



Author/Lead Officer of Report: Eve Waite
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Report of: *Jayne Ludlam*
Report to: *Cllr Jayne Dunn*
Date of Decision: *(Insert date decision to be taken)*
Subject: *Construction Skills Fund*

| | | |
|--|---|--|
| Is this a Key Decision? If Yes, reason Key Decision:- | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| - Expenditure and/or savings over £500,000 | <input checked="" type="checkbox"/> | |
| - Affects 2 or more Wards | <input checked="" type="checkbox"/> | |
| Which Cabinet Member Portfolio does this relate to? Cllr Jayne Dunn, Cabinet Member for Education and Skills | | |
| Which Scrutiny and Policy Development Committee does this relate to? Economic and Environmental Well Being | | |
| Has an Equality Impact Assessment (EIA) been undertaken? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| If YES, what EIA reference number has it been given? 372 | | |
| Does the report contain confidential or exempt information? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:- | | |
| <i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i> | | |

Purpose of Report:

This report informs members of a successful bid to the Construction Skills Fund (CSF) operated by the Construction Industry Training Board. The bid was submitted on behalf of a consortium that includes Sheffield City Council, The Sheffield Housing Company, Keepmoat and Engie.

This report seeks approval, for Sheffield City Council to act as the accountable body and to work in partnership with consortium members to deliver the required training and on site work experience.

Recommendations:

The Cabinet Member is recommended to:

- Approve Sheffield City Council acting as the accountable body for the Construction Skills Fund programme on behalf of The Sheffield Housing Company, Engie, and Keepmoat and thereby accepting the Construction Industry Training Board grant offer of £715,914, subject to the final terms and conditions being the same as those summarised in this Report.
- Approve agreements being entered into with The Sheffield Housing Company, Engie, and Keepmoat, as appropriate, and payments of grant being made thereunder.
- Grants delegated authority to the Executive Director of People Services portfolio in consultation with the Cabinet Member for Education and Skills, the Director of Finance and Commercial Services and the Director of Legal Services, to:
 - accept and administer the Construction Skills Fund in the event that the final terms and conditions are not the same as those summarised in this Report; and
 - agree the procurement strategy for and award contracts as required to deliver the outcomes.

Background Papers:

None

| Lead Officer to complete:- | |
|---|--|
| 1 | I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required. |
| | Finance: <i>(Insert name of officer consulted)</i> M Wassell |
| | Legal: <i>(Insert name of officer consulted)</i> Sarah Bennett |
| | Equalities: <i>(Insert name of officer consulted)</i> Bashir Khan |
| <i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i> | |
| 2 | EMT member who approved submission: Jayne Ludlum |
| 3 | Cabinet Member consulted: Cllr Jayne Dunn |
| 4 | I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any |

| | |
|---|--|
| additional forms have been completed and signed off as required at 1. | |
| Lead Officer Name: Eve Waite | Job Title: Head of Employment & Skills |
| Date: <i>(Insert date)</i> | |

1. PROPOSAL

- 1.1 This report informs members of a successful bid to the Construction Skills Fund (CSF) operated by the Construction Industry Training Board (CITB). The CSF aims to support the development of construction training centres based on housing development sites that will provide training for individuals through an employer approved pathway to the level of being considered site ready by construction employers. Thereby, supporting them to secure employment within the construction sector.
- 1.2 The bid responds to an opportunity to draw down Construction Skills Funding of £715k into the city for the period January 2019 to March 2021. The bid was submitted on behalf of a consortium that includes Sheffield City Council, The Sheffield Housing Company, Keepmoat and Engie.
- 1.3 Sheffield City Council's Lifelong Learning & Skills Service has extensive experience of successfully managing and performing the role of accountable body for large European and central government funded contracts and Combined Authority projects including Opportunity Sheffield (£7.2m), Future Jobs Fund £13m, City Deal (£27.4m), Ambition SCR (£5m) and the £6.4m Grant for Apprenticeships.
- 1.4 In addition, the Lifelong Learning & Skills Service operates Sheffield City Council's Construction Design Centre delivering apprenticeship training for both the public and private sectors.
- 1.5 For the *Construction Skills Fund*, Sheffield City Council will act as the lead agent. It will do so as a logical extension to the role it has taken historically as accountable body for the Sheffield City Region wide projects mentioned above.
- 1.6 Partners will provide the following contributions to the programme:
- The Sheffield Housing Company
 - Support the programme through the Manor Boot Site (Harborough Avenue, Manor) - 640 houses by 2023 on either side of Harborough Avenue through their contractors KeepMoat and Engie
 - KeepMoat build on the Manor Boot Site
 - construction of the on-site training facilities
 - on site work experience/training opportunities
 - Engie build on the Manor Boot Site.
 - On site work experience /training opportunities
- 1.7 As appropriate Sheffield City Council will enter into contractual arrangements/Memorandum of Understanding with the consortium partners that will deliver the programme. In consultation with the Director

of Finance and Commercial Services and the Director of Legal and Governance, all contracts issued/MOU will incorporate the financial monitoring requirements of SCC and CITB (the funder).

- 1.8 Sheffield City Council will monitor the contracts/MOU's issued on behalf of CITB. The onus will be on the contractors to provide evidence to support both their monitoring of quality and standards and the achievement of agreed outcomes and outputs as set out in these agreements.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 The City Council's Corporate Plan sets out our ambition to be Britain's fairest City through its priorities of:

Tackling Inequalities

Being An In Touch Organisation

Better Health & Wellbeing

Thriving Neighbourhoods & Communities

Strong Economy

- 2.2 *The Construction Skills Fund* is designed to have a positive impact on neighbourhoods and communities and promote equality of opportunity by:

- providing opportunities which empower individuals to help themselves
- supporting local people to gain the skills they need to get jobs and benefit from economic growth. Work can have a positive impact on health & wellbeing

- 2.3 This decision will support both Sheffield's New Homes Delivery Plan *September 2018 to March 2023* to build over 2,000 new homes per year and in addition improve the economic and social wellbeing of the beneficiaries of the *Construction Skills Fund* by developing participants' skills capacity to enable them through an employer approved pathway to secure employment and contribute to addressing the skills deficit within the sector.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 The Council seeks to take advantage of the opportunity presented by the Construction Skills Fund and the funding available. The Council is not required to carry out a consultation process in respect of these proposals.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

4.1.1 An Equal Opportunities Impact Assessment (EIA) has been completed and is attached.

4.2 Financial and Commercial Implications

4.2.1 The proposed distribution of the grant is summarised in the table below and is subject to final confirmation

| | Proposed CSF Grant Funding £ |
|------------------------|---|
| Keepmoat Site set up | 74,500 |
| Sheffield City Council | 641,414 |
| Total : | 715,914 |

4.2.2 Key features (not exclusive) of the grant terms and conditions are summarised as follows:

- CITB grant of £715,914
- Failure to observe the Agreement may result in the funding being withdrawn
- Subject to submission of a report by Feb 2021, the Project activity will take place between 08/10/18 and 30/06/20.
- CITB offer to be accepted within 30 days of the date of the offer letter or it will terminate.
- CITB contributing towards the DFE programme of developing construction training centres, offering on-site facilities on homebuilding and infrastructure sites.
- SCC must achieve the required Outputs and Outcomes.
- Performance/progress to be monitored by CITB using an agreed set of milestones/KPIs.
- Bidders will be required to contribute to the costs, through the provision of land on which the hubs will be built, and to fund the proportion of their hub that will be used commercially.
- Achieve the required objectives (subject to CITB review/amendment) during the funding period ending 31/03/2020.
- CITB will receive funding from and is responsible to DfE for delivering the project.
- Grant can only to be used for the purpose intended.
- SCC to comply with the “Match Funding” requirements.
- Eligibility for payment will be measured in terms of the Outputs/Outcomes.
- Comply with grant claim and reporting requirements.
- The grant is subject to clawback
- Accounting records to be kept for 7 years.
- If SCC disposes of or changes the use of any asset acquired/improved with the grant it will be treated as a disposal and SCC shall make the required payment to CITB.
- Comply with all relevant EU/UK law - Procurement, Value for Money and State Aid

- CITB will require repayment of all or part of the Funds (with interest) for a range of reasons which the Project Manager will need to read, understand and comply with.
- Unspent annual funding cannot be retained without CITB approval.
- Subject to annual External Audit requirements and reporting.

The Project Manager will need to :

- 4.2.3
- Read understand and comply with all of the grant terms and conditions.
 - Ensure that an exit strategy from the grant funding exists so that there are no ongoing unfinanced revenue costs when the grant ends.

4.3 Legal Implications

4.3.1 The Localism Act 2011 provides local authorities with a “general power of competence” which enables them to do anything that an individual can do as long as the proposed action is not specifically prohibited. A purpose of the Act is to enable local authorities to work in innovative ways to develop services that meet local need. The proposed Programme can be delivered through the council using its general power of competence. In addition, there is no specific statutory prohibition, preventing the Council from implementing the proposed Programme. The Council therefore is empowered to produce, implement and administer the Programme detailed in this report.

4.4 Other Implications

4.4.1 There are no specific environmental implications arising from the programme.

4.4.2 The funding available covers the staffing required to manage the programme at full cost recovery.

5. ALTERNATIVE OPTIONS CONSIDERED

5.1 The Council could decide not to accept the grant. However, at this time there are no known alternative options to consider that offer additional support and funding for these groups and so this option is not recommended.

6. REASONS FOR RECOMMENDATIONS

6.1 There are approximately 10,000 people employed within 1,925 construction firms across Sheffield. 92.7% of these firms are micro (0-9 employees) The top five skills requested by recruiting construction firms in Sheffield in 2017/18 were Plumbing, Painting & Decorating, Carpentry, Joinery and Bricklaying. Over the next 10 years Sheffield is embarking on

an ambitious home building scheme that will see in excess of 10,000 new homes constructed. In order to meet the anticipated demand for skills that this will entail, attracting large volumes of individuals to the house building sector is essential. In tandem during the 2017/18 period 410 people on the Jobseekers Allowance register with limited or no experience to offer, were looking for work within the construction sector. This figure excludes those claiming Universal Credit for which there is no published data regarding occupational choices currently available.

- 6.2 This proposal aligns the *Construction Skills Funding* available to the skills gaps that Sheffield's construction sector faces and will focus on attracting residents:
- with no construction experience
 - those from under-represented groups
 - individuals whose industry roles are at risk of redundancy or automation
- 6.3 This approach will provide 650 of Sheffield's residents with the opportunity to access employer led training within the construction sector with a minimum of 250 participants gaining sustainable employment