

**Strategic Evaluation of the Liverpool City Region Skills Strategy 2018 – 2023: Specification**

**April 2021**

* 1. **Background and Context** 
     1. The Liverpool City Region’s Devolution Agreement was agreed with Government in November 2015[[1]](#footnote-1). The powers and freedoms set out in the deal were devolved to the Liverpool City Region Combined Authority (LCRCA) following the election of Steve Rotheram as the City Region’s first Metro Mayor in May 2017.
     2. The LCR Devolution Agreement outlines the specific powers, freedoms and funding granted to the City Region, including skills policy. Most notably, central government devolved responsibility for delivering the Adult Education Budget (AEB) to the CA from the 2019/20 academic year with a first-year allocation of £51m.
     3. In 2018, LCRCA published its [Skills Strategy 2018 – 2023](https://www.liverpoolcityregion-ca.gov.uk/wp-content/uploads/LCRCA_SKILLS_STRAT.pdf) that set out a vision for an improved employment and skills system that meets the needs of employers, individuals of all ages and communities. Overall, the purpose of the Strategy was to create a framework to co-ordinate education and training providers, businesses and members of the workforce to make the most of the City Region’s talents and resources; the intention was to balance the following:
* Cohering of nationally commissioned and delivered activities to ensure that the optimal level of services was delivered to the City Region;
* Commissioning of activities based upon gaps in provision using local funds including Adult Education Budget and ESF;
* Seeking greater involvement from and contribution of training provision by businesses; and
* Identifying gaps in provision which would need to be picked up with Government.
  + 1. The successful partnership between all stakeholders is key to both the Strategy and the outcomes it seeks to achieve. In addition, the Combined Authority is beginning to act as a strategic deliverer of services as well as cohering the system and providing policy and strategy input. This is seen in the emergence of Households into Work, Skills and Apprenticeship Hub and the Digital Skills Bootcamp.
    2. The below diagram summarises the headline outcomes, actions and measures outlined in the Skills Strategy.

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| **Outcomes** | **Key Actions** | **Measures** |
| Improve attainment in English, Maths and Digital and work readiness | Multi-agency actions to  raise attainment among  young people  Careers hub improves progression pathways to quality work | NEET rate for 19-24 year olds  Prior qualifications of young people 16-24 starting an apprenticeship |
| Raise working age employment rate and increase percentage of good quality jobs | Increase flexibility of employment and skills services  Targeted services to improve labour market inclusion | Proportion of working age disadvantaged people employed  Inactivity rates among 18-24  Starts and outcomes from AEB provision |
| Higher productivity and lower skills shortages in growth sectors | Develop planned approach to graduate retention  Promote employer collaboration to address skills shortage areas | Proportion of employers reporting shortages / gaps in technical skills  Productivity measured by GVA / hour |
| More effective workforces and fewer local recruitment difficulties across all sectors | With employers design skills and jobs plan to tackle replace demand challenge  Improve quality and accessibility of labour market information | Proportion of population with no qualifications  Employment rate for inclusion groups  Employers reporting hard to fill vacancies |
| Employers are investing more in the skills of their workforces | Enhance management and leadership skills in SMEs  Support employers to source skills provision tailored to individual requirements | Number of apprenticeship starts  Starts on higher / degree apprenticeships  Employer investment in workforce development |

* + 1. It is important to note that the measures set out in the above table are impact measures for the Strategy and, given the current economic context, we would not expect to see significant progress on these specific measures. Instead, we would be interested in the views from evaluators around how the evaluation can most effectively capture and understand the progress of the Strategy at this stage.
    2. The CA has three major roles within the LCR skills system.

**1: Direct Delivery of Skills Programmes**

This includes the £4.5m Households into Work programme which supports households where two or more people are long-term unemployed into work, and the LCR Skills and Apprenticeship Hub (£9.4m), which launched in March 2019. The Hub has three main areas of work:

* Employer brokerage – a commissioned service delivered by the city region Growth Platform where specialist impartial skills brokers work with employers to understand their training needs and work with them to develop a training plan and source providers, and if possible, contribute funding.
* Individual Promotion Officers – who support employers and learners to find apprenticeships and skills provision of the right breadth, quality and volume through proactive promotion and the delivery of tailored, impartial advice and guidance. The team work closely with schools to deliver careers guidance and support as well as creating and supporting an employer Ambassador network to promote the benefits of apprenticeships.
* Sector development and careers support – a dedicated resource which aggregates the skills needs of employers, developing progression pathways and sector-specific careers materials.

The Skills and Apprenticeship Hub manages projects that are funded either internally or externally and relate to skills. We have developed a team who are able to deliver targeted training outcomes, largely through procured services, whilst remaining compliant to the requirements of external funding bodies. This team is also currently managing a £1.6m pilot programme on behalf of the Department for Education aimed at increasing higher level digital skills across the LCR workforce to meet the future skills needs of new and existing regional businesses.

**2: Commissioning Skills Provision**

* + 1. The commissioning of other organisations to deliver skills provision and training as in the case of the Adult Education Budget and the Lifetime Skills Guarantee Level 3 Adult Offer. The Liverpool City Region commissioning approach was underpinned by a clear set of delivery principles designed to convey clarity, transparency and quality, and provide the basis on which healthy dialogue can exist between the Combined Authority (as Commissioner) and providers. These included:
* Local skills investment priorities aligned to Skills Strategy outcomes;
* The Combined Authority aligning, where possible, with national policy on funding eligibilities, rates and entitlements and will seek to improve or enhance these in support of local priorities as appropriate;
* Encouragement of new market developments to ensure there is a mixed economy of commissioned services and innovation that strengthens the local provider base and responds to needs and opportunities;
* Sub-contracting agreed where this adds value to the mix and balance of provision locally and enriches the learning offer; and
* Allocations and details of commissioned provision openly published to ensure transparency of process.

AEB is currently delivered by 13 grant funded providers consisting of indigenous FE Colleges and Local Authorities through their community learning services. In addition, 19 providers hold a contract for service as a result of a large-scale procurement exercise completed in 2019. We are currently in the second of a three-year commissioning cycle, both years having been severely impacted by COVID-19 in the engagement and retention of learners.

**3: Influencing the Wider Skills System**

* + 1. Finally, the CA’s role in influencing the skills system through investment and funding, or through partnership building across the City Region: this includes:
* Cohering the overall delivery landscape, ensuring that it meets the needs of local needs, as set out in the [Local Skills Action Plan 2021/22](https://moderngov.merseytravel.gov.uk/documents/s52466/Appendix%20One%20Local%20Skills%20Action%20Plan%20202122.pdf);
* Working with Government departments and agencies to ensure that nationally commissioned provision is aligned with the local delivery landscape;
* Commissioning the £120m ESF programme in line with national and local requirements:
* Cohering the responses to the £220m Community Renewal Fund and preparing for Shared Prosperity Fund;
* Identifying strategic priorities based upon stakeholder feedback and data analysis then working with deliverers of services to ensure that these are met e.g. race equality in employment;
* Identifying specific skills gaps and working to businesses and providers of training to ensure that these can be addressed; and
* Creating accessible labour market information which includes materials to promote specific jobs and roles required now and in the future.

More broadly, the CA’s role here is in setting policy and strategy, cohering the skills system, seeking input from businesses and identifying gaps within current provision as part of its broader policy work.

* + 1. In respect to the evaluation, each of these roles is in scope to be included and research questions should be answered with reference to the range of activities covered under these. However, it is also important to note that this evaluation’s purpose is to critically assess the Skills Strategy as a whole and not the individual programmes referred to above.
  1. **Evaluation Requirement**
     1. Since the Skills Strategy was published, the CA has used it to guide its activities and policies. We would now like to take stock of our progress and achievements to date, the benefits that skills devolution has delivered so far, and reflect on the lessons that we should take into the future.
     2. It is important to note the impact the COVID-19 pandemic has had on the City Region’s economy and labour market over the last 12 months which has likely affected the progress against the Strategy’s key objectives and outcomes. Whilst it is useful for the evaluation to highlight the effect of COVID, the focus should be on reviewing progress against our strategic objectives. The evaluation must also have a strong emphasis on how the CA can adapt to the impact of COVID and how we can best use the Strategy in the future.
     3. The aims of the evaluation and the associated research questions are summarised inTable 1.In summary, we are looking for the evaluation to:
* **Provide a critical review of the success of our strategic framework.** The evaluation should draw conclusions about the progress made against the outcomes set out in the Skills Strategy, encompassing progress in establishing appropriate delivery activities as well as achieving the quantitative targets. It is well known that the COVID pandemic has impacted the skills system and labour market, so it is important for evaluators to draw conclusions regarding progress above and beyond simply describing these impacts. The evaluation needs to examine the role the Strategy has played in guiding and informing the CA’s decisions and activities in respect of skills.
* **Identify and understand the lessons from activities we have undertaken so far.** The evaluation needs to identify the progress the CA has made in its delivery, commissioning and influencing, and critically review what is working well and what isn’t working. It should consider what lessons can be taken from our activities so far and highlight the tangible benefits that skills devolution has delivered so far.
* **Highlight future opportunities and evaluate the need to adapt the Strategy.** The evaluation should draw out if the Strategy continues to be fit for purpose, particularly given the challenges the City Region faces as it recovers from COVID, or if there is a case for the CA to refocus its priorities. Importantly, the evaluation should draw out how a balance can be struck between fixing the fundamental and long-term issues in the LCR skills system and responding to the immediate crisis. The evaluation should also identify any future opportunities for collaboration with Government, such as participation in upcoming pilots, access new funding streams, or evaluation opportunities.
* **Help to develop consensus about the next steps.** We would like the evaluators to work with us to help develop a shared understanding of how the evaluation’s recommendations will be embedded in our Strategy and operations in the short, medium and longer term.

**Table 1: Evaluation Aims and Research Questions**

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| Evaluation Aim | Research Questions |
| Aim 1: Critically Examine the Strategy’s Strategic Framework and Progress Against its Objectives | * What progress has the City Region made against the objectives set out in the Skills Strategy? * How successfully are we using the Skills Strategy to inform our commissioning, delivery and activities that seek to influence the wider skills system in the City Region? |
| Aim 2: Identify and Understand the Lessons that can be Learnt from our Activities to Date | * What progress are we making regarding our commissioning, delivery and influencing activities in the City Region’s skills system? * What is working well and less well? * What lessons can and should we take from our activities to date? * What are the tangible benefits of devolution in this policy area? |
| Aim 3: Identify Opportunities for the Future and Evaluate the Need to Refocus Aspects of the Strategy | * Given changes to context since it was drafted, does the Strategy still provide an appropriate framework for decision making and prioritisation? * Is there a case for us to refocus the priorities laid out in the Strategy and/or alter the balance between fixing long-term fundamental issues and responding to the immediate challenges present in the skills system? * What are the opportunities for future collaboration with Government in this policy area? * What data should we be collecting now and on an ongoing basis to understand, monitor and quantify the impact of skills interventions? |
| Aim 4: Help to Develop Consensus on the Next Steps | * What are the agreed actions that will be taken to implement the evaluation’s recommendations? |

## Methodology

## Bidders are invited to propose an appropriate methodology to meet the evaluation aims and answer the research questions identified in Table 1.

## We anticipate that the evaluation methodology will be largely qualitative and will draw on a broad programme of stakeholder engagement that gather views from both a strategic and delivery perspective. We would expect no more than thirty stakeholders to be engaged with as part of the evaluation. Bidders should propose a methodology to engage with the following groups as a minimum:

* + Key staff within LCRCA
  + Policy leads in selected policy areas in the CA’s constituent local authorities
  + Training providers
  + Key employers
  + Government officials

## We will work with the successful bidder to develop and agree a list of stakeholders to be engaged as part of the evaluation. We welcome suggestions for appropriate methodologies to undertake this engagement exercise in order to capture and understand the perspectives of local stakeholders. In light of the current public health advice on remote working and limited travel, we anticipate that the research and engagement will be not be conducted on a face to face basis. We welcome bidders’ suggestions for appropriate tools and approaches which can be used to facilitate meaningful engagement without face to face contact.

## We would also anticipate that the evaluation methodology put forward by bidders would include a desk-based review of existing evaluations. LCRCA will provide bidders with these evaluations to review. Below is a list of the evaluations previously commissioned by LCRCA that it is expected would be reviewed:

* Internal evaluation of the implementation and embedding of the Adult Education Budget in year one
* Research and evaluation into the impact of the pandemic on AEB and wider economic recovery
* Evaluation of the introduction of Test and Learn pilots as part of the devolution of the Adult Education Budget
* Evaluation of the introduction of outcome payments for work experience and job outcomes within the Sector Based Work Academy programme as part of the devolution of the Adult Education Budget
* Households into Work Programme: qualitative and quantitative assessments
* Skills for Growth Service evaluation
* Meta evaluation of initial phase of ESF programme delivery

## Alongside this, we would anticipate bidders to include plans to present some short case studies as part of their proposed methodology to highlight the impact of skills devolution.

## The appointed evaluator will also have access to internal documents and datasets including relevant strategies and important organisational policies and plans. We will work with the appointed evaluators to agree and facilitate access to relevant data to

## inform the evaluation.

## Deliverables and Milestones

* + 1. There are three key deliverables:
* Inception Report: to be prepared following the inception phase of the evaluation and signed off by the evaluation Steering Group.
* Draft Evaluation Report: detailing the evaluation findings following completion of the research phase. This report, alongside a presentation of emerging findings, has a hard deadline of the end of July 2021.
* Final Evaluation Report including action plan: reflecting the Steering Group’s comments on the Draft and including the action plan / agreed next steps agreed with the LCRCA management team.
  1. **Budget**
     1. The budget for the evaluation is £40,000 including expenses, but excluding VAT.

* 1. **Submission Requirements** 
     1. Bidders are invited to submit a written proposal which demonstrates how they will meet the requirements of this brief. Responses should:
* Include a detailed description of the proposed methodology to meet the study aims and answer the research questions. This should explain the rationale for the selected methodology and engagement method(s).
* Consider the context in which the LCRCA has sought to deliver the aims of the Skills Strategy and set out an initial analysis of the themes that bidders expect to be relevant in the evaluation analysis.
* Outline the challenges that the evaluators could experience and highlight how bidders proposed to mitigate or minimise them.
* Provide a full description of the skills and experience of the team members who will carry out the commission.
* Describe the approach that will be taken to managing the commission. Focusing in particular on ensuring availability of the team, maintaining quality, reporting on progress and managing study risks.
* Provide a detailed timetable for completion of the study, making sure that the hard deadline of the end of July 2021 for the draft report and presentation of emerging findings is met.
* Set out clearly the costs and time inputs for each team member.

1. <https://www.gov.uk/government/publications/liverpool-devolution-deal> [↑](#footnote-ref-1)