

CEO DECISION – CD 171

Title: The Forge funding approval FY2021/22 – FY 2023/24

Executive summary

The Forge@ParkRoyal (The Forge), OPDC's Employment & Skills and Business Support service, has been operational since August 2020.

The Forge is supporting local businesses and helps local residents and employees access employment opportunities now and in the future. Further to the 24 June 2020 Board Advisory Panel, OPDC's Chair approved a project expenditure envelope of £386,031 over three years and delegated detailed expenditure approvals to the Chief Finance Officer. CD143 gave approval for expenditure of £177,000 to deliver services for the first year of the Employment & Skills Hub, from August 2020 to August 2021. DAR291 gave approval of £4,324 for The Forge to enter into a licence with West London College, which is hosting The Forge's offices.

This decision form requests approval for the detailed expenditure proposals that will support the delivery of services over the remaining years of The Forge, from April 2021 to August 2023.

Decision

That the Chief Executive Officer approves:

- i. Expenditure of £318,194 to cover operating costs in FY 2021/22, 2022/23 and 2023/24, as set out in Table 1 for the remaining three years of The Forge project. This includes £71,453 retrospective expenditure for the FY 2021/22.

Chief Executive Officer

I do not have any disclosable interest in the proposed Decision. It is consistent with OPDC's priorities and has my approval.

Signature:



Date: 01/03/2022

PART 1: NON-CONFIDENTIAL FACTS AND ADVICE

1. Background and context

- 1.1 In January 2020, the Board approved progression of OPDC's Employment and Skills Programme which included the development of an Employment and Skills Hub – now rebranded "The Forge"; a collaborative effort between OPDC, the London Boroughs of Brent, Ealing and Hammersmith & Fulham, the Department for Work and Pensions (DWP) and West London College (WLC). The Forge provides employment and skills services that will benefit local businesses, employees and residents in the OPDC area.
- 1.2 The Board delegated authority to the Chief Executive Officer for expenditure up to £105,000 over three years for operational costs and also to receive £300,000 of grant funding from HS2's Business and Local economies Fund (BLEF), subject to the successful outcome of the funding application and acceptance of the grant conditions.
- 1.3 In June 2020, the OPDC Chair, in consultation with the Board Advisory Panel, approved the overall programme expenditure envelope of £386,031. This figure consisted of £255,200 from HS2's BLEF (£44,800 less than the original bid) and an OPDC cash commitment of £130,831.
- 1.4 The approved cash commitment for OPDC excluded £25,000 of business support expenditure and did not reflect the contractual obligation made in the grant agreement with HS2 to provide £147,031 of match funding. This is made up of OPDC Cash Match Funding of £71,031 plus an additional requirement to underwrite LEAP funding of £76,000.
- 1.5 Resolving these discrepancies increases the budget envelope to £407,631, an under approval in the June 2020 Board Paper of £21,600. This approval is set to be resolved in this decision paper.
- 1.6 In October 2020, the Chief Executive Officer approved, in CD143, year one expenditure for The Forge of up to £177,000; funded through the BLEF grant and the Delivery Directorate's Industrial Regeneration Budget.
- 1.7 This decision requests approval for expenditure of £318,194 (which £71,453 retrospective expenditure) to cover operating costs for the remaining years of The Forge; from April 2021 to August 2023.
- 1.8 The purpose and core objectives for The Forge are to:
 - help local people to gain the skills they need to access current and future jobs in the OPDC area - both getting into work and upskilling those already in work
 - help local businesses recover, recruit, retain and develop a workforce with the skills they need
 - help local businesses access supply chain contracts created by HS2 and OPDC infrastructure and development projects
 - help meet the increasing construction skills need across London; and
 - increase apprenticeship opportunities.

- 1.9 The Forge’s purpose, objectives and outcomes remain the same since the original approvals. In the interests of brevity, they are not repeated in the body of this decision. However, [Board Approval](#) and CD143 (attached) include further and more detailed information.
- 1.10 Since CD143 was approved, The Forge Project Manager has achieved the following;
- established and agreed The Forge’s governance with project delivery partners
 - secured the commitment of two full time employed staff and four part-time staff from The Forge delivery partners
 - completed graphic and web design for The Forge’s online presence and marketing collateral
 - secured physical premises for Forge at West London College Park Royal campus (see DAR 291); and
 - appointed external consultants to deliver a 12-month programme of business support for Small and Medium Enterprises (SMEs) and micro-businesses in Park Royal
 - The appointed team is delivering support through organising webinars, workshops and 1-1 support via telephone, video-call or face-to-face. Topics include; Covid-19 recovery, managing the impact of Brexit, business administration, financing your business, sales and customer service, digital skills and developing your workforce.

2. The proposal and how it will be delivered

- 2.1 This paper seeks approval for expenditure of the remaining allocated funding until FY 2023/24, as set out in table 01 (see below).
- 2.2 Receipt of in-kind funding from project partners is to be noted in table 02.

Table 01: The Forge funding and expenditure

Expenditure (£)	Financial Year				Budget
	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total
Hub Managers Salary	£ 39,393	£ 62,178	£ 63,911	£ 22,549	£ 188,031
Brand Development & Marketing	£ 15,000	£ 666	£ -	£ -	£ 15,666
Website Development & Maintenance	£ 22,680	£ 11,398	£ 7,452	£ 7,452	£ 48,982
Office Costs (and rent)	£ -	£ 6,163	£ 200	£ 200	£ 6,563
Event, Workshops & Courses	£ 6,964	£ 22	£ 40,000	£ 13,014	£ 60,000
Business Support	£ -	£ 33,250	£ 32,500	£ 17,239	£ 82,989
Total	£84,037	£ 113,676	£ 144,063	£ 60,454	£ 402,231

	Financial Year				Budget
	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total
Sources (£) *					
HS2 BLEF	£ 53,786	£ 61,940	£ 103,911	£ 35,563	£ 255,200
OPDC Budget	£ 30,251	£ 51,737	£ 32,652	£ 17,391	£ 132,031
OPDC s106	£ -	£ -	£ 7,500	£ 7,500	£ 15,000
Total	£84,037	£113,676	£144,063	£60,454	£402,231

* To note, BLEF income claims occur within the BLEF Programme Year and so income is not always recognised in the period of expenditure.

Table 02: In-kind contributions

In-Kind Funding	
Other Hub Staff	312,000
Partners In-Kind Accommodation Costs	90,000
Total	402,000

- 2.3 The Forge Manager will continue working with businesses to identify vacancies, promote the Kickstart Scheme and explore opportunities for apprenticeship levy transfer. They are responsible for clienting the appointed consultant team providing specialist business support, and ensuring they deliver against agreed outputs.
- 2.4 The Forge Manager is also responsible for overseeing and coordinating two full-time employed staff and four part-time staff from the six Partner organisations (LB Ealing, LB Brent, LB Hammersmith and Fulham, Shaw Trust, Department of Work and Pensions). This makes up the in-kind resource identified in table 02.
- 2.5 Together these staff are responsible for delivering The Forge's core objectives.
- help local people to gain the skills they need to access current and future jobs in Park Royal and OPDC area – both getting into work and further training for those already in work
 - help local businesses recover, recruit, retain and develop a workforce with the skills they need
 - help local businesses access supply chain contracts created by HS2 and OPDC infrastructure and development projects
 - help meet the increasing construction skills need across London; and
 - increase apprenticeship opportunities.
- 2.6 In addition, The Forge Manager will host and oversee events, workshops and courses that support The Forge's core objectives.

3. Objectives and expected outcomes

- 3.1 The Forge will deliver the following outputs by July 2023. It should be noted that outputs are profiled by project year (August – July) as opposed to financial year (April – March).

Output definition	Delivered 2020/21	2021/22 targets	2022/23 targets	Lifetime targets
Old Oak and Park Royal job vacancies filled through The Forge@ParkRoyal	4	105	100	250
Number of businesses supported by The Forge@ParkRoyal	146	225	140	365
Number of beneficiaries supported by The Forge@ParkRoyal	N/A	145	150	365
Number of training events supported by The Forge@Park Royal (includes ECHO)	4	24	34	70

4. Strategic fit

- 4.1 The Forge’s core objectives reference in paragraph 2.5 detail outputs listed to align closely with OPDC’s Corporate objectives and delivers against Policy E5 (Local Access to Training, Employment) as set out in the Local Plan.
- 4.2 In addition, The Forge delivers against Mayoral objectives as set out in the London Plan (Policy E11 Skills and opportunities for all) and the Economic Development Strategy (3. A fairer, more inclusive economy, 4. Creating the Conditions for Growth, 5. Supporting London’s sectors, 6. Working together to achieve the Mayor’s vision).
- 4.3 The Forge also delivers against the outputs agreed by the London’s Recovery Board’s. The Board has agreed to take a “missions-based approach”. The Forge’s core outputs and outcomes mirror those in the “Good work for all”, “A new deal for young people” and “A green new deal” missions.

5. Project governance and assurance

- 5.1 OPDC acts as the Administrative Authority for the project. OPDC will receive and administer financial contributions and will be responsible for all operational contracts for the Employment and Skills Hub such as leases and utility bills.
- 5.2 The Forge Project Manager is responsible for:
- coordinating Employment and Skills Hub staff and financial resources
 - producing an annual delivery and communications plan
 - developing and monitoring KPIs
 - delivering against targets and objectives; and
 - reporting to the Employment and Skills Hub Delivery Board.
- 5.3 The Employment and Skills Hub Delivery Board (comprised of all delivery partners) will oversee the set up and ongoing delivery of the hub, including:
- approving the Annual Delivery Plan
 - approving the monitoring process
 - assessing the success of the Hub against agreed KPIs
 - making recommendations on improving delivery

- assessing the sustainability of the delivery model.

5.4 The function and role of the Delivery Board will be set out in the Board's Terms of Reference and the Delivery Board will meet quarterly.

Risks and issues

Risk description	Inherent Score	Mitigations	Target Score
Failure to create a cohesive service with part time staff shared across organisations	Likelihood: 3 Impact: 4 Total: 12	Office location is an opportunity to bring team together. Exploring further funding opportunities for full time staff.	Likelihood: 3 Impact: 2 Total: 6
Lack of suitable candidates means businesses don't view The Forge as a reliable employment broker	Likelihood: 3 Impact: 5 Total: 15	All partners to develop approach for better and more consistent CVs. Working with businesses to ensure right opportunities are being matched to the right candidates	Likelihood: 2 Impact: 3 Total: 6
If any partner fails to honour their contribution, OPDC (as Administrative Authority) may be responsible for making up the corresponding shortfall or finding alternative resources.	Likelihood: 3 Impact: 5 Total: 15	All partners have signed a Memorandum of Understanding confirming their support for the first three years of the project. Project board will continue to monitor individual agreements with each partner and ensure that all partners are delivering their contribution to the project	Likelihood: 2 Impact: 3 Total: 6

6. Equality comments

6.1 The Forge delivery partners will work together to ensure that services delivered through The Forge have 'due regard' to the need to (i) eliminate unlawful discrimination, harassment and victimisation; (ii) advance equality of opportunity between people who share a relevant protected characteristic and those who do not; and (iii) foster good relations between people who share a relevant protected characteristic and those who do. Protected characteristics under section 149 of the Equality Act are age, disability, gender re-assignment, pregnancy and maternity,

race, religion or belief, gender, sexual orientation, and marriage or civil partnership status (all except the last being “relevant” protected characteristics).

- 6.2 Attendance at events and programmes run from The Forge will be monitored, with demographic data used to develop insights into the make-up of participants and beneficiaries. This data will be evaluated, and steps taken to adjust programmes where needed to ensure that participation not only reflects local demographics, but also reaches traditionally hard-to-reach groups.
- 6.3 Attendance at events to date has seen a greater number of women sign up. Ethnicity data has been limited due to a large number of nil declarations and initial absence of a Client Relationship Management (CRM) system. However, further work will be done to understand the impact of The Forge programmes on groups with protected characteristics.

Residents registered by gender:

Men	Women	No gender declared
41%	56%	3%

Declared ethnicity of 182 residents registered

Asian/Asian British Indian	3.85%
Asian/Asian British- Other	0.55%
Asian/Asian British- Pakistani	1.65%
Black/British Caribbean	0.55%
Black British/other	0.55%
Mixed – Other	0.55%
Prefer not to say	1.1%
Other – Arab	0.55%
White – British	3.3%
White – Irish	0.55%
White – Other	1.65%
Not known/Not declared	85.15%

- 6.4 The Forge Manager will work closely with Partners to ensure that hard-to-reach groups and those with protected characteristics have equal access to the services provided by The Forge. Where possible The Forge Manager will also work with

organisations who provide specialist information, advice, guidance and support to residents with physical and mental disabilities, ex-offenders, Black and South East Asian groups, lone parents and women.

- 6.5 The Forge's programmes of support will also encourage Park Royal businesses to adopt good work standards such as the Living Wage, the Disability Confident marque, Equal Opportunity policies, fair contracting and the Mayor's Good Work standard

7. Other considerations

- 7.1 There are no other considerations.

8. Conflicts of interest

- 8.1 No one involved in the preparation or clearance of this Form, or its substantive proposal, has any conflict of interest.

9. Financial comments

- 9.1 The total expenditure approval sought in this decision of £318,194 to resource the remainder of The Forge programme until August 2023 will be funded as per Table 01.

10. Legal comments

- 10.1 The report above indicated that the decision request of the Chief Executive falls within OPDC's objective of securing the regeneration of the Old Oak and Park Royal area and its powers to do anything it considers appropriate for the purpose of its objects or purposes incidental to those purposes, as set out in the Localism Act 2011.
- 10.2 In taking the decisions requested, the CEO must have due regard to the Public Sector Equality Duty; namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010, and to advance equality of opportunity between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it and foster good relations between persons who share a relevant protected characteristic and persons who do not share it (section 149 of the Equality Act 2010). To this end, the CEO should have particular regard to section 3 (above) of this report.
- 10.3 Any services required must be procured by Transport for London Commercial who will determine the detail of the procurement strategy to be adopted in line with the OPDC's Contracts and Funding Code. Officers must ensure that appropriate contract documentation is put in place and executed by the successful bidder(s) and the OPDC before the commencement of the services.

11. Summary timeline

Activity	Date
Forge website launched	September 2021
50% of outputs achieved	August 2022
Project completed	July 2023
Self-evaluation complete	September 2023

Appendices

- Appendix A: CD143 Employment and Skills Hub - Year 1 Expenditure

Other supporting papers

- None

PUBLIC ACCESS TO INFORMATION

Information in this Form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA). OPDC aims to publish the Form within three working day of approval.

If immediate publication risks compromising the implementation of the Decision (for example, impacting a procurement process), it can be deferred until a specific date (when it will be published). Deferral periods are kept to the shortest length strictly necessary.

Part 1 – Deferral

Publication of this Part 1 is to be deferred: **No**

Part 2 – Confidential information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in or attached to any separate Part 2 Form, together with the rationale for withholding the information at this time.

There is a separate and confidential Part 2 Form: **No**

DECLARATIONS

Drafting officer: Alex Marsh has drafted this Form in accordance with OPDC procedures, including for handling conflicts of interests, and confirm that:



Advice: The Finance and Legal teams have commented on the proposal.




CONFIRMATIONS

Section 106 funding: This use of S106 to fund the expenditure proposal was approved via a Section 106 spend proposal form on [N/A](#)

SMT review: This Decision was circulated to the **Senior Management Team** for review on Friday 14 January 2022.

Chief Finance Officer

Financial and legal implications have been appropriately considered in the preparation of this Form.

Signature: 

Date: 01 March 2022

Director of Projects

I do not have any disclosable interest in the proposed Decision. It is consistent with OPDC's priorities and can be referred to the CEO for final approval.

Signature: 

Date: 01.03.2022