

SURREY COUNTY COUNCIL**CABINET****DATE: 25 JULY 2023****REPORT OF CABINET MEMBER: MATT FURNISS, CABINET MEMBER FOR TRANSPORT, INFRASTRUCTURE****GROWTH AND CLARE CURRAN, CABINET MEMBER FOR EDUCATION AND LEARNING****LEAD OFFICER: MICHAEL COUGHLIN, EXECUTIVE DIRECTOR FOR PARTNERSHIPS, PROSPERITY AND GROWTH****SUBJECT: PATHWAYS TO EMPLOYMENT - SURREY CAREERS HUB****ORGANISATION STRATEGY PRIORITY AREA: GROWING A SUSTAINABLE ECONOMY SO EVERYONE CAN BENEFIT, THRIVING COMMUNITIES, ENABLING A GREENER FUTURE, NO-ONE LEFT BEHIND****Purpose of the Report:**

This report sets out the significant progress made since the March Cabinet report on 'Pathways to Employment: Supporting Surrey Residents' Skills Development and Employability' and provides details of the agreement reached with the Careers & Enterprise Company (CEC) for this council to create and deliver a single Careers Hub aligned to the Surrey geography starting in September 2023.

Recommendations:

It is recommended that Cabinet:

1. Notes the updated plan for the Council to deliver a Surrey Careers Hub on behalf of the Careers and Enterprise Company from September 2023. This work aligns with the Surrey Skills Plan and priorities of the Local Skills Improvement Plan.
2. Notes the proposals for funding and longer-term resourcing of the programme.
3. Agrees the proposals for monitoring and evaluation of the Careers Hub through a number of Key Performance Indicators (KPIs), including delegation of oversight on progress to the Portfolio Holders for Education & Learning and for Transport, Infrastructure & Growth, with the Children, Families and Lifelong Learning Select Committee also having a scrutiny role.

Reason for Recommendations:

Currently, there are two Careers Hubs that operate in Surrey managed by each of the Local Enterprise Partnerships (LEPs). By SCC taking over the functions of the Careers Hub across a Surrey-wide geography it will allow the council to deliver activity that is better aligned with its four strategic priorities, whilst also delivering greater impact for young people, residents and businesses.

Introduction

1. In March 2023, Cabinet endorsed a report entitled 'Pathways to Employment: Supporting Surrey Residents' Skills Development and Employability', which set out a programme of work building on the recently launched Surrey Skills Plan and Lifetime of Learning education strategy.
2. The report set out the strategic context for change, a rationale for the approach, how it would be delivered, the funding and resource implications, and the overall benefits it would deliver to residents, young people, businesses and local economy. A recommendation within the report was to endorse:
 - a. *“the approach for SCC to explore taking on new responsibilities related to schools-focused careers advice and guidance in line with recognition of the need to operate on a Surrey County geography, subject to the appropriate funding being in place. This will be done, in accordance with the scheme of delegation by way of a Lead Cabinet Member decision.”*
3. As articulated in the March cabinet report, employment and skills activity is delivered through several organisations. One of those areas of activity is careers advice, information and guidance (CAIAG), which is delivered within schools and colleges and supported by Careers Hubs.
4. In Surrey, the Hubs are currently delivered by Enterprise M3 and Coast to Capital LEPs through a contract with the CEC. Through this contract, the Hubs deliver a range of activities focused around developing the capability and capacity of careers education with schools and colleges. This activity includes training and supporting Careers Leaders, bringing employers, educators and providers together and sharing digital tools and resources. From September 1st 2023, the Council will be responsible for delivering the Careers Hub service.

Strategic context

5. The Surrey Skills Plan, launched in November 2022, set out the Council's ambition to play a greater leading role within the skills system to allow the organisation the opportunity to positively impact across several core strategic priorities. By taking on ownership directly of the Careers Hub service, the Council will be able to align the service to the strategic ambitions:
 - a. **Growing A Sustainable Economy So Everyone Can Benefit** – Businesses across every sector and at every skill level are facing significant recruitment challenges. Access to a skilled workforce is central to supporting the county's strong business base to grow and innovate.
 - b. **Tackling Health Inequality** – It is widely acknowledged that educational achievement and access to quality work is a helpful contributor to a young person's wider health, wellbeing and social mobility. Improving careers advice and guidance will help to support progression from education into the workforce.
 - c. **Thriving communities** – A key element of Careers Hubs is to create “encounters” between young people and local employers so that they can

better understand different sectors and occupations and what skills are required. Enabling these types of interactions and building stronger connections between the local economy and Surrey's school community will help to support the council's Thriving Communities strategic priority.

- d. **Enabling a greener future** – Careers advice and guidance in schools will be better tailored to highlight opportunities in the green economy and different education and training pathways into different green occupations.
 - e. **No-one left behind** – Targeted support can be delivered to the most disadvantaged groups of residents through a Surrey Careers Hub. SCC is committed to supporting young people by ensuring further education and skills provision within Surrey enables young people to overcome barriers and equips them with the necessary knowledge, pathways, qualifications and skills to progress.
6. As the Employer Representative Body (ERB), Surrey Chambers of Commerce has recently submitted a final version of the Local Skills Improvement Plan (LSIP) that covers this area. LSIPs are a new part of the local skills infrastructure that give employers a clear and strengthened role in shaping local skills provision. LSIPs set out a clear articulation of employers' skills needs and the priority changes to embed a more responsive and dynamic between employers and education and training providers. The Surrey and North/mid Hampshire LSIP specifically references Careers Hubs as having a crucial role to support delivery of the plan, and it identifies a number of priorities, notably for Careers Hubs:
 - a. Improve information, advice, and guidance.
 - b. Build dynamic relationships between businesses and providers.
 7. Taking over responsibility for a Careers Hub in Surrey represents an additional function that the council can use to support a coordinated respond to the LSIP findings. CEC also makes it a requirement of performance monitoring that Careers Hubs 'will align to future industries set out in their LSIP and identify, with employer input, at least one core future industry'¹.
 8. A priority of this Council has been to make the case to Government and local partners the importance of coterminous arrangements (where suitable) that cover a single Surrey geography. The agreement by CEC to consolidate the two Careers Hub that operate in Surrey into one, is a demonstration of the progress being made by the council and will help support future cases made to Government about other key areas where alignment to the Surrey geography will deliver significant benefits and improved outcomes for the residents of Surrey, such as through a potential County Deal. It is also believed that the council, through its statutory (education) and non-statutory functions (economic development), holds the more established relationships with critical partners, such as schools and businesses, to enable successful delivery that aligns with wider strategic ambitions.

Careers & Enterprise Company (CEC) and Careers Hubs

9. Careers Hubs bring together schools, colleges, employers, and apprenticeship providers in local areas to enable more direct engagement between employers and learners to bring the world of work closer to careers advice.

¹ Careers & Enterprise Company Grant Offer Letter, 2023-24

10. Hubs drive progress against the Gatsby Benchmarks² by enabling schools and colleges to access training and support, and collaborate in a focussed way, bringing together best practice, local labour market insight, and dedicated support to facilitate partnerships with key local employers committed to improving careers across an area.
11. For 2023/24, the CEC have set five key priorities to ensure Careers Hubs nationally achieve maximum impact:
- a. **Priority 1:** Improve careers provision in schools and colleges against the Gatsby Benchmarks through support, training for the education workforce and quality assurance.
 - b. **Priority 2:** Provide more high-quality visibility, signposting and experiences with employers for students and teachers – with a focus on current ‘cold spots’.
 - c. **Priority 3:** Amplify apprenticeships, technical and vocational routes – including supporting the implementation of the Provider Access Legislation (PAL).
 - d. **Priority 4:** Target interventions for economically disadvantaged young people (Free School Meals) and those who face barriers.
 - e. **Priority 5:** Connect careers provision in schools and colleges to the needs of local economies (as articulated through Local Skills Improvement Plans)
12. The new contracting arrangements will allow SCC to take on a stronger and enhanced role in careers information, advice and guidance through delivery of a single Surrey Careers Hub from September 2023.

Opportunities and connections to existing programmes

13. There is clear alignment with the council’s forthcoming Education and Lifetime of Learning Strategy, which will enable the council to bring our strong relationships with schools to bear on the service, including enabling closer links with the work done to support SEND schools and on our work with those not in education, employment or training (NEET). Within the targets set for Careers Hubs by the CEC, there is a particular focus on prioritising schools that serve the most disadvantaged young people in the area, including Special Schools and Alternative Provision and through the Surrey Virtual School..
14. The Careers Hub will be supported further by the council’s strong and developing work with local Surrey employers, reflecting our key sectors and industry sectors we work closely with. This will be further enhanced by building on the relationships the council has with Surrey skills providers, including FE Colleges, independent training providers, Surrey Adult Learning and our in-house academies, as evidenced by the proactive approach taken to the Surrey Skills Plan.

Surrey Careers Hub - finance and resourcing

15. The Surrey Careers Hub will sit within the Economy & Growth Team and be overseen by the Head of Economy & Growth with the following structure sitting underneath:

² Gatsby benchmarks define what world class careers provision in education looks like and provide a clear framework for organising the careers provision at school or college. The benchmarks are enshrined in statutory guidance.

- a. **Careers Hub Strategic Lead (x1)** – Key responsibilities:
 - i. Lead sustainable system change in careers provision.
 - ii. Drive cross sector engagement to ensure all can access high quality careers education that aligns with economic and skills priorities
- b. **Careers Hub Operational Lead (x1)** – Key responsibilities:
 - i. Lead a high performing team of Enterprise Coordinators
 - ii. Ensure that schools and colleges action plans are aligned with the Careers Hub Strategic Plan and align with local economic and skills priorities.
- c. **Enterprise Coordinator (x5)** – Key responsibilities:
 - i. Improving careers delivery within schools
 - ii. Caseload managing schools and Enterprise Advisers

Whilst direct line management responsibility will sit within the Economy & Growth team, there will also be a strong dotted line into the Children, Families and Lifelong Learning team to ensure that the council is maximising the opportunity the Hub brings to help deliver on wider strategic ambitions.

16. The council has been in detailed discussions with CEC and both LEPs for several months and is now able to begin the necessary recruitment and TUPE processes to deliver a functioning service from 1 September.
17. Year One of funding for the overall Pathways to Employment programme (including match funding for the Careers Hub has been secured from Transformation Funding and it is proposed that future funding of the programme will come from core budget (dependent on outcomes in year one being met).
18. A full business case for transformation funding has been developed to support delivery of these ambitions and address all liabilities. This includes the staffing costs to deliver the Careers Hub and the wider 'Pathways to Employment' activity as well as other costs, such as delivering events, and discretionary costs such as travel support for schools and young people to attend engagement opportunities.
19. For academic year 2023/24, the breakdown of funding will be:
 - a. CEC – £272,335 (maximum funding available)
 - b. SCC – £135,445 (maximum match funding required)

Monitoring and performance

20. The council will be measured on a range of Key Performance Indicators (KPIs) that are standard across all of CEC's Careers Hub contracts. These include coverage in terms of number of schools involved and the recruitment and utilisation of Enterprise Advisors. A full list of Key Performance Indicators (KPIs) that form part of the contractual agreement between the Council and CEC have been included in Annex A.
21. The Council will be monitored for progress against these KPIs each year ahead of renewal of the contract. Oversight on progress will be the responsibility of the Portfolio Holders for Education & Learning and for Transport, Infrastructure & Growth.

Consultation:

22. For the March cabinet report ('Pathways to Employment: Supporting Surrey Residents' Skills Development and Employability'), several stakeholder groups were consulted, including:
- a. CLT
 - b. Cabinet
 - c. Children, Families and Lifelong Learning and Communities, Environment and Highways Select Committees
23. This cabinet report is a development of that work. Portfolio holders have continued to be updated on progress as appropriate. A further briefing will be shared with CLT and Cabinet ahead of this item being considered at Cabinet.
24. An update has been shared with external partners via:
- a. One Surrey Growth Board
 - b. Surrey Business Leaders' Forum
 - c. Surrey Skills Leadership Forum

Risk Management and Implications:

25. There are a number of risks associated with the taking ownership of the CEC contract, including:

Risk	Mitigation
CEC funding from Department for Education is reduced in future years	Develop a range of approaches of how service could be delivered with less funding. CEC funding is annual so contract delivery costs can be reviewed for future funding years.
Inability to recruitment into Surrey Careers Hub roles for September 2023 start.	Recruitment has already started for these roles.
Securing longer term funding to continue delivering after Transformation funding	Start preparing for this transition from year 2 of delivery.

Financial and Value for Money Implications:

26. Transformation funding of £0.45M has been secured for year one delivery of the Pathways to Employment programme, including the Careers Hub service.
27. There will be annual review points to assess the performance of the service and impact of the investment. Additional external sources of funding for future years, for skills and employability support associated with a national devolution agenda, will be explored. In the event that insufficient funding of this nature is secured to maintain the service, the balance will be met from core Economy and Growth budgets. It should be noted that there is the potential for one member of staff to be transferred under TUPE from Coast to Capital, which could lead to a slightly higher severance payment should redundancies ever be required.

Section 151 Officer Commentary:

- 28. Significant progress has been made in recent years to improve the Council’s financial resilience and the financial management capabilities across the organisation. Whilst this has built a stronger financial base from which to deliver our services, the increased cost of living, global financial uncertainty, high inflation and government policy changes mean we continue to face challenges to our financial position. This requires an increased focus on financial management to protect service delivery, a continuation of the need to be forward looking in the medium term, as well as the delivery of the efficiencies to achieve a balanced budget position each year.
- 29. In addition to these immediate challenges, the medium-term financial outlook beyond 2023/24 remains uncertain. With no clarity on central government funding in the medium term, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority, in order to ensure the stable provision of services in the medium term.
- 30. The proposal to take on the Careers Hub activity is funded for the first year and will need to be addressed as part of the Medium-term Financial Plan for future years, with any shortfall in funding being addressed in the Partnerships, Prosperity & Growth revenue budget. As such, the Section 151 Officer supports the recommendations.

Legal Implications – Monitoring Officer:

- 31. The Council can use its discretionary powers to undertake the proposed careers hub functions as set out in the body of the report. Any contracting arrangements and TUPE transfer of existing staff to the Council prior to the September start date will receive any further legal support as required.

Equalities and Diversity:

- 32. By taking on responsibility to deliver a Careers Hub across Surrey, the council will have a greater ability to deliver more targeted support to disadvantaged and risk of NEET young people, which aims to have a positive impact for young residents (aligned to Protected Characteristic of Age and potentially others e.g. disability and minority communities)

What Happens Next:

- 33. Recruitment of the new roles in the Careers Hub team will happen over July and August ahead of the academic year.
 - 34. There is an expectation that by August 2023 the Secretary of State for Education will have approved the LSIP that covers the Surrey geography.
 - 35. From September 2023, the Council will begin delivery of the CEC contract.
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Sources/background papers:

- Cabinet paper - [‘Pathways to Employment: Supporting Surrey Residents’ Skills Development and Employability’](#)
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