;sup>5</sup> Real-time web-scraping data have several key advantages over traditional sources of labour market data. The data can be accessed and updated frequently, they include a large volume of data with coverage across the country and have a wide range of information besides occupation (or job title), including desired skills, location, and salary information.

## 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.
- 3.3 The evidence base for the <u>SfL Strategy</u> 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 in the GLA Economics team will produce 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

### **Risks arising/mitigation**

- 4.1 The £55,000 funding confirmed by the DfE for each SAP area is for 2022-23 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 SAP funding is not guaranteed beyond 2022-23. If the funding from the DfE is to cease, then the expenditure will be contained within the available Skills and Employment budget including the AEB.

### Links with Mayoral Strategies and priorities

- 4.3 The funded posts will primarily be involved in producing analysis to better understand the supply and demand for skills in London. The funded posts will, for example, be involved in updating analysis of core (and other) indicators – which previously informed London's Local Skills Reports and/or producing further rounds of analysis to ensure that the ERB designated for London has access to up-to-date macro level information on labour market and skills needs, when producing its LSIP. This will include analysis of trends in online job postings data.
- 4.4 The funded posts, and continued access to online job postings data, 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.

4.5 There are no conflicts of interest to declare from those involved in the drafting or clearance of this decision.

## 5. Financial comments

- 5.1 Approval is being sought for the receipt of grant funding from the DfE in the sum of £55,000. This is to support the 2022-23 SAP and is part of an annual funding round provided by DfE. A memorandum of understanding will be signed which will stipulate how the grant funding is to be used and use of funds statement will be required to support evidence of expenditure. The grant funding will be contained within the 2022-23 Skills and Employment budget.
- 5.2 Further approval is being sought for the expenditure of the £55,000 grant receipt towards salary costs of two staff members within GLA economics. The staff members will help support the work carried out within the Local Skills Improvement Plan as it requires a repurposing of the DfE funding to facilitate this work.
- 5.3 Approval is also sought for the expenditure of £24,300 towards the Emsi Burning Glass job postings data subscription renewal from July 2022 to June 2023. This will be funded from available resources contained within the Skills and Employment 2022-23 budget.

### 6. Legal comments

- 6.1 The foregoing sections of this report indicate that the decisions requested of the Director 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 Director 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 Director should have particular regard to section 3 (above) of this report.
- 6.3 Should the Director make the decisions sought officers must ensure that:

- 6.3.1 no reliance is placed upon the DfE funding until the MoU mentioned in section 2.4 is entered in to and executed by DfE and the GLA;
- 6.3.2 an appropriate contract is entered into and executed by the GLA and Emsi Burning Glass before the commencement of the supplies and services
- 6.3.3 to the extent applicable, officers follow all relevant GLA HR protocols in respect of the staffing proposals.

#### 7. Planned delivery approach and next steps

Activity	Timeline
Receipt of funding	Summer 2022
Producing new deep-dive analysis	Autumn/Winter 2022
Updating Core Indicators for London	Winter 2022

#### Supporting papers:

SAPs MOU (Financial Year 2022-23) 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

### 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:	
Laura Marshall has drafted this report in accordance with GLA procedures and confirms the following:	$\checkmark$
Assistant Director/Head of Service:	
Michelle Cuomo Boorer has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.	$\checkmark$
Financial and Legal advice:	
The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.	$\checkmark$
Corporate Investment Board	
This decision was agreed by the Corporate Investment Board on 1 August 2022.	

### **EXECUTIVE DIRECTOR, RESOURCES:**

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

Date 2/8/22

Signature		
D. Gane		