

**1 – SCHEME DETAILS**

<b>Project Name</b>	Barnsley College Welding and Rail Academy	<b>Type of funding</b>	Grant
<b>Grant Recipient</b>	Barnsley College	<b>Total Scheme Cost</b>	£650k
<b>MCA Executive Board</b>	Education, Skills and Employability	<b>MCA Funding</b>	£500k
<b>Programme name</b>	AEB Innovation Fund	<b>% MCA Allocation</b>	77%
<b>Current Gateway Stage</b>	BJC	<b>MCA Development costs</b>	n/a
		<b>% of total MCA allocation</b>	n/a

**2 – PROJECT DESCRIPTION**

The project will create an industry designed and supported training facility that will specialise in welding and fabrication qualifications for the manufacturing sector and potentially the rail sector to address recognised skills and labour shortages in South Yorkshire for welding and fabrication professionals. Currently, the nearest training provider offering industry recognised training in welding and fabrication is Betterweld Ltd in Derby, requiring students to travel outside the South Yorkshire boundary to access training.

£500k of MCA funding is required to fund the delivery of Level 1 and Level 2 EAL qualifications in welding and fabrication along with employability skills and Maths and English where needed. £150k is being provided by the private sector to renovate an existing building at Billington Holdings PLC in Shafton and to provide equipment for the training facility.

Betterweld will deliver the training from the new facility in Barnsley with training expected to start in July 2023. Between 120 to 150 students will be taught in the first year (150 students if training can commence in July, but 120 if training commences in September). 75% of the students are forecast to move into employment with manufacturing companies including Billington, directly from the academy. It is expected that the students will then move onto apprenticeship programmes at Level 2 or 3 with their employers. Employers are more likely to employ apprentices who already have base level qualifications and experience in welding and fabrication.

The project will provide additional and specialist training to that currently funded through AEB.

**3. STRATEGIC CASE**

<p><i>Options assessment</i></p>	<p>Currently, South Yorkshire residents wishing to access accredited learning in welding and fabrication have to travel to Derby. The do minimum option (£100k cost) would see Barnsley College funding a reduced number of South Yorkshire residents to undertake the training from the existing training facility in Derby through AEB provision.</p> <p>The alternative viable option is for Barnsley College to develop the curriculum and deliver the training with existing Barnsley college tutors rather than through an industry specialist training provider. This would be a more expensive option requiring £120k extra of MCA funding.</p> <p>There is a clear rationale for the preferred option and this will result in industry and employer-led delivery which is likely to result in better employment outcomes for the students. Students will also not be required to travel to Derby to access the training.</p>
<p><i>FBC stage only – Confirmation of alignment with agreed MCA outcomes (Stronger, Greener, Fairer).</i></p>	<p>The project has strong alignment with the Stronger and Fairer strategic outcomes.</p> <p>The project will target economically inactive individuals and provide them with an industry recognised qualification and route into employment and further learning at a higher qualification level. The training provided by the academy will address recognised skills and labour gaps in two of the most significant sectors in South Yorkshire: manufacturing and rail. It is expected that 75% of the individuals will move into employment and onto apprenticeship courses providing progression of learning.</p> <p>The training facility will be located in a deprived area of Barnsley district on the Grimethorpe bypass which can be accessed by several regular bus services running between Barnsley town centre and residential areas across the district including Wombwell, Grimethorpe, Shafton and Cudworth.</p>

#### 4. VALUE FOR MONEY

##### Value for Money Statement

The value for money position for each of the options has been calculated on the basis of the number of learners moving into employment. The applicant has calculated that the preferred option will result in a present social value of £1.75m for 90 economically disadvantaged individuals moving into employment at National Living Wage. This would result in a NPSV of £1.25m which is considerably higher than the alternative options.

Based on the applicant's lower estimate of 120 learners, the cost per learner from the preferred option is £5,417. The cost per learner if training can commence as early as July 2023 would decrease to £4,333. The project is therefore represents good value for money.

#### 5. RISK

The applicant has identified 4 key risks although one risk pertains to the MCA funding rather than delivery of the project. The applicant has not included the risk of the match funding from Billingtons not materialising to cover the cost of the refurbishment and equipping of the training facility but it has

identified the risk of both Billingtons and Betterweld going into administration. The likelihood of all risks has been deemed as low and appropriate mitigation measures have been identified.

## 6. DELIVERY

Barnsley College is the lead applicant, but Betterweld will deliver the training and report into Barnsley College. ILR data collection will provide the information on learners for monitoring purposes with reports issued to SYMCA on a quarterly basis.

The applicant doesn't specify whether any regular meetings will be held with the training delivery partner and the manager for the academy at Billingtons. It is recommended that regular progress meetings are scheduled between Barnsley College, Betterweld and Billingtons to check the accuracy of the reporting through the ILR and to ensure adequate management of the overall project.

Interim evaluation is scheduled to take place in February 2024 and final evaluation in September 2024 and this should be sufficient to check outcome delivery of jobs following training completion.

## 7. LEGAL

The applicant for the project is Barnsley College, however as the two private sector organisations may be deemed as gaining an economic benefit from the delivery of the project, advice from the legal team is required to ascertain whether Subsidy Control applies.

## 8. RECOMMENDATION AND CONDITIONS

<b>Recommendation</b>	Full grant award
<b>Payment Basis</b>	Payment on defrayal
<b>Conditions of Award (including clawback clauses)</b>	
<i>Prior to Contract Execution</i>	
1. <i>Satisfactory Subsidy Control opinion to be submitted</i>	
2. <i>Suitable payment method to be agreed linked to Learner numbers and qualifications</i>	