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Monday, 31 August 2020

To: Members of the SCR - Skills & Employment Board and Appropriate Officers

Notification of a decision by written procedures



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SCR - Skills & Employment Board

Tuesday, 8 September 2020

Decision by Written Procedure



Agenda

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1.	Getting Building Fund - Barnsley College - Written Procedure		5 - 10
Date of next meeting: Monday, 19 October 2020 at 11.00 am At: 11 Broad Street West, Sheffield, S1 2BQ			

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8th September 2020

Skills and Employment Board – Written Procedure

GETTING BUILDING FUND (GBF) CAPITAL PROGRAMME APPROVAL

The attached paper was presented to the Skills and Employment Board on 1st September requesting that the Board consider and approve:

1. Barnsley College Digital Innovation Hub Phase 2 proposal and award £1,455,000 grant to Barnsley College subject to satisfactory due diligence and any conditions to be set out in the Appraisal Panel Summary Table.
2. Delegated authority be given to the Head of Paid Service in consultation with the s73 and Monitoring Officer to enter into legal agreements for the scheme covered above subject to satisfactory grant conditions being received and accepted by the statutory officers

Due to the meeting quorum not being reached it was agreed, by those present, to seek approval by written procedures as permissible by section 11 of the terms of reference for the Board and in line with the Decisions Between Meetings protocol.

A General Exception Notice has also been published to meet the requirements of The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017.

1st September 2020

GETTING BUILDING FUND (GBF) CAPITAL PROGRAMME APPROVAL

Purpose of Report

The paper seeks approval in principle of one scheme with a total value of £1.45m Getting Building Fund (GBF) and seeks delegated authority to the Head of Paid Service in consultation with the S73 and Monitoring Officer to enter into legal agreements for the schemes subject to satisfactory due diligence and satisfactory grant conditions being received and accepted by the statutory officers.

Thematic Priority

Secure investment in infrastructure where it will do most to support growth

Freedom of Information and Schedule 12A of the Local Government Act 1972

The paper will be available under the Combined Authority Publication Scheme.

Recommendations

The Board consider and approve:

1. Barnsley College Digital Innovation Hub Phase 2 proposal and award £1,455,000 grant to Barnsley College subject to satisfactory due diligence and any conditions to be set out in the Appraisal Panel Summary Table.
2. Delegated authority be given to the Head of Paid Service in consultation with the s73 and Monitoring Officer to enter into legal agreements for the scheme covered above subject to satisfactory grant conditions being received and accepted by the statutory officers

1. Introduction

- 1.1** On 30th June 2020 the MCA was awarded £33.6m GBF to invest in 'shovel-ready' projects that will provide stimulus to local economies. The funds need to be defrayed by 31st March 2022 which leaves a 18month delivery window.

At the present time the guidance received from government states that Sheffield City Region will be expected to deliver the agreed projects but will have flexibility to deliver the greatest economic benefits to the area. Any significant changes to the projects will be discussed with the Government in advance, and all investment decisions must be undertaken in line with locally agreed audit and scrutiny arrangements.

This paper requests approval subject to satisfactory due diligence and any conditions to be set out in the Appraisal Panel Summary Table for one scheme with a total value of £1.455,000.

2. Proposal and justification

2.1 Barnsley College Digital Innovation Hub Phase 2 (Skills Capital Scheme)

Background - The scheme is the second phase of the current Digital Innovation Hub project which is the re-modelling of a ground floor space in one of the Colleges buildings to provide maker space, incubation pods and show cased technology which will increase the scope of the building to support businesses, start-ups and offer creative experiences for local school children.

2.1.2 The Project – This investment is for a £1.45m grant

The project will build on the partnership between BMBC, the College and numerous employers to create a Digital Campus in Barnsley, supporting the growth of indigenous digital companies and attracting inward investment. The re-purposing of the ground floor (currently a car park) of the Digital Innovation Hub will add to the current refurbishment of this building funded by the MCA and DfE to provide a world class digital learning experience. Creating an innovative space for use by businesses, start-ups, schools and college learners, with maker space, innovation labs and managed workspace.

The GBF grant will be used to fund:

- Construction of a side extension to maximise the footprint of the building
- Provision of an additional entrance opposite to the DMC2 owned by BMBC to further integrate the College within the Barnsley Digital Campus

2.1.3 The benefits and outcomes

The re-modelling of the ground floor will not provide any additional student/learner numbers as these will be accommodated in the main building. The project will enhance the learning experience of students who will be able to work alongside those employers and businesses who are accessing and utilising the space. It also allows us to raise aspirations of the next generation of college learners by show casing the breadth of opportunities in digital learning and allow for immersive activities in the real world of commerce.

The project will provide:

- 5 incubation pods created which will support 5 new jobs per year (tenancy agreement for 12 months)
- Based on floor space 3 businesses accessing the maker space and other tech on a monthly basis
- 5 visits per term with 30 children per visit
- 1,000 students 'graduating' from the hub are assumed to gain employment or self-employment within the Digital Industries following interaction with the new facilities
- 20 new businesses will become engaged in the centre providing master classes and sector immersion activities for students and visitor

3. Consideration of alternative approaches

3.1 Do nothing - The scheme cannot be delivered within the timescales envisaged. Funding of the scheme is beyond the means of Barnsley College for the foreseeable future. In a best case, delivery of the scheme and its benefits would be delayed until such time as alternative funding could be secured; in a worst case,

no such funding would materialise and no scheme would be delivered. The nature of the scheme does not allow for it to be broken down into smaller phases.

This scheme also strongly meets the strategic intention outlined in the new SEP of developing a stronger regional digital business and skills cluster.

4. Implications

4.1 Financial

The report proposes the project presented for approval today, subject to satisfactory grant conditions being received and accepted by the statutory officers, is approved subject to satisfactory due diligence and any conditions to be set out in the Appraisal Panel Summary Table.

To be eligible for grant, expenditure will have to have been defrayed by 31 March 2022

4.2 Legal

The Monitoring Officer will confirm his acceptance to the conditions of the grant award prior to entering any legal agreement. The legal implications of the project will be fully considered by a representative of the Monitoring Officer and included in any recommendations agreed by the Appraisal Panel.

4.3 Risk Management

Risk management is a key requirement for each of the submissions and is incorporated into the FBC submissions. Where weaknesses have been identified in the FBCs in terms of risk management, further work to capture and mitigate these risks is included as a condition of award in the appraisal panel summary sheets. Risks and Issues management is reported quarterly to the SCR Executive as part of contract monitoring.

Further guidance from government which is expected in September will inform how the GBF schemes will be appraised. The scheme needs to progress as to delay will cause the scheme to fail as all construction will have to be reprocured and therefore the project is seeking a decision ahead of guidance. The scheme has been agreed by government and the SCR executive do not envisage the guidance will change the assurance opinion.

4.4 Equality, Diversity and Social Inclusion

Appropriate equality and diversity considerations are taken into account as part of the assessment of the project business case.

5. Communications

5.1 The business case for GBF schemes presents opportunities for positive communications; officers from the SCR Executive Team will work with the relevant officers on joint communications activity at the appropriate time.

6. Appendices/Annexes

6.1 Appendix A: None

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

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