

# GREATER LONDON AUTHORITY

## REQUEST FOR DIRECTOR DECISION – DD2558

### Title: Consent to LLDC Grant to The Skills Centre for delivering Green Skills and Modern Methods of Construction at Build East

#### Executive Summary:

The London Legacy Development Corporation (LLDC) is seeking consent to provide a grant of £280,000 to The Skills Centre, the operator of Build East, the construction training centre at Queen Elizabeth Olympic Park. The grant forms part of a match-funding commitment that has seen the Skills Centre secure £1.98m of European Social Funds. The grant is to deliver training, recruitment and employer engagement activities in green skills and modern methods of construction to support local residents and under-represented groups gain qualifications and progress into employment on the Park's major development sites. It covers the period October 2021 to March 2024.

Mayoral consent is required under Section 213 of the Localism Act 2011 and Paragraph 3.2 of the LLDC Governance July 2019 because the grant value exceeds the Legacy Corporation's delegation level for giving financial assistance by grant – (LLDC General Financial Assistance (Grant) Consent 2014 approved by DD1245). Paragraph 1.2 of the LLDC Governance Direction 2019 (approved by MD2502) delegates the Mayor's power to issue the various consents to a Director.

#### Decision:

That the Executive Director of Good Growth approves:

- i. That LLDC provides a grant of £280,000 to The Skills Centre, the operator of Build East, the construction training centre at Queen Elizabeth Olympic Park to deliver training, recruitment and employer engagement activities in green skills and modern methods of construction to support local residents and under-represented groups gain qualifications and progress into employment on the Park's major development sites.

#### AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

**Name:** Phillip Graham

**Position:** Executive Director - Good Growth

**Signature:**



**Date:**

23/11/21

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE**

### **Decision required – supporting report**

#### **1. Introduction and background**

- 1.1. Working in partnership through the Mayor's Construction Academy Hub, in late 2018 Transport for London (TfL) and the London Legacy Development Corporation (LLDC) jointly secured funding from the Construction Industry Training Board to build a state-of-the-art construction training centre (Build East) on Queen Elizabeth Olympic Park (the Park).
- 1.2. The two Functional Bodies collaborated with a view to establishing the centre as an interim use on the Park until ca. 2025 when the LLDC's transition arrangements will be completed, and then for it to move to TfL landholdings in the Royal Docks to serve as the main training infrastructure for the pipeline of works there.
- 1.3. In 2019, TfL and the LLDC jointly procured the Skills Centre through a competitive procedure to operate the centre.
- 1.4. However, the centre's assembly was delayed by the pandemic and completed in spring 2021.
- 1.5. The LLDC is proposing to award a grant of £280,000 to the Skills Centre to offer free industry-led training for the financial years of 2021/22, 2022/23 and 2023/24 to enable local people, particularly those who are underrepresented in the workforce (women, those of BAME background and disabled people), to gain construction skills and access a range of jobs in construction and the built environment.
- 1.6. The Skills Centre, TfL and the LLDC have collaborated on a funding bid to the European Social Fund. The bid was successful in securing £1.98m to support the delivery of green skills training programmes and, as TfL and the LLDC have committed to providing match-funding as part of that bid, this grant represents the LLDC's commitment.
- 1.7. This will allow the LLDC to support people from disadvantaged backgrounds in the boroughs of Hackney, Newham, Waltham Forest and Tower Hamlets who face barriers in accessing employment opportunities.
- 1.8. The project will be steered by the Park's Training Association - a cross-industry membership body - which will have a remit to ensure that the training delivered from the facility serves wider industry needs and enables a range of businesses to access an appropriately skills labour supply.
- 1.9. The Build East facility will offer high quality demand-led skills training in a 'live' work environment. This will give local people from disadvantaged communities skills and experience that they need to access employment opportunities across different growth sectors with a specialism in delivering employer-led provision in green skills and modern methods of construction.
- 1.10. The funding has been identified within the LLDC's existing socio-economic regeneration budget as part of the LLDC's revenue investment in skills-based programmes that support local and under-represented groups to benefit from opportunities created by the construction and management of the Park and its assets.
- 1.11. Mayoral consent is required under Section 213 of the Localism Act 2011 and Paragraph 3.2 of the LLDC Governance July 2019 because the grant value exceeds the Legacy Corporation's delegation

level for giving financial assistance by grant (£150,000)– (LLDC General Financial Assistance (Grant) Consent 2014 approved by DD1245).

- 1.12. In line with the Mayor’s ambitions related to his Green New Deal, the provision of this grant provides a revenue funding stream to deliver employer-led training that will give Londoners the skills to take up green jobs. Mayoral approval is therefore sought for this initiative that will see a robust partnership involving Functional Bodies working with training providers and businesses to bridge gaps in skills, so the workforce is job-ready for the growth in the green economy. The Build East training centre forms a key part of the LSEC<sup>1</sup> Local London Green and Digital Mayoral Academy that was submitted for approval in September 2021, therefore integrating the Park’s pipeline of construction work with the Mayor’s Green Skills Academy.
- 1.13. LLDC staff have confirmed the grant is in accordance with the requirements of the LLDC’s Grant Funding Guidance.

## **2. Objectives and expected outcomes**

2.1. The funding will be used to deliver the following objectives and outcomes:

- At least 500 learners per annum will benefit from training interventions
- At least 80 apprenticeships per annum will be trained at Build East
- Diversity and inclusion targets that exceed industry standards
- Delivering green construction skills programmes (see below)
- Better prepare young Londoners, particularly those from disadvantaged backgrounds and from under-represented groups for construction-related occupations
- Create clear vocational routes to employment through industry-led training.
- Inspire more under-represented groups (women, disabled people, those of BAME backgrounds, those from lower income households) to enter the construction industry.
- Improve the pool of talent for Training Association members, their subcontractors and construction employers working in the boroughs neighbouring the Park

2.2. The Build East training programme will be demand-led and responsive to short, medium and long-term industry requirements. The centre will deliver training in green skills that that will service vacancies emerging from the Park’s construction programme and beyond including (but not limited to):

- Green build involving upskilling existing operatives in key skills areas esp. low carbon footprint roles including plumbers, roofers, dry liners and electricians.
- Supervisory qualifications such as SSSTS/SMSTS
- Retrofit install involving practical training on heat pumps, PV install, building envelope specialists

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<sup>1</sup> London South East Colleges

- Retrofit coordination including work with housing associations and Borough housing stock e.g. surveyors' awareness to upgrade the dwellings to net zero carbon fit-out standards

### **3. Equality comments**

- 3.1. The ambition for the Queen Elizabeth Olympic Park is to maintain its status as an exemplar for regeneration, where construction employers can work with the LLDC to address the shortage of skilled workers in London, and where local east Londoners, whatever their background, can be connected to the opportunities offered by one of London's most exciting and varied sectors.
- 3.2. The GLA and LLDC must have due regard to the need to eliminate unlawful discrimination, harassment and victimisation as well as to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not under section 149 of the Equality Act 2010. The decision to provide grant funding to deliver training programmes via Build East will have a positive impact on equalities and will support LLDC's Priority Theme 'championing equalities and inclusion' as well as Mayoral priorities related to supporting under-represented groups to access training and employment and duties under the Equality Act 2010.
- 3.3. LLDC is a public body with a responsibility under the Equality Act 2010 to promote equality, tackle discrimination and promote good relations between different groups of people with protected characteristics. Build East will connect with local communities and grassroots provision and enable local people and groups who are under-represented in the workforce to access industry-led skills training in current and emerging sectors such as green construction and modern methods of construction that will enable them to get and sustain good jobs. LLDC has considered likely potential impacts of providing the grant and concluded that no adverse impact is anticipated on equalities issues or any protected characteristic groups. The GLA has considered its duties under the Equality Act and considers that there are no adverse impacts from this proposed investment.
- 3.4. By taking steps to remove and minimise disadvantage suffered by those who share a relevant protected characteristic, the Skills Centre have committed to meeting the following minimum targets in terms of participants on their courses:
  - 50% of BAME background
  - 30% Women (above the industry standard of ca. 10-15%)
  - 10% Disabled people
- 3.5. Consideration will be given to ensuring the training is accessible to all those people with protected characteristics. An equalities impact assessment will be undertaken on all aspects of delivery, include reviewing recruitment plans, training content and delivery plans, pastoral support and in-work post-placement support.

### **4. Other considerations**

#### Links to Mayoral strategies and priorities

- 4.1. The project responds to the Mayor's Good Growth priorities to support local inclusive growth in London more inclusive by helping under-represented groups to overcome barriers to

employment and by making investments into the workforce that London’s construction industry needs.

- 4.2. The centre’s operations will be overseen by a Board that was established – and continues to function effectively – under the Mayor’s Construction Academy Hub. It is an excellent example of Functional Bodies collaborating on delivering employer-led, cutting-edge skills programmes that respond to green skills and modern methods of construction demands.
- 4.3. The centre involves FE colleges across east London, Local London Boroughs, the Royal Docks and LLDC. The outcome of this application process is subject to approval and successful hubs will be informed in January 2022.
- 4.4. The Skills Centre is a Mayor’s Construction Academy Quality Mark provider, an accreditation which identifies and recognises quality construction skills training providers in London.

Key risks

<b>Risk</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Mitigation</b>
Equality targets not met	Low	High	Skills Centre, LLDC and TfL working closely together via the Mayor’s Construction Academy Hub with Local authorities and key referral agencies to maximise diversity of learners. Park’s track record of supporting diverse groups is very strong.
Insufficient job progressions	Low	High	LLDC, TfL and Skills Centre have mandated commitments and close working relationships with employers at the Park and across London which will act as the mechanism for securing progression routes for learners
Continuation of provision post-expiration of the grant (from 2024)	High	High	As part of the lease for the centre, TfL have agreed to move Build East to the Royal Docks in 2024. This is a welcome investment for the Royal Docks’ training infrastructure as its construction programme gets off the ground, but it will require careful collaboration and identification of a suitable site to ensure successful continuation of provision.

## Impact assessment and consultations

- 4.5. The Skills Centre have already been working closely with Serious About Youth who are delivering key commissions for the LLDC related to increasing diversity and inclusion in construction and who are a delivery partner within the GLA's Workforce Integration Network.
- 4.6. There are no conflicts of interest regarding Serious About Youth's involvement in this project.
- 4.7. There are no conflicts of interest to declare from all those involved in the drafting and clearance of this decision form.

## **5. Financial comments**

- 5.1. LLDC has revenue budget provision for the proposed £280,000 grant funding over the three financial years to 2023-24. As principal funder of LLDC there is no additional call on resourcing from the GLA arising from this decision.

## **6. Legal comments**

- 6.1. Under section 213 of the Localism Act 2011, consent is required for the LLDC to provide financial assistance. Under s221a consent under 213 may be given generally, with or without conditions.
- 6.2. DD1245 approved delegated consent from the Mayor to the LLDC by way of a grant in accordance with the LLDC General Financial Assistance (Grant) Consent 2014. The approval for the grant in this DD exceeds the General Financial Assistance (Grant) Consent 2014 threshold of £150,000.
- 6.3. Further, under clause 3.2 of the London Legacy Development Corporation Governance Direction, 2013 consent must be obtained for any financial assistance by the LLDC that does not fall within the scope of the General Grant Consent.
- 6.4. Officers have confirmed the grant is in accordance with the requirements of the LLDC's Grant Funding Guidance.

## **7. Planned delivery approach and next steps**

<b>Activity</b>	<b>Timeline</b>
Announcement	December 2021
Sign grant agreement	January 2022
Delivery start date	January 2022
Final evaluation (start and finish)	Jan to March 2024
Delivery end date	March 2024
Proposed move to Royal Docks	March 2024

**Appendices and supporting papers:** None

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

**Part 1 - Deferral**

**Is the publication of Part 1 of this approval to be deferred? NO**

**Part 2 – Sensitive information**

Only the facts or advice that would be exempt from disclosure under FOIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

**Is there a part 2 form – NO**

**ORIGINATING OFFICER DECLARATION:**

Drafting officer to confirm the following (✓)

**Drafting officer:**

Jamie Dean has drafted this report in accordance with GLA procedures and confirms the following:

✓

**Assistant Director/Head of Service:**

Louise Duggan is satisfied for it to be referred to the Sponsoring Director for approval.

✓

**Financial and Legal advice:**

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

**Corporate Investment Board**

This decision was agreed by the Corporate Investment Board on 22 November 2021

**EXECUTIVE DIRECTOR, RESOURCES:**

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

**Signature**

**Date**



23/11/21