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Friday 13th November 2020

To: Members of the SCR - Education, Skills and Employability Board and Appropriate Officers

Notification of a decision by written procedures



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SCR - Education, Skills and Employability Board

Friday, 13 November 2020 at Time Not Specified

Venue: Written Procedure



Agenda

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Date of next meeting: Tuesday, 5 January 2021 at 1.00 pm At: Virtual Meeting			

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13th November 2020

Education, Skills and Employability Board – Written Procedure

GETTING BUILDING FUND CAPITAL PROGRAMME APPROVAL

The attached paper was presented to the Education, Skills and Employability Board on 30th October requesting that the Board consider and approve:

1. Doncaster College Digital Infrastructure proposal and award £630,000 grant to DN Colleges Group subject to conditions set out in the Appraisal Panel Summary Table.
2. Doncaster College Construction Space proposal and award £990,557 grant to DN Colleges Group subject to the conditions set out in the Appraisal Panel Summary Table.
3. A project change request from “Barnsley College Digital Innovation Hub Phase 2” to amend one condition prior to execution of contract into conditions prior to drawdown of funding and reprofile £1,145,000 expenditure from Q4 20/21 into Q1 21/22.
4. 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 schemes covered above.

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 from those not present at the meeting.

The decision relating to the Doncaster College Digital Infrastructure award and the Doncaster College Construction Space award was originally included in the Forward Plan of Key Decisions published 21st September 2020 in order to meet the requirements of The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017.

EDUCATION SKILLS AND EMPLOYABILITY BOARD

30th October 2020

GETTING BUILDING FUND CAPITAL PROGRAMME APPROVALS

Purpose of Report

The paper seeks approval of two schemes with a total value of £1.62m Getting Building Fund (GBF). Seeks approval of one change request 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

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. Doncaster College Digital Infrastructure proposal and award £630,000 grant to DN Colleges Group subject to conditions set out in the Appraisal Panel Summary Table.
2. Doncaster College Construction Space proposal and award £990,557 grant to DN Colleges Group subject to the conditions set out in the Appraisal Panel Summary Table.
3. A project change request from “Barnsley College Digital Innovation Hub Phase 2” to amend one condition prior to execution of contract into conditions prior to drawdown of funding and reprofile £1,145,000 expenditure from Q4 20/21 into Q1 21/22
4. 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 schemes covered above

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 allows an 18-month delivery window.

At the present time the guidance received from Government states that Sheffield City Region will be expected to deliver the agreed projects and any significant changes to the projects will be discussed and agreed with the Government in advance. All investment decisions must be undertaken in line with locally agreed audit and scrutiny arrangements.

The Assurance Framework established that some change requests will be presented for approval to the relevant Executive Board, in line with their agreed delegation levels whilst others will require the approval of the MCA Board.

This paper requests approval for two projects subject to any conditions set out in the Appraisal Panel Summary Table with a total value of £1,620,557 and approval for one project change request.

2. Proposal and justification

2.1 Doncaster College Digital Infrastructure

2.1.1 The Project

The project aims to invest in digital infrastructure to enable Doncaster College to help remote connectivity, blended teaching and digital connectivity. Specific improvements include:

- Improvements to increase capability for students to enrol in College systems remotely via web and mobile platforms without needing an initial visit to site
- Increasing the range of online teaching and learning applications to improve the quality of distance learning
- Improvements to our ability to communicate digitally
- Purchase of tablets, laptops, cameras, microphones and other technologies for staff which will enable them to produce and deliver enriched, high-quality online learning experiences for students
- Video-enablement of on-site classrooms and improvements to the IT infrastructure around these to allow online delivery
- Enhancing the Internet connectivity to Doncaster College to improve resilience for online learning
- Purchase of laptops and portable internet devices to loan to technologically disadvantaged students to ensure that they are not disenfranchised by a learning model which expects some degree of online learning

2.1.2 The Benefits and Outcomes

Over a period of 10 years the project is estimated to support 84 learners gross additional with an estimated 31 of the net additional learners moving into employment subsequently. This indicates a potential cost equivalent of £20,636 per job to SCR. However, due to the scale of the funding required in comparison to the level of benefits achieved, the project is estimated to generate a benefit of £253,901 of GVA and a Benefit Cost ratio of 0.6.

Whilst in these terms the value for money achieved is low there are additional, non-monetised, factors to be considered such as improved environmental and social benefits. For example, the project will provide equipment to disadvantaged students to ensure no one is disenfranchised and bridge the digital divide. These non-monetised benefits have become more critical in response to COVID-19. Overall the scheme can therefore be considered to provide acceptable value for money.

The project is required to report back when the project is procured to ensure the final tender price is in line with the FBC financial case. Internal Board approval is expected from DN Colleges for the project during October 2020 and confirmation is required.

The Board is asked to approve award of £630,000 to DN Colleges.

2.2 Doncaster College Construction Space

2.2.1 The Project

This project comprises the reconfiguration and refurbishment of areas of the existing Doncaster College East Block building at its Hub campus to create a Construction T-Level centre. It will create a range of highly flexible teaching facilities to support the Construction T Level provision as well as breakout/employer engagement suite. Specialist facilities will be created including surveying/construction office environment, Modern Methods of Construction (MMC) demonstration workshop, two sustainability demonstration resources focusing on electrical installation and plumbing.

The refurbishment works will primarily cover internal doors, walls and partitions, internal finishes and mechanical and electrical installations. Refurbishment will provide Construction T Levels with a new identity, supporting the aim to raise the profile and encourage employer/industry engagement.

2.2.2 The Benefits and Outcomes

Over a period of 10 years the project is estimated to support 330 learners gross additional with an estimated 111 of the net additional learners moving into employment subsequently. This indicates a potential cost equivalent of £8,953 per job to SCR and is estimated to generate benefits of £504,385 of GVA. This project therefore offers acceptable value for money for SCR with a Benefit Cost Ratio of 1.6.

In addition, the project will target under-represented groups and work with stakeholders to encourage and enable access. The College aims to provide local people with the skills required to help deliver the Governments Clean Growth Strategy.

The project is required to report back when the project is procured to ensure the final tender price is in line with the FBC financial case.

The Board is asked to approve award of £990,557 to DN Colleges.

2.3 Barnsley College Digital Innovation Hub

The Barnsley College Digital Innovation Hub grant was approved by the board on the 1st September 2020. The project involves the re-purposing of the ground floor (currently a car park) of the Digital Innovation Hub 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.

Detail of request – Timescales for the submission of the planning application were optimistic and the college were unable to commit to this prior to the confirmation of funding. The planning application will be submitted by 31st October 2020 with a worst-case scenario of it being approved by the end of January 2021. The project is requesting:

Cost - to reprofile £1,145,000 from Q4 20/21 into Q1 21/22.

Time – Amendment to the condition before execution of contract to condition of drawdown of funding for planning from October 2021 to January 2022

3.0 Consideration of alternative approaches

3.1 DN Colleges underwent a comprehensive review of Estates Strategy in order to settle on the preferred option presented for the Construction Space proposal. A 'do

minimum' option of modest refurbishment was judged not to allow for a quality learning environment and would have left significant compromises on room layout. An alternative option of refurbishing a separate area was judged to have been more expensive.

If the Barnsley College change request is rejected, then the scheme will not be deliverable within the GBF funding window and this could result in a loss of £1.445m to the region.

4. Implications

4.1 Financial

The report proposes the projects presented for approval today are recommended for approval subject to the conditions set out in the Appraisal Panel Summary Table. To be eligible for grant, expenditure will have to have been defrayed by 31 March 2022.

If the Barnsley College change request is rejected, then the scheme will not be deliverable within the GBF funding window and this could result in a loss of £1.445m to the region.

4.2 Legal

Both projects for approval have made the case that as the projects are funding skills training then award of grant does not constitute a state aid. The legal implications each project have been fully considered 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 Full Business Case (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 and explained above. Risks and issues management is reported quarterly to the MCA Executive as part of contract monitoring.

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 cases for GBF schemes presents opportunities for positive communications; officers from the MCA Executive Team will work with the relevant officers on joint communications activity at the appropriate time.

6. Appendices/Annexes

6.1 Appendix A: Doncaster College Digital Infrastructure
Appendix B: Doncaster College Construction Space

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