

ITEM: XX

REPORT TO: CEOS MEETING DATE: August 23, 2023 REPORT TITLE: DECISION NOTICES - MULTIPLY YEAR 2 AUTHOR: SHARON PRESTON-HIGH SKILLS BOOTCAMP AND MULTIPLY PROJECT MANAGER

Purpose of Report

1 Approve Multiply year 2, call 2 assessment decisions.

Recommendations

- 2 Following assessment and moderation of 9 applications for Multiply funding we are making the following recommendations to CEO for approval:
 - a. To authorise the approval of 9 applications of Multiply funding and to allocate £254,982.

Background

- 3 Multiply is a three-year, c.4.5m, initiative to upskill residents with low levels of numeracy. The project entered its second of three funding years on April 1, 2023.
- 4 The funding value of year 2 allocation is £1,395,746.
- 5 Approval was given from CEO on April 5, 2023, to extend the funding contracts of the 9 existing Multiply providers using the allocation from 22/23 as a baseline and which totalled £953,908. This left a funding allocation of £441,838.
- 6 A second call was launched for the remaining allocation June 19, 2023.
- 7 Decisions were agreed upon following assessment and moderation of applications and all 9 projects scored well over the 40% minimum threshold.

Proposal / solution

- 8 Allocate further funding to 9 projects (£254,982) bringing total funding allocation to £1,208,889.
- 9 To re-launch a third funding call to allocate the remaining £186,856, which will be limited to the areas of South Gloucester and B&NES (Bath and Northeast Somerset) or large employers and/or existing providers.

Consultation details (if appropriate to this item)

10 The Skills Officer Group has been consulted in the decisions taken following the assessment process on August 2, 2023. They have also been consulted on how to allocate the funding to the areas of B&NES and South Gloucestershire through two meetings, details below:

Date of meeting	Summary of discussions	Skills Officers in attendance
26 th July 2023	Presented by Graham Smith on the gaps in the areas of B&NES and South Gloucestershire, no further suggestions on how to close this gap.	William Monachio-Ayres – Bath and Northeast Somerset Council Mark Lawrence – South Gloucestershire Council Jane Taylor – Bristol City Council
2 nd August 2023	Presented the decisions to the group. Confirmation of approval for all 9 projects.	Jane Taylor – Bristol City Council William Monachio-Ayres Bath and Northeast Somerset Council Jayne Griffiths – North Somerset

11 The CLT (Corporate Leadership Team) group approved the paper moving forward to CEO group for approval of the 9 projects and funding value of £254,982 on August 15, 2023.

Risk Management/Assessment (if appropriate to this item)

- 12 Risks associated with the funding decisions:
 - a. Underperformance against KPIs (Key Performance Indicators) which will be mitigated through the performance management framework and provider meetings.
 - b. If not approved through this decision, funds will need to be returned to the Department for Education.
 - c. One provider has been highlighted by grant assurance of being at high-risk due financial records. They currently have a contract with AEB (Adult Education Budget) for £400,000 (due diligence, see appendix 1). Several steps have been put in place to mitigate the risk to approving funding, see table below:

Provider	Risks identified	Mitigating Factors
The Restore Trust	Due diligence identified that financially the provider is high risk due to having a recommended contract limit of £115,000 and having an average debt ratio to assets.	diligence the following steps will be taken:The provider will be paid in arrears based on results only.

(Assurance advice given by: Karl Williams Date: August 7, 2023)

Public Sector Equality Duties (if appropriate to this item)

13 Project adheres to the two main components of Public Sector Equality Duties.

General Equality Duty (section 149 of the Equality Act 2010) and the due regard to:

- Eliminate discrimination harassment and victimisation on protected characteristics
- Advance equal opportunity between different groups
- Foster good relations between people who share protected characteristics and those who do not

Specific duties (section 149A of the Equality Act 2010) The Specific Duties complement the General Equality Duty and require public sector organizations to publish specific, measurable, and time-bound objectives to demonstrate their compliance with the General Equality Duty.

Climate change implications (if appropriate to this item)

14 The use of a more automated system and the use of the ILR (Individual Learner Record) will negate the use of paper reporting.

Strategic communications planning (if appropriate)

- 15 The people and Skills Service are working with the CA's communication team to ensure that the funding call/s for the Multiply provision described above are widely disseminated.
- 16 The engagement officer within Skills Bootcamp and Multiply team been liaising with the communication team to ensure there has been a social media and website presence.
- 17 The engagement officer has been engaging with providers and partners to spread the information widely regarding the Multiply funding.

Economic (and other) Impact Assessment (*if appropriate to this item*)

18 The funding allocated from this assessment process and the carry over contracts already awarded for 23/24 will support 1008 residents of the region in upskilling in maths. A minimum of 60% (605) of those residents will then progress onto a qualification at Level 1 or 2, which will support residents to work towards gaining employment or upskilling existing workforces.

Procurement & Commercials (if appropriate to this item)

19 Forming part Department of Levelling Up UK Social Prosperity Fund Multiply is a three-year Department for Education funded programme. In place is a three-year Government grant funding contract. Calculated annually paid in quarterly increments

to the Combined Authority. (<u>90000444_WECA MoU Multiply Programme 22 23</u> <u>FINAL.pdf</u>)

(Commercial advice given by: insert officer name; Date – insert date)

Finance Implications

20 There will be 9 further projects across the regional geographical area which will be funded by this allocation decision amounting to £254,982. Below is the allocation for each organisation:

Provider	Bath & Northeast Somerset	Bristol	North- Somerset	South Gloucestershire	Total
ACH		£48,000			£48,000
Bath Spa University	£32,000				£32,000
Curo Choice		£18,000	£18,000		£36,000
Knowle West Media		£23,982			£23,982
The Restore Trust		£19,000			£19,000
WEA (Workers Education Association)		£30,000	£30,000		£60,000
Weston College		£36,000			£36,000
TOTAL	£32,000	£174,982	£48,000		£254,982

21 In summary Multiply allocation to date:

	Bath & Northeast Somerset	Bristol	North Somerset	South Gloucestershire	Totals
Full Allocation year 2	£256,184	£590,482	£262,855	£286,224	£1,395,745
Awarded to Date	£120,600	£499,708	£228,000	£105,600	£953,908
Proposing to award	£32,000	£174,981	£48,000	£0	£254,981
Remaining funding to allocate	£103,584	-£84,207	-£13,145	£180,624	£186,856

(Finance advice given by: Martyn Davies; Date – August 9, 2023)

Legal Implications:

22 The West of England Combined Authority has the power to make the proposed funding available for the proposed projects.

(Legal advice given by: insert officer name; Date - insert date)

Human Resources Implications:

23 There are no HR implications to this decision as sufficient staffing is in place to manage all contracts.

(HR advice given by: insert officer name; Date - insert date)

Recommendation(s):

Due Diligence For	m		1		
ADULT EDUCATION BUDGET					
Annullan at Datalla					
Applicant Details Application ID	N/A				
Provider Name	The Restore Trust				
Company Registration Number:	7133624				
Grant Total (£) recommendation:	£400,000.00				
	Number of Years	22/01/2010 (13			
Company Structure (Tick relevant boxes)	Trading (Incorporation Date)	years)			
Ltd Company		Group / Parent		Partnership LLP	
Sole Trader		Partnership		сіс	
Charity		Other	Voluntary and Community Sector Organisation]	
Creditsafe Risk Report					
Applicant Credit Measure			Risk Factor		
Delphi Score:			71/100		
Delphi Risk Band:			Very Low Risk		
Total Credit Limit:			£75,000		
Total Contract Limit			£115,000		
Number of Days Beyond Payment Terms:			-		
Number of CCJ's in last 3 years?			0		
Group / Parent (TICK BOX)	Yes		No	N	
Check with applicant we have permission to credit check			•		
Name and Status (Ltd, Plc, LLP):					
Company Number:					
Delphi Score:					
Delphi Risk Band: Full Due Diligence Check required?					
Full Due Diligence Check requireu?					
Financial Track Record					
Positive Trading	Tick box				
Negative Trading					
Undertaking in Difficulty Financial Forecasts Realistic (New Start-Ups)					
Risk Indicators					
Declaration:					
Accounts / Business Forecasts: Business Insurance (Y/N):	×				
Contingency Planning (Y/N)?	~	-			
Details of Pending Legal (Civil / Criminal) Proceedings:	No				
Directors Report:			Further details if applicable		
Related Party trading details (50% of Turnover)?	No				
Excessive Profit Distribution (50% of Turnover)?	No				
Creditors due within 1yr > 25% of Turnover? Value & Duration of Lease / Financial Commitments:	No No		22%		
Value & Duration of Lease / Financial Commitments: Working Capital Excessively Leveraged	No				
Risk Alerts Amount Requested (£400k) significantly exceeds the	RAG Status Red				
recommended contract limit of £115k					
High Debt to Asset Ratio at 47% due to bank loan for property and Covid loan with interest rate of 6.25%	Amber				
Pasammandations					
Recommendations					

Recommendations Company posted Turnover of £377k, Operating Loss £43k and Balance Sheet value £631k (2022). The current ratio is healthy at 3.0:1 but the debt is a little higher than we would expect to see at 47%. The Credit Reference Agency scores the applicant as Very Low Risk (71/100) with a Contract Limit of £115k and Credit Limit of £75k. Risks identified include a higher than average debt ratio in comparison to assets at 47% mostly due to bank loans with a high interest rate of 6.25% and property loan with a loan with a loan with a light many and the property loan with a loan with

Overall Due Diligence Rag Status (denote bold):			
Green			
Amber			
Red			
Draft By:			
Name:	R. Blanche		
Date:	09/06/2023		
Final Bu			