

CARDIFF CAPITAL REGION CITY DEAL JOINT OVERVIEW AND SCRUTINY COMMITTEE

18 March 2022

FUTURE READY SKILLS FRAMEWORK – GRADUATE OFFER 'VENTURE'

REPORT OF HEAD OF BUSINESS DEVELOPMENT AND INCLUSIVE GROWTH

1 PURPOSE OF THE REPORT

- 1.1 To provide The JOSC with an overview of the principles that were approved in the Future Ready skills Framework in March 2020, specifically focussing on the coordination and delivery of the graduate offer, along with the creation of the Venture Skills hub.

2 BACKGROUND

- 2.1 Talent and skills development across the Region is a key lever for inward investment and creating prosperous communities. Regional Cabinet recognise the benefits of having a skilled talent pool available to support economic activity across the geography, as well as recognising the benefits of creating a supportive environment to retain talented people in sustainable careers within our SME community.
- 2.2 The Future Ready Skills framework, approved by Regional Cabinet in March 2020 (appendix B) sets out a vision of how a coordinated eco-system of support can not only reduce the 'brain-drain' from the Region; but also help create a supportive eco-system of peer to peer support and access to a pool of gifted graduates that can support indigenous business growth.
- 2.3 The mission guiding delivery for the framework is : *To leverage the potential and impact of CCRCD investments and programmes in creating an inclusive and entrepreneurial future-orientated system for jobs and skills.*

- 2.4 The vision sets out 8 principles of development
- Scaling up the Graduate offer
 - Seamless learner pathways
 - Real time labour market information
 - Connecting learners and employers
 - Considering an Entrepreneurship strategy
 - Economic Inclusion and Local Wealth building
 - Alignment with Regional Skills partnership
- 2.5 Progress is being made against all of the principles in the Framework, a short summary of each provided below. Beyond this, the core focus of the report is to provide a deep dive into the performance and progress of the graduate component of the Framework
- 2.6 ***Considering a shared apprenticeship scheme for priority sectors*** – Regional Cabinet approved an internal request 29 November to shape a CCR-shared apprenticeship scheme, capable of scaling across the relevant parts of the region. The seed investment will help establish proof of concept, which wider than just future CCR or WG funding, could set up the scheme to secure an industry or ‘cluster levy’ and to access Shared Prosperity Funds at regional-scale. The proposed seed fund will be managed through the partnership with an expectation that as the proof of concept/ MVP is developed, leverage and co-investment is banked along the way, in order that the CCR investment shows incremental gains as well as potentially, helping develop the case for an injection of Shared Prosperity Funding in the near future.
- 2.7 ***Seamless Learner pathway*** - as the Venture skills hub is further developed the ambition is for it to be a single point of entry for industry and students alike to access information and guidance on support that is available to assist with career progression or businesses seeking talent. Currently the Venture Skills Hub has a developing apprenticeship offer, a graduate offer, offers the Cardiff University Masters in Cyber security and technology , along with a sponsorship programme with Innovate UK to widen access for enterprising women and young people and their businesses or business ideas, domiciled in the CCR. Further work is needed to embed these components into the framework so as they become an increasingly an integral part of the regional offer.
- 2.8 ***Real time labour market information*** - the Regional Skills Partnership currently access labour market information through the Burning Glass platform which allows insight into developing and emerging priority sector skills needs, along with highlighting current skills gaps. Progress is also

being made on algorithmic developments which match real world and real time skills needs to vacancies. As this develops more information will be shared.

- 2.9 **Connecting learners and employers** - The Regional Skills partnership commissioned a piece of research to review Careers Information, Advice and Guidance in the Cardiff Capital Region, with the focus of capturing the extent of school engagement with business and access to work experience. The report highlighted there were some 48 different initiatives on offer, with a range of approaches and accessibility points. An action plan has been developed which the Regional Skills Partnership is currently coordinating.
- 2.10 **Considering an Entrepreneurship strategy** – part of this approach includes a seed investment into developing the FinTech ecosystem, CCR made a contribution of £50k into the first FinTech foundry and played a role in the decision making process for the businesses within the cohort. The foundry supported 8 companies, leading to £9m fundraising through private funding (a mix of venture capital and angel investment), 12 new senior roles created and a total of 20 new hires across the cohort. The 8 businesses represent a combined market size of £2.5bn.
- 2.11 **Economic inclusion and local wealth building** The CCR £10m Challenge Fund aimed at re-building local wealth through bringing innovative solutions to tackling some of the CCR's most urgent societal problems, is now in delivery phase (report link appendix B). Working in partnership with Cardiff University and Y Lab, the fund invites our public sector bodies to convene around key local wealth building challenges and connect with organisations that are able to provide innovative solutions to the intractable problems identified. This approach aims to draw on the region's creativity and ingenuity and bring together the public and private sector in order to deliver novel solutions, where no commercial solution currently exists, and to provide a route to market for the solution. The City deal is also a strategic partner in the delivery of the Innovative Future Services (INFUSE) programme, which is £5,6 m capacity building initiative funding through WEFO. The programmes aim is to up-skill the public sector in procurement, data and adaption.
- 2.12 **Alignment with Regional Skills partnership** – continued engagement and communication occurs between the 2 bodies to ensure alignment of activity, reduce duplication and ensure resources are targeted to maximise impact.

3 CCR Graduate Programme - Venture

- 3.1 Regional Cabinet approved the pilot scheme in December 2018 (appendix B) The objective of the scheme was to reverse 'brain-drain' with around 35% of all graduates leaving the region to seek employment opportunities elsewhere each year. The scheme works with businesses, predominantly SME's that historically, have had little or no engagement with the graduate market. Conversely, most graduates don't gravitate towards smaller organisations to begin their careers, by their nature SME's are not as visible in the marketplace, despite being a great environment to grow. Therefore the job at hand was to increase awareness of opportunities and take control of the candidate journey from attraction to selection. The scheme operates in collaboration spanning the University of South Wales, Cardiff University, Cardiff Metropolitan University and the Open University, as well as business groups and trade bodies.
- 3.2 A review of progress (in 2019), lessons learned and scope for the future, was presented to Cabinet in December 2019, with a proposal to extend the pilot into a continuation period to fully build upon and optimise progress made. Cabinet believed that the review showed sufficient scope and promise to move beyond a continuation period and requested to receive a case for rapid deployment of a programme-level in March 2020.
- 3.3 Year one of the programme saw 50 unique establishments advertising posts with 27 graduates placed and more following in quick succession. The initial model was based upon a demand led approach where vacancies were advertised as when they became available. It was soon concluded that this approach was resource intensive, therefore a review was instigated to provide guidance on more suitable delivery models.
- 3.4 The initial programme generated £540,988 in private leverage (based on an annual salary rate) and with on-costs of 30% equates to £702,284. Based on costs invested to date in the pilot, this represents £5.80 for every CCR £1 invested. This demonstrated a largely untapped market for graduate recruitment and retention.
- 3.5 The Business Case to roll out the programme until March 2024 has a target of advertising 500 positions in the region. This has led to a significant change in the delivery and operating model. When the programme was approved in 2018, it was branded as the 'Cardiff Capital Region City Deal Graduate Scheme'. Little time was focussed on the branding at the time due to getting the programme up and running whilst developing partner relationships with local businesses and universities. As the programme

started to gain traction, and through a peer review (Gradcore), it became evident that a more strategic approach with a professional feel needed to be created. This is when 'Venture' was born.

- 3.6 The 'Venture' Skills hub was launched in September 2021, majoring on the Venture Graduate programme. The platform provides a landing page for all skills related activity across the City Deal, including 'Venture Graduate'. Since the launch of the new platform and adapting to a cohort model of delivery the programme has gone from strength to strength, which can be evidenced in table 1 below Table 1

year	Number of Businesses engaged	Number of vacancies advertised	Number of graduates placed
2019/20 yr 1 CCR	212	58	27
2020/21 yr2 CCR	89 *	51	28 (55)
2021/22 yr3 CCR	40*	46	31 (86)
September 2021 launch of Venture Graduate			
Cohort 1 sept - November	68*	31	7 (93)
CCR Graduates			10 (103)
Cohort 2 Feb - April	70*	41	
Total to date (08.03.2022)	479	227	103

* Number of new business engaged each year.

- 3.7 As can be seen from the table above, a significant amount of business engagement initially took place with a relatively low conversion rate into advertised positions and subsequent placements. The initial spike in contact was to ensure coverage, information sharing and raising awareness. Many businesses were keen to see how the programme delivered before getting involved. As with all new activities there can be a sense of nervousness. There are several reasons behind the low conversion rate into employment, these ranged from the needs of the business changing, some roles did not receive any applications, timescales and graduates securing alternative employment. After running the scheme for 2 years on a demand led approach, where vacancies were advertised as and when received, it soon became apparent that a review of processes was needed to refine the approach.

- 3.8 Gradcore were commissioned in May 2021 to undertake a review of processes and systems and provide recommendations to move the programme forward. Gradcore are an organisation that originated from a partnership between the University of Sheffield, Sheffield Hallam University and Sheffield City Council to create a business support initiative that built a bridge between graduates and SME's across their Region. The aim of their partnership, similar to ours, is to enable local SME's the opportunity to recruit more graduates and access the untapped talent in the area. They, the same as us, experienced the many challenges of setting up and being exposed to the reality of engagement and accessing the graduate pool, they were the preferred partner to help the CCR scheme on the journey.
- 3.9 The review provided the following recommendations
- Adopt a cohort model of delivery – this would provide assurance around business engagement timeframes and when vacancies would be advertised
 - Creating a strategic communications plan
 - Re-branding
 - Investing in governance arrangements – operational and strategic groups
 - Investing in relationship management with the universities.
- 3.10 The recommendations have been actioned, which has resulted in the new Venture operating model – Launched Sept 2021.
- 3.11 As can be seen from the figures above, cohort 1 had a great success with business engagement and adverting rolls, the conversion rate highlights a few concerns. The feedback from businesses was that they had to change their operating models quickly with some of the uncertainties around COVID at the time. Other businesses expressed a change in the European trading markets had an impact on their ability to grow, so could not proceed. Another area of improvement that we identified was the marketing campaign for advertising the vacancies. This has since been resolved with some external support and using the Universities resources to help advertise the positions.
- 3.12 The programme has just launched it's second cohort of vacancies (Feb 2022) which has resulted in 41 vacancies being advertised. Confidence has improved that these businesses are in a position to recruit, hopefully resulting in a higher conversion rate. Marketing of the vacancies has ramped up and application numbers are already exceeded previous advertisements.

- 3.13 Confidence in taking a cohort model is growing, It provides more assurance to businesses and graduates around timeframes and allows for a more efficient use of time, improved relationship management and longer term efficiencies. It is planned to have a 1 year review (Sept 2022) to identify what have been Covid related challenges and improvements to the programme. It has been a difficult few operating years, however, feedback about the programme remains strong.
- 3.14 The type of businesses and sector representation spans all disciplines across the region, from data analysts to surveyors to accountants. Supporting statements and case studies can be found in appendix C. All of which highlight the benefits of the programme for both businesses and graduates.
- 3.15 Another key recommendation from the review was to establish effective governance arrangements to wrap around the programme. This has led to the creation of an operation group that consists of all of the partners and officers who deliver the programme. The operation group feed into the strategic group, which is again made up of partners (managers in the universities) along with a representative from the regional skills partnership. Regular reporting of the programme is then made internally through the City Deal quarterly performance management framework.
- 3.16 As JOSC will be aware, the main outcomes of the City Deal programme centre around Job Creation, Private sector leverage and growth. The link between the programme and job creation is clear. Private sector leverage (using average salary of £22k + 30% on costs) is just under £3M. This is based upon a single year, further analysis needs to be undertaken as many of the graduates have been in post for more than a year.
- 3.17 Future developments under the Venture Skills Hub, include an aspiration to develop a public sector graduate associate model. The City Deal has recruited 10 graduate associates into the team this year, their input, professionalism, innovation and commitment to team has been invaluable in the overall programme continuing to go from strength to strength. We have adopted a 1 year employment model to provide the support and guidance to the associates that will, hopefully, provide them with the platform to continue a career in public services. Broader engagement and consultation with our 10 Local Authority partners is currently underway to determine appetite to engage in a potentially regional offer.
- 3.18 Other initiatives being explored, is the industry driven model of an intense training academy. The details of this are still being developed, however, the concept is around creating an industry led route into accessing vacancies with local employers. The model has been tried and tested in Belfast which

has delivered impactful results, further information can be found in appendix D

4 RECOMMENDATIONS

It is recommended that Members:-

- 4.1 Note the contents of the report and associated appendices
- 4.2 Provide feedback and suggestions on improvement

Appendix A: Well-being & Future Generations Assessment

Appendix B: [Future ready Skills framework](#)

Appendix C: Case studies

Appendix D: [Assured skills training programme | nidirect](#)

[Assured Skills Programme | Department for the Economy \(economy-ni.gov.uk\)](#)

[PwC to create 600 new jobs in NI over five years - BBC News](#)

Appendix E: [Venture - Find Your Future \(venturewales.org\)](#) [\(43\) Venture Graduates: Overview | LinkedIn](#)

5 EQUALITY AND DIVERSITY IMPLICATIONS

- 5.1 There are no Equality and Diversity implications arising from this report and no Equality Impact Assessment is deemed necessary for the purposes of this report.

6. FINANCIAL IMPLICATIONS

- 6.1 There are no financial implications in relation to this report

7. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 7.1 There are no Legal Implications in relation to this report