

Report to OVERVIEW AND SCRUTINY BOARD

Oldham Work and Skills Strategy Update

Portfolio Holder:

Cllr Sean Fielding, Leader & Cabinet member for Employment and Skills

Officer Contact: Gerard Jones Director of Children Services

Report Author: Jon Bloor, Head of Lifelong Learning, Investment Employment and Skills

Ext. 4188

20th October 2020

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 23rd July 2019 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. The Board should note that the impact of Covid 19 has been significant. As supplementary paper has been produced to examine the primary impact upon unemployment.

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 fourth year and end of the current strategy.
- 1.5 Key highlights include:

-
- the successful attraction of £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, National Careers service programmes which have enabled a full programme of employment and skills support to be delivered by Get Oldham Working.
 - In addition, as a response to the economic fallout from Covid 19, the Get Oldham Working team have secured an extension of Skills for Employment until 2023 and a new contract called JETS (job entry targeted support) secured for next 18 months, starting in October 2020 for those that have been unemployed short term and many due to covid-19 and 13 weeks on benefits, a total value of £370k.
 - Agreement with GM Combined Authority to maintain the £2.83m commitment to Oldham Lifelong learning service to deliver Adult Education Budget related activity. Secured additional funds to deliver Talk English programme.

1.6 Key risks include:

- 75% 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 2020 compared to that in 2016 and the intended outcome by 2020

Figure 1 – Progress update

Outcome	Priority Theme	2016 status	2020 Outcome	2020 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 2019, 26.9% of citizens have and NVQ4 and above with a percentage point increase since 2016 (Over the last four years this measure has varied between 25.9% and 27.9%). Regrettably the gap between Oldham and GM average widened by 1% (although this is probably due to statistical confidence which sets the value as +/- 2.3% i.e. there is a 95% chance that the figure is between 24.3% - 30.1%).</p> <p>In 2019, 65.8% of citizens have an NVQ2 or above – an increase of 1.4% points since 2016 and the gap closed between Oldham and GM by 1.2 percentage points.</p> <p>Unfortunately, there are 13.3% of citizens with no qualification which has increased from 12.5% in 2016 (This is primarily due to statistical errors as the confidence level in this measure is also +/- 2.3 percentage points but reports from the Joseph Rowntree Foundation suggest that Oldham is a net importer of unskilled people!)</p> <p>The ESF Skills Support for Employment, ESF Skills for the Workforce and the Apprenticeship Levy programmes will continue to support this upskilling of existing residents. A key challenge is to anchor those that attain skills uplift. Unfortunately, the Career Advancement Service has had its funding removed as part of the budget cuts.</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 continues to post good achievement rates – with the fastest rate of improvement of any GM FE college which led to an OFSTED Good rating in 2019.</p> <p>Oldham Lifelong Learning Service is still Outstanding and self-assessment maintains this expectation.</p>

<i>Outcome</i>	<i>Priority Theme</i>	<i>2016 status</i>	<i>2020 Outcome</i>	<i>2020 Update</i>
				All GM Adult Education Budget providers are expected to be Good or Outstanding as part of the GMCA commissioning process.

Outcome	Priority Theme	2016 status	2020 Outcome	2020 Update															
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 2018/19 (published March 2020) demonstrates significant reduction in apprenticeship achievement rates for Oldham citizens. Average pass rate is now 50.5% (17.1 percentage points lower than 2017/18 – North West average was 49.9%) which is in part due to the introduction of the apprenticeship levy which has introduced a new cohort of learners into the apprenticeship market place which are usually not traditional “apprentices”. Oldham College and Oldham Training Company still continue to be high performers with respective 72.4% and 83.9% achievement rates.</p> <p>The council have over achieved the required target set by government for the apprenticeship levy (number of council staff accessing the apprenticeship levy approx. 64 per year) for three years running, therefore utilising the £300k training pot each year or more. This has been achieved with no central apprenticeship pot for salaries.</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</td> <td>64.4</td> <td>92</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>A high proportion of these new starts have been level 4 or above, including 15 at level 5 and 11 at level 6, supporting our ambition to</p>	Year	Target	Starts Delivered	2017/18	64.1	71	2018/19	64.4	66	2019/20	64.4	92			
Year	Target	Starts Delivered																	
2017/18	64.1	71																	
2018/19	64.4	66																	
2019/20	64.4	92																	

Outcome	Priority Theme	2016 status	2020 Outcome	2020 Update
				<p>develop higher level skills with Oldham residents.</p> <p>Work is still ongoing with GMCA to develop new apprenticeship standards to support key sectors.</p> <p>The Council is considering doubling the number of apprenticeships available for recruitment across the Team Oldham organisations (that is from 17 to 34 opportunities per year).</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 through Oldham Learning.
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 given approval to maintain "stand alone" status. GMCA have recognised this and has support The Oldham College to access Skills</p>

Outcome	Priority Theme	2016 status	2020 Outcome	2020 Update
				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 has aligned its regeneration strategy to support 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 August 2020, the GOW phase 2 programme has filled 6,374 work related opportunities (against a target of 5,355 – a 19% uplift on target). This consisted of 4,751 jobs, 144 salaried traineeships, 849 apprenticeships and 717 Work experience placements. The programme continues to excel in its target. Since lockdown we have seen opportunities created drop by 20-40%, however a more significant drop in filled opportunities by 60%, a concern and something the service is focusing on at present – (it is due to smaller range of sectors and child care challenges)</p>

Outcome	Priority Theme	2016 status	2020 Outcome	2020 Update
				<p>Many of the successes in filling the GOW opportunities is partly due to being successful in delivery of the ESF/ LGF Skills for Employment project 1,815 residents have received intensive mentoring and coaching support with a GOW learning mentor, so far, 433 have completed a valuable and meaningful work experience placement, 649 achieved a qualification and so far resulting in 275 moving into a sustainable job. These are within contract expectations.</p> <p>Our delivery of the National Careers Service has also supported success in filling GOW opportunities, including 850 customers engaging and completing a career management outcome, of which 33% have progressed into employment or higher education over the last 12 months.</p> <p>In regards to the recent drop in filling opportunities the service has recently secured 60% of Oldham's delivery for the Working Well Light project, supporting residents whom have been on benefits or 13 weeks with light touch yet intensive employment support for up to 6 months. This contract is worth £370k over 18 months and begins on the 19th October, we expect many beneficiaries to have been impacted by covid-19.</p>
8.	Progression strategy	No comprehensive	1. Invest in a new pilot Oldham Career Advancement Service – an extended information, advice and guidance	The Career Advancement Service was launched in December 2016 and has

Outcome	Priority Theme	2016 status	2020 Outcome	2020 Update
		progression model in place	offer seeking to help over 400 residents already in work to progress from low pay, low skill jobs during the initial pilot phase	<p>engaged with over 800 residents, of which 350 are under-employed working part-time.</p> <p>As a result of working with these residents we have seen an increase of £855k in annual salaries across 106 people an average of £8,018 per person. In total 135 people have progressed or changed their career / job as a result and for the better, either financial or lifestyle.</p> <p>Most of the support has been direct support with an advisor to navigate the jobs market and explore LMI, as well as support them with personal development. There hasn't been much take up of the career advancement loans or additional training due to work commitments. The preferred pathway has been to secure a new career path and then retrain in the job via the apprenticeship levy or access higher education through subsidies, such as flexible fund for low earners.</p>
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, 	<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.</p> <p>The Government has recently announced a new approach and level of entitlement for adult education. The detail of which has yet</p>

Outcome	Priority Theme	2016 status	2020 Outcome	2020 Update
		against forecast national budget of £500M p/a by 2020		to be announced but appears to remove the need for learner loans for lower level provision but bring forward an alternative loan model for higher skills. .
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 effect 4. Grow L4+ loan funded provision in line with advanced learner loan strategy 	<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.</p> <p>Higher Apprenticeships are becoming more available and have formed a key part of the 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.</p>
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 	<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 secured the National Festival of Learning Awards 2019 "return to learning award" and similar accolade in 2020 with NOCN Learner Awards.</p> <p>Current year GMCA & ESFA allocations for Lifelong Learning have been maintained</p>

Outcome	Priority Theme	2016 status	2020 Outcome	2020 Update
			4. Develop an adapted referral and progression model and evaluate impact across providers in Oldham	<p>going into the 19/20 but there has been no growth for 7 years in a row which will lead to reduced offer (c. 20% lost due to inflation).</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 to maximise the value of AEB provision in Oldham.</p>
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 July 2020 performance summary is; 14,832 unique referrals (individuals) from across GM – 78% of target to date, 10,789 starts – 97% of target to date (based on actual referrals), 3,177 job starts – 50% of target (based on actual referrals) and 29% of starters and 82% of clients are currently active.</p> <p>Locally, there were 994 unique referrals, 1203 starts and 340 job starts. This is deemed to be an underperformance and is being reviewed.</p>

Outcome	Priority Theme	2016 status	2020 Outcome	2020 Update
				<p>COVID-19 has obviously had an impact in reducing referrals, starts and job starts (Earnings Present) across all WHP contracts over the last quarter. Whilst referrals have increased in June (to c45% of pre COVID-19) levels there is concern about the lack of new job starts given the current climate which is likely to impact on outcome performance over the coming months.</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. 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</p>

Outcome	Priority Theme	2016 status	2020 Outcome	2020 Update
				<p>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>As at end of July 2020 performance summary is; 1,928 referrals (individuals), 1,048 starts, 37% received in work support and 20% of unemployed residents entered employment.</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 engaged well however the referrals dropped significantly from April 2020 due to COVID 19. We are working with GPs at present to look delivering this differently.</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>

Outcome	Priority Theme	2016 status	2020 Outcome	2020 Update
				<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 • £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 was expected to start in Q3 2019 but was delayed until September 2020 due to Covid 19.</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.

ⁱ <https://www.jrf.org.uk/report/overcoming-deprivation-and-disconnection-uk-cities>