

GREATER LONDON AUTHORITY

REQUEST FOR DIRECTOR DECISION – DD2465

Title: Small Projects and Equipment Fund Round 2

Executive Summary:

The GLA's Small Projects and Equipment Fund (SPEF) is a strand of the GLA's Skills for Londoners Capital Fund (SfLCF) focused upon delivering targeted investments in small scale developments, refurbishments and equipment projects for London's adult skills providers. Such funding ensures all Londoners can access learning spaces to reflect industry standards and deliver high-quality skills London's employers need.

Following a successful first round in 2017, a second round of the SPEF was launched in September 2019. 60 applications were received from providers across 29 boroughs, with proposals delivering on a range of priority sectors including the creative industries, construction to digital skills development, offender learning and beyond.

Following delegation in MD 2142 and recent endorsement from the LEAP Investment Committee (LEAPIC) on 6th March 2020, this paper seeks the Executive Director's approval for:

- an increase to the existing allocation of funds to SPEF Round 2 programme from £3.75m (approved under DD2354) to £4.2 m – to be funded by a combination of underspend from SPEF Round 1 and other unallocated funds within the wider SfLCF; and
- 34 projects, seeking a total investment of £4.2 million in capital funding, to be awarded funding.

Decision:

That the Executive Director, Good Growth approves:

- an increase in total investment for the Small Projects and Equipment Fund Round 2 (SPEF) from £3.75m to £4.2m;
- funding awards to the 34 project applications as set out in Appendix A; and
- the 6 applications to be given 'reserve' status and approved if any of the 34 applications are not approved as set out in Appendix A.

AUTHORISING DIRECTOR

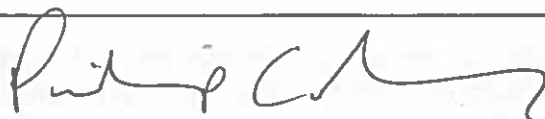
I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Philip Graham

Position: Executive Director, Good Growth

Signature:



Date:

16/3/2020

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1. The £114m Skills for Londoners Capital Fund (SfLCF) funded by the London Economic Action Partnership (LEAP) was approved in MD 2142 and launched in April 2017. As part of the SfLCF programme, Round 1 of the Small Projects and Equipment Fund (SPEF) awarded £3.9m to 41 projects (approved through DD2205). Following the success of the first round a further £3.75m was approved in April 2019 for a second round, under DD2354.
- 1.2. SPEF Round 2 was launched in September 2019 with adult skills providers including further education colleges and other adult education providers invited to apply for between £25,000 to £300,000 of capital grant funding to deliver dynamic, innovative and inclusive learning environments. Applicants were also asked to provide 50% match contribution. The SPEF Round 2 proved popular with almost a third more applications received compared to the previous round. In total 60 projects were submitted for appraisal with over £7.7million of funding sought from SPEF.
- 1.3. The proposals were evaluated by the GLA's LEAP Delivery Team; Skills and Employment Unit alongside GLA's Finance, Economics, Communities and Social Policy. Each application was scored against applicants' responses to questions against the following weighted criteria:
 - project aims and rationale (40%);
 - deliverability (30%); and
 - value for money (30%).
- 1.4. The final proposed investment recommendations were put to the LEAP Investment Committee for endorsement on 6 March 2020.

2. Objectives and expected outcomes

- 2.1. The SPEF was originally formed to encourage applications from smaller providers, including those who work in the community with Londoners who are furthest away from the labour market – such as those affected by homelessness, ex-offenders, and those who are economically inactive. Round 2 was launched with a new prospectus to further promote these priorities. It also specifically invited applicants to submit proposals that addressed the following objectives:
 - increase and improve the accessibility and efficiency of the provider estate;
 - to enable the purchase of equipment that enhances innovation, enables a more employer responsive curriculum, reflects the work environment and responds to the needs of the skills sector;
 - to enable the refurbishment of facilities and equipment in need of upgrading;
 - improve the quality of provision and learner satisfaction, progression and success rates;
 - support increased levels of apprenticeship delivery and/or progression to higher levels of vocational and technical study; and
 - encourage and enable the integration of learners who are representative of London's diversity and its communities as well as those who struggle to gain new skills. This includes learners previously or at risk of becoming NEET (not in education, employment or training) as well as SEND (special educational needs and disability) and BAME (black, Asian and minority ethnic) learners, women, offender learners, parents and carers.

- 2.2. 34 applications have been recommended to progress to grant agreement with GLA investment value of £ 4,218,619; six applications have been recommended as 'reserve' with a value of £861,744. Should any of the successful projects fall away (for example because of change in scope, reduction in applicant contribution or withdrawal), one or more of the reserved projects will be recommended for endorsement at LEAP Programme Board to proceed to grant agreement following any final clarifications. These applications have been listed in Appendix A which accompanies this paper.
- 2.3. The core outputs projected to be delivered in total by SPEF Round 2 successful projects are summarised in the table below:

Output Type	Totals
Additional learners supported (incl. SEND & NEETs)	17,967
Additional apprenticeship starts	2,067
Additional work placements started	2,223
Area of new or improved learning/training floorspace	9,587m ²
Cost savings	£353,866
Additional students progressing to employment	1,265
Jobs created (FTE)	176.5
New SMEs/businesses supported	493
Amount of space with improved energy efficiency	5,374m ²

- 2.4. The above table shows the top 9 indicative outputs for all 34 successful projects recommended for approval.
- 2.5. It should be noted these figures are still subject to change until applicants enter in to funding agreements with the GLA.
- 2.6. Ahead of signing funding agreements GLA Officers will undertake further clarification with individual projects work to gain additional assurance around their projections. This process will also involve providers being prompted to commit to more stretching commitments where opportunities to demonstrate greater ambition are identified.

3. Equality comments

- 3.1. The GLA is required, in the exercise of its functions, to have due regard to the need to:
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
 - advance equality of opportunity between persons who share a relevant protected characteristic 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.
- 3.2. In the context of the SPEF, the Mayor's Equality, Diversity and Inclusion Strategy launched in 2018 includes the following relevant objectives:
- many more people of all ages progressing in learning to reach their full potential;
 - ensuring all Londoners and London's businesses can access the skills they need to succeed;
 - promoting social integration and contact between different groups and tackling the inequalities that exist which prevent people from being active citizens;
 - more young people having the knowledge, skills and life experiences to succeed;
 - reducing the number of jobless young people;

- London being a city where people of every background feel connected with each other and can realise the benefits of London's diversity; and
- creating greater equality, diversity and inclusion (which includes gender parity in terms of career outcomes and greater social mobility within professions).

3.3. Applicants have been asked to demonstrate their understanding of the Mayor's Equality, Diversity and Inclusion Strategy to ensure projects are evaluated and monitored to reduce the disability, gender and ethnicity employment gaps in addition to meeting the Public Sector Equality Duty. This encompasses integration of the Accessible London Supplementary Planning Guidance and Policy D5 of the draft London Plan (both of which support the latest inclusive design standards BS8300-1:2018 and BS8300-2:2018).

3.4. Further, the SPEF prospectus required applications to detail how they will encourage and enable the integration of learners who are representative of London's diversity and its communities as well as those who struggle to gain new skills. This includes learners previously or at risk of becoming NEET, as well as SEND and BAME learners, women, offender learners, parents and carers.

4. Other considerations

a) key risks and issues

- 4.1. With a programme of this scale there is an additional risk relating to the ability of projects to deliver and achieve spend and outcomes within the projected timescales. The GLA LEAP Delivery team will work closely to support projects to ensure they are in grant agreement and report regularly on milestones to ensure timely delivery.
- 4.2. There is a risk that unsuccessful applicants challenge the appraisal process. Officers have ensured a fair process by assessing and scoring independently by two officers followed by a manager review and further moderation meeting. In addition, applications have been assessed against the priorities set out in the SPEF Prospectus only. All unsuccessful applicants will be offered the opportunity for receipt of feedback, with areas for improvement outlined to support them should they decide to apply for a future round of funding.

b) links to Mayoral strategies and priorities

- 4.7. Investments through the SPEF will contribute to the Mayor's and the LEAP's drive to make London a better place to live and work and to visit, through delivery approaches that secure the highest levels of social, economic and environmental value.
- 4.8. The range of projects for recommendation for SPEF Round 2 support the diverse needs of a wide range of learners and help to reduce the disability, gender and ethnicity employment gaps in addition to meeting the Public Sector Equality Duty and are in alignment with The Mayor's Equality, Diversity and Inclusion Strategy. This includes working with ex-offenders and those who find themselves homeless.
- 4.9. In particular, the Mayor's Economic Development Strategy (EDS) priorities are supported by the SPEF and the programme has specifically assessed applications for outputs which encourage collaboration with local businesses, employers and local authorities to support the creation of jobs within the local area and the delivery of training to support growth sectors.
- 4.10. The SPEF programme has also received applications which support several other Mayoral priorities, local and national strategies and other existing provision including: London Assembly's Special Education Needs and Disability Report; Skills for Londoners Strategy 2018; Culture Strategy for London 2018; London Environment Strategy and "City for All Londoners" report 2016 including Digital Inclusion.

c) consultations and impact assessments,

- 4.11 This round of SPEF was based on feedback from existing SPEF projects and engagement with a range of providers to develop a prospectus which enabled the fund to be accessible and relevant to the needs of London's further education, skills and training market. Throughout the process there was also a dedicated email address on the SPEF webpage through which prospective applicants were able to send queries.
- 4.12 No one involved in drafting or clearing this form has any conflicts of interest to declare.

5. Financial comments

- 5.1 DD2354 approved an allocation of £3.75m in capital funding for the second round of the 'Small Projects & Equipment Fund. This forms part of the original Skills for Londoners Programme where the entire growth deal funding allocated totals £114m as approved by MD2142. This proposal is seeking to increase this allocation to £4.2m to fund 34 successful projects as detailed within the main body of this report. This additional £0.450m budget requirement will be funded from the wider Skills for Londoners budget, specifically via underspends from the first round of projects (£0.200m) and unallocated funding (£0.250m).
- 5.2 The 34 projects proposed for approval have undergone a rigorous due diligence process and will be subject to funding agreements in which any remaining clarifications issues will be addressed, including the profiling of the grants and their respective milestones.
- 5.3 With regards to the reserve list of 6 that totals £0.862m; the necessary funding is not in place at this stage to deliver those recommended for reserve approval and are dependent on some of the main projects not proceeding. In the event this occurs, these would be subject to a further Director Decision following approval by the LEAP Investment Committee if they were to be progressed.

6. Legal comments

- 6.1 Paragraphs 1 to 2 of this report indicate that the decisions requested of the Director concern the exercise of the GLA's general powers, falling within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development and wealth creation, social development or the promotion of the improvement of the environment in Greater London; and in formulating the proposals in respect of which a decision is sought officers have complied with the GLA's related statutory duties to:
- pay due regard to the principle that there should be equality of opportunity for all people;
 - consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
 - consult with appropriate bodies.
- 6.2 In taking the decisions requested, the Director 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 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 Executive Director should have particular regard to Section 3 (above) of this report.

- 6.3 Paragraph 2 above indicates that the contribution of £4.2m to the applications of the Small Projects and Equipment Fund Round 2 amounts to the provision of grant funding and not payment for services. Officers must ensure that the funding is distributed fairly, transparently, in accordance with the GLA's equalities and in manner which affords value for money in accordance with the Contracts and Funding Code. Officers must ensure that an appropriate funding agreement is put in place between and executed by the GLA and recipients before any commitment to fund is made.

7. Planned delivery approach and next steps

Activity	Timeline
Applicants notified of outcome	w/c 16th March 2020
Communications	w/c 16 th March 2020
Successful projects into grant agreement	April 2020 onwards
Round 2 commence delivery	April 2020 onwards
Final project delivery	March 2022

Appendices and supporting papers:

Appendix A – Project List

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? Yes**

If YES, for what reason: The GLA needs to approve the final 34 successful applicants as per this decision form and then all applicants will need to be notified. This decision should be deferred from public release until 20th March 2020 so as not to prejudice such communication.

Until what date: 20 March 2020.

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:

Karen Brar has drafted this report in accordance with GLA procedures and confirms the following:

✓

Assistant Director/Head of Service:

Patrick Dubeck has reviewed the documentation and 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 16 March 2020.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

Date

