

London Borough of Hackney Skills, Economy and Growth Scrutiny Commission Municipal Year 2022/23 Date of Meeting Monday 18 July 2022 Minutes of the proceedings of the Skills, Economy and Growth Scrutiny Commission held at Hackney Town Hall, Mare Street, London E8 1EA

Chair Councillor Polly Billington

Councillors in Attendance **CIIr Steve Race and CIIr Jessica Webb** 

Apologies: Cllr Anna Lynch and Cllr Jon Narcross

Officers In Attendance Jill Gander (Head of Quality and Cirriculum) and Andrew

Munk (Head of Employment, Skills and Adult Learning)

Other People in Attendance

Alison Arnaud (New City College Group), Anthony

Harmer (ELATT) and Councillor Carole Williams (Cabinet

Member for Employment, Human Resources and

Equalities)

**Members of the Public** 

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## **Councillor Polly Billington in the Chair**

1 Welcome and Apologies for Absence - 7:00pm

Apologies for absence from Cllr Narcross and Cllr Lynch

Councillors virtually in attendance:

- Cllr Turbet-Delof
- Cllr Premru
- Cllr Smyth
- Cllr Potter.
- 2 Urgent Items / Order of Business 7:02pm
- 2.1 The order of the items was as per the agenda.

### 3 Declarations of Interest - 7:03pm

3.1 There were no declarations of interest.

### 4 Adult Learning / Education and Skills Retraining in Hackney - 7:05pm

- 4.1 The Chair opened this item with the following introduction:
- 4.2 Lifelong learning is key to retraining, accessing better job opportunities and transitioning to new employment sectors. The UK Government committed £3 billion over 5 years, from 2021, to a National Skills Fund to retrain and up skill the adult workforce to meet identified skills gaps. Every day there is information on the news about the shortage of these skills.
- 4.3 This item is to explore how the local adult learning and skills provision in Hackney is supporting residents and adults of working age to retrain and transition into new and future job roles.
- 4.4 The Commission requested a response to the questions below from the guests invited to the meeting.
  - 1. The skills gap information about the demographics accessing adult education, learning and skills courses and a breakdown of the funding stream / investment.
  - 2. The Council's new green deal pledges to support the local green economy and to create green skills. We asked our guests about their understanding of the "green skills gap" and how they plan to plug it.
  - 3. The previous scrutiny commission *Working in Hackney* made a recommendation to the Council to explore aligning their adult community learning provision with the employment support service. We are asked London Borough of Hackney to for an assessment of the success or otherwise of the integration and the next steps.

#### Part1

Presentation from New City College Group Hackney and Tower Hamlets College (Hackney site).

- 4.5 The Chair welcomed to the meeting Alison Arnaud, Principal at New City College Group Hackney site to commence her presentation in response to the questions outlined above.
- 4.6 The Principal at the New City College Group Hackney (NCC) made the main points below in her presentation.
- 4.6.1 In relation to the skills gap for London their decisions related to courses are being influenced by the following:
  - The economic growth in London for 2020-27 is anticipated to be 2.4%.
  - The breakdown of job shifts over the next 5 years and the breakdown of employment by skills levels.
    - ➤ L1 10%
    - ➤ L2 10%
    - ➤ L3 13%
    - ➤ L4/5 14%

- $\triangleright$  L6/7 53%.
- 67% of employment will need skills above L3 (i.e. degree level & beyond).
- 4.6.2 The college has a working partnership with Bath Spa University. The university was looking for a partnership in London and they are currently on site with New City College campus. Through this partnership NCC has been able to fill some of their qualifications and expertise gaps. Which their current partnership with Queen Mary's London and UEL does not cover. This new partnership supports moving towards higher qualifications that is anticipated will be in demand in the future.
- 4.6.3 In the short-term New City College is making sure their progression from level 3 and level 4 courses into university are on site. This enables them to support people to stay in the same location (from pre-entry level up to a Masters degree).
- 4.6.4 From the Mayor of London's skills agenda the main employment sectors in London are identified to be:
  - Retail
  - Services
  - ICT/Digital
  - Financial & Professional Services
  - Professional Science/Tech
  - Administration
  - Education and Health.
- 4.6.5 As green technologies are set to grow and will impact all sectors, NCC is developing sustainable and renewable units for all its courses. Most importantly there are very few specific green qualifications currently. All qualifications will have element of green units that require you to look at the industry from the perspective of being green, sustainable and demonstrating a reduction in carbon footprint, travel etc. The college pointed out this is covered on all of their courses currently. Most specifically their T-Level course too.
- 4.6.6 Following the pandemic the areas of decline are said to be in the sectors below where people have dropped out of employment.
  - Retail
  - Cleaners
  - Admin staff
  - Chefs
  - Taxi drivers.
- 4.6.7 In contrast the sectors below have experienced additional demand and did not lose employment during the pandemic.
  - Nurses
  - care workers
  - Education professionals
  - finance/sales
  - Medical professionals/ technicians
  - Digital professionals/ technicians.

- 4.6.8 All of these sectors are skills gaps that need to be filled. Some of the jobs will not be at a higher level.
- 4.6.9 This means for some jobs the license to practice becomes extremely important. For example if a person is working in the gig economy and looking for employment. In this current climate it can be appealing to take a job without the necessary licenses / qualifications to secure paid employment immediately. For example, people entering the construction industry may be encourage to work without the correct license to practice. In theory this can evolve into the equivalent of modern day slavery because they cannot get a better job somewhere else or progress because they have no transferable skills evidence. This can also put a lid on that person's earning potential and progression. For this reason, it is key to promote education alongside work for those people who are currently economically vulnerable.
- 4.6.10 The areas of focus for capital investment by NCC are:
  - Construction (sustainable living- MV & retrofitting)
  - Digital Skills user and technical (Cyber security, Coding ,IT User)
  - Health & Science
  - Education
  - Legal, Finance & Accounting
  - Green Tech and the jobs of the future carbon zero economy Hackney and Rainham with GLA & T levels
  - Creative Industries
  - Service Industries- public services- uniformed & other.
  - L4-L7 Micro-qualifications including intensive short courses & Saturdays/ evenings.
- 4.6.11 For construction NCC is the only centre in the country delivering electrical charging points qualifications. All their electrician and motor vehicle students are doing these qualifications to give them that transferable skill set.
- 4.6.12 In relation to digital skills NCC has an essential digital skills program. This provides access to digital skills from the bottom whilst also identifying areas like cyber security and coding where there is an enormous impact and huge demand.
- 4.6.13 The Principal from NCC explained that Level 3 is A levels, level 4 is foundation degree and level 5 is degree, level 6 is masters and level 7 is PHD postgraduate. Another area of focus is level 4-7. NCC is looking at micro qualifications for people who do not want to do a whole degree but want to demonstrate high levels of expertise in a particular field. This related to their partnership work with Bath Spa University.
- 4.6.14 The breakdown of ethnicity was outlined in the presentation from 2021 data. The Principal highlighted that NCC had 3000 females and just under 2000 males. The Principal highlighted there is also a high volume that do not declare their ethnicity.
- 4.6.15 In relation to the question about if specific cohorts / ethnic groups who do not tend to access adult learning. NCC informed females enroll more than males. When they have asked about this it appeared to be linked to NCC having a

- nursery onsite and being able to use their bursary to access additional childcare hours on site.
- 4.6.16 NCC find it's the under 25s and over 50s who are the main age groups in attendance. Although for the over 50s their attendance can be linked to loneliness as opposed to employment reasons.
- 4.6.17 From this data NCC recognize there is a whole cohort of people in the middle age range they need to target over the next few years.
- 4.6.18 The NCC's current funding streams were outlined to be.
  - GLA- Adult Education Budget (AEB)
  - GLA- National Skills Fund (NSF)
  - Education and Skills Fund Agency (ESFA)
  - Loans
  - Full Cost Recovery
  - SDF- Skills development Fund
  - MULTIPLY
  - CDF-capacity Development fund.
- 4.6.19 The GLA funding is better than the ESFA. The ESFA learners are not residents in the borough and come to them from outside London. The SDF is the new skills development fund of which the first stage is Multiply. CDF is capital development fund around T Level and the progression for adults into level 3 qualifications.
- 4.6.20 NCC explained in relation to the funding conditions the rules applied are exceptionally complicated. Before a student can be considered for a course NCC need to know the following to be able to apply the funding rules.
  - Residency
  - level of employment
  - age
  - if they are on any other benefit.
- 4.6.21 The college employs a person to solely carry out this work because of the complexity. The Principal from NCC Hackney site explained how this would apply to a level 2 non entitlement course for a plumber or care worker.
  - For 19-23 years old to be fully funded they need to hold a level 2 (GCSE or equivalent) qualification and be unemployed or on a low wage.
  - To be co-funded they must have a level 2 qualification, but they cannot be unemployed or low waged. In this case they are partially funded, and the learner must pay the remainder of the course fee.
  - If they are 19 -23 years old and do not have a level 2 qualification they are not funded. It could be argued that this category is a gap.
- 4.6.22 For adults if they are unemployed or low wage they are fully funded but otherwise they are co-funded. The Principal pointed out this demonstrated a snap shot of the complexity of the funding rules for a level 2 course. Whereas for English and Maths if you do not have this qualification the person will be fully funded.

- 4.6.23 For Multiply funding if you need the qualification and it's not in Maths they can give you the skills that you need without the prerequisite of a qualification.
- 4.6.24 The flexibility with GLA funding allows NCC to choose to act for something they think is the right thing to do.
- 4.6.25 The Chair commented the information presented had given the commission insight about the complexity of funding for further education institutions to administer and students to access course.

#### Part 2

Presentation from ELATT independent further education provider in Hackney.

- 4.7 The Chair welcomed to the meeting Anthony Harmer the Chief Executive of ELATT. The Chief Executive to commence his presentation in response to the questions outlined under point 4.4.
- 4.7.1 ELATT is an independent charity based in Haggerston. They have 1000 students a year. All students learn digital skills, IT, English and Maths (to some extent). 100 students are aged between 16-24 mostly with special educational needs and typically, on study programmes from level 1-3. They have 300 adults aged 19 plus. This cohort is usually on no pay or low pay; looking for work or to improve their work skills and primarily studying level 2-3. Last year they had around 60 doing level 3.
- 4.7.2 There are approximately 500 ESOL students primarily refugee asylum seekers or newly arrived migrants. Typically, they study from level 1-3.
- 4.7.3 ELATT's focus is at the grass roots end and providing training to the lower-level workforce. ELATT have very few courses at the higher level that you would find at New City College.
- 4.7.4 In relation to the skills gap, English language is still a very prevalent gap as well as literacy (English language ability).
- 4.7.5 ELATT has identified English and literacy as an issue for residents in deprived circumstances whether English is their first, second or third language.
- 4.7.6 In relation to ICT there are still high numbers in the borough without basic digital skills. Typically the assumption is this is limited to the older age group and does not affect the category they classify as digital natives. However, they have found that young people may have good social media skills but not office IT skills such as Word, Excel etc.
- 4.7.7 ELATT have found that 16–18-year olds also need support. Employability is a major skills gap in particular confidence and self-esteem.
- 4.7.8 ELATT have good links with the corporate and business sector (especially in the City). Working with IT companies such as Mimecast, Market Axess, UBS, opus 2 international. Providing mentoring, coaching and work experience placement for their students.

- 4.7.9 There is also a gap in more advanced digital skills at coding, computer engineering and web development. A key challenge they encounter is obtaining the foundation knowledge first. Although there are skills gaps and a lot of opportunities in ICT. This is mainly at the higher end of the skills ladder. Therefore the question is how to get people from level 1 or level 2 to level 3 or level 4 jobs.
- 4.7.10 As illustrated by NCC under the Multiply program maths is a great need like english if not greater.
- 4.7.11 In relation to representation across the borough. They have a good representation from ethnic and faith groups in the borough. Their provision is small but very diverse.
- 4.7.12 Adults students are usually in the 30-50 age bracket. Students uniformly come from the lower socio-economic groups in the borough. Very few from the wealthier demographics in the borough.
- 4.7.13 ELATT has good faith representations except from the Orthodox Jewish community. They have done targeted programmes with third sector providers in Stamford Hill. But these relationships stop and start and it's difficult to maintain long terms sustainability.
- 4.7.14 ELATT have good gender representation across the courses but there are still some stereotypical imbalances. Web design and creative arts have very good gender balance whereas coding and tech are more male dominated and business administration is more female. Even in recruitment from local schools they find that boys show more interest in the digital skills routes. ELATT are working with key workers, parents, and teachers to address this.
- 4.7.15 In relation to their income they receive £2.5-3 million in turn over per year. They have a direct contract with the Greater London Authority (GLA) and the Education Skills Funding Agency (ESFA). Another large proportion of their funding is from the national lottery, corporate and private foundations and charitable trust. This equates to about £1million a year from nontraditional sources. This helps to plug their gaps. As explained by NCC the funding rules are extremely complicated and more difficult for them as an independent training provider and not a college.
- 4.7.16 Ultimately each funding sources has different requirements. For example, funding of £50k from a Bank will trust ELATT to use it well. While other funding source might have specific monitoring management requirements for the funding.
- 4.7.17 ELATT pointed out a large proportion of the funding downstream in the third sector is EU funding. This linked with DWP makes it very complex.
- 4.7.18 In relation to measuring success they do a lot of long-term measurement for progression into learning and employment. There are also short term measures such as meeting targets for individual learning plans etc.
- 4.7.19 In relation to the challenges, they face ELATT reiterated funding was a key issue. For the third sector they have strategic difficulties with ESF. The ESF

funding is a significant source of funding within the third sector. This funding stream is scheduled to end in September 2023. The replacement funding stream will not start until January 2024 at the earliest. However, this is subject to the Government's timetable for the replacement funding not slipping. The earliest the new funding will be available is April 2024. This will leave at least 9 months where the third sector is poised to lose funding. This produces and element of risk for ELATT although not too significant.

- 4.7.20 This presents a serious risk to the infrastructure for non-college and non-local authority education services in adult education.
- 4.7.21 It is ELATT's understanding the council will have some ability to fund certain projects under rules if they are supporting the economically inactive between August and April in that period. But it would be helpful for ELATT and other third sector providers to understand how they can apply for this funding or access it.
- 4.7.22 T-Levels are a major concern because there are not enough substantial work placements (especially in digital). They have a lot of work placements with employers but ELATT are finding they will not commit to more than a few days a week for a few weeks. The idea of an individual getting a placement for 250 hours in digital is rare.
- 4.7.23 The challenge ELATT can see with the plans to move towards T-Levels and scrapping the other options is that young people who are primarily special educational needs (mainly autistic) will find this a challenge. With this in mind ELATT are asking if employers are not committing where will they find placements, and will the employers prioritize the demographic they work with.
- 4.7.24 Regarding green for IT, this fits very well if it is done correctly. All the digital qualifications have elements of waste management considering resource efficiency. It was pointed out there is scope within the use of IT to reduce waste e.g., paper use and logistics.
- 4.7.25 In terms of ELATT as an organization moving towards being more green. ELATT have been supported by the GLA to do major refurbishments which has helped their green objectives. The challenges ELATT encountered was that the GLA provided 50% of the funding but they still needed to find £250k from another source. This presented a challenge.
- 4.7.26 Another major problem with moving to a green structure for ELATT was receiving good independent advice. ELATT explained last year they put in secondary glazing across all their windows and this cost £11k. This provides 90% of the benefit of triple glazing but was a fraction of the cost (triple glazing would have cost £75k). ELATT found the green auditor were encouraging them to take the more expensive route. ELATT pointed out the benefit of doing secondary glazing meant they did not remove perfectly good glass and frames but reusing the materials. This produced a better carbon footprint and was a fraction of the cost for triple glazing.
- 4.7.27 From this experience ELATT likened the green auditors to a cowboy industry when it came to giving independent advice. ELATT would encourage organisations to do their own research because there are less glamorous,

exciting and costly ways to make genuine green improvements, but they do not come to the fore when seeking advice.

#### Part 3

Presentation from London Borough of Hackney Employment, Adult Education and Skills Service.

- 4.8 Present for this item was Cllr Carole Williams, Cabinet Member for Employment, Human Resource and Equalities; Andrew Munk, Head of Employment, Skills & Adult Learning and Jill Gander, Head of Quality and Curriculum.
- 4.8.1 Cllr Carole Williams, Cabinet Member for Employment, Human Resource and Equalities commenced the presentation and made the main point below.
- 4.8.2 A key outcome from the previous the administration was that residents acquired skills to access the labour market to retrain and prepare for the changing skills requirements.
- 4.8.3 From the figures published by the GLA about inequalities it highlights that children from disadvantaged families (low income families) are less likely to achieve good educational outcomes than those from advantaged families. This is really key in terms of the Council's work on poverty reduction across the borough. Employment and skills is key to the poverty reduction work the council is leading on.
- 4.8.4 The Council continues to see that in Hackney the cost of living crisis is making a bad situation worse. And although unemployment figures tell a story about access to work, it does not give the complete picture. The Cabinet Member pointed out despite unemployment figures improving locally there are still high levels of under employment and working poverty across the equality groups.
- 4.8.5 The GLA data also shows that universally London residents in employment are reported to be in part time jobs because they cannot find full time work.
- 4.8.6 The proportion of under employment Londoners rose throughout the recession and dropped back since 2013.
- 4.8.7 In terms of the Council's single equalities scheme Hackney has voluntarily adopted socioeconomically inequality as one of their key pieces of work. The Government removed it from the Equalities Act. As such Hackney's single equality scheme is not just about the protected characteristics that are recognized and accepted in terms of age, gender, disability etc. but it also covers socioeconomic inequalities.
- 4.8.8 Over the past two years the Council has made progress in several areas covering the integration of adult learning services and partnership working.
- 4.8.9 The Cabinet Member highlighted that the Working in Hackney Scrutiny Commission made a recommendation about restructuring adult learning and merging it into the employment and skills team.

- 4.8.10 The key driver for changes was the macroeconomic labour market context outlined at the start of the presentation. There is a golden thread established between the council's political aspirations in relation to building a more inclusive economy and the day to day delivery of the council's adult education services. When the current Mayor inherited adult learning in 2016 he identified there was no connection or focus between delivering vocational courses, functional skills, community learning and ESOL. The high level focus has been rebalanced.
- 4.8.11 There is a focus on green skills and pathways into digital tech in response to the specific challenges faced by Hackney residents to access opportunities.
- 4.8.12 In terms of partnership working, over the past two years there has been a greater focus on partnership working in the function. Including building relationships with New City College and ELATT.
- 4.8.13 In addition to being a provider the Council has a key role to play as a convener providing local leadership in Hackney's adult learning system. There is collaboration and the pooling of resources across local partners. This sits alongside regular collaborations across key parts of Hackney to ensure the curriculum offer is complimentary and to develop a shared function of engagement and outreach.
- 4.8.14 Hackney Council is also a member of Central London Forward (CFT) and LIFT. CLF is a soft strategic regional partnership for central London covering the London boroughs of Camden, City of London, Haringey, Islington, and Hackney. CLF aims to improve the life of their residents across skills and jobs.
- 4.8.15 The Cabinet Member for Employment, Human Resource and Equalities from Hackney has been appointed the lead member for people for CLF to represent them on the Skills for London Board. This board advises on adult skills policy.
- 4.8.16 The Mayor of London came to Hackney and toured Ingeus funded by the GLA to work with adults with disabilities, long term mental and health conditions and refugees to support these individuals into work.
- 4.8.17 LIFT (Leading Inclusive Futures through Technology) is a partnership between the London boroughs of Islington, Hackney and Tower Hamlets. They create access to opportunities in local tech, creative and science sectors.
- 4.8.18 The Head of Employment, Skills & Adult Learning and Head of Quality and Curriculum continued the presentation covering the integration of adult learning and employment and skills services.
- 4.8.19 Following the integration of the services the aim was to achieve the 4 objectives below.
  - a. Fully align Adult Education day to day service delivery with Council political priorities
  - b. Ensure Adult Education provision responds to macro changes in the economy particularly the hollowing out of labour market higher level jobs and need to support residents into high quality jobs
  - c. Devolution of Adult Education Budget to GLA and renewed focus on outcomes

- d. Relocate adult education within the corporate centre of Council.
- 4.8.20 The Council has achieved these objectives and there is now a golden thread between what the council is aiming to achieve and delivery of day to day services.
- 4.8.21 The 3 objectives for adult learning in the council and the wider borough are set out below.
  - a. training with a direct link to employment opportunities;
  - b. building general and transferable skills (functional skills);
  - c. supporting our residents wellbeing and positive mental health.
- 4.8.22 Adult learning now aims to ensure that when there are shifts or changing priorities (e.g., green and digital tech) adult learning is delivering courses and has an offer that responds to the changes. At the regular meetings with partners, they have a standing item on the green economy. This is because it is a big political priority.
- 4.8.23 Hackney's adult learning had over 2000 learners enroll onto courses in 2021-22 (data for this academic year is currently being finalised). There has been a significant shift towards vocational learning at the council whilst maintaining a focus on community learning and ESOL.
- 4.8.24 The benefits from locating adult learning within the corporate centre as opposed to the education service of the council was that they have access to a policy team to support the evidence base and inform them about the challenges residents are facing.
- 4.8.25 There are now strong links between adult learning and other areas of the council such as community halls, library services and the digital team. This is to ensure that residents can access adult learning through their trusted key touch points.
- 4.8.26 In response to the question about resident outcomes. The service has continued to deliver good quality community learning as a key outcome for residents. This has been retained whilst delivering additional benefits for residents. For example, the integration of the two services coincided with lockdown and they were able to develop a digital platform allowing adult learners to enroll and access courses online for the first time.
- 4.8.27 Residents now benefit from a no wrong door approach allowing access to other areas of the wider service such as employment support, work placements etc. With cross referrals working more seamlessly.
- 4.8.28 Marketing opportunities have also benefited from the integration too, there is now an 'opportunities newsletter' sent out to approximately 6000 residents. Increasing the reach of the service.
- 4.8.29 There is a broader range of courses and residents are achieving well. The achievement rates remain high for the informal course they deliver.

- 4.8.30 Residents with SEND are supported well on their programme and they are attracting higher levels of SEND learners. An increase of 10% since 2018/19. Representing 39% of their provision currently.
- 4.8.31 Feedback from a small sample have expressed that they enjoy learning and find it a positive experience.
- 4.8.32 In response to the question about what they would do differently with hindsight for the integration. For the integration they would have been bolder and made more changes from the outset. For example, they would have implemented changes to ensure there was organisational capacity in the Functional Skills and Vocational Skills teams to deliver against key local priorities. They would have also integrated the information management guidance into the Hackney Works team. This has happened now giving that no wrong door approach.
- 4.8.33 Almost a fifth of the working population do not have functional skills qualifications up to level 1. ESOL remains in high demand along with digital skills (both basic level and the specialized ICT skills).
- 4.8.34 The following priority skills areas have been identified for Hackney.
  - a. Knowledge economy including tech and creative
  - b. Customer Service & Retail
  - c. Engineering (TFL & mechanics)
  - d. Entrepreneurship
  - e. Green skills
  - f. Security, portering, cleaning
  - q. Teaching qualifications.
- 4.8.35 In relation to the demographics adult community learning generally attracts more women than men. Currently 72% of total learners on adult learning courses are women.
- 4.8.36 In relation to the age range 61% of learners are between the age of 25 and 49; 34% are over the age of 50 and 5% are between 19-24.
- 4.8.37 In terms of ethnicity they have a representative spread with no significant changes in recent years. (breakdown on slide 9 of the presentation).
- 4.8.38 In terms of gaps they have a low number of young people in their provision but the council recognizes there are other provisions such as NCC and other providers like ELATT that the age group access.
- 4.8.39 28% of learners are male. Despite an increase of 10% since 2018/19 the goal is to increase this cohort further. They are exploring ways to improve their representation further.
- 4.8.40 Another cohort is the Charedi Jewish community. Adult learning work with the community but it's a very small cohort. They continue to explore ways to broaden the opportunities to this community group.

- 4.8.41 For residents seeking a career change to find better quality work. This is a group adult learning wants to continue to engage more.
- 4.8.42 The breakdown for their funding stream was outlined to be:
  - a. GLA Funding 2021/22 -£2,345,866
  - b. ESFA Funding 2021/22 -£16,272
  - c. Creative Enterprise Zone Funding -£150,000.
- 4.8.43 Adult Learning is also seeking to diversify its income and has applied for the Multiply programme funding (£275,848) to cover for the next 3 years.
- 4.8.44 In relation to their measurement of success from investments made. Their monitoring covers the following:
  - a. Learning outcomes including -enrolment, retention and achievement
  - b. Progression outcomes including further learning and good quality employment
  - c. Softer outcomes including improved wellbeing and skills
  - d. GLA performance management process
  - e. Quality of provision: monitoring and observation of teaching & learning, learner feedback
  - f. Annual self-assessment process and Ofsted inspections.
- 4.8.45 In relation to funding Hackney Council agreed with the comments from the College and independent provider about the complicated funding rules and restrictions.
- 4.8.46 Hackney's adult learning can only deliver level 2 and below courses and qualifications. This can be a barrier for learners wanting to move into work. Adult learning have a very small number of level 3 qualifications.
- 4.8.47 The work on green skills is in partnership with the partners in attendance at the meeting and others.
- 4.8.48 There is more work to do in terms of attracting and engaging residents with the green economy. Officers highlighted this will involve taking a different approach to encouraging career change, how high-level courses are funded and how they work with businesses.
- 4.8.49 The council is committed to not just supporting the green economy and skills but that there is a just transition to ensure residents with low skill levels and disadvantaged backgrounds can benefit from these jobs too. The council is keen to learn from the lessons that happened with the tech sector in the borough.
- 4.8.50 The council is aiming to lead by example and has invested in resources to do a skills audit of the council helping the council to identify the green skills gap in the council and within its supply chain.
- 4.8.51 There is similar work to do working with businesses. The council will need to work alongside them to understand the business and skills needs in the sectors.

#### 4.9 Questions, Answers and Discussion

### Part 1 Q&A - New City College

- (i) Members asked for more detail about the new green skill job development work by the college, making reference to the capital investment (long term) and revenue investment (short term). Members asked about their short-term plans and ideally what they would like to do long term if they can still draw down the funding.
- (ii) Member made reference to the range of courses and asked if their courses are plugging the skills gap currently? Members asked if it was correct that for construction there is work being done to develop the national codes leading to a national framework to meet the construction green skills gap. Members also asked if this was being replicated across other green skill jobs?

In response the Principal from NCC Hackney replied in the short term in relation to sustainability they would like to add to existing courses or changing particular units. Highlighting for all their electrician and motor vehicle students they do electric charging points.

The time-consuming task short term is the bid funding process. It is very complex, and you have to repeat the bidding process each time. NCC explained they have 3-4 positive ideas they would like to take forward, but they require equipment, training or additional space. For each one of these requirements there will be a different bidding process and a long wait time. The Principal pointed out that their bid for equipment for students to use to improve and develop their sustainable construction was successful. But they submitted 4 bids in January; it was now July and they have only received the outcome from 1 out of the 4 bids submitted. They wanted to have this in place for September but without the other bids this capital will not be sufficient to progress this idea.

In the short term the frustration is that everyone has agreed it's a good idea but there is no alignment with different bodies that will provide the funding. The funding is out there but it is subject to a very complex landscape to obtain.

Longer term they have a site which is ideal for development into a facility that will allow them to do retrofitting, insulation and dry lining. It was pointed out that retrofitting is essential for Hackney because they have a number of existing buildings to make greener, and people will need to practice. In relation to dry lining most dry liners in the UK were Portuguese and after Brexit they returned to Portugal. Therefore, there is a deficit in the market. This type of course needs a large space and resource to practice. They are keen to deliver the skills sets but they do not have the funding because it is a different bidding process.

A positive example would be mastic asphalt. NCC is the national Centre for mastic asphalt. This is used on flat roofs and very green because it biodegrades at the end of its life. Therefore its not just about if the funding is there, it's also about the complexity of the process. In addition to needing 3 or 4 different bodies to come together to achieve the goal.

In response to the second question about construction the Principal from NCC Hackney confirmed the Member was correct, there are qualifications being

written. The Principal at NCC was currently involved with City and Guilds and the GLA in writing a new qualification for heat pumps. This was being carried out in partnership with Quantum and the manufacturer Dakin. The industry will need 300,000 heat pump engineers by 2030 and there are currently only 18,000. NCC pointed out there is a market, but the challenge is the new houses being built are not heat pump ready. This is in addition to needing to change all the qualifications around plumbing to support their learners. NCC's aim is to be instrumental in writing that qualification. But without a qualification written they cannot draw down the national skills fund because its linked to a qualification.

There needs to be a qualification that they can demonstrate is being delivered over a specified number of hours to obtain the qualification at the end. However, the process cannot commence without a qualification being written. This can slow the process down which is frustrating particularly to the private sector.

(iii) Members asked NCC if there was a demand from students for the courses to do insulation, heat pumps etc. Members also asked if they could deliver the course in September would the course be full?

In response the Principal from NCC Hackney replied the answer is yes and no. The college is inundated with people who want to go into construction, it is one of their biggest growth areas. Highlighting for the electrical and plumbing courses the college could fill them multiple times. The limitation for these courses is acquiring the teaching staff, explaining it is difficult to lure professionals away from the industry to teach.

In relation to enquires about green skills. The volume of enquires are very low. For example, for motor vehicles most people want to train/learn about petrol and diesel cars. This is because most people coming into the course have an immediate financial need. The college has found that with new technology products these are initially covered by insurance policies from the manufacturer or because the numbers are small, they provide their own network. The college anticipates this will change as it grows.

The Principal from NCC Hackney pointed out they need to get people excited about green industry and involved. Then communicate that there is an imperative need for a more thoughtful and sustainable approach for London. An example of sectors for consideration would be construction and care & health.

The Principal from NCC Hackney highlighted all learners do green as part of their qualification. Very few learners come asking for a totally green qualification. Their request is to make them employable.

(iv) Members referred to the points made that the private sector are keen to see people trained in these technologies and products. Members asked about the college's relationship with the private sector, how much funding the private sector contributes and if this could be increased? Members queried if the private sector could work more closely with educational establishments? Members asked NCC for their view of the ideal working relationship with the private sector and the barriers to achieving this?

In response the Principal from NCC Hackney replied that financial input did not seem to be the focus for the private sector. Employers and the local industry see

the education establishments as a means by which they can acquire home grown employees in the future. Employers like local people because they are familiar with the area, are invested in the area and likely to stay. It also provides economies of agglomeration, rather than trying to attract people from different areas to the location. However, with the current wage situation this is not always attractive.

In response to the question about the relationship. A perfect relationship would be to have a manufacturer who makes a product that is ground-breaking and green, national demand and then a local industry representative company that is keen to bring partners together and wants to be at the fore of the movement.

In response to what the college can do the Principal pointed out the Government's agenda on T-Levels and apprenticeships is a big ask of employers. It should be remembered that employers also need to earn a living as well as support their employee. It is about changing the dialogue. In another borough NCC is looking at what they can do for employers. They are meeting with them to explain how to use the levy (if not using it) and how to engage with T-Levels. Currently they are doing all the paperwork for employers and trying to identify the barriers to meeting their needs. NCC has found a key barrier is time and expertise (particularly for SMEs). Pointing out employers are not experts at filling in educational forms so NCC's aim is to meet them half way. Putting forward what they can do for them to bring bright young and older individuals who are able, engaged and ready to learn. This is very time consuming but the industries they have worked with have responded positively. It was noted this can slow down if priorities change.

The Head of Employment, Skills and Adult Learning from LBH added one of the key areas of work between the Council, NCC and others is looking at how to better engage employers on a borough wide basis using their soft powers and the levers of the council.

## Part 2 Q&A - ELATT

- (i) Members referred to the points made about placements and asked if there was scope for the council to be involved in lobbying for change to extend the hours?
- (ii) Members referred to the work to address the gender imbalance with STEM and digital and asked for more information about the programme with parents, teachers etc.
- (iii) Members referred to the current range of adult learning and educational skills courses and asked the providers to confirm if the courses available meets the skills gap in the borough and meet the needs and the aspirations of the local economy?
- (iv) Members asked education providers if there was more funding what would they do with it and what would their aspirations be for the funding. Members also asked how this would benefit young people and adults to retraining in Hackney?

- (v) Members referred to digital green jobs data analysis and the monitoring of buildings. Members pointed out buildings are designed to meet a specification but often there is a performance gap. Members highlighted there needs to be monitoring so lessons can be learnt. Members would welcome students developing this area of expertise and knowledge to make a difference in terms of Hackney's green knowledge and development.
- (vi) Members agreed with ELATT that the objective should always be to make the existing infrastructure better first and not to remove unless it is necessary. Creating new produces a larger carbon footprint.

In response the Chief Executive from ELATT replied many of their students are NEET. They would welcome the Council's support with lobbying about T Levels to help create an opening for 16-year-old who have not been at school for two years. They have found that often the absence is largely linked to a VISA issue and not behaviour. May students have difficulty obtaining a school placement due to immigration difficulties.

It can be challenging to convince a tech firm to take on an individual for the period stipulated. The officer highlighted they have one company that has committed to 10 placements for the year but for 20 days. T-Level placements require 50 days. The barrier to this is the capacity of the company. May organisations are facing changes to their workforce numbers in offices. This has changed since T-Level plans were established. Therefore, ELATT has found it hard to find placements over the last 6 months because companies are saying they do not know how many staff they will have on site. This is a material change that they could use as a lobbying approach but highlighted the SEND and special educational need angle is vital too.

In response to the question about STEM and imbalance ELATT informed Tech UK have a good programme about this. The officer explained Tech UK is the membership organization of IT and IT related companies. They have material that they use to work with schools, head teachers, parents groups etc to provide information about IT as a serious career opportunity for boys and girls. This work aims to convince parents that law and medicine are not the only career options to get good salaries. Pointing out the gaming a child is doing in their room can also be a career. ELATT offered to send Members a copy of the material used by Tech UK to challenge career perceptions.

In response to the question about if the courses are meeting the skills gap and needs of the economy. ELATT informed they work largely with the lower end of the workforce. If the course is for coding or computer engineering it will include cyber security and generic elements. From their discussions with employers, they are seeking employees foundational generic knowledge rather than specialist. In their view they do not want specialization until post degree level.

Notwithstanding it is difficult to match the employer needs with the awarding body needs who answer to Ofqual. The officer from ELATT pointed out Ofqual is very risk adverse and will not want the awarding body to change the curriculum. This is an ongoing issue for digital skills. Highlighting the IT skills needed change 5 years faster than the qualification.

The Cabinet Member for Employment, Human Resource and Equalities from LBH added in reference to ELATT's comments about immigration they can have further conversations about refugees and skills. The Cabinet Member also pointed out the Council is doing work around digital tech and inclusion.

In response ELATT advised one of the biggest issues is asylum seekers. The rules are very complex. It was pointed out if a child is unaccompanied and aged 16-18, they are entitled to training from day one but if they are accompanied with their family, they are not entitled to access training for seven months.

In response to the question about having extra funding ELATT replied they would use the funding to plug the gaps. For example, to provide training to asylum seeker from day. The reason for this is because there is an asylum seeker who spend long periods of time unable to access training support to work. The officer from ELATT gave the example of an asylum seeker from Dubai who has multiple businesses back in Dubai is talented and would be working in the UK if he was allowed. He It has been here 3 years and half years and is still waiting for a decision. This would a way they would use the extra funding. The second way they would use the funding is to create an admin role between Hackney and other boroughs to ensure the funding flows across the borough boundaries. This would support a young person from another borough studying in Hackney. This is a particular challenge for niche providers like ELATT.

In response to Members comment about analysis ELATT highlighted with green initiatives if they led to a savings for energy this would also provide a financial incentive. Both are good motivational outcomes in terms of managing as a company.

- (vii) Members asked ELATT and NCC what could be the unique role for a council taking into consideration the constraints on the councils budgets in terms of providing training.
- (viii) Members commented there are 38,600 residents with no formal qualifications. Members expressed concern about non funding for level 2 and suggested lobby government about this. Members asked how grass roots organisations can help with improving this figure and how can they get 38,600 resident's functional skills up to standard?
- (ix) Members commented that NCC reported that 67% of employees will need skills above level 3. Members pointed out they assume the skills training for plumbers and heat pump engineers would not require them to have a degree. Members enquired of there was a disparity between what is being offered and what is required?

In response the Chief Executive from ELATT informed one of the biggest issues with functional skills is that people / residents do not respond to adverts about doing a Maths course. ELATT have found that students will join Maths course after they have enrolled on a digital skills course, an ESOL or English class. ELATT will use digital and English as routes into functional skills. Once they are enrolled they carry out assessments and show them how they can improve their Maths and how they can be supported to do it.

The Chief Executive from ELATT also informed if they had additional funding another thing they might do is not fund GCSEs and functional skills through the ESFA. The difficulty with the ESFA is the requirements on achievement rates. As an independent training providers their funding will get removed if they do not hit the acceptable level. They find this challenging if they are working with a student that dropped out of school or who has been out of education for a long time, they will require more input to get to the pass level for functional skills or a GCSE.

ELATT also highlighted that apprenticeship providers will only get paid £400 to do functional skills for young people who did not pass their GCSE at school. Therefore employers attach the requirement to have GCSEs at grades A-C in English and Maths. The apprenticeship route should be more inclusive for vocational minded people, but it has become an option for the more academically minded. This highlights a problem in relation to funding, targets and how colleges are judged. There should be recognition of the risks colleges take with people to push them even though they may not achieve the standard outcome for all cases.

In response to the question about functional skills the Principal from NCC Hackney explained this year over 1000 students did English and Maths GCSE or functional skills. To get students interested in this they provided an incentive (like running an award) with Multiply to encourage parents to sign up. NCC explained it will help them to support their children through school and from there have built incremental steps.

In response to the question about extra funding for NCC the Principal from NCC Hackney advised for NCC the better option would be to relax the rules related to funding to reduce the barriers and boundaries in the way funding can be used. So, if it takes a student 3 years to obtain a GCSE they can still study for it without forcing them to do the exam each year so the college can continue to be funded for their learning. There are too many people trying to play the system and how it works when there could be more resources put into supporting the students.

ACTION	NCC to provide the Commission with information about the rules that present a barrier and suggestions about what could be taken away to enable colleges to better support adult
	learners to obtain their qualification.

In response to the question about the level 3 disparity over the last 10 years the officer explained education has been out of sync with skills. The reforms made to GCSEs, A Levels and T Levels (are harder than A Levels to achieve) by the Government was supposed to give the vocational route parity. But parity in terms of esteem when you arrive at a red brick university is not parity of opportunity at the lower levels. NCC has large numbers of adults and young people working at quite low levels but these low levels and progressing through this route.

The officer highlighted the Government's level 3 aspiration for all is about turning London into tertiary industries that are perceived as lost through Brexit and the development of other places in the world. Whereas what is actually needed is to bring people in from whatever level they are at up to that aspiration. They also

need to stop insinuating that is a person doing a level 2 bricklaying course is a lower professional ranking to a person who is a lawyer or a teacher.

In terms of the role of the council. There is more work to do with parents and generally with marketing to value plumbers, care workers, nurses, bricklayers etc. It should be seen as a huge achievement to become a carpenter or plumber because these skills are needed every single day.

There is still a lot of emphasis on academic achievement at university but we should also place emphasis on the achievement of a level 3 electrician who can go out and install motor vehicle charging points across the borough. The role for the council is not financial but to use its voice to change the perception of professions. This would be a very valuable area of work.

- (x) Member asked for clarification about the aspirational level 3. Members pointed out going green does require a higher level of knowledge in terms of buildings and construction because a person needs to understand a whole house approach. Therefore if a person is planning to do any of these job unaided or unsupervised they should be aspiring to achieve a level 3. The Member pointed out there are a lot of buildings that have been designed but their performance is poorer than their design. Members suggested people should be encouraged to aspire to level 3. Members commented there will be a requirement for people within a team to have quite a high level of technical knowledge to ensure they are delivering high energy efficient buildings.
- (xi) The Chair asked ELATT if there was something the council could do to improve the provision of skills and achievements for residents and the working population?

In response the Chief Executive from ELATT suggested loosening up the funding rules to provide more trust in the providers. The officer explained for one funding stream from the GLA the cost of administration is high. The officer pointed out for every page a student completes, ELATT have to photocopy it, scan it and send it to the GLA. This involves redoing signatures if there are any verification on them. It was pointed out that students give up and are not accessing the course because the paperwork is so long. Fundamentally the issue is about trusting providers. ELATT acknowledged there are some bad providers but it's very few and highlighted that a very thorough audit process of spot checks could help. ELATT also raised the issue about the timetable for the new funding arrangements which is scheduled to start 9 months after the existing funding ends. This is a major concern to the third sector infrastructure in Hackney. The third sector supports the college and local authority infrastructure in terms of pipeline.

# Part 3 Q&A with London Borough of Hackney Employment, Skills and Adult Learning.

(i) Members enquired what the council is funded to do in relation to adult learning and if they have the same conditions (as explained by previous guests) attached to their funding streams.

In response the Head of Employment, Skills and Adult Learning from LBH informed the council is awarded £2.3 million. A small proportion needs to be used for vocational and accredited courses, but they do have some flexibility. Therefore, the alignment of the funding with political priorities is important too. In essence the Executive could choose to spend 80% of the funding on ESOL or Maths. Officers and the Council's Executive worked together to establish the key aims for the service and to ensure they are regularly informed about the labour market and the economic conditions.

(ii) Members referred to the comments made by the college and the independent provider about bureaucracy and administration, in relation to students being able to sign up for courses. Members asked if is a key issue for the council too.

In response the Head of Employment, Skills and Adult Learning from LBH confirmed despite their flexibility there is a huge administrative burden.

The Head of Curriculum from LBH added it is slightly less complicated for the Council because they do not have the younger cohorts. However for adult community learning it is still complex. This complexity is related to the fact that the majority of their funding is for community learning with 20% from formula funded adult education skills. Although they can make shifts slightly and its not as complicated as the funding criteria for New City College and ELATT, there are still some barriers.

The Head of Curriculum from LBH pointed out the Government is considering a reform and currently reviewing it.

- (iii) Members commented one of the main challenges immediately and for the medium term is the need for people to retrain throughout their career. Pointing out essentially a person will not have one career based on their education. They will have to retain to acquire different skills or expertise. This could require upskilling 2 if not 4 times throughout their career. Members queried the accessibility for people to do this.
- (iv) Members asked if all the courses started in September (requiring application by June / July) or if they operated a rolling recruitment? Members were querying how easy it was for people to enter adult education to retrain or reskill at the point in time they needed to make a change in their career to obtain a new job quickly.

In response the Head of Employment, Skills and Adult Learning from LBH explained there was a big cultural change as part of the integration for the adult learning team to shift away from a model of September to June and work in a way support people to progress into employment and decent employment. Alongside that there was a shift to vocational and they started delivering more short courses in the evening at flexible locations. The officer highlighted there is more work to do in partnership with the Job Centre and Ingeus but they have made a good start with running things like the sector based work academies which are short courses designed by employers.

In response the Principal from New City College agreed with LBH. They have 2-3 times a year when it is easy for people to enroll. For some courses it is easy to

start them on demand but most of the funding still sits in that finite box where it is released in September and the college is required to demonstrate progression by the 31<sup>st</sup> July 2022.

The Principal from New City College explained there is a willingness on their part to do micro qualification and short courses (for ESOL NCC deliver almost 13% of London's ESOL and the could deliver more) but the issue is they have to link it to a qualification and the person needs to be with them for a period of time before July to demonstrate the qualification in order for the college to be funded. Despite this they do start courses in September. November, January and April but they have to careful because the student needs to achieve something meaningful by the end of July to enable the college to draw down the funding. It is not just related to the rules about getting the funding but also evidencing the work and the auditing process. In essence yes, they can do it and it is the right thing to do but it would be helpful if the funding was not so ridged. For NCC the dispensing and evidence requirements are the key barriers not the amount of funding.

In response the Chief Executive for ELATT added they have courses running throughout the year. ELATT start their courses a month after the colleges and sixth forms because this enables students with who did not get into those institutions or who do not like their environment to change or start another course.

ELATT pointed out they provide a more intimate environment; this is not better or worse just an alternative type of setting. They have programmes starting most months of the year and typically students should not have to wait more than a month to 6 weeks to start. There are some yearlong courses that might start in October, January and April.

The Chief Executive explained ELATT does have funding outside of the public sector so they can support young people on a need basis when they arrive. ELATT may not put them on an ESFA course or formal programme at the start but they can start working with them and get them into the environment to ensure they are not on the NEET register again.

- (v) Members referred to NCC and enquired about the funding barriers and boundaries. Members referred to the point about people playing the system for funding. Members asked for clarification about this?
- (vi) Members enquired about the forum for the just transition dialogue and if this dialogue included trade unions?

In response the Principal from New City College explained the terms playing the system was not quite the right phrase. The Principal explained if a student needs to be funded for a long level 2 course, there are some short level 2 courses for adults that will give them the qualification quickly to be funded for the level 2 course. The initial qualification may not be valid and there are costs and funding attached to it that could be better spent and used genuinely. It is always valuable for people to get a qualification but a situation like this is unethical and highly pragmatic.

The difficulty is there could be a scenario where an adult would be entitled to be funded but if one of the criterions is withdrawn, they are no longer eligible. The college encounters people who are not keen to share their finances or work status

or previous history because they are aware of these barriers. This is encouraging less than ideal practice in a situation where they would prefer complete honesty so they can fully assess a person's needs to be proactive and use the resource in the right place.

In response to the questions about just transition the Cabinet Member for Employment, Human Resources and Equalities explained in developing the commitment the Executive consulted a wide cohort of Members. In relation to discussions with the union representatives about policies the CJC is the forum for this. When the Council goes out to consultation all residents can engage. There was a detailed discussion in a meeting last year specifically covering the digital inclusion work and how they can get the trade unions involved. There is always a role for the trade unions but the format and forums in which they are involved will vary because there are many ways the council can invite trade union representatives to participate in developing policy.

The Chair thanked officers for their attendance noting it was enlightening understanding the real barriers to successfully providing the required training and learning for the working population.

The Chair asked New City College and ELATT to provide information about the funding rules so they can write to the Secretary of State for Education. The Chair also requested for them to provide information about what the council can do and the role the council can undertake to be complimentary to their provision.

ACTION	New City College and ELATT
	to provide information about
	the funding rules so they can
	write to the Secretary of
	State for Education.

#### 5 Minutes of Previous Meeting - 8:15pm

5.1 Members noted the minutes from the previous meeting will be on the next agenda.

# Skills, Economy and Growth Scrutiny Commission Work Programme 2022/23 - 8:20pm

- 6.1 Chair referred to the papers in the agenda on pages 37-50 for the work programme explaining suggestion have been received from members of the public in addition to council stakeholders.
- 6.2 The Chair asked Members to review the full list of suggestions and make recommendations for priorities to be placed on the work programme for 2022/23.
- 6.3 Cllr Smyth suggested prioritizing the health impacts of LTNs for people living on boundary roads.

The Chair highlighted that health impacts was not within their remit this was Health in Hackney Scrutiny Commission.

- 6.4 Cllr Potter suggested looking at the circular economy and how they can encourage this in addition to the community wealth building aspect related to an inclusive economy.
- 6.5 Cllr Race suggested the new green deal and the Council's climate action plan. In response to Cllr Smyth's suggestions Cllr Race suggested they could look at transport more widely looking at the bus cuts and LTN's and the impact on the economy as positives and negatives.

The Chair explained their look at LTNs would be to review the impact on business, skills and the economic growth. The health impacts are an issue for Living in Hackney and Health in Hackney of which the two commission could do a joint enquiry. It is key for SEG to maintain its focus which is to look at the impact on business, economy and growth and how its contributing to an inclusive economy. Alternatively, they could suggest a joint piece of work with Health in Hackney but the Chair expressed concern about maintain the focus on business.

- 6.6 The Chair pointed out there were a number of suggestions about the cost of living and increasing costs. This could be an area to explore further. Cllr Potter suggested this could be Scrutiny Panel because it is cross cutting and ties into the Scrutiny Panel's work on poverty.
- 6.7 The Chair referred to the suggestion about reviewing the bus network. Pointing out this is an important and pressing issue for Hackney borough because the borough is dependent on buses. Cllr Potter and Cllr Premru supported this suggestion.
- 6.8 Cllr Premru supported the suggestion to look at the circular economy and the new jobs needed in waste services as they move towards the 65% target for recycling in 2030.
- 6.9 The Chair suggested they may wish to consider a further look at employment and skills particularly in light of the information discussed at this meeting for adult education, employment and skills. Exploring the issues about refugees, asylum seekers and those with no access to public funds. Noting the Council is prioritizing making provision for these cohorts to enable access to the labour market.
- 6.10 Cllr Potter suggested they pull together the work from last year on skills and reassess how to move the items forward after this. The Chair added that the discussion today highlighted where the Council's work is complimentary to the other providers.
- 6.11 Cllr Race suggested looking at the future use of libraries.

#### 7 Any Other Business - 8:40pm

7.1 None.

**Duration of the meeting:** 7.00 - 8.55 pm