

Appraisal Panel Summary

Project Name	From teenager to employee – A Sheffield City Region, engineering and advanced manufacturing talent pipeline creator		
Grant Recipient	Sheffield UTC		
SCR Executive Board	Skills	SCR Funding	£494,900
% SCR Allocation	44.4%	Total Scheme Cost	£1,114,215

Project Description

Through the purchase of industry standard mechatronics and automation equipment to replace machinery that is broken or has decreasing functionality, the UTC in collaboration with its employers and universities, will continue to develop skills that are fit for the future of industry. The UTC will also support the upskilling of adults in the current workforce through commercial courses in industrial automation and advanced technologies whilst also raising aspirations for learners from disadvantaged backgrounds.

The project will explore new ways of working with the universities and employer partners to deliver the new T level qualifications and provide access to complimentary and cutting-edge equipment for learners/employees who are studying higher level programmes.

Strategic Case

This project will help to fill local labour market gaps with well-trained individuals who can use industry standard equipment. The equipment will support young people in making good decisions on careers by having exposure to real workplace conditions.

Although the applicant has secured some private sector investment, the nature of education and skills training means the private sector is unable to control the destination of learners, particularly the younger ones in KS4, and thus cannot guarantee a direct benefit from its investment. Therefore, public sector support is essential.

Public sector investment ensures that the learners receive a high quality, industry standard curriculum. This investment is required in recognition of the benefits to the wider economy and the role the public sector plays in the delivery of skills provision.

The specific rationale for LGF investment is that people with industry standards skills (which this project will support) will increase productivity and GVA in the economy.

Value for Money

Over a period of 10 years, the project is estimated to support gross additional 500 learners with an estimated 169 of the net additional learners moving into employment subsequently.

This indicates a potential cost equivalent of £2,928 per job to SCR and is estimated to generate benefits of £7,185,016 of GVA.

This project therefore offers good value for money for SCR.

Risk

The key identified risks for this investment, as set out in the business case are: student number increase less than expected; skilled staff leave the institution; student destinations are not realised; competitiveness affects collaboration with partners and; T level implementation delayed.

The probability, potential impact and mitigation for each of these have been presented in the FBC and assessed as part of the assurance process.

Delivery

Staff that can use and deliver the curriculum are already in place and have been teaching KS4 and KS5 to use CNC and automation equipment. In addition, Festo (the equipment provider) have offered extra training to use their equipment.

Sheffield College will manage the estates modification and have an experience team in place to do this. The UTC Principal is will be responsible for the project. He oversaw some of the installation of the original equipment.

Legal

The applicant has stated in the business case that State Aid does not apply for the following reasons:

The funding acquired for this project will be utilised for the purposes of training and education and not for any economic activity. The primary use of the resources will be to support state funded students of compulsory education age. No commercial activity will be undertaken within the project so no economic activity supporting goods or services being brought to market will be part of the outcomes for this project.

Recommendation and Conditions

Recommendation	Full award subject to conditions
Payment Basis	Payment of defrayal
Conditions of Award	

Conditions of Award

The following conditions must be satisfied before contract execution.

1. Formal confirmation of all other funding approvals required to deliver the project.
2. Confirmation that the profiled LGF spend can be defrayed in year, as SCR is unable to guarantee that this will be reprofiled beyond year end, and/or that the applicant will cover any unfunded works from alternate sources.
3. Agree detailed schedule of inclusive growth indicators and targets (e.g. % of [previously unemployed] locals offered permanent contracts and apprenticeships, mentoring and school engagement and engagement with the local supply chain) to ensure the project delivers wider socio-economic benefits and that these can be captured, monitored and reported.

The conditions above should be fully satisfied by 29th August 2019. Failure to do so could lead to the withdrawal of approval.

The following conditions must be satisfied before drawdown of funding.

4. Submission of compliant procurement plan
5. Submission of evidence of Board approval from the applicant and all scheme delivery partners
6. Formal confirmation of commitment to address any cost overruns (without recourse for further LGF support) without unduly compromising project outputs and outcomes.
7. Confirmation of the agreed contract price with the preferred contractor(s) and any relevant conditions precedent thereof.

The following conditions must be included in the contract

8. Clawback on outputs
9. The UTC develops an income generation strategy to ensure costs for replacement equipment are factored into future plans

Record of Recommendation, Endorsement and Approval

Project Name: From Teenager to Employee

Appraisal Panel Recommendation		Board Endorsement		CA Approval	
Date of Meeting		Date of Meeting		Date of Meeting	
Head of Paid Service or Delegate	Ruth Adams Deputy CEX	Endorsing Officer (Board Chair)		Approving Officer (Chair)	
Signature		Signature		Signature	
Date		Date		Date	
S73 Officer or Delegate	Simon Tompkins Finance Manager	Statutory Finance Officer Approval			
Signature					
Date					
Monitoring Officer or Delegate	Steve Davenport SCR CA Solicitor				
Signature					
Date					