



Swansea Bay City Deal Joint Committee - 29 July 2021

Skills and Talent Programme – Outline Business Case

| | |
|---------------------------|--|
| Purpose: | As one of the programmes within the Swansea Bay City Deal Portfolio, Joint Committee members are requested to receive and approve the Skills and Talent Programme Business Case with a view to drawing down £10m of revenue investment. |
| Policy Framework: | Swansea Bay City Deal (SBCD) Joint Committee Agreement (JCA) |
| Consultation: | Carmarthenshire County Council Neath Port Talbot County Borough Council Pembrokeshire County Council City and County of Swansea Economic Strategy Board Programme Board Welsh Government UK Government |
| Recommendation(s): | <ol style="list-style-type: none"> 1. The Joint Committee approves the formal submission of the Skills & Talent Business Case to the UK and Welsh Government for approval 2. The Joint Committee grants the Programme's Senior Responsible Owner (SRO) in consultation with the relevant Directors and Cabinet Members in constituent Authorities delegated powers to make any minor amendments to the Business Case as necessary to obtain that approval. |
| Report Author: | Jane Lewis (Skills and Talent Programme Lead) |
| Finance Officer: | Chris Moore (SBCD S151 Officer) |
| Legal Officer: | Tracey Meredith (SBCD Monitoring Officer) |

1. Introduction

The Skills and Talent programme aims to create new and sustainable opportunities to upskill and create a skills pathway for all that will reduce the number of economically inactive; increase the number of people with higher than level 2 qualifications and create opportunities to increase the number of people with higher level skills thereby generating prosperity for individuals and businesses across the region



The Skills and Talent programme is a unique programme within the suite of 9 City Deal projects that will deliver a skills training solution offering the best value sustainable skills infrastructure to develop the future workforce for the region. The development of a comprehensive and forward-thinking skills programme that will deliver the right skills and competency across all the key themes of the City Deal programme is vital to the overall success of the City Deal Portfolio.

The programme will align the available skills provision and identified skills gaps with the needs of Industry across the region as well as the 8 innovative projects that make up the City Deal supporting the growth of GVA, productivity and business investment in the region. The delivery of an innovative skills training programme will be through initial scoping and publication of a skills barometer followed by the development of pilot projects to offer training solutions that will over the lifetime of the programme and beyond deliver a skilled workforce that will meet the requirements of the projects and the wider economy of the Swansea Bay region.

The Regional Learning and Skills Partnership (RLSP), a partnership of Industry Employers and public sector training and education providers will be the lead body for the Skills and Talent programme. The partnership was established in 2010 to identify skills and training needs of the region and has a long-standing experience of working with industry and training providers and reporting to Welsh Government the regional training needs

2. Background

The Business Case for Skills and Talent has been developed as a Programme Business case, in line with Better Business Case and Green Book guidance and has progressed significantly over the last couple of months.

The Programme governance arrangements are now in place through the RLSP Board which has approved the business case for submission through the City Deal governance process.

Following review by the Portfolio Management Office, the business case has been considered by the Economic Strategy Board (ESB) with feedback incorporated into the current draft. An official ESB test and challenge session was held on 20th May, the result of which was full support and endorsement of the programme and its Business Case from the ESB.

The Business Case was endorsed by SBCD Programme Board on 29th June 2021.

The Programme is following the City Deal Integrated Assurance & Assessment Framework for all governance and assurance matters including risk and issue management, benefits realisation plans, quarterly and annual reporting, and Project monitoring. A Programme Gateway Review was undertaken 23rd-25th June receiving a Green rating.

A policy workshop was held with UK and Welsh Governments on 11th May and a presentation to the UK Minister 7th July.

The programme lead has also been discussing examples of good practice with other City Deal programmes in Edinburgh and Belfast where there are similarities on the skills needs moving forward.

3. Skills and Talent Programme Business Case

The development and delivery of an up-to-date training and skills programme through formal education; traineeships, apprenticeships and higher-level apprenticeships is critical to improving opportunities for lower skilled workers to upskill for labour market and to seek higher level outcomes. The programme will enable the support of employees already in the workplace to upskill/reskill to be developed to achieve the overall ambition and success of the Swansea Bay City Deal will be based on the ability of businesses in the region to compete with other areas in Wales and the UK. To ensure that we achieve this success it is essential to have a highly skilled and productive workforce to enable the region to be connected and competitive.

Through the funding support of the City Deal programme the RLSP will create a trained and talented workforce for the future within the Swansea Bay City Region working with stakeholders, employers and training providers. The Skills and Talent programme will provide a private led business skills solution delivered through an integrated regional approach to delivering skills focusing on specific sector skills required in order to meet the demand of the Swansea Bay City Region City Deal and the five themes of 'Digital, Construction, Health and Wellbeing, Energy and Smart Manufacturing all fused together to bring about Economic Acceleration in the region. The programme will help open up new jobs to increase the number of people moving into work (including those who have been out of work over a long period of time) and reduce the number of people becoming NEET's.

The Skills and Talent programme will:

- ✓ To directly deliver at least 2,200 additional skills and support the development of around 14,000 individuals with higher level (between 2-8) skills within 10 years.
- ✓ To create at least 3000 new apprenticeship opportunities, to include level 3 to Degree apprenticeships.
- ✓ To create at least 2 Centres of Excellence within specific sectors to develop the region as being "the best" area for skills development.
- ✓ To create a clear career pathway from school education through further and higher education in the key areas of digital; construction, energy; smart manufacturing and life-science and wellbeing, achieved through engagement and development work with schools increasing the number of pupils following the STEM subjects in FE and HE.
- ✓ To deliver 20 new/updated course frameworks to ensure they meet the industry training needs for the future.

The Programme will consist of the following phased elements:

Phase 1 – Identification of skills gaps

Phase 2 – Development of new frameworks and training programmes

Phase 3 – Pilot Projects

Phase 4 – Development of Career Pathways

Phase 5 – Creation of Centres of Excellence

The Skills and Talent programme will work with the City Deal's eight other programmes/projects detailed below as well as understanding the wider regional skills requirements.

The programme will seek to influence the following areas;

- **Advanced skills:** Leading innovation across the City Deal projects. The advanced skills offer will support the new and emerging technologies contained within the constituent proposal bids.
- **Under/Postgraduate Expansion:** Providing increased productivity through greater graduate skills application across the Four Internet themes.
- **Further/Higher Education:** Delivering skills for new roles within the theme sectors, through Foundation Degree programmes, Apprenticeships and Higher Apprenticeships to include Degree Apprenticeships. Delivering innovation will include new blended learning approaches.
- **Continuing Professional Development:** Ensuring the region's skills across the themes remains at the forefront of professional practice. This is to include ensuring that older workers currently operating within the economy have the skills they desire and require to progress and diversify.
- **Apprenticeships:** Support the integration of Apprenticeship opportunities throughout the Skills and Talented Future Generations project.
- **Skills facilities development:** Creation of sector-specific facilities to support the development of new emerging skills/roles and the creation of a step-change in capacity across the region.
- **Schools engagement** to influence curriculum development and delivery to ensure the adequate supply of young people with the right skill sets.
- **Increased engagement** with current channels and programmes delivering careers advice to enthuse young people and influence career decisions at the right time and in the right way to retain the talent of young people in the region and reduce the impact of "brain drain" on the region.
- **Engagement** with people of all ages who are not currently in Education, Employment or Training (NEETS) ensuring that there are opportunities for all.

The Skills and Talent Programme will support the SBCD portfolio and build on existing engagements with all project lead organisations and the long-standing links with the private sector via sector specific cluster groups. Existing knowledge and consultation will help identify the skills need and facilitate engagements with relevant providers to deliver skills solutions.

The skills developed through the Skills and Talent programme will not only help fill the new roles directly created through the City Deal Themes, but also support a broader uplift in Gross Value Added (GVA) and productivity across the prioritised sectors and wider regional economy. Given the varying lead times of each project a timescale of between five and fifteen years is proposed in the first instance to achieve the aims which will be

monitored through the incremental measurement of GVA. The RLSP has a tried and tested methodology for identifying skills needs which will be built on and honed to identify the skills solutions for each of the projects within the proposal.

Individual Project Skills needs will be identified and quantified through the following process;

- Existing Regional Skills Identified through a desk-based review of relevant labour market information,
- City Deal Project Skills identified through continued engagement with the individual projects,
- Skills Gap Analysis undertaken, and Skills Barometer published,
- Skills Requirement solutions identified, and projects developed,
- Career Pathways developed with schools and colleges, and
- Centres of Excellence established to sustain activity beyond the programme.

4. Financial Implications

Risks will be managed through monitoring and evaluation at both project and programme level and reported, via the Portfolio Management Office, to the Joint Committee, where appropriate.

Specific programme financial risks are outlined within the strategic case component of the business case and the Programme risk register.

The procedures around the management of City Deal funding are detailed within the Joint Committee Agreement.

The project is funded through £10m City Deal Funding, £16m public sector funding and £4m private sector funding. City Deal funding will be released on the successful approval of the programme business case by UK and Welsh Government. Public sector investment consists of investment/contributions from local authorities and other public funded and public service organisations. Public Sector investment will also consist of funding from FE, HE and schools as cash or in-kind match funding for projects. Private sector investment includes regional investment from local and national private sector partners as well as local higher education providers.

5. Legal Implications

The Joint Committee Agreement between the participants of the Swansea Bay City Region requires (at clause 12.3) all councils in whose areas the projects take place to approve the submission of the business case. The programme business case shall include a resolution of the relevant project authority lead and all councils in whose area the project shall take place. Therefore, all regional authorities will need to approve this business case through their internal governance process.

Clause 2.2 (i) of the Terms of Reference of the Joint Committee provides that the Joint Committee's functions include the consideration and approval of project business cases. Clause 2.2 (k) provides that the Joint Committee also agrees the terms and conditions of Government Funding.

6. Alignment to the Well-being of Future Generations (Wales) Act 2015

The SBCD portfolio and its constituent programmes and projects are in keeping with the approach and ambitions of the Well-being of Future Generations (Wales) Act 2015. The City Deal goals and objectives will also have a significant impact across the seven well-being goals for Wales.

The alignment of the Skills and Talent Programme to the Well-being of Future Generations (Wales) Act 2015 is detailed within the appended Programme Business Case.

Background Papers: None

Appendices: A – Skills and Talent Programme Business Case including Executive Summary.