

SURREY COUNTY COUNCIL**CABINET****DATE: 28 NOVEMBER 2023****REPORT OF CABINET MEMBER: MATT FURNISS, CABINET MEMBER FOR ENVIRONMENT, INFRASTRUCTURE AND GROWTH****LEAD OFFICER: MICHAEL COUGHLIN, EXECUTIVE DIRECTOR FOR PARTNERSHIPS, PROSPERITY AND GROWTH****SUBJECT: APPROVAL TO PROCURE: SKILLS BOOTCAMPS****ORGANISATION STRATEGY PRIORITY AREA: GROWING A SUSTAINABLE ECONOMY SO EVERYONE CAN BENEFIT; ENABLING A GREENER FUTURE****Purpose of the Report:**

Skills Bootcamps help Surrey County Council meet its strategic priority of *Growing A Sustainable Economy So Everyone Can Benefit* and guiding mission *No One Left Behind* through providing skills training to enable residents to access careers in sectors of the economy where there are skills gaps. Further Education (FE) colleges and independent training providers will be commissioned to deliver Skills Bootcamps across Surrey to residents seeking to either upskill to allow progression within their existing job or re-skill to transition into a new role. Training providers delivering Bootcamps will engage closely with local businesses to support participants to understand and access suitable roles in key sectors of the economy (including digital, green, advanced manufacturing and health and social care), as well as undertaking targeted promotional and outreach work ensuring that under-represented groups get equitable access to Skills Bootcamps.

Recommendations:

It is recommended that Cabinet:

1. Gives 'Approval to Procure' for the commissioning of Skills Bootcamps in Surrey up to the value of £2.325m for financial year 2024-25 in the priority sectors identified, should SCC be successful in its bid for Bootcamps
2. Approves the delegation of the appropriate procurement route to market and any contract award decisions to the Executive Director responsible for Economic Growth in consultation with the Cabinet Member for Highways, Transport and Economic Growth

Reason for Recommendations:

Skills Bootcamps are an established mechanism for addressing skills gaps in key sectors of the economy. There is funding available from the Department for Education to cover the costs of delivery of Skills Bootcamps by local FE colleges and training providers, as well as Surrey County Council's setup and contract management costs.

Executive Summary:

Summary of Bootcamps

1. Skills Bootcamps are an established model of addressing skills gaps in priority areas of the economy where there are recognised skills challenges. Funded by the Department for Education (DfE), they are free, flexible courses of up to 16 weeks for adults aged 19 or over. They give people the opportunity to build up valuable sector-specific skills based on local employer demand and provide a direct path to a job on completion.
2. Skills Bootcamps are primarily aimed at delivering flexible training at levels 3-5 (medium to higher level technical skills), and level 2 in some sectors. They are co-designed or shaped with employers to respond to their skills shortages. This training is for adults who are either in work, self-employed, unemployed or returning to work after a break. The overall objective of Skills Bootcamps is to either re-skill participants to enable them to move into a new job or upskill them to allow them to progress within their existing roles. The Skills Bootcamp model consists of initial screening, technical training and progression support, all accompanied by wraparound coaching or mentoring to ensure participants make the expected progress.

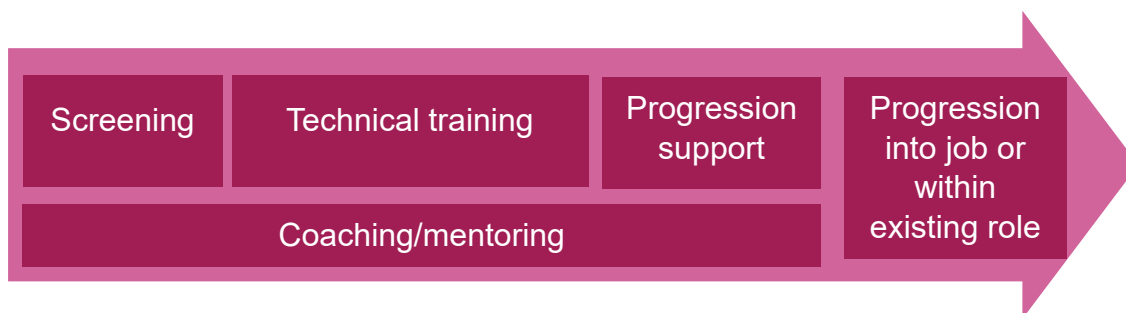


Figure 1 – Skills Bootcamps model

3. There is no training cost to employers who recruit individuals who have completed a Skills Bootcamp. Employers contribute to the cost of training if they want to use Skills Bootcamps to train their existing employees. Large employers contribute 30% of the cost, and small or medium employers (SMEs) contribute 10%. Existing employees may need time to study and attend classes depending on their working hours and status and the flexibility of the course.
4. Skills Bootcamps can then lead to an '*Accelerated Apprenticeship*' where learners with existing skills and knowledge can have those recognised as prior learning, enabling them to complete their apprenticeship at a quicker pace.

5. At a national level, DfE set the priority areas within which they expect Skills Bootcamps to be delivered, albeit tailored to suit specific local needs. The priority sectors for DfE are:
 - Digital – such as digital marketing or coding
 - Technical training in areas like construction, logistics (HGV driving) or engineering
 - Green skills, such as solar technology or agricultural technology
6. The latest data available for Skills Bootcamps shows there were 16,120 starts nationwide between April 2021 and March 2022. Data from the period September 2020 – March 2021 showed the 54% of bootcamp participants reported a positive outcome including new employment or new roles, responsibilities or opportunities in current employment as a result of the training received.¹

Bootcamps in Surrey

7. Since their introduction in September 2020, Skills Bootcamps in Surrey have predominantly been delivered as online courses via national training providers. Whilst there is a wide range of courses currently available, many are not aligned to the specific needs of the Surrey economy, its businesses or learners. In terms of training providers based in the county, only Activate Learning (Guildford College) are actively delivering courses.
8. For 2023/24 Surrey County Council (SCC) joined a partnership model, led by Hampshire County Council, on a £1.8m bid to deliver Skills Bootcamps in digital skills (including cyber, digital marketing and software development) and green skills (retrofit and electric vehicles). This should deliver 380 bootcamp placements for learners across Surrey and Hampshire by end March 2024.
9. Whilst SCC was pleased to be involved in the partnership model with HCC, we had the opportunity to submit our own individual bid for 2024/25. By submitting our own bid, SCC has greater control over the sectors supported, the procurement process to provide opportunities for Surrey based training providers and the communications of the opportunities available to Surrey residents and businesses. It also aligns with our wider ambitions to take a more active role in both the skills agenda and on business support activity and aligns with the transition of LEP functions coming to SCC from April 2024, to deliver more on a specific county geography.
10. SCC has chosen sectors for our Skills Bootcamp bid based on alignment between the national DfE priorities and those identified locally, including through the *Surrey Skills Plan*, the *Enterprise M3* and all of *Surrey Local Skills*

¹ <https://explore-education-statistics.service.gov.uk/find-statistics/skills-bootcamps-outcomes>

Improvement Plan (LSIP) and insights from our business engagement activities. These sectors are:

- a. Digital (cyber, gaming and createch)
- b. Green (retrofit, electrical, business sustainability)
- c. Technical: advanced engineering
- d. Health and social care

11. All of these areas are identified as either priority sectors within the LSIP or have communicated that skills gaps are stifling their growth and innovation. In particular, the technical sector has a significant higher national average percentage of jobs within the LSIP area, yet employers have identified gaps in roles and skills within this sector, whilst we also know that the green jobs sector is expected to have an annual increase of 8% in jobs until 2030. Like everywhere across the UK, the health and social care sector is an area that is seeing high vacancies, high turnover rates and are struggling to recruit and retain new talent.

12. Partnerships with businesses are key to successful delivery of Skills Bootcamps, including a requirement that all participants who successfully complete the technical training receive a guaranteed interview as part of the progression support. Engagement with businesses has been undertaken as part of the development of the Skills Bootcamps application (see below), and we will continue to connect businesses with colleges and independent training providers to ensure the success of Skills Bootcamps in Surrey.

13. Partnerships with training providers, including FE colleges, will also be vital and are a significant part of the driver to take on responsibility for bootcamps in Surrey. SCC would like to see more provision happen within the county and to help provide our Surrey based training providers, particularly our FE colleges, with the opportunity to access new funding streams.

14. Our Skills Bootcamp application consists of £2.325m in training to be commissioned from colleges and training providers, as well as a maximum of £349,000 to cover Surrey County Council's costs of setup and contract management of Skills Bootcamps. Budgeted costs are fully funded by DfE and include £30,000 to cover the costs of existing staff time. The Economy and Growth Team are currently working with the Procurement team to assess the best options for delivering the commissioning of Bootcamps.

Consultation:

15. Consultation has been undertaken with a range of businesses as part of the development of the Skills Bootcamp proposal. This includes with representatives of the Surrey Cyber Security Cluster, 'Guildford.Games' members and the Surrey Green Skills Panel. Feedback has shaped both the sectors included in the bid and the proposed technical content of the Skills Bootcamps.

16. Consultation has also been undertaken with key colleges and training providers in Surrey, including Activate Learning, East Surrey College and Nescot. This has included understanding their interest in delivering Skills Bootcamps, as well as capacity and subject areas/sectors where they have particular strengths. We have also sought input into the most suitable route to procure Skills Bootcamp provision.

17. This item is being considered by CLT on 25 October and iCab on 31 October.

Risk Management and Implications:

18. There are four key risks associated with this bid:

1. The inability to recruit enough learners onto Bootcamps, due to tight labour market in Surrey. This would have an operational impact of not meeting target Bootcamp participant numbers, financial impact (due to income being linked to participant numbers) and a reputational impact in terms of how Surrey is viewed by DfE and key businesses. To manage this risk we will build on existing relationships and partnerships: colleges, Skills Leadership Forum, No One Left Behind Skills and Employment Network, partnership agreement with Department for Work and Pensions (DWP). We will also continue to engage with SCC services and teams including Children, Families and Learning (Adult Learning, Virtual School, school transitions team), as well as with businesses to promote the upskilling opportunities and implementation of a targeted comms/marketing campaign to potential learners. This engagement has already been initiated to maximise learners numbers, including building on work done in partnership with Hampshire as part of the 2023-24 Bootcamp provision and through relevant cluster development work.
2. The inability to secure enough employers for guaranteed interviews and progression opportunities. The impact of this would be mainly operational through Bootcamp participants not making expected progression, with some potential financial and reputational impact. To mitigate this we will continue to leverage existing relationships with businesses including 220 of Surrey's largest or fastest growing, clusters representing an additional 120 businesses and forty business networks including Surrey Chamber of Commerce, Federation of Small Businesses, local Chambers and networking groups. We will also ensure providers selected for Bootcamp delivery have existing relationships with businesses as part of the procurement process and implement a targeted communications and marketing campaign to businesses.
3. The inability to secure providers at the right quality or price to deliver Bootcamps results in an inability to meet target Bootcamp participant numbers. This will be managed through continuing to engage with major

colleges and training providers in Surrey to maximise chances of them submitting a suitable tender to deliver Skills Bootcamps, promoting via existing relationship with Association of Learning Providers in Surrey as well as direct to existing providers of relevant Skills Bootcamps deliverable online.

4. The bid for funding is unsuccessful in the first instance. If that is the case, the procurement will cease.

Financial and Value for Money Implications:

19. Both the £2.325m in training and up to a maximum of £349,000 to cover Surrey County Council's budgeted costs of setup and contract management of Skills Bootcamps will be fully grant-funded by DfE if the bid is successful.
20. The funding we provide to training providers for the actual training is linked to successful delivery of Skills Bootcamps, with 40% payable on learner enrolment, 30% on completion and 30% on progression within/into a job. This means that the Council is very unlikely to make payments that are not reimbursed by the DfE grant and performance management processes will be in place to help ensure providers are delivering against their targets.
21. Performance management will be important as the only risk of spending and having to repay grant funding relates to our setup and contract management costs. These include procurement, collection and submission of learner data to DfE, provider engagement and performance management and marketing and communications of Bootcamps, with all costs based on the corporate rate card. The contract management costs are linked to the overall contract value (and capped at 15%), so any under-performance against delivery targets will impact on contract management income. As a result, we will initially take a base case of 80% of total contract value and scale contract management budgets accordingly and will look to reduce contract management costs through use of existing resources wherever possible.

Section 151 Officer Commentary:

22. 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.
23. 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.

24. The proposed procurement will be fully funded by DfE grant, as such, the Section 151 Officer supports the recommendation.

Legal Implications – Monitoring Officer:

25. Officers are recommending approval of recommendations 1 and 2. As the estimated value of the services to be procured is above the UK Procurement Threshold for services, any procurement must be conducted in accordance with the requirements of the Public Contracts Regulations 2015 in addition to the requirements in Table 2.7a of the Council’s PCSOs. Legal Services will provide support for the procurement as and when required.

26. As to the second recommendation Section 9E of the Local Government Act 2000 permits this delegation.

Equalities and Diversity:

27. An EIA has been developed and is available below.

Other Implications:

Area assessed:	Direct Implications:
Compliance against net-zero emissions target and future climate compatibility/resilience	£875,000 (38%) of the Skills Bootcamp funding is targeted at development of green skills, aligning with our 2050 net zero and wider greener futures priorities.
Public Health	Research shows that social determinants, including access to employment and skills development, can be more important than health care or lifestyle choices in influencing health outcomes.

What Happens Next:

28. The Economy and Growth team will continue to work with Procurement to explore options on the most suitable route to market to procure Skills Bootcamps, including the use of available established Frameworks. Once we have had the bid approved by DfE, we will make a decision on the most appropriate route and take all necessary steps to commence Bootcamp delivery by April 2024.

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Annexes:

Annex 1- Equalities Impact Assessment

Sources/background papers:

<https://www.surrey-chambers.co.uk/report/em3-including-all-of-surrey-lsip-final-report/>

<https://investinsurrey.co.uk/wp-content/uploads/2022/11/Surrey-Skills-Plan.pdf>
