

## Report for: **Cabinet**

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<b>Date of Meeting:</b>	27 July 2023
<b>Subject:</b>	UKSPF Supply Ready and Skills and Employment
<b>Key Decision:</b>	Yes - covers more than one ward
<b>Responsible Officer:</b>	Dipti Patel - Corporate Director of Place;  Mark Billington - Director of Inclusive Economy, Leisure and Culture
<b>Portfolio Holder:</b>	Cllr Norman Stevenson – Portfolio Holder for Business, Employment and Property;  Cllr David Ashton - Portfolio Holder Finance and Human Resources
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	Yes
<b>Wards affected:</b>	All Wards
<b>Enclosures:</b>	Appendix 1 – EqIA UK Shared Prosperity Fund – Skills and Employment and Supply Ready West London

## **Section 1 – Summary and Recommendations**

1.1 This report sets out the financial and legal implications of the London Borough of Harrow entering into Grant Funding Agreements (GFA) with the London Borough of Ealing to:

- Receive the Council's funding allocations from the relevant Department of Levelling Up's UK Shared Prosperity Fund (UKSPF) released from the Greater London Authority (GLA) to the London Borough of Ealing, and
- Deliver the UK Shared Prosperity Fund (UKSPF) Supply Ready and People and Skills programmes.

### **Recommendations:**

1.2 Following consultation with the Portfolio Holders for Business, Employment and Property and Finance and Human Resources, Cabinet is requested to grant:

- 1) Authority to the Corporate Director of Place and the Director of Finance following consultation with the Portfolio Holder for Business, Employment and Property and Portfolio Holder for Finance and Human Resources to enter into a Grant Funding Agreement with London Borough of Ealing to secure £151,500 funding from the Department of Levelling Up's UK Shared Prosperity Fund (UKSPF) through the Greater London Authority (GLA) to deliver the Supply Ready Programme to support businesses secure public sector contracts.
- 2) Authority to the Corporate Director of Place and the Director of Finance following consultation with the Portfolio Holder for Business, Employment and Property and Portfolio Holder for Finance and Human Resources to enter into a Grant Funding Agreement with London Borough of Ealing to secure £474,115 funding from the Department of Levelling Up's UK Shared Prosperity Fund (UKSPF) People & Skills through the Greater London Authority (GLA) to prioritise and deliver programmes to improve Harrow skills and job brokerage, and to support residents and businesses.
- 3) Delegate authority to the Corporate Director of Place, following consultation with the Director of Finance, Portfolio Holder for Business, Employment & Property and Portfolio Holder for Finance and Human Resources, to approve the tender packs at a future date for the Supply Ready and People and Skills programmes.
- 4) Delegate authority to the Corporate Director of Place, following consultation with the Director of Finance, Portfolio Holder for Business, Employment & Property and Portfolio Holder for Finance and Human Resources, to award the contracts following a compliant procurement process for the Supply Ready and People and Skills programmes.

### **Reason: (for recommendations)**

1.3 The GLA issued an open call for funding application bids under the UKSPF Business Support programme. The London Boroughs of Harrow, Ealing and Hillingdon submitted a joint Supply Ready (West London) bid, which was successful. The London Borough of Ealing is the accountable body for the bid. Entering into a Grant Funding Agreement with the London Borough of Ealing will enable businesses based within the London Borough of Harrow to access support from the Supply Ready programme which will assist them to secure public sector contracts.

1.4 The GLA has allocated the People and Skills allocation of London's allocation of the UKSPF to Sub-regional partnerships. The accountable body for the West London Alliance is the London Borough of Ealing. Entering into a Grant Funding Agreement with the London Borough of Ealing will enable the London Borough of Harrow to secure a direct allocation of the People and Skills allocation.

## **Section 2 – Report**

### **2.0 Introduction**

- 2.1). The GLA has allocated a total of £474,115 funding to the London Borough of Harrow to deliver projects under the UKSPF themes People & Skills. In addition, the London Borough of Harrow has secured funding of £151,500 through a joint bid with Ealing and Hillingdon Councils to the GLA under an 'open call' bidding process for a UKSPF Supply Ready programme. Key priorities for Harrow were identified in The Harrow Economic Development Strategy 2022-26. The strategy was developed in consultation with Portfolio Holders, stakeholders and officers who identified skills and job brokerage priorities that can be addressed by initiatives funded by the UKSPF to support the growth and sustainability of local businesses.
- 2.2). These projects address the Council's Corporate Policies; -
- A Council that Puts Residents First.
  - A Place where those in Need are Supported.

### **3.0 Options considered:**

- 3.1). The following options were considered:
- 3.2). **Option A:** To enter into Grant Funding Agreements with the London Borough of Ealing for the Supply Ready and Skills and Employment Programme. The Supply Ready funding will enable the London Borough of Harrow to secure £151,500 and support businesses to secure public sector contracts. The Skills and Employment programme will enable the London Borough of Harrow to secure £474,115 to deliver projects to improve residents' skills and access to job brokerage, supporting local businesses.

3.3). **Option B:** To do nothing - Not to enter into Grant Funding Agreements with the London Borough of Ealing.  
This would mean that the London Borough of Harrow would not receive the £474,115 Skills and Employment funding nor the £151,500 Supply Ready funding from the UKSPF and priorities identified in the Economic Development strategy will not be progressed.

3.4). **Preferred Option**  
Option A - enables the London Borough of Harrow to receive the £474,115 Skills and Employment funding and the £151,500 Supply Ready funding from the UKSPF to deliver the projects identified and their objectives.

## 4.0 Background

4.1). The UK Shared Prosperity Fund (UKSPF) replaces European Union funding (specifically European Structural and Investment Fund) The Greater London Assembly (GLA) is responsible for the award, management, and administration of UKSPF in London. The UK government has established three UKSPF investment priorities:

- I. Communities and Place
- II. Supporting Local Business
- III. People and Skills

4.2). This paper concentrates on People & Skills and Supporting Local Business.

4.3). £38million has been allocated for People and Skills for London and is divided into workstreams.

- **Young People** have £9.5m of support financing help for Young People not in education, employment, or training (NEET) or those at risk of NEETS. Details to be confirmed.
- An additional £3.5m will be allocated to **careers hubs**. These projects will be directly commissioned by GLA
- **Adult programmes** have £25m allocated between boroughs based on unemployment statistics, and will be delivered via three initiatives:
  - 20% Work & Health Programme delivered by Shaw Trust in Harrow
  - 6% No Wrong Door (also known as West London Employment Skills hub), this will expand the web-based training and employment directory for use by professionals to find training and employment support for residents across the West London Boroughs.

- 70% for borough-based Job brokerage and training that will include ESOL, IT, maths, and English, as well as skills related vocational training. Target beneficiary groups are; -
    - Black, Asian, and other minority ethnicities
    - People over the age of 50
    - Women
    - People with disabilities
- 4.4). Under the Supporting Local Business Open Call strand, £3m was available across London to apply for a Supplier Readiness programme. A joint bid, by the London Boroughs of Harrow, Ealing, and Hillingdon, with Ealing as the lead authority, was submitted. The full amount requested of £500,869.92 was secured to deliver a Supply Ready (West London) programme to support businesses to secure public sector contracts. From the overall secured funding across the 3 boroughs, the London Borough of Harrow will receive £151,500.
- 4.5). To access the funding, the London Borough of Harrow is now required to sign Grant Funding Agreements (GFA) with the London Borough of Ealing. The outputs and outcomes information submitted as part of the GFA and will be used to monitor performance over the lifetime of the UKSPF programme.
- 4.6). The GFA have been drafted to reflect the standard clauses in the GLA's UKSPF Memorandum of Understanding with the UK Government. The GLA has stated it cannot renegotiate the standard clauses or wording. The GLA is tied to the UK Government's UKSPF requirements which includes a clause allowing GLA to reduce the amount of grant paid to Harrow if the Secretary of State withholds or reduces UK Shared Prosperity Funding under its Memorandum of Understanding with the GLA.
- 4.7). The Programmes seeks to deliver the Corporate Objectives of:
  - A Council that puts residents first
  - A place where those in need are supported
- 4.8). The Programmes also seek to deliver objectives within the Harrow Economic Strategy 2022-2026 and the following activities:

**Table 1 Activities to be Delivered**

<b>Programme</b>	<b>Related Harrow Economic Strategy 2022-2026 Objectives</b>	<b>What we will measure (Harrow Economic Strategy)</b>	<b>Indicator (Harrow Economic Strategy)</b>	<b>Other Measures of Success</b>	<b>Targeted Programme Outputs</b>
<b>UKSPF Supply Ready programme</b>	1). Encourage business growth 2). Strengthen the Local Authority's	1). Local spend in the supply chain.	1). Percentage of 3rd party spend in	1). Deliver business programmes to ensure the Local	1). Number of businesses supported

	<p>sustainable procurement activities and develop local supply chains to stimulate growth in the green and circular economy.</p> <p>3). Promotion and delivery of meet the buyer events. Including potential provision of business-to-business mentoring from tier 1 and tier 2 providers to SMEs</p>		<p>local supply chain</p>	<p>Authority meets growth outcomes and outputs in accordance with grant requirements.</p> <p>2). Ensure criteria is adhered to, KPIs delivered. Provision of monitoring information for claim to GLA and budget management</p>	
<p><b>UKSPF Skills and Employment</b></p>	<p>1). Support stakeholders, small and medium sized enterprises and the voluntary sector to provide apprenticeships and training opportunities.</p> <p>2). Develop job brokerage with key growth sectors and micro-businesses to support residents to achieve their career aspirations.</p> <p>3). Secure external funding for skills and employment initiatives, that closely align with the needs of local employers and the local labour</p>	<p>1). Young people in employment, education, or training.</p> <p>2). Unemployment rate</p>	<p>1). Percentage of young people (aged 16-17) not in Education, Employment or Training (NEET)</p> <p>2). Percentage difference of Harrow and London's Claimant Count</p>	<p>1). Supported into employment through Xcite (The London Borough of Harrow's employment initiative), Learn Harrow (the Local Authority's Adult Community Learning Service) and the supply chain</p> <p>2). Provide Information and Advice to residents (through Xcite)</p>	<p>Number of people engaged to be supported in jobsearch.</p> <p>Number of economically inactive people engaged and key worker support.</p> <p>Number of people engaged in job search following support.</p> <p>Number of people in employment or self-employment following support.</p>

	<p>market. Aligning with the Local Skills Improvement Plan to secure investment into Harrow.</p> <p>4). Deliver courses in essential digital skills, English for speakers of other languages (ESOL), GCSE English and GCSE Maths.</p> <p>5). Address skills shortages by connecting local employers to post 16 training providers</p>				
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4.9). In developing these proposals, the London Borough of Harrow used the 2022 -2026 Economic Development Strategy research which consulted with representative groups and organisations and built on previous consultations. Consultees have included: North-West London Chamber of Commerce, West London Business, HA1BID. Traders Associations, Learn Harrow, local colleges, and Voluntary Sector Organisations

## 5.0 Implications of the Recommendation

### 5.1). Considerations

By entering into the Grant Funding Agreements (GFA) with the London Borough of Ealing, the London Borough of Harrow is bound by the terms of the agreement. This includes:

- The GLA’s monitoring requirements, including the need for the Local Authority to submit quarterly claim submissions
- The grant review and claims process
- A requirement to accord with branding guidelines issued by the Secretary of State, the UK government, or the GLA

5.2). Further details are given in the Resources/Costs, Legal Implications and Finance Implications in this report.

5.3). The GLA will review the delivery of Harrow’s projects annually and confirm whether the project activities and the Grant Funding Agreements should continue in line with existing plans.

#### 5.4). **Resources, Costs - Grant Claims & Payments**

The London Borough of Harrow must submit quarterly progress claims over the financial years 2023/24 and 2024/25 which are to be signed by the section 151 officer.

- 5.5). The Local Authority will be required to keep detailed records of all expenditure, including evidence of the expenditure and the defrayal, and provide this upon request by the London Borough of Ealing. The GLA may periodically request to see a detailed breakdown of expenditure and supporting evidence.

### 6.0 **Staffing/workforce**

- 6.1). Some of the UKSPF funding will be used to employ staff to deliver the project(s) in the relevant service area. These costs were included in the local Authority's submission to the GLA. This includes:
- 4 job brokers to give employment information, advice and guidance and deliver job brokerage with Harrow businesses

### 7.0 **Ward Councillors' comments**

- 7.1). Not applicable

### 8.0 **Performance Issues**

- 8.1). The Grant Funding Agreements will support the delivery of the Corporate Performance Indicators to provide to provide information advice and guidance to residents and support them into employment. It will also provide business growth support to businesses to be able to win public sector contracts.

### 9.0 **Risk Management Implications**

- 9.1). Risks included on corporate or directorate risk register? **No**
- 9.2). Separate risk register in place? **No** but separate risk registers will be developed for each project
- 9.3). The relevant risks contained in the register are attached/summarised below. **Yes**
- 9.4). The following key risks should be taken into account when agreeing the recommendations in this report:

<b>Risk Description</b>	<b>Mitigations</b>	<b>RAG Status</b>
<b>Risks related to entering into the UKSPF Grant Funding Agreements with Ealing Council.</b>		
If the recommendations in the report are not agreed, the Local Authority would not receive the	▪ Acceptance of the report's recommendations will fully mitigate this risk.	<b>Green</b>



Risk Description	Mitigations	RAG Status
funding from the UKSPF and would be unable to deliver the projects identified.		
The London Borough of Harrow does not fully comply with the terms and conditions of GLA funding from the UK Shared Prosperity Fund.	<ul style="list-style-type: none"> <li>▪ Project Officer overseas claims and internal financial management.</li> <li>▪ Processes and regime overseen by the finance directorate.</li> <li>▪ Compliance with GLA regulations.</li> </ul>	<b>Green</b>
The GLA does not meet the terms of its MOU with central government leading to a reduction or the cessation of funding from the GLA.	<ul style="list-style-type: none"> <li>▪ Projects reviewed and scaled down to meet financial resources available.</li> </ul>	<b>Green</b>
Delay in GLA finalising the Grant Funding Agreements (GFA) with Ealing Council.	<ul style="list-style-type: none"> <li>▪ Comments on the GFA agreed by the GLA before the final GFA is issued.</li> </ul>	<b>Green</b>
Delay in funding being paid could delay delivery of project(s).	<ul style="list-style-type: none"> <li>▪ . Supply Ready programme will commence delivery and incurring spend only after the relevant contacts are signed.</li> <li>▪ Most Skills and Employment projects are not planned to start spending until 2024/25.</li> </ul>	<b>Green</b>
Reduction in the Grant paid to the London Borough of Harrow because of the Secretary of State withholding or reducing UK Shared Prosperity Funding under its Memorandum of Understanding (MOU) with the GLA.	<ul style="list-style-type: none"> <li>▪ The London Borough of Harrow to ensure that it meets the requirements of its GFA with the GLA including, for example the need for the Local Authority to submit quarterly claim submissions.</li> <li>▪ In the case of any reductions in funding, projects will be scaled down accordingly as indicated above.</li> </ul>	<b>Green</b>
Staff leaving	<ul style="list-style-type: none"> <li>▪ Enter Recruitment process</li> </ul>	<b>Green</b>
<b>Risks Relating to Project Delivery</b>		

<b>Risk Description</b>	<b>Mitigations</b>	<b>RAG Status</b>
Under delivery of outcomes	<ul style="list-style-type: none"> <li>▪ Quarterly reporting and review to identify any projects not on track and revise delivery plan.</li> </ul>	<b>Green</b>
Delay in funding being paid at each milestone stage could delay delivery of project(s).	<ul style="list-style-type: none"> <li>▪ Mitigations above</li> </ul>	<b>Green</b>

## **10. Procurement Implications**

- 10.1). Each individual project will be procured in compliance with the London Borough of Harrow's Contract Procedure Rules and the Public Contracts Regulations 2015 in consultation with the Portfolio Holders for Business, Employment and Property, Environment and Finance and Human Resources.
- 10.2). This report seeks authority to enter in Grant Funding Agreements with the London Borough of Ealing and seeks authority to delegate authority for the Corporate Director of Place in consultation with the Director of Finance and the respective Portfolio Holder for Business, Employment & Property and Portfolio Holder Finance and Human Resources to approve the tender packs at a future date, and to enter into contracts following a compliant procurement process.

## **11. Legal Implications**

- 11.1). HB Public Law can advise on the terms of the Grant Funding Agreements between the London Borough of Ealing and the London Borough of Harrow as appropriate.
- 11.2). Each procurement undertaken must be in compliance with the London Borough of Harrow's Contract Procedure Rules and the Public Contracts Regulations 2015.

## **12. Financial Implications**

- 12.1). Total grant allocated under the themes of People & Skills is £474,115 revenue funding.
- 12.2). The total grant awarded to Ealing Council by the GLA for the Supply Ready (West London) programme is £500, 869.92, of which the London Borough of Harrow will receive £151,500 worth of funding.
- 12.3). Financial monitoring arrangements will be put in place to ensure that the spend is in accordance with the proposals approved by Ealing Council & the GLA and accurate financial information is used for each quarterly progress claim.

### **13. Equalities implications / Public Sector Equality Duty**

13.1). An Equalities Impact Assessment (EqIA) has been undertaken for the UK Shared Prosperity Fund – Skills and Employment and Supply Ready West London (see Appendix 1).

13.2). In summary, the EqIA findings are:

- I. The UKSPF will not result in any direct or indirect discrimination of any group that shares the protected characteristics.
- II. The UKSPF Skills and Employment and Supply Ready West London projects will help to advance the equality of opportunity for Black, Asian and Multi-ethnic people, women, people aged over 50 and people with disabilities by putting provision in place that targets these groups as there is a need for it.

### **14. Council Priorities**

14.1). The UKSPF Ready Supply (West London) and Skills and Employment programme addresses the following Council's Corporate Priorities:

- A Council that Puts Residents First – by supporting residents into employment.
- A Place where those in Need are Supported – by supporting businesses to win public sector contracts.

## **Section 3 - Statutory Officer Clearance**

**Statutory Officer: Dawn Calvert**

Signed by the Chief Financial Officer

**Date: 22/06/23**

**Statutory Officer: Puja Shah**

Signed on behalf of the Monitoring Officer

**Date: 23/06/2023**

**Chief Officer: Dipti Patel**

Signed off by the Corporate Director

**Date: 03/07/2023**

**Head of Procurement: Nimesh Mehta**

Signed on by the Head of Procurement

**Date: 22/06/23**

**Head of Internal Audit: Neale Burns**

Signed on behalf of the Head of Internal Audit

**Date: 23/06/23**

**Has the Portfolio Holder(s) been consulted? Yes**

**Mandatory Checks**

**Ward Councillors notified:** No as it impacts on all Wards.

**EqlA carried out:** Yes

**EqlA cleared by:** Yasmeen Hussein, EDI Policy Officer

**Section 4 - Contact Details and Background Papers**

**Contacts:** Shehzad Ahmed, High Streets and Business Support Service Manager, [Shehzad.ahmed@harrow.gov.uk](mailto:Shehzad.ahmed@harrow.gov.uk)

Victoria Isaacs, Xcite Service Manager, [Victoria.Isaacs@harrow.gov.uk](mailto:Victoria.Isaacs@harrow.gov.uk)

**Call-in waived by the Chair of Overview and Scrutiny Committee - NO**