

# LIVERPOOL CITY REGION COMBINED AUTHORITY

To: The Metro Mayor and Members of the Combined Authority

Meeting: 29 April 2022

Authority/Authorities Affected: All

EXEMPT/CONFIDENTIAL ITEM: No

KEY DECISION: Yes (number 262)

## REPORT OF THE PORTFOLIO HOLDER: EDUCATION, SKILLS, EQUALITY AND DIVERSITY AND THE EXECUTIVE DIRECTOR INVESTMENT AND DELIVERY

### SKILLS BOOTCAMPS FUNDING

#### 1. PURPOSE OF REPORT

This report seeks approval to establish a Dynamic Purchasing System (DPS) to disperse a Department for Education (DfE) grant of £8.1m in support of the development of higher levels skills in growth sectors.

#### 2. RECOMMENDATIONS

It is recommended that the Liverpool City Region Combined Authority:

- (a) approve in principle the implementation of a Dynamic Purchasing System (DPS) to act as the procurement vehicle for provider awards relating to Government Bootcamps funding;
- (b) delegates authority to the Executive Director Investment and Delivery, in consultation with the Monitoring Officer to approve successful awards from the procurement process on the DPS whilst requiring that an audit trail of all call-offs from the DPS and approvals of any award is maintained by the Procurement Department and the Skills & Apprenticeship, Digital Skills team respectively; and
- (c) delegates authority to the Combined Authority Treasurer to finalise negotiations of detailed terms of the funding and associated agreements in consultation with the Combined Authority's Monitoring Officer and the Executive Director Investment and Delivery

### 3. BACKGROUND

- 3.1 During the past 18 months officers have been working in partnership with the Department for Education (DfE) to deliver a pilot programme aimed at delivering bespoke training at targeted occupations in the Digital sector with the objective of upskilling the existing workforce to secure long term employment or enter new markets. The pilot has also delivered similar packages of training to unemployed people across Liverpool City Region with the objective of providing them with the skills that employers say they need in this sector moving forward.

The digital sector pilot began with a Wave 1 £1m award in October 2020 which was required to be delivered within 6 months. Following successful delivery of Wave 1, the Combined Authority were then awarded a further £1.2m in April 2021 for delivery in that financial year. As a high performing area, the Combined Authority was also awarded a further 2 awards of 600k and 200k in year as there were underspends in other areas. The training is Level 3 content or above and is usually delivered over a 12 to 16 week period with an average cost per learner in the pilot phase of £3,500.

- 3.2 Following a review by DfE and Treasury, a 3 year package of increased funding was announced in the recent Spending Review as part of the Government's levelling up agenda. Following discussions with the Department, the funding award for this year of £8.1m has been agreed. Funding for years 2 and 3 will be based on delivery this year across each Mayoral Combined Authority area. The Department has now permitted the Combined Authority to deliver across all Bootcamps sectors not just Digital, these include Engineering, Construction, Green skills, Rail, and HGV driving.
- 3.3 The Combined Authority will also have the flexibility to utilise up to 10% of the funding on regional specific sectors outside of the defined Bootcamp sectors providing there is a clear evidence base that demonstrates this will lead to higher level skills and employment. Large employers (over 250 employees) are required to contribute 30% towards the cost of training, small employers (up to 250) must contribute 10%, whilst self-employed and unemployed will receive training at no cost. Another aim of the programme is to make a positive impact on diversity across sectors with a focus on reflecting the demographic make up of the Liverpool City Region.
- 3.4 It is proposed to disperse the funds via contracts using a newly created Dynamic Purchasing System (DPS). The DPS will remain open throughout delivery which will enable officers to support new providers as and when they are ready to provide services. As part of the registration process providers will submit an application which will be reviewed as part of a due diligence process to ensure the provider meets the required minimum criteria for acceptance to the DPS. Once approved they will remain on the DPS for the duration of the project and will be eligible to tender for lots in the specific area of skills they have been admitted to. Awards utilising the funding will be made as follows: –
- DPS further competition (when we identify learners and wish to conduct a tender exercise to award contracts to successful DPS participants). The contract terms of

any appointment are established as part of the DPS to ensure a seamless award of any contract.

- Separate direct award (when a supplier, who qualifies to be on the DPS, identifies learners on their own, using their own proprietary training and arrangements that only they can do)
- Funding agreements with employers (when LCRCA will enter into a funding arrangement with an employer to pay for the training themselves, subject to subsidy control thresholds). Such arrangements are permitted by the DfT funding terms.

3.4 It is anticipated that there will be a high volume of requests to access the training fund and therefore there will also be a requirement to approve a high volume of tenders from the DPS in a timely manner. It is expected that there will be multiple approval requests each week once the project is running to capacity. To avoid delays in the delivery of services to employers and City Region residents approval is sought for delegated authority to the Executive Director Investment and Delivery in consultation with the Monitoring Officer to approve successful DPS tenders whilst ensuring a full audit trail for each award is maintained by the LCRCA Procurement Department and the Skills & Apprenticeship, Digital Skills team.

## **4. RESOURCE IMPLICATIONS**

### **4.1 Financial**

The £8.1m award of funding in the first year will enable the Combined Authority to support City Region employers, employees, and unemployed residents gain access to high level skills to broaden opportunity and build capacity for growth. A detailed budget will be drawn up in consultation with the Treasurer and the Finance Team.

### **4.2 Human Resources**

There will be a requirement to employ an additional 5 FTEs to support and operate this programme beyond the structure put in place during the pilot phase. The costs associated with these appointments are within the budget of a set management fee of £670k, which also includes marketing and promotion, within the £8.1m award and will therefore not create any additional costs to the Combined Authority. Recruitment will be undertaken in line with Combined Authority policies.

### **4.3 Physical Assets**

There may be a requirement for capacity for additional staffing being recruited: this will be picked up with Asset Management as part of the normal service offering.

### **4.4 Information Technology**

There will be Information Technology requirements associated with the implementation of the Bootcamps project, which will be included within the normal service offering of the Information Technology Service.

## **5. LEGAL IMPLICATIONS**

The Combined Authority has the legal powers to deliver this programme as set out in the Combined Authority Order of 2014. The DfE funding terms have been reviewed and advised on by the Legal department, and the DPS has been set up in consultation with both Legal and Procurement. We have received formal notification of the funding award from the Department which has been accepted by the Executive Director for Corporate Services.

## **6. RISKS AND MITIGATION**

- 6.1 There is a risk that the project will fail to deliver on time, will not fully spend the budget on time, and deliver all the planned outputs/benefits within scope. This will be mitigated by having an experienced team in place. The Skills and Apprenticeship Hub Manager and team will continually monitor the project and its delivery and hold monthly performance meetings with DfE and report into PMO.

## **7. EQUALITY AND DIVERSITY IMPLICATIONS**

- 7.1 A full equality impact assessment has been undertaken as part of the implementation of the Skills and Apprenticeship Hub with no further actions required.
- 7.2 One part of this funding will allow the Combined Authority to make interventions to ensure supported cohorts reflect the community demographic.

## **8. PRIVACY IMPLICATIONS**

A full Data Protection Information Assessment of the Skills and Apprenticeship Hub has been undertaken and reviewed by the Combined Authority's Information Governance lead. This identified appropriate measures which have now been put into place.

## **9. COMMUNICATION ISSUES**

A clear communications and marketing plan will be implemented that will engage with stakeholders across all areas of Liverpool City Region to gain broad engagement and participation.

## 10. CONCLUSION

This paper seeks approval to implement a DPS to manage procurement activity related to Skills Bootcamps funding and delegated authority to the Executive Director Investment and Delivery in consultation with statutory officers to approve successful awards from the DPS process.

MAYOR JOANNE ANDERSON  
Portfolio Holder for Education  
Skills, Equality and Diversity

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### Appendices:

None

### Background documents:

None