

Report to OVERVIEW AND SCRUTINY BOARD

Oldham Work and Skills Strategy Update

Portfolio Holder:

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Purpose of the Report

Cabinet agreed the Council's new Work and Skills Strategy on 27 June 2016. The strategy was presented to Overview and Scrutiny in July 2017. The Strategy was written to complement the new regeneration framework for Oldham, by focussing particularly on "social regeneration" objectives for the borough, developing a shared ownership of these across all partners and providers. It acts as one of the three major components of the Oldham Strategic Investment Framework (SIF) for economic regeneration, and to position the Council in the context of GM devolution of employment and skills.

An update was provided on the 11th July 2018 and at that meeting the Board **RESOLVED that:**

1. An update on the Work and Skills Strategy be received by the Board in 12 month's time.

The purpose of this report is to update the Board on the progress in relation to the key components of Work and Skills Strategy as requested.

Executive Summary

The Work and Skills strategy (2016-2020) sought to improve population skills outcomes to support Oldham's strategic goals. It was intended to inform and raise awareness across the Oldham Partnership of the complexity of and multiple challenges facing the employment and skills systems, and to position the Oldham economy in the context of emerging strategies for employment and skills across Greater Manchester (GM).

The Work and Skills strategy is organised around four strategic goals, supported by a new outcomes framework for work and skills:

- 1.1. Create jobs**, including targets for Phase 2 of Get Oldham Working
- 1.2. Social regeneration and in-work progression**, including the new pilot Career Advancement Service
- 1.3. Deliver the OESC and improve the colleges**, including a commitment to support the sustainability of the post-Area Based Review settlement for Oldham
- 1.4. Support a thriving private sector**, including to better represent our six priority employment sectors in our partnership framework

This report provides an update against the Outcomes framework.

Recommendations

1. Comments and feedback from Overview and Scrutiny Board are invited on the update.

Oldham Work and Skills Strategy 2016-20

1 Background

- 1.1 The Work and Skills strategy complemented the regeneration framework for Oldham, by focussing particularly on “social regeneration” objectives for the borough, to develop a shared ownership of these across all partners and providers. It acts as one of the three major components of the Oldham Strategic Investment Framework (SIF) for economic regeneration, and to position the Council in the context of GM devolution of employment and skills activities (This now includes £92.3m Adult Education Budget from August 2019 and the £50m Work and Health Programme).
- 1.2 The strategy seeks to improve population skills outcomes to support Oldham’s strategic goals. It seeks to inform and raise awareness across the Oldham Partnership of the complexity of and multiple challenges facing the employment and skills systems, aiming to position the Oldham economy in the context of emerging strategies for employment and skills across Greater Manchester (GM). It is organised around four strategic goals, supported by a new outcomes framework for work and skills:
- **Create jobs**, including targets for Phase 2 of Get Oldham Working
 - **Social regeneration and in-work progression**, including the new pilot Career Advancement Service
 - **Deliver the OESC and improve the colleges**, including a commitment to support the sustainability of the post-Area Based Review settlement for Oldham
 - **Support a thriving private sector**, including to better represent our six priority employment sectors in our partnership framework
- 1.3 The Work and Skills Strategy is developed around an Outcomes framework which commits partners to working collaboratively in pursuit of twelve priority themes. Cabinet agreed the Council’s new Work and Skills Strategy on 27 June 2016. The strategy was presented to Overview and Scrutiny in July 2017 and an update was provided in July 2018. The Strategy was written to complement the new regeneration framework for Oldham, by focussing particularly on “social regeneration” objectives for the borough, developing a shared ownership of these across all partners and providers. It acts as one of the three major components of the Oldham Strategic Investment Framework (SIF) for economic regeneration, and to position the Council in the context of GM devolution of employment and skills.
- 1.4 This report aims to provide the Overview and Scrutiny Committee and update at the end of the third year.
- 1.5 Key highlights include:

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- the successful attraction of £2.3m of European Social Fund monies (to date) to deliver the Skills Support for Employment (previously Skills for Employment and Skills Support for the Unemployed), RAISE and National Careers service programmes, which enable a full programme of employment and skills support to be delivered by Get Oldham Working.
 - Agreement with GM Combined Authority to maintain the £2.83m commitment to Oldham Lifelong learning service to deliver Adult Education Budget related activity.

1.6 Key risks include:

- 60% of corporate funding has been disinvested due to budgetary pressures but this has been more than offset by winning externally funded projects.
- The devolution agenda is more keenly focussed on skills provision that leads to increased productivity and meets the needs of employers. This will reshape the current offer which may impact on some learners.

2 **Current Position**

2.1 Figure 1 presents an overview of each outcome in June 2018 compared to that in 2016 and the intended outcome by 2020

Figure 1 – Progress update

Outcome	Priority Theme	2016 status	2020 Outcome	2019 Update
1.	Population skills outcomes	Summarised in section H on skills performance	Closing the gap: consistent with the SIF, population skills outcomes (% of residents qualified at L1-4+ inclusive) should demonstrate a rate of improvement at or above GM averages.	<p>The Local Economic Assessment will be published in July 2019 which demonstrates an improvement in some skills outcomes.</p> <p>In 2018, 27.9% of citizens have and NVQ4 and above with a 2 percentage point increase since 2016.</p> <p>65.8% of citizens have an NVQ2 or above – and increase of 1.4% points since 2016.</p> <p>Unfortunately there are 13.6% of citizens with no qualification which has increased from 12.5% in 2016.</p> <p>The ESF Skills Support for Employment, ESF Skills for the Workforce and the Apprenticeship Levy programmes will continue to support this uplift alongside the Career Advancement Service and the core activities of Oldham Lifelong Learning Service and The Oldham College.</p>
2.	Provider performance	Current OFSTED judgements	No provider rated less than “Good” by OFSTED	<p>Support is ongoing with key local providers. The Oldham College recently posted significant improvements in achievement rates – with the fastest rate of improvement of any GM FE college which led to a new Good rating.</p> <p>Oldham Lifelong Learning Service is still Outstanding and self-assessment maintains this expectation.</p> <p>All GM Adult Education Budget providers will be Good or Outstanding.</p>

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3.	Apprenticeships	As of 2013/14 data, 2 nd lowest Apprenticeships pass rate in GM – 2040 leavers with pass rate of 65.8%	<ol style="list-style-type: none"> 1. By 2020, high quality sectoral specific and relevant apprenticeships should be provided across Oldham, maximising the value of the levy and meeting business needs of our future employment base. 2. Closing the gap with GM success rates in context of onset of Apprenticeship Levy 3. Maximise the value of Levy-funded provision for Oldham Council as an employer 	<p>Latest data set for 2017/18 (published March 2019) demonstrates significant improvement in apprenticeship achievement rates for Oldham citizens. Average pass rate is now 67.6% (2.5 percentage points lower than 2016/17) which is in part due to new standards being rolled out. Oldham still continues to be a higher performer than the GM - average of 65.1% (2.5 percentage points higher than 2016/17).</p> <p>Significant work has been undertaken to prepare for the Apprenticeship Levy within the Council which has a target of c. 64 apprentices per year with funding of £310k per year to fund the training (equivalent to c. 100-150 apprentices per year but no funding for salary costs).</p> <p>Apprenticeship Starts including schools:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Target</th> <th>Starts Delivered</th> </tr> </thead> <tbody> <tr> <td>2017/18</td> <td>64.1</td> <td>71</td> </tr> <tr> <td>2018/19</td> <td>64.4</td> <td>66</td> </tr> <tr> <td>2019/20 (Projection)</td> <td>64.4</td> <td>30</td> </tr> </tbody> </table> <p>Work is ongoing with GMCA to develop new apprenticeship standards to support key sectors.</p> <p>In order to tackle the shortfall and to improve apprenticeship delivery, a proposal was submitted to the LGA Apprenticeship Accelerator Programme to support us with the following:</p>	Year	Target	Starts Delivered	2017/18	64.1	71	2018/19	64.4	66	2019/20 (Projection)	64.4	30
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				<ul style="list-style-type: none"> • Mapping apprenticeship standards and identifying skills gaps and/or mapped specific roles/pathways • Workforce data analysis • Strategic planning and forecasted 'needs based' goals • Creation of an apprenticeship delivery board • Improved engagement across the organisation <p>We have been successful in this securing this support (1 of just 40 Councils) and are in the process of developing this programme which will conclude in January 2020).</p>
4.	Schools	Actions as per December 2015 Oldham Education and Skills Commission (OESC) report	<ol style="list-style-type: none"> 1. Improved secondary outcomes at age 16 2. Establishment and successful mobilisation of self-improvement vehicle recommended by OESC 	Work is continuing apace with the OESC activity and will be reported separately.
5.	GM Area-based review (ABR) of colleges	Not yet reported	<ol style="list-style-type: none"> 1. Implementation of a sustainable and supported ABR settlement for Oldham, including a strong, financially sustainable institutional presence retained in the borough 2. An Oldham post-16 provider market with a comprehensive entry – L2 offer for residents 3. A provider offer for L3+ in Oldham focussing provision on sectoral priorities 	<p>The Area Based Review was completed but the proposed merger between Oldham, Tameside and Stockport was deemed to be unfeasible.</p> <p>The Council supported the College to stabilise its position following the ABR activity and to re-shape its offer to meet local employer and citizen needs with ongoing dialogue with the FE Commissioner and Board of Governors.</p> <p>The FE Commissioner's latest report has</p>

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				given approval to maintain “stand alone” status. GMCA have recognised this and has support The Oldham College to access Skills Capital programme (which had been locked into ABR schemes).
6.	Sectoral priorities	Not currently articulated	<p>Consistent with the SIF, the strategy focusses on six key sectors for employment growth and skills provision in Oldham:</p> <ol style="list-style-type: none"> 1. Health and social care 2. Services (1): professional/ business/digital services 3. Services (2): retail/leisure/ hospitality 4. Engineering and manufacturing 5. Construction and property 6. Logistics <p>The strategy seeks to support development of a sustainable provider base for Oldham to secure skills and progression pathways appropriate to these sectors.</p>	<p>The Economy and Skills Partnership has undergone a full system review and has enlarged its private sector membership which is driving 6 sector networks which will provide key intelligence to shape our business off. The majority of this activity will sit within the Business Growth and Investment strategy but the skills dynamic will feed into dialogue with key providers to ensure responsiveness to the key sectors.</p> <p>The Council is currently reviewing the GM Local Industrial Strategy to align the GM key sectors with Oldham’s priorities.</p> <p>The Council is working with education and skills partners to develop technical skills pathways mapped to the 6 key sectors.</p>
7.	Get Oldham Working #2: local employment support programmes	Get Oldham Working exceeded objectives for over 2,015 job, apprenticeship and traineeship opportunities from 2013-15	<ol style="list-style-type: none"> 1. Engage over 6,000 residents through the second phase of Get Oldham Working from 2016-20, 2. Fill over 5,000 jobs and work-related opportunities 	<p>From April 2016 until June 2019, the GOW phase 2 programme has filled 5,034 work related opportunities (against a target of 4,061). This consisted of 3,642 jobs, 117 salaried traineeships, 606 apprenticeships and 669 Work experience placements. The programme has therefore achieved the target set 9 months early.</p> <p>This is in part due to being successful in winning the ESF/ LGF Skills for Employment project 1,059 residents have received intensive mentoring and coaching support</p>

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				<p>with a GOW learning mentor, so far, 202 have completed a valuable and meaningful work experience placement, 338 achieved a qualification and so far resulting in 237 moving into a sustainable job. These are within contract expectations.</p> <p>The Skills for Unemployed programme which commenced in April 2019, we have engaged 167 residents.</p> <p>In addition to the above programmes we have also been running two career management contracts. RAISE is for independent career management and NCS (National Career Service) is for guided career management. We have supported 321 people on RAISE so far and 321 on NCS resulting in over 785 career management outcomes. Job and Learning outcomes is 89.</p> <p>Finally, to date the Stronger Communities project has engaged 55 residents and supported 15 individuals into employment.</p> <p>ESF Awarded programmes: Skills for Employment £1,277,536 RAISE £81,187 National Careers Service: £63,477 Skills Support for the Unemployed £964,263 Lottery funded: Stronger Communities £77,000</p>
8.	Progression strategy	No comprehensive progression model in place	1. Invest in a new pilot Oldham Career Advancement Service – an extended information, advice and guidance offer seeking to help over 400	The Career Advancement Service was launched in December 2016 and is currently working with 575 residents engaged to date, 312 under-employed working part-time. 94 of

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			residents already in work to progress from low pay, low skill jobs during the initial pilot phase	those on the programme have started new jobs as a result of the support so far resulting in an average increase in salary of £4,154. 82 residents have started new learning aims, 6 advanced learning loans. If the 575 residents progress as expected this will achieve c. £2.4m additional salary value per annum.
9.	Advanced learning loans strategy	<ul style="list-style-type: none"> • 150-300 applications in Oldham in 2014-15 • Nationally, total value of loans ready for payment £148.8m in 2014/15, against forecast national budget of £500M p/a by 2020 	<ol style="list-style-type: none"> 1. Work with providers and employers to increase demand for loan-funded provision for 19+, L3+ provision as alternative to Apprenticeships route 2. Build loans promotion into Career Advancement pilot model 3. Develop local strategy to manage emerging tensions between loans and Apprenticeship Levy policy 	<p>The development of technical pathway is supporting this objective, especially in light of vocational reforms such as T-levels.</p> <p>The Advanced Learner Loans programme has not been a successful policy with poor take up across the Country. The Government announced in the Autumn Budget that a new re-training scheme will be piloted (predominantly due to the poor take up of Learner Loans) and the Council will review this position once this policy is rolled out.</p>
10.	Higher level skills and HE strategy	Provider environment including University Campus Oldham, the GM UTC in Oldham and other aspects of provider offer	<ol style="list-style-type: none"> 1. Retain and support growing UCO presence in Oldham, and the enhanced HE offer proposed in Oldham's ABR settlement 2. Retention of specialist L4/5+ provision in Oldham supporting the emerging curriculum model for ABR settlement 3. Achieve higher level apprenticeships growth with providers as Levy takes 	<p>The UTC closed in summer 2017. However, the Council is supporting the local providers to develop their expansion of higher level skills and this will form part of the GM Skills Strategy.</p> <p>The Council is supporting Oldham College to develop a Construction Skills College which will support a key growing sector. Higher Apprenticeships are becoming more available and have formed a key part of the</p>

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			effect 4. Grow L4+ loan funded provision in line with advanced learner loan strategy	Council's organisational development focussing on Leadership and Management (level 3 & 5) and the recent launch of the Level 7 MBA apprenticeship will be popular.
11.	Community Learning and Lifelong Learning provision	Service rated "outstanding" by OFSTED in December 2015	<ol style="list-style-type: none"> 1. Strategic review of the Council's Lifelong Learning Service to be undertaken in advance of the 2017/18 academic year. 2. Retention of current OFSTED quality rating and learner outcomes 3. Maintenance of qualification and non-qualification based AEB-funded provision in Oldham under devolved commissioning for 2018/19+, supporting re-engagement of learners with the skills system, and progression pathways 4. Develop an adapted referral and progression model and evaluate impact across providers in Oldham 	<p>Strategic review has been carried out in advance of devolution and provision is being reshaped to meet the devolution demands.</p> <p>Outstanding rating currently maintained by the Lifelong Learning Service. Effective delivery of ESFA contract. Matrix re-accreditation awarded in June 2019. The service put forward a nomination for the National Festival Of Learning Awards 2019 with 1 learning winning an award and a second receiving a highly commended award.</p> <p>Current year ESFA allocations for Lifelong Learning have been maintained going into the 19/20 but there has been no growth for 6 years in a row which will lead to reduced offer.</p> <p>Lifelong Learning Service continues to review and strengthen referral and progression with providers in Oldham. In addition, the Work and Skills Partnership is reviewing intra-organisational referral and progression models with providers in Oldham linked to the Career Advancement Service.</p> <p>The devolved AEB procurement process has taken place and the total allocation issued to the procured provision of £22.6million. There</p>

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				are 18 lead providers of which 12 providers in Lot 1 which covers provision across GM and 6 providers in Lot 2 which covers specific areas or cohorts. Along with the successful lead providers there are a further 51 providers across the supply chain. The provision will work towards economic productivity.
12.	DWP commissioned national employment support programmes	Work programme performance Working Well 1 performance	<ol style="list-style-type: none"> 1. Fully engage in GM-wide Work & Health programme commissioning against risks of depleted national employment support budget 2. Support local contractors in supply chain management to deliver a successful expansion of the phase 2 Working Well programme for Oldham, and manage new Integration Board successfully 	<p>Working Well – Work & Health Programme The WW WHP programme over its lifetime (2018–2024) is expecting to support 22,600 Greater Manchester residents (starts) progress into or towards sustainable employment. These starts are forecast to be split between which three cohorts – Health & Disability (75%), Long Term Unemployed (15%), Early Entrants (10%).</p> <p>As at end of May 2019 performance summary is; 6,617 unique referrals (individuals) – 74% of target to date, 4,692 starts – 95% of target to date (based on actual referrals), 995 job starts – 53% of target (based on actual referrals) and 21% of starters and 86% of clients are currently active.</p> <p>Locally, there were 717 unique referrals, 470 starts and 117 job starts.</p> <p>Working Well Early Help (WWEH) The overarching aim of the WWEH programme is to support people with a disability or health condition to remain in employment and return to work more quickly.</p>

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				<p>A small element of the programme will be working with Job Centre Plus (JCP) to support the newly unemployed that have a disability or health condition back into employment. The team will carry out an initial bio psycho social assessment and those individuals from small and medium sized businesses that have a disability or health condition will be offered free support and advice including rapid access to muscular skeletal and mental health support, condition management advice, vocational rehabilitation, lifestyle & wellbeing support, advice and support around employment issues and skills, education and training.</p> <p>This new service, provided by HealthWorks (a partnership of Maximus and Pathways CIC), has been commissioned for a three year period through the GMCA with the view to supporting 11,000 people across GM over the contract period. The service went live 4th March 2019. The programme will be evaluated by Sheffield Hallam University in partnership with the University of Salford.</p> <p>The referral routes to this service will be through GPs, employers, self-referral or sign posting by JCP. As the funding is limited, the main referral route in Oldham will be through the early adopter site of North GP cluster (Royton, Shaw and Crompton). All six GP practices are engaged and have received support to ensure that all information governance/ data protection impact assessment (DPIA) requirements have been</p>

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				<p>met to allow direct referrals.</p> <p>Working Well – Specialist Employment Service (SES)</p> <p>GMCA are have commenced a procurement process for a Specialist Employment Service (SES) for people with learning disabilities, people with autism and people with severe mental illness, to access and sustain paid employment. All three of these population groups can have complex needs and face significant barriers to employment, but more people in these groups could work with the right support. This service will sit within the care and support strand of the Working Well system.</p> <p>The commissioning of this service is in response to commitments set out in several national and local strategies and their delivery plans, these include: Improving Lives: Work, Health and Disability White Paper; Greater Manchester Strategy; Greater Manchester Learning Disability Strategy; Five Year Forward View for Mental Health and Greater Manchester Autism Strategy.</p> <p>The total funding for this programme is £4 million which covers service delivery, programme office costs and evaluation costs. This funding has been acquired through a mixed funding model:</p> <ul style="list-style-type: none"> • £2 million European Social Funding, which will be drawn down by GMCA against spend, through the Working Well Co-Financing Agreement

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				<ul style="list-style-type: none"> • £1.7 million NHS Mental Health Transformation Fund which will be drawn down by GMCA • £300k from the ten local authorities in Greater Manchester which will be transferred to GMCA <p>The contract is likely to commence and mobilise September 2019 to December 2019.</p>

3 Key Issues for Overview and Scrutiny to Discuss

3.1 Comments and feedback from Overview and Scrutiny Board are invited on the progress made in delivery of the Work and Skills Strategy.

4 Key Questions for Overview and Scrutiny to Consider

4.1 Specific feedback from Overview and Scrutiny Board is invited on:

- The progress made to date
- The impact of devolution on the Work and Skills agenda for Oldham.

5. Links to Corporate Outcomes

5.1 The Strategy is fully reflective of the Council's corporate plan, particularly the co-operative council vision and agenda, as reflected throughout the document.

6 Additional Supporting Information

6.1 N/A – reflected in the main report.

7 Consultation

7.1 N/a

8 Appendices

8.1 N/A.