

Subject: Skills for Growth – RE:Geon Project
Report of: Head of Inclusive Growth
Portfolio: Education, Inclusion and Skills

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Report Summary

This report is to request approval to fund one of the Skills for Growth projects which has fully completed the business case process (RE:Geon Training) and has been approved by NTCA's Investment Panel. The funding request in this report equates to £512,710.

Cabinet has previously agreed to develop a 'Skills for Growth' programme, to use the flexibilities provided by the NTCA's devolved funding to enable investment in innovation and sector growth to be complemented by support for skills and talent pipeline development. Key investments for the Skills for Growth Fund were agreed as follows:

- Skills for Digital Innovation and Growth
- Green Growth Skills programme
- Creative People: Skills for the Culture and Creative Sector

The RE:Geon project builds upon Phase 1 and Phase 2 of the Skills for Growth Programme where grant agreements for 8 projects totalling £5,155,642 were approved through NTCA's Scheme of Delegation. These projects represent a diverse mix of skills provision which will form part of a cohesive Skills for Growth Programme, providing innovation in both the supply and demand for skills and building an active and employer-led response to the talent requirements of our inward investing companies.

The RE:Geon project has been developed with employers at the helm and supports the development of green construction skills. The programme has been developed to address skills shortages in the construction sector related to domestic retrofit and supports the drive towards Net Zero.

Reason for delegated decision

Cabinet at its meeting on 25th January 2022 agreed to authorise the Managing Director, in consultation with the Investment Panel, the Mayor and the Cabinet Member for Education, Inclusion and Skills to consider and approve business cases for the Skills for Growth Programme. Cabinet also authorised the Managing Director to finalise the conditions to be attached to the above funding awards and authorise the Interim Monitoring Officer to complete the necessary documentation.

Recommendations

The Chief Executive, in consultation with Investment Panel, the Mayor and the Cabinet Member for Education, Inclusion and Skills is recommended to:

- i. Authorise the grant funding agreement for the RE:Geon project set out in paragraph 1.10 of this report for the value of £512,710, subject to funding conditions set out in 1.13 of this report.
- ii. Authorise the Interim Monitoring Officer to complete the necessary documentation.

1. Background Information, Proposals and Timetable for Implementation

- 1.1 NTCA's Cabinet agreed to support Skills for Growth to ensure that NTCA funding for innovation and targeted investment in key sectors was underpinned by the development of a skills and talent pipeline. Priorities for this funding were further refined through the agreement of sector narratives. Key investments for the Skills for Growth Programme were agreed as follows:
 - Skills for Digital Innovation and Growth
 - Green Growth Skills programme
 - Creative People: Skills for the Culture, Creative and Tourism Sector
- 1.2 In Autumn 2021, NTCA launched calls for Expression of Interest (EOI) for innovative skills projects linked to NTCA's Skills for Growth Fund. Thirty-seven proposals were received at EOI stage and in December 2021 ten were shortlisted and invited by NTCA's Investment Panel to develop full business cases.
- 1.3 NTCA and the shortlisted applicants have engaged in an intensive process of collaboration to support business case development and ensure that projects put forward to Investment Panel represented an excellent mix of collaborative skills activity, align to the funding priorities set out in the NTCA call definition documents and add value to existing skills activity in the NTCA region.
- 1.4 In March and April 2022, eight Grant Agreements totalling £5,155,642 related to phase 1 and phase 2 of the Skills for Growth Programme were approved through the NTCA's Scheme of Delegation. These projects included the Energy Central Learning Hub, which is an employer led scheme which addresses the skills requirements of the offshore and subsea sector and a critical component of the North East's sectoral offer. It will establish a state-of-the-art learning environment, located in the heart of a thriving green energy industrial cluster in Blyth, available for use by the wider FE and HE provider base across the North of Tyne area to engage and support employers and learners.
- 1.5 The RE:Geon project put forward in this report builds upon the projects approved in phase 1 and phase 2 of the Skills for Growth Programme. It has been developed to address skills shortages in the construction sector; in particular, green construction skills needed for the domestic retrofit sector.
- 1.6 The objective is to increase local employment numbers and address the skills shortage through sustainable, meaningful employment opportunities tailored to individual learner needs, aptitudes and capabilities. Over the project period over 400 NTCA residents will receive training to ready them for employment in the green construction sector.
- 1.7 The project will be delivered by RE:Geon Training delivery team, who have relevant experience in the delivery of programmes which are similar in nature to this project. Employers involved in the co-design of this project include Karbon Homes, Bernicia, Believe Housing and Shaw Construction.
- 1.8 In line with employer-led demand, the project will deliver industry recognised qualifications to re-skill people of all ages into the green construction sector. The RE:Geon Project will provide a solid foundation for progression direct into employment, employer led Skills Bootcamps and/or apprenticeships. This will support our regions employers to grow their workforce with the skills required for the domestic retrofit sector.

- 1.9 NTCA intend to continue facilitating collaboration across all Skills for Growth projects that have been put forward for funding. This convening role will create a co-ordinated Skills for Growth Programme bringing together employers and providers to deliver industry-ready skills to support current and future skills demands in the identified key sectors. The Skills for Growth Programme will add value to NTCA's wider investments in Digital Innovation and Growth including the Dynamo North East's Digital Talent Engine, skills elements of the Green New Deal Programme and ensure a pipeline of skilled employees to support NTCA's investment in Culture and Creative Zones.
- 1.10 Table 1 below includes key information related to RE:Geon project recommended for grant funding.

Table 1

Proposal Name	The RE:Geon Project
Lead Organisation	RE:Geon Training Limited
Delivery Areas	This project has been developed to address the skills shortage in the construction sector by delivering training courses to help North of Tyne Combined Authority (NTCA) residents' access green construction careers. The training courses will be developed to address green construction skills needed to successfully deliver the domestic retrofit agenda in the drive towards Net Zero.
Timescales	August 2022 – 31/01/2024
Project Value	£1,025,420
Grant requested	£512,710
NTCA Budget Implications:	This project forms part of the £5m allocated to NTCA's Skills for Growth Programme

Business Case Appraisal

- 1.11 An internal appraisal concluded that the application demonstrates clear strategic rationale and fit with NTCA Skills Agenda and the aims and objectives of the call. The project will support North of Tyne residents and employers to access retrofit skills training to improve employment opportunities. The activity will fill a gap in demand for training and has been designed to meet the needs of target groups identified in the call.
- 1.12 NTCA officers have worked with the applicant throughout the business case process to ensure that robust evidence was available against each of the Cases was provided, this resulted in the project achieving an overall Green RAG Rating against the criteria.
- 1.13 At a meeting on 4th July 2022, Investment Panel recommended the business case for the RE:Geon project outlined in Table 1 for grant funding subject to the following funding conditions:

No.	Condition
1.	Funding is subject to satisfactory due diligence and the provision of a parental company guarantee.
2.	Applicant to clarify roles of all delivery partners and whether they will be incurring expenditure on behalf of the project. Applicant to enter into SLA or partnership agreements with delivery partners to pass down conditions of funding.
3.	Applicant to provide a list of specific key delivery milestones.

Proposal

1.14 It is proposed that the Managing Director in consultation with the Investment Panel, the Mayor and Cabinet Member for Education, Inclusion and Skills authorise grant funding of £512,710 for the RE:Geon project subject to funding conditions set out in paragraph 1.13.

2. Potential Impact on Objectives

2.1 The projects outlined in this report directly to NTCA's strategic priorities and supports the Education, Inclusion and Skills delivery theme of NTCA's Corporate Plan. We want everyone to have the opportunity to thrive, with access to good employment and progression. Supporting the availability of good quality, well paid work, whilst providing the right support for people to access these jobs and further training is crucial to our economic and social success.

3. Key Risks

3.1 Project risks will be managed in line with agreed processes and have been considered as part of the full Business Case. The risks associated with these projects have also been mitigated through funding conditions detailed this report.

4. Financial and Other Resources Implications

4.1 The RE-Geon project recommended for funding in this report includes revenue funding for Skills for Growth activity which will extend into the programme period 2023 - 25. This project would result in a NTCA commitment of £512,710 with £410,168 projected to be spent by March 2023 and £102,542 projected in the next programming period.

4.2 The RE-Geon project forms part of the overall Skills for Growth Programme and the recommendation in this report would result in an overall commitment across all of the ten shortlisted Skills for Growth projects of £6,160,310 which includes the capital match-funding for the Energy Central Campus. These projects bring forward activity and investment that extends over two programming periods with £3,030,200 projected to be spent by March 2023 and £3,130.110 projected in the next programming period. Table 2 below illustrates the funding profile across the ten Skills for Growth projects.

Table 2

		FUNDING				
		2022/23	2023/24	2024/25	2025/26	Totals
Skills for Growth	NTCA Investment Fund	£1,530,200	£1,379,468	£1,167,190	£83,451	£4,160,310
	Match Funding	£969,815	£707,236	£548,903	£39,968	£2,265,922
Energy Central Campus	NTCA Investment Fund	£1,500,000	£500,000			£2,000,000
	Match Funding	£4,500,000	£2,500,000			£7,000,000
Totals	NTCA Investment Fund	£3,030,200	£1,879,468	£1,167,190	£83,451	£6,160,310
	Match Funding	£5,469,815	£3,207,236	£548,903	£39,968	£9,265,922

5. Legal Implications

5.1 The Interim Monitoring Officer's comments have been incorporated within this report.

6. Equalities Implications

6.1 As required by Section 149 of the Equality Act 2010, the Combined Authority has considered its obligations regarding the Public Sector Equality Duty and there will be no anticipated negative impact on groups with protected characteristics from these proposals.

6.2 Each organisation the Combined Authority will have a funding agreement with will be required by law to meet all relevant requirements in the workplace in respect of equalities. Through the due diligence process, we have sought assurance from each funding recipient that they have appropriate policies in place which protect and champion equality within their service.

6.3 In addition, we will encourage all organisations we work with to be mindful of our commitment to equalities and direct them to guidance provided by the Equalities and Human Rights Commission: <https://www.equalityhumanrights.com/en/advice-and-guidance/guidance-businesses>.

7. Inclusive Economy Implications

7.1 The Combined Authority believe the projects in this report will positively contribute to creating a more inclusive economy in the North of Tyne with specific positive impact on addressing inequalities in skills and qualifications across the area.

7.2 The Skills for Growth Programme is being used to better equip North of Tyne residents with the skills required to participate in our key recovery and growth sectors. This alignment of provision towards the North of Tyne investments and growth sectors will better meet the needs of our businesses and in turn provide residents with clearer opportunities to contribute to and benefit from economic growth now and in the future.

7.3 The Combined Authority will continue to monitor the impact of the Skills for Growth Programme on the inclusive economy aspirations as part of all funding performance management processes.

7.4 Project applicants and employer partners are invited to commit to the North of Tyne Good Work Pledge to advance their contributions as employers to the Combined Authority's inclusive economy aspirations.

8. Climate Change Implications

8.1 The Combined Authority has considered the implications relating to climate change in decisions regarding allocation of the Skills for Growth Fund and believe there will be no negative impact as a result.

9. Consultation and Engagement

9.1 Consultation with employers and providers informed the Call Definition Documents for the Skills for Growth Projects.

9.2 NTCA and the shortlisted applicants have engaged in an intensive process of collaboration to support business case development and ensure that projects put forward for funding represent an excellent mix of collaborative skills activity, align to the funding priorities set out in the NTCA call definition documents and add value to existing skills activity in the NTCA region.

9.3 To facilitate collaboration NTCA officers brought the applicants together for a project inception workshop to map out the skills offer over across the ten shortlisted applications. Applicants were then encouraged to identify any duplication and synergies across their project themes. The 6 projects outlined in this report have fully engaged with the collaborative process during business case development.

10. Appendices

None

11. Background Papers

12. Contact Officers

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13. Glossary

NTCA	North of Tyne Combined Authority
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11. Sign-off

1) Portfolio holder: Yes	2) Mayor: Yes	3) Investment Panel: Yes	4) Chief Finance Officer: Yes	5) Monitoring Officer: Yes
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