



Cyngor Castell-nedd Port Talbot
Neath Port Talbot Council

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CABINET

30th June 2021

Report of the Director of Environment and Regeneration

Matter for Decision

Wards Affected:

All wards.

Swansea Bay City Deal Skills and Talent Programme

Purpose of the Report:

To seek Members approval of the Swansea Bay City Deal Skills and Talent business case (attached as Appendix 1 of this report) and to authorise its' formal submission to the Portfolio Management Office in accordance with the City Deal Implementation Plan to secure City Deal funding approval.

Executive Summary:

The Skills and Talent Programme is a unique programme within the suite of nine projects that make up the Swansea Bay City Deal portfolio that will over the next 5 years deliver a skills training solution, offering the best value sustainable skills infrastructure to develop the workforce of the future. The development of skills to meet the needs of the City Deal projects and wider employer needs will enhance

opportunities for the residents of the county and increase the number of people with higher level skills in the region.

The overarching aim of the programme is to strengthen collaboration and increase investment that will significantly boost the quality and quantity of trained and skilled individuals through the intervention of the programme. The programme has clear outputs set out below and it will achieve these by developing and delivering pilot projects in partnership with the eight City Deal projects and key stakeholders in the region.

Background:

The Swansea Bay City Deal is a £1.3bn investment in nine major projects across the Swansea Bay City Region which is made up of Carmarthenshire, Neath Port Talbot, Pembrokeshire and Swansea. The City Deal is being funded, subject to the approval of project business cases, by the UK Government, the Welsh Government, the public sector and the private sector.

A business plan for the Skills and Talent Programme has been prepared and is enclosed as Appendix 1 for member's consideration with a summary included in the body of this main report.

The City Deal funding will fund a programme team that will develop a Skills Barometer for the region, the Barometer will identify the skills gaps that exist in the region and identify the new skills required to meet the existing and future needs of the 8 City Deal projects across the five key themes of Construction, Digital, Energy, Health and Wellbeing and Smart Manufacturing.

The programme delivery will be across four phases:

- ✓ Phase1 - mapping of the City Deal skills gaps and analysis of the training needs for the City Deal projects and the wider regional benefits. The needs analysis will consider the business needs; gender and equality imbalances and the needs and availability of

the existing and future workforce through re-training and increasing awareness of opportunities.

- ✓ Phase 2 - identify the skills gaps across the five key themes and the programme team will work with stakeholders to develop pilot projects to deliver the skills training and upskilling identified. The Skills and Talent programme will not duplicate existing provision but will work with all training providers across the region to ensure that the courses delivered through the pilot projects will meet the future skills needs for the region and will provide a lasting legacy of skilled individuals across the Swansea Bay region.
- ✓ Phase 3 - will work with schools across the region to highlight opportunities that will be generated through the City Deal projects and develop clear pathways to help young people make the right choices in schools. The aim will be to increase the number of pupils following STEM subjects in Further and Higher Education.
- ✓ Phase 4 – identify opportunities to create Centres of Excellence in the region that will be the legacy of the programme and identify the region as being the best place to learn specific sector skills.

The overarching aim of the programme is to strengthen collaboration and increase investment that will significantly boost the quality and quantity of trained and skilled individuals through the intervention of the programme. The aim is to:

- ✓ 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 Skills and Talent programme is required because the region suffers from a series of overarching economic issues including low GVA, lack of well-paid job opportunities, skills shortage, high levels of economic inactivity and outward youth migration. The region is characterised by a higher proportion of individuals with no qualifications when compared with national averages. A high number of individuals in the region are currently in low skilled, low paid and unstable employment and subsequently a lower-than-average level of individuals are in higher paid, meaningful employment. The programme will help address the skills gaps by working with the City Deal projects and regional stakeholders to develop and deliver the skills needs for the future in the region.

Financial Impacts:

The financial profile is detailed below. These figures are the current financial investment forecast that the Skills and Talent programme is projecting over its 5 year term.

<u>Expenditure</u>	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	
	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	
Capital	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Revenue	£ 24,800	£ 2,920,000	£ 5,000,000	£ 7,500,000	£ 7,500,000	£ 7,055,200	£ 30,000,000
Total	£ 24,800	£ 2,920,000	£ 5,000,000	£ 7,500,000	£ 7,500,000	£ 7,055,200	£ 30,000,000
<u>Funding</u>							
Swansea Bay City Deal Grant	£ 24,800	£ 1,170,000	£ 1,500,000	£ 2,500,000	£ 2,500,000	£ 2,305,200	£ 10,000,000
Public Sector	£ -	£ 1,250,000	£ 3,000,000	£ 4,000,000	£ 4,000,000	£ 3,750,000	£ 16,000,000
Private Sector	£ -	£ 500,000	£ 500,000	£ 1,000,000	£ 1,000,000	£ 1,000,000	£ 4,000,000
Total	£ 24,800	£ 2,920,000	£ 5,000,000	£ 7,500,000	£ 7,500,000	£ 7,055,200	£ 30,000,000

The Joint Committee is responsible for overseeing the proportion of each Local Authority's responsibility for borrowing to provide funding for regional projects. The capital borrowing in respect of the Government funded elements of the City Deal projects will be re-paid by identified Government funds (UK & Welsh Government) over the 15-year period.

The exact level of borrowing and the structure and terms of the borrowing are yet to be confirmed, although it will be calculated based on the amount required per relevant Local Authority and will be in line with the individual LA's internal requirements. This is being determined by the four Section 151 Officers of the four regional LAs. All borrowing will be agreed based on the principles of the Prudential Code and Treasury Management Policy and Strategy for each Local Authority.

When the borrowing requirement is confirmed for the regional programmes each local authority will be obligated to individually support their determined element and any associated borrowing costs. Currently work is ongoing to determine the level of borrowing required for the three regional programmes in light of the announcement of the advancement of grant from UK Government and the ongoing discussions with Welsh Government to match this grant advancement.

Integrated Impact Assessment:

The scheme has been considered against the five ways of working (long term, prevention, integration, collaboration, involvement) in the

Well-being of Future Generations sustainable development principle.
Skills and Talent will directly contribute to our objectives:

- Long Term –Skills and Talent development is a long-term investment that enables transformative actions at many levels.
- Prevention –Skills delivery represents an opportunity to improve services and provide a stable platform for future change.
- Integration –Skills development is a critical enabler across many sectors and makes integration simpler and more effective.
- Collaboration –Skills and Talent opens significant new opportunities to involve people and organisations in working together and increase prosperity in the region.
- Involvement – Part of the project is to deliver up-skilling, which is fundamental to opening opportunities for all and increasing the chance for all to get employment and have a better standard of living.

The scheme is unlikely to impact on any specific groups as defined within the Equality Act 2010.

Finally, the scheme is unlikely to impact on the Council's obligations under the Welsh Language Standard Regulations 2015.

Valleys Communities Impacts:

The Skills and Talent programme will support training opportunities across the whole region.

Workforce Impacts:

No implications

Legal Impacts:

No implications

Risk Management Impacts:

Report authors should identify the risks associated with implementing the proposed recommendations and also the risks associated with failing to implement the proposed recommendations.

Other Impacts

None.

Crime and Disorder Impacts:

No impacts

Counter Terrorism Impacts:

No impact

Violence Against Women, Domestic Abuse and Sexual Violence Impacts:

No impact

Consultation:

There is no requirement for external consultation on this item'

Recommendations:

1. To approve the Swansea Bay City Deal Skills and Talent business case and its formal submission to the Portfolio Management Office in accordance with the City Deal Implementation Plan to secure City Deal funding approval.
2. That delegated authority be granted to the Director of Environment and Regeneration in consultation with the Cabinet Member for to approve any amendments to the business case that may be required to obtain approval at local, regional and national level.

Reasons for Proposed Decision:

To enable the formal submission of the Skills and Talent business case to the Portfolio Management Office in accordance with the City Deal project approval process.

Implementation of Decision:

The decision is proposed to be implemented after the 3 day call in period.

Appendices:

Swansea Bay City Deal Skills and Talent Programme Business Case

List of Background Papers:

None

Officer Contact:

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