

UK Shared Prosperity Fund – People & Skills

Report Author(s): Debra Baillie-Murden
Programme Manager – Economic Growth
01603 430597
debra.baillie-murden@southnorfolkandbroadland.gov.uk

Portfolio: Stronger, Greener Economy and Supporting People

Ward(s) Affected: All

Purpose of the Report:

To finalise the people & skills work programme, funded through the Council's UK Shared Prosperity Fund (UKSPF) allocation, to provide employment support and address the barriers to businesses taking on apprentices and work placements.

Recommendations:

Cabinet to:

1. Approve proposals for utilising UKSPF allocations under People & Skills interventions:
 - 1.1. Design a bespoke apprenticeship incentivisation scheme for South Norfolk to be delivered by Apprenticeships Norfolk.
 - 1.2. Providing grants of up to £25,000 for pilot employability and confidence building projects.
2. Delegate to the Director of Place, in consultation with the Portfolio Holder for Stronger, Greener Economy, the signing of contracts, agreements and procurement requirements associated with delivery of this proposal, subject to appropriate legal and procurement advice.

3. Delegate to the Assistant Director for Economic Growth, in consultation with the Portfolio Holder for Stronger, Greener Economy, to finalise a skills development grant scheme to tackle the barriers to employment.
4. Delegate to the Assistant Director for Economic Growth, in consultation with the Portfolio Holder for Stronger, Greener Economy, to make any non-substantive changes to the work programme to ensure delivery within the required timelines.

1. Summary

- 1.1 The Council's approved investment plan outlined a desire to reduce the barriers to local small businesses to enable them to offer work placements and apprenticeships. Linked to the Council's Economic Growth Strategic Growth Plan, there was also an intention to focus on key cluster groups including clean growth/retrofit and the agri-food sector.
- 1.2 It is proposed that the funding allocated to People & Skills interventions are split across three work streams to maximise the impact for residents and create a legacy for future funding.
 - 1.2.1 Apprenticeship incentive scheme – Procure a service, to be delivered by Apprenticeships Norfolk, offering grants to local businesses and apprentices along with a training and mentoring programme to increase retention.
 - 1.2.2 Employability/confidence trials - offering grants of up to £25,000 to qualifying providers including community-based organisations to support working age people to become economically active, and/or to increase their earning potential while in work.
 - 1.2.3 Skills development grants – to address the barriers to employment in the Clean Energy and Technology sector.

2. Background

- 2.1 South Norfolk Council was allocated a total of £1,570,485 of UK Shared Prosperity Funding (UKSPF) over the three-year period to 31 March 2025. The award was confirmed by the Department for Levelling up, Housing and Communities (DLUHC) on approval of the investment plan.
- 2.2 Cabinet approved the principle work programmes included in the investment plan in July 2022. These are as follows
 - 2.2.1 Programme 1: Pride in Place – directly delivering against three of the Communities & Place interventions within the UKSPF prospectus to improve community engagement and empower local leaders and communities.

- 2.2.2 Programme 2: Cambridge Norwich Tech Corridor – delivering against two of the Supporting Local Business interventions to enable businesses to innovate and grow. The programme has a particular focus on the key cluster groups for the district as outlined in the Council’s Economic Growth Strategic Plan.
- 2.2.3 Programme 3: Skills development – reducing the barriers residents face to employment by supporting them to progress into education and work. This programme delivers against two of the People & Skills interventions, with a particular emphasis on supporting green skills.
- 2.3 Within DLUHC’s UKSPF Prospectus, it was confirmed that funding for People & Skills interventions could only be used in 2024/25 unless extending an existing EU funded project.
- 2.4 Cabinet approved the above work programmes, with agreement that the People & Skills work streams would be finalised to meet local needs. The outline plan included an aim of reducing the barriers to local small businesses to enable them to offer work placements and apprenticeships. Linked to the supporting local business interventions, there was also a desire was to focus on key cluster groups including clean growth/retrofit and the agri-food sector.
- 2.5 Within the approved investment plan, 2024/25 allocations for skills interventions have been agreed as follows:
 - 2.5.1 £278,720 under intervention E38: Support for local areas to fund local skills needs. This includes technical and vocational qualifications and courses up to level 2 and training for vocational licences relevant to local area needs and high-value qualifications where there is a need for additional skills capacity that is not being met through other provision.
 - 2.5.2 £52,000 under intervention E39: Green skills courses targeted around ensuring we have the skilled workforce to achieve the government’s net zero and wider environmental ambitions
- 2.6 The Council is committed to delivering on the following outputs/outcomes:
 - 2.6.1 Number of people in education/training
 - 2.6.2 Number of people receiving support to gain a vocational licence
 - 2.6.3 Number of economically inactive individuals engaged in mainstream skills, education, and training
 - 2.6.4 Number of people gaining a qualification or completing a course following support
- 2.7 DLUHC have agreed funding from 2023/24 allocations can now be used for People & Skills projects for both existing and new/trial projects. This would enable

any projected underspend from this year to be used to start skills projects earlier increasing the potential outcomes for local residents.

- 2.8 The current UKSPF period is an opportunity for South Norfolk to lead skills and employability support for the district. Future funding and therefore provision from April 2025 is likely to be through Norfolk County Council.

3. Current position/findings

- 3.1 Apprenticeships have been identified as a key mechanism for developing the workforce to meet industry needs. They are suitable for both developing existing members of staff, allowing employees to move into a role where significant new knowledge, skills and behaviours are needed, as well as for new employees to gain hands-on experience in the workspace whilst also gaining the work-based skills and qualifications.
- 3.2 Apprenticeships Norfolk, is a service offering a wide range of support for both apprentices and companies looking to take on an apprentice, including information and guidance. In recent years they have trialled pilot projects to incentivise businesses to overcome barriers to smaller businesses hiring an apprentice.
- 3.3 Data provided by Apprenticeships Norfolk highlights that 603 people commenced apprenticeships in South Norfolk in the year to 31 December 2022; this is a decrease of 17% when compared to the previous year. This contrasts with England wide data where new apprenticeship starts were up by 8.6% compared with 2020/21.
- 3.4 Just five people across Norfolk commenced green apprenticeships during this period, none of which were delivered by local training providers however West Suffolk College have recently launched a Low Carbon Heating Technician course. Further support is needed to stimulate opportunities in this sector to enable South Norfolk to have the future skills for delivery of the wide scale clean energy transition.
- 3.5 Funded work placements i.e., Kickstart ended in September 2022. There is currently only limited pre-apprenticeship and employability support available to residents as schemes, previously funded through European funding, have ended.
- 3.6 Over the last 12 months, the Help Hub has experienced a significant increase in demand for money and debt advice, with referrals up around 30%. To effectively address financial hardship, it is essential to maximise household income. For some households with ill-health, welfare rights provision can increase income, but we cannot offer this as a solution for customers that do not qualify. The only real and sustainable way for working-age customers, with no long-term condition, to improve their income is through entering or improving employment and increasing their earning potential.
- 3.7 The Help Hub takes upwards of 5000 referrals a year, across the two districts. Only a small proportion of those are in employment and when they are this tends

to be part time, low paid and sporadic. Of all working age social prescribing cases only 18% are in paid employment with the remaining 82% claiming a sickness related benefit. Of current debt advice caseload, 35% are working age and employed either full or part time, and 20% are seeking employment with the remaining in receipt of a sickness related benefit or receiving state pension.

4. **Proposed Action**

- 4.1 It is proposed projected underspends of £50,000 from the 2023/24 UKSPF allocation are utilised for People & Skills interventions, allowing staffing and systems to be put in place during quarter four, enabling a full year of project delivery for the proposed work streams.
- 4.2 It is proposed that South Norfolk procured Apprenticeship Norfolk to build on previous pilot projects to offer a package of support to residents and businesses, stimulating apprenticeships in the area, with a particular emphasis on green skills. Apprenticeship Norfolk have the systems and mechanisms in place to administer a scheme in line with the requirements of the apprenticeship levy. An Apprenticeships Project Officer will be employed to lead on delivery of this project and management oversight provided as part of the contract.
- 4.3 Working closely with the Market Towns and Business Development Team to identify and support businesses in the district, a package of financial and practical support can be offered to incentivise taking on an apprentice. The proposed package of support includes:
 - 4.3.1 Grants for non-levy (SME) businesses to incentivise taking on an apprentice (of any age), with at least one grant ring-fenced for a Care-Experienced young person (aged 16-24) - *plus* inclusion of 'Introduction to green/sustainable skills' module for broader 'non-green' apprenticeships.
 - 4.3.2 Enhanced grants for non-levy (SME) businesses to incentivise taking on a 'green' apprentice (of any age) – this will be based on [IfATE categorisation](#) of a dark green apprenticeship.
 - 4.3.3 Grants via non-levy (SME) businesses to reduce barriers for apprentice towards travel or equipment (practical or digital).
 - 4.3.4 Inclusion of training tools to encourage increased retention (Employer Induction & Mentoring Training) and provide longevity and legacy in skills for employers to support apprenticeship schemes in their organisations.
 - 4.3.5 Free Training Needs Analysis for businesses engaged in project.
 - 4.3.6 Free and impartial wraparound support to navigate the apprenticeship administrative and on boarding process.
- 4.4 The proposal is for £130,000 of the Council's UKSPF to be allocated to this project from January 2024 to March 2025. This includes resource for delivery of the

project, marketing, webform development and an evaluation, as well as a grants package of £2,000 to SMEs taking on apprentices and enhanced grants of £5,000 for green apprentices

- 4.5 To add value to the project, Norfolk County Council have agreed to a Levy Support Scheme to provide Levy Transfers for businesses who are required to co-invest the 5% contribution to the apprenticeship training cost.
- 4.6 The following outputs and outcomes will be measured:
 - 4.6.1 Businesses engaged
 - 4.6.2 Organisational Needs Analysis audit completed
 - 4.6.3 Number of people in education/training
 - 4.6.4 Number of people gaining a qualification or completing a course following support (this includes functional skills where required)
- 4.7 In addition to this, to address the increasing demand on Council resources for money and debt advice, a package of support for both those actively seeking work as well as those already in employment whose prospect need to improve to become financially stable is proposed.
- 4.8 Many of our hardest to reach customers lack the basic skills and confidence that not only exclude them from the labour market but also leave them at increased risk of tenancy failure, financial exclusion, and a host of other welfare issues. Any employment related activity targeted at this cohort needs to tackle these issues and be embedded in the Help Hub and focus on the real base level skills some need for life.
- 4.9 It is proposed support is provided to two key cohorts, customers with barriers to work, supporting basic skills and confidence building and those who are under-employed, improving prospects and building opportunities to gain more hours/pay or change careers. A referral pathway through the Help Hub Triage process and Social Prescribing will be utilised to identify eligible residents.
- 4.10 The proposal is for £175,000 of the Council's UKSPF to be allocated to this project from January 2024 to March 2025 offering grants of up to £25,000 per project to provide training and support as well as resource to coordinate delivery. Grants will be available to qualifying providers including Voluntary, Community and Social Enterprise (VCSE) partners, to enable the delivery of a range of service provision from a variety of providers to allow different approaches to be piloted and compared.
- 4.11 The following outputs and outcomes will be measured:
 - 4.11.1 Number of projects supported
 - 4.11.2 Number of people engaged in the service

- 4.11.3 Number of people supported to improve 'job-readiness' and life skills
- 4.11.4 Number of economically inactive individuals engaged in mainstream skills, education, and training
- 4.11.5 Number of people gaining work or industry experience
- 4.12 By improving skills at a base level over the current UKSPF period, it is anticipated that the cohort of customers supported, will be able to access more formalised learning and training in future. The proposal will be providing residents with the personal and social skills to engage with such schemes as placements and apprenticeships.
- 4.13 A key growth cluster for South Norfolk, as identified in the Economic Growth Strategic Plan, is Clean Energy and Technology. To address barriers to employment in this sector, it is proposed that up to £75,000 of South Norfolk's UKSPF allocation is set aside for the development of a grant scheme to support skills development. This intervention is subject to a business case to evidence need and demand. Current support programmes will be investigated to ensure they are not duplicated, ensuring the programme meets the needs of local residents and employers.
- 4.14 Possible and specific grant interventions will be explored. If no opportunities for intervention are identified by 31 March 2024, it is proposed funds be reallocated to the other two work programmes.
- 4.15 Potential outputs and outcomes to be measured:
 - 4.15.1 Number of people receiving support to gain a vocational licence
 - 4.15.2 Number of people gaining a qualification or completing a course following support
- 5. **Issues and risksResource Implications** – UKSPF provides revenue funding to ensure programmes are adequately resourced; additional resource requirements to support delivery of the People & Skills work programme are outlined above. Management support for these posts will be provided as in-kind support for the programme. The Council's allocation also includes a 4% administration allowance to cover costs incurred through the administration of the fund; a Project Coordinator is in post to support all work streams and ensure compliance with funding requirements.
- 5.2 **Legal Implications** – Within UKSPF guidelines, appropriate UK government logos and reference to UKSPF must be prominently displayed on all websites and printed materials relating to funded activity.
- 5.3 **Equality Implications** – The work programme has been designed to target support at residents furthest from employment and is aimed at improving equality.

- 5.4 **Environmental Impact** – The programme has been developed to increase the number of individuals in the local area with green skills to support the Council's net zero commitments. The wider outcomes of the programme are anticipated to improve environmental infrastructure and outcomes for the district.
- 5.5 **Crime and Disorder** – no issues identified at this time.
- 5.6 **Risks** – A requirement of the funding is for a risk register to be in place and updated throughout programme delivery. This will be updated to include projects under the skills programme. Key risks include:
- 5.6.1 **Business Engagement:** projects take time to gain momentum and historically have relied on referrals from training providers and naturally occurring interest, it is proposed this project trials an innovative approach; working collaboratively and closely with council officers and utilising business support newsletter to generate interest.
- 5.6.2 **Risk of early withdrawal from apprenticeships with employers to releasing apprentices as funding support finishes.** Conditions of funding will include requirement to consider wage forecasting and staggered instalments for grants to minimise risk. Completion of an employer induction will be necessary to be eligible for payment 1 and then completion of mentoring will be required to access to get payment 2 means secured employer commitment and legacy of skills even if unsuccessful longer term apprenticeship outcome.
- 5.6.3 **Green Apprenticeship Training Provision.** The lack of local provision will create significant limitations on the ability to start dark green apprenticeships. West Suffolk College have recently launched a course for Low Carbon Heating Technicians however, access for South Norfolk residents is limited. Early engagement with training providers will be essential to encourage opportunities commencing September 2024.

6. Recommendations

Cabinet to:

- 6.1 Approve proposals for utilising UKSPF allocations under People & Skills interventions:
- 6.1.1 Design a bespoke apprenticeship incentivisation scheme for South Norfolk to be delivered by Apprenticeships Norfolk.
- 6.1.2 Providing grants of up to £25,000 for pilot employability and confidence building projects
- 6.2 Delegate to the Director of Place, in consultation with the Portfolio Holder for Stronger, Greener Economy, the signing of contracts, agreements and procurement requirements associated with delivery of this proposal, subject to appropriate legal and procurement advice.

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- 6.4 Delegate to the Assistant Director for Economic Growth, in consultation with the Portfolio Holder for Stronger, Greener Economy, to make any non- substantive changes to the work programme to ensure delivery within the required timelines.

Background papers

None