

**Gate 0 Review - Scheme Assessment Form**

<b>Name of initiative</b>	D2N2 Skills Access Hub
<b>Project / Programme</b>	Project
<b>Project</b>	Economic Development
<b>Directorate</b>	
<b>Project Department</b>	Employment and Skills
<b>Lead Contact Name</b>	Nigel Jackson
<b>Telephone of Lead Contact</b>	0115 876 2523

**Brief Description of the project/programme**

*Brief outline of what the project/programme is, why it is required and what it will deliver. Include a list of all projects £1m and over if this is a programme.*

The project is a skills development project to provide skills needs analysis and broker skills provision to SMES and their employees across the D2N2 region. It is required to fill an identified gap in the current provision of the D2N2 Growth Hub.

The Growth Hub provides business growth brokerage and support for SMEs via independent advisers but doesn't have sufficient staff resources nor expertise to cover the growing demand for specialist skills advice. The Skills Access Hub intends to provide resource and expertise to help SMEs to support their employees to build better resilience for their future employment, while increasing the productivity of the business. Improving their skills will also increase their earning potential, by increasing the likelihood of them moving to roles with more responsibilities either within their existing SME or other local businesses.

Nottingham City Council will lead a partnership of public, private and charitable organisations who will, via a team of advisors, identify the skills needs of SMEs and either provide, or broker, the required skills provision.

**What will success look like? What benefits does the project aim to deliver?**

*This should include reference to the benefits that the project aims to achieve and which should be articulated in SMART<sup>1</sup> terminology. Consideration should also be given as to what baselining may need to be done now in order to demonstrate a benefit has been delivered in future.*

The project has targeted outputs to help 888 SMEs identify their skills gaps and 2,233 individuals to improve their skills. It is anticipated that at least 50% of these will be based within Nottingham City.

The project will contribute to the following Council Plan Top 30 priority targets:

<sup>1</sup> Specific, Measurable, Achievable, Realistic and Time-bound  
 Project may also refer to a Programme or Programme of Works

- Increase the number of Nottingham residents with level 2 qualifications to within 3% of national average
- Protect from cuts: Support to help businesses grow and prosper
- Continue to develop Nottingham and Derby's Metro Strategy, building on already strong partnership working with Gedling and Derby and including other neighbourhood authorities
- Develop Nottingham's Creative Quarter and creative industries into a regionally significant economic sector
- Ensure all small to medium sized businesses have access to support through the Nottingham Growth Hub to help businesses grow the value of jobs on offer and work directly with 500 SMEs run by underrepresented groups
- Continue to promote science, technology and creative industries as Nottingham's key industrial growth sectors

It will have other wider benefits in terms of:

- Increasing SME engagement with the skills sector and visa-versa
- Stimulating demand for skills training activity from SMEs
- Providing SMEs with the support they need to navigate the complex skills and training landscape
- The co-location and integration with The D2N2 Growth Hub with both Hubs operating from NCC's premises
- Complement rather than duplicate existing provision, ensuring that SMEs and participants are referred to appropriate provision
- Reduce the skills gap across the D2N2 economy
- Help to create a more productive and profitable SME sector, which is better able to compete and grow.

. All SMEs and individuals will undergo documented audits of their respective skills needs and skills levels when they enrol onto the project. This will then be measured against documented evidence of their skills outcomes at the end of the project in order to demonstrate the benefits achieved. This will be in line with output recording requirements of DWP, the Managing Authority for the European Social Funds (ESF) being applied for to fund this project.

### Estimated Project Value

*This should include consideration of all capital and revenue costs required for the project including delivery costs. **A breakdown of this should be attached to this form**, along with any key assumptions. Please note at this stage this will be extremely high level.*

*This should also take into account any ongoing additional costs for example lifecycle costs or increased operational costs, as well as the cost to actually deliver the project.*

*Where possible and appropriate an estimate of the project's net present value should also be provided.*

*Consideration should also be given to cashflow implications, are there times in the project when expenditure is likely to be incurred prior to income / savings being generated. What is the likely scale and timing of this gap?*

This is a revenue only project, which is applying for European Social Fund (ESF) and requires 50% match funding.

The match funding will be provided by the delivery partners as outlined in the attached appendix.

While there is some 'in kind' funding for NCC, through 6 existing posts within IT (training delivery), there are no additional funding requirements for the city council. All accountable body, management costs and some delivery costs for Nottingham City Council are met through the ESF contributions and the Local Match provided by partner organisations.

The NCC income that is generated from the partners is reliant on them meeting their contracted delivery obligations so that all of the maximum ESF allocated funds can be drawn down. This is a model that has been used with success in previous ESF projects.

ESF funding is paid in quarterly arrears based on the submission of compliant quarterly claims. To minimise the impact on the Council, partners are usually paid project income once it has been received from the Managing Authority.

**See attached Granular budget.**

<b>CAPITAL</b>	£ N/A
<b>REVENUE</b>	£ 4,796,576

### What are the proposed capital and / or revenue funding sources for the project and how secure are they?

*This may involve both capital and revenue funding and could be made up from a number of sources including for example grants, base budget or Prudential Borrowing.*

The funding sources are:

- ESF = £2,398,288
- Local Match = £2,398,288. This is provided by 5 partner organisations: (Futures Advice Skills and Employment, West Nottinghamshire College, University of Nottingham, Direct Help and Advice, Nottingham College) and the NCC IT Commercialism Department (see commentary in previous section).

The Local Match contributions provided by each of these Organisations are given in the table below:

Organisation Contributing Local Match	Total
University of Nottingham	<b>£507,817</b>
West Nottinghamshire College	<b>£507,072</b>
NCC IT Commercialism Department	<b>£603,963</b>
Futures	<b>£218,367</b>
Direct Help Advice	<b>£308,552</b>
Nottingham College	<b>£252,516</b>

The Local Match contributions are in the form of the salaries paid to their existing staff. This Local Match levers in an equivalent amount of ESF funding plus a contribution to the Overheads of employing these staff. NCC use a proportion of the partners' Overheads to provide the Local Match for the employment of the new Skills Access Hub adviser roles and the provision of the accountable body function, i.e. the project management staff.

The funds are secure in that both the Managing Authority and the partners commit and contract to provide the funds. However, the drawing down of both funding sources is subject to the successful delivery of the project in line with targeted outputs and activities, as well as the submission of compliant quarterly claims.

### Key dates for the project

*This should include all of the projected key milestones within the project, including proposed dates of bid submissions, approvals, completion etc.*

Milestone Description	Planned date
Bid submission	25/7/19
Bid approved by DWP	Estimate 31/12/19 (but subject to DWP's capacity to appraise the bid)
Collaboration agreement with partners	31/3/20
Project staff appointed	1/4/20
Project started	1/4/20
Project completed	31/3/23
Financial completion	30/4/23

### Why is the project required to deliver against the Council Plan?

*This should detail why the project is required to deliver against the Council Plan, which is subtly different from there being a strategic fit. If it does not deliver a component of the Council Plan then please outline why the project is being proposed and what strategies / regulatory requirements\* it does deliver against. \* Specify*

The project will embed a more coherent skills support offer to SMEs under the umbrella brand of the D2N2 Growth Hub. This will reduce confusion in the market and increase the volume of business engagement and skills training in the city. The project will make a significant contribution to the Council Plan by improving the skill of the workforce, encouraging growth and productivity, enhancing employment opportunities.

The project will support the delivery of some key Council Plan targets including

- Increase the number of Nottingham residents with level 2 qualifications to within 3% of national average
- Protect from cuts: Support to help businesses grow and prosper
- Ensure all small to medium sized businesses have access to support through the Nottingham Growth Hub to help businesses grow the value of jobs on offer and work directly with 500 SMEs run by underrepresented groups

Whilst the project result targets do not specify the proportion of participants that will undertake Level 2 qualifications, we anticipate that the participation rate will be in line with that of the StayAhead project (a

similar SME Skills support ESF funded project managed by Nottingham City Council). On this project approximately 30% of SME employees engaged on the project enrolled on Level 2 qualifications. Assuming a similar take up through the Skills Access Hub would see 670 participants enrol on Level 2 qualifications, half of which are anticipated to live or work in Nottingham City.

StayAhead is due to end in December 2019, the Skills Access Hub will continue to build upon the successful model of providing Skills Provision advice to SMEs. The additional benefit of this project will that in addition to delivery partner staff engaging with local businesses, the project will fund 3 new advisor posts that will be employed by NCC to provide impartial skills advice to SMEs in the City and across the LEP.

### What senior officer / councillor support does the project have?

*Please outline where support for the project has been received from. This may include for example CLT or Leadership. Please attach minutes from the relevant meetings to demonstrate that this support exists. Please also outline any further key stakeholder support which is required but not yet received alongside the plan for receiving this.*

Support for the project has been received from:

Portfolio Holder for Education, Employment and Early Years  
Nottingham College  
Nottingham Trent University  
The D2N2 Growth Hub

### Who will do the project, what resources will be required?

*Please consider any internal / external resources that will be required for the project. This may be specialist technical advice or our own in house teams looking at legal, finance and project management for example.*

The project will be delivered by a combination of Council and partners' staff. Internal staff within the employment and skills team, and wider economic development department will be funded by the project to deliver the accountable body function and project management. This is based on a proven model for managing projects of this nature which is used for all other ESF projects currently being successfully run within the department.

The project may occasionally call about specialist advice from internal ESF programme experts in relation to compliance regulations with the mechanism to do this set up.

It is not anticipated that any additional external resources are required.

### What are the key risks for the project (both doing it and not doing it). How will these be managed?

*Whilst it will still be early in the project what kind of risks do you think it will face (and what are the risks from not doing the project). As the project moves to its next phase how will these risks be further identified and managed?*

As with all ESF projects, the key risk to the project will be potential underperformance against delivery and output targets which could lead to not all of the allocated funds being able to be drawn down. However, performance monitoring and management is a vital element of the project model. Other risks include: failure to attract sufficient number of SMEs and individual participants, changes in the economy impacting negatively on SMEs' appetite and capacity to be involved, losing partners or project staff.

A detailed project risk register is developed as part of the bid writing process and is reviewed regularly throughout the project.

The project will be managed by the Economic Development department, who have a track record of delivering ESF funded projects. All existing projects are performing above the Underperformance threshold and are not at risk of being subject to financial clawback.

The main risks of not doing the project are missed opportunities to:

- Give added employment and skills support to Council citizens
- Strategically influence skills development within business sectors and the D2N2 region
- Lever additional funds in to support NCC staff in service delivery
- Bring added value to the D2N2 Growth Hub and integrated Nottingham Growth Hub

### **What will the project's governance be and how does this link to other projects / programmes?**

*Whilst the project may not yet have a governance structure in place except for the Sponsor and Lead, how does the project envisage that this will be set up in future? How will decisions be made?*

The project will use an established project governance structure which has been successfully applied to all previous and currently run ESF and YEI funded projects. This involves a project steering group, project lead and project manager, with defined reporting lines between all parties and a clear decision making process. The project's performance will also be monitored by the department's ESIF Strategy Group which meets monthly and provides a forum for senior management input and decision making.

### **What interdependencies / linkages is the project likely to have with other projects / initiatives?**

*Are there any other key interdependencies either inside or outside of the City Council which the project will need to be aware of and which may impact on its chances of success?*

The project will complement other NCC ESF projects. Some staff work part-time across more than one project. This means that the expertise and lessons learnt can be positively shared but at the same time that the agreed input into each project needs to be carefully managed.

There is also some interdependency with the D2N2 Growth Hub in that the project relies on working closely with the Growth Hub service and staff with some matrix management taking place across the two projects.

All Skills related queries received by the Growth Hub will be referred to the new Skills Access Hub

advisers, who will be responsible for supporting the SMEs to engage in a bespoke project designed to meet their Skills Needs.

External interdependency is primarily in the form of ensuring that the project has good links with other projects and initiatives which might need to provide some of the skills provision which the SMEs and their employees need.

Corporate Director Sign Off	
Name	Nicki Jenkins
Position	Director of Economic Development
Signature	
Date	10 July 2019

Please return this form to: [Portfolio.Office@nottinghamcity.gov.uk](mailto:Portfolio.Office@nottinghamcity.gov.uk)

Should you have any queries with the Gate 0 process or how to complete this form then please get in touch with the Portfolio Office at the above address.

<b>To be completed by Major Projects</b>	
<b>PMO Observations</b>	
<b>Director of Major Projects sign off</b>	
<b>Date:</b>	
<b>Conditions:</b>	
<b>Next Steps:</b>	Choose an item.