



Northumberland

County Council

CABINET

13 JULY 2021

Blyth Welding & Fabrication Training Centre

Executive Director: Cath McEvoy-Carr - Executive Director of Adults and Children's Services.

Cabinet Member: Guy Renner Thompson - Cabinet Member for Children's Services.

Purpose of report

To summarise for Cabinet the outcomes of the Outline Business Case for Blyth Welding & Fabrication Training Centre capital investment.

The investment of **£1.08m** will deliver a technical vocational training centre in the Port of Blyth industrial area focused upon training school leavers, adults and sector employees in welding and fabrication disciplines, management of sector related apprenticeships and delivery of mandatory professional industry qualifications which are unique to the sector.

Recommendations

Cabinet is recommended to:

1. Request that Full Council approves a budget of £1,082,000.
2. Subject to Full Council approval, approve commencement of work to negotiate lease.
3. Subject to Full Council approval, approve commencement of building works planning and tendering.
4. Subject to Full Council approval, approve commencement of procurement of machinery and equipment.
5. Subject to Full Council approval, approve development of collaboration agreement with Northumberland College.

Link to Corporate Plan

Links to NCC Corporate Strategy 2018-21

a. How

Providing accessible vocational training to support life-long career choices and supporting industrial growth.

b. Living

Access to high value careers supports financial health, social mobility and affordability of homes in the county.

c. Enjoying

Access to valuable careers and financial health to raise participation in cultural and community functions.

d. Connecting

A vocational skills campus complimenting the Energy Central Learning Hub investment, the start of a journey from technical level in the welding & fabrication training centre progressing to higher level knowledge based vocational achievement at ECLH.

e. Learning

Directly contributing to the availability of in demand vocational skills and readiness for apprenticeship for the county, accessible by young people and adults as well as sector professionals.

f. Thriving

Directly supporting the drive for more and better jobs.

Links to Northumberland Economic Strategy 2019-24

a. Grow the business base

Provision of work ready young people and adults and provision of industrial training in an identified skill shortage sector, removing growth obstacles and attracting inward investment.

b. Support inclusive employment

Creation of a talent pool, accessible to all, that will allow direct progression to employment and apprenticeship opportunities in the sector.

c. Deliver productive places

Local vocational skills which support the advanced manufacturing and engineering, off-shore, energy, marine and structural engineering sectors contributing to economic growth and inward investment.

Key issues

Blyth Quayside is emerging as a strategic location in the economic growth of the county, home to international energy and offshore industries, the Offshore Renewable Energy Catapult, Northumberland Energy Park Enterprise Zone and the Port of Blyth.

The energy sector in Blyth generates significant GVA in the local economy, accounting for an estimated £126m GVA in 2018. Energy sector GVA in Blyth has grown by 14% since 2015.

Blyth is also the location identified for Energy Central Campus Ph 1 and Ph 2 where classroom theory, knowledge based qualifications and research will be supplemented by local skilled trade training opportunities and support for industry delivered by the Welding & Fabrication Training Centre.

Blyth is the most densely populated town of N'land, 39,000 residents, 12% of county population. The dense population of the town enhances the participation opportunities of young people and adults.

Blyth shows 4% rise in 0-15 age group, 19% of its population. The significant young population in contrast to elsewhere in N'land provides an opportunity for developing skilled trades in the emerging workforce aligned to the local economy.

45% of lower level super output areas are within the 10% most deprived with median household income of £22,000. Skilled trade training toward the energy and offshore

sectors will combat deprivation, skilled trades and process, plant and machine operative occupations exhibiting a local concentration.

Blyth has 13% of population with no qualifications, compared to 8% nationally. The centre will deliver vocational qualifications L1 to L3 raising local attainment levels and underpinning employment and in-work progression.

Blyth demonstrates a much greater than average digital exclusion rate, digital skills will be included in all substantive programmes including portfolio building and assessment activity.

Blyth suffers from above average unemployment, with a rate of 6.9%, compared to 4% nationally. In some wards as high as 15%. Blyth has a higher proportion of employment in manufacturing (13%) than County, regional and national averages, the centre will deliver opportunities for adults to reskill in skilled trades aligned to the needs of the emerging industrial landscape.

Background

Northumberland College have for circa 5 years held lease upon an industrial warehousing unit within Port of Blyth facility.

The unit has remained largely empty and has not been utilised in any meaningful way. Port of Blyth are eager to fulfil their ambition to support a skills service which supports local residents and port-based industries within the unit. To date Northumberland College have been unable to fulfil that ambition and to date no cohesive plan has been shared by Northumberland College. The unit requires some works to make it fit for purpose for meaningful training delivery.

During a feasibility study conducted by AECOM in 2018 Welding and Fabrication skills were identified as a skill shortage area by contributing employers.

Port Training Services have had discussions with industry in the port area and also reinforce the message that Welding and Fabrication skills and training are in demand but not available within reach of the industrial base.

Industrial stakeholder consultation supports the strategic fit of the centre and demand for the centre.

Resident consultation with school leavers and adults suggests **53%** of respondents would give serious consideration to studying at the training centre on full time study programmes/apprenticeships or on adult courses.

Consultation detail is presented in: **Appendix 01** - Blyth Welding & Fabrication – Outline Business Case - Rev 04

Implications

<p>Policy</p>	<p>The welding centre is in strong accordance with the <i>NCC Corporate Strategy 2018-21</i> and <i>Northumberland Economic Strategy 2019-24</i>, details of which are defined above.</p>
<p>Finance and value for money</p>	<p>The centre is projected to deliver a positive revenue surplus year 3 and beyond via the following funding streams:</p> <ul style="list-style-type: none"> (i) Direct ESFA funded programmes and apprenticeships. (ii) Sub-contracted ESFA funding. (iii) NTCA devolved AEB. (iv) Commercial training and certification income streams. <p>Full details can be found in:</p> <p>Appendix 02 - Port of Blyth Welding Ctr - Income projection - Rev 02</p> <p>Appendix 01 - Blyth Welding & Fabrication – Outline Business Case - Rev 04</p>
<p>Legal</p>	<p>In negotiating of lease, Strategic Estates Management and NCC lawyers will manage the process on behalf of the local authority.</p>
<p>Procurement</p>	<p>NCC procurement and tendering process will be followed for circa £650,000 machinery, plant and equipment and circa £335,000 building works using NCC or pre-existing frameworks, e.g. NEPO.</p>
<p>Human Resources</p>	<p>Skilled industry professionals are required to deliver and manage training of this specialist nature, particularly mandated industrial qualifications. These staff must hold professional industry qualifications beyond those of a mainstream vocational teacher/trainer to perform the key duties of this industrial training.</p> <p>As such a new job description has been produced which is fit for purpose for the roles of teacher/trainer and centre manager. These will feature salary bands commensurate with the highly paid technical profession of the candidates.</p> <p>Key qualifications will include welding institute trainer and examiner qualifications as well as holding or working toward 'welding engineer' status. A Welding Engineer is a highly qualified professional and is able to generate a Welding Procedure Qualification Record from the Welding Inspectors information, an essential function of the training centre.</p>

Property	<p>Property services will be instructed to commence work to assign the lease currently held by Northumberland College to Northumberland County Council.</p> <p>Property Services have estimated building works at £330,000 which is included in the £1.08m capital request.</p>
Equalities (Impact Assessment attached) Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	<p>Equalities impact assessment completed within:</p> <p>Appendix 01 - Blyth Welding & Fabrication – Outline Business Case - Rev 04 (Section 13, page 28)</p>
Risk Assessment	<p>A risk analysis with mitigation is present in the outline business case.</p> <p>Appendix 01 - Blyth Welding & Fabrication – Outline Business Case - Rev 04 (Section 9, page 26)</p>
Crime & Disorder	<p>This report has considered Section 17 (CDA) and the duty it imposes and there are no implications arising from it.</p>
Customer Consideration	<p>The proposals set out in this report are based upon a desire to act in the best educational interests of current and future young people, adults and related sector employees in Northumberland. The centre will deliver the following benefits to residents and sector specific employers:</p> <ul style="list-style-type: none"> (i) Provide a pipeline of skilled, apprenticeship ready, employable 16-18 year-old school leavers aimed at the fabrication and welding sector. (ii) Provide an opportunity for 14-16 year olds to enter sector specific vocational training in KS4. (iii) Provide a pipeline of apprenticeship/employment ready adults aimed at the fabrication/welding sector. (iv) Provide a function for employers to upskill staff ready to progress further and increase productivity in the weld/fab sector. (v) Encourage employment from within the county for weld/fab positions. (vi) Removal of skills-based growth obstacles for weld/fab sector employers.

	<p>(vii) Provide a solution for mandatory professional welding qualifications within the county.</p> <p>(viii) Provide a training function for those out of work with an ambition to re-skill.</p>
Carbon reduction	It is not envisaged that this proposal would have a significant positive or negative impact on carbon reduction.
Health and Wellbeing	<p>All statutory health and wellbeing measures are to be responsibility of the centre manager, for example, local extraction, hot work safety procedure, provision of PPE, safe handling of flammable gas.</p> <p>Safe working procedures will be developed, introduced and periodically reviewed for all high-risk functions in compliance with regulation/legislation.</p> <p>Other general health and wellbeing measures will be in accordance with current NCC Learning & Skills policy and procedure currently in operation.</p>
Wards	Blyth and surrounding wards.

Background papers:

Appendix 01 - Blyth Welding & Fabrication – Outline Business Case - Rev 04.

Appendix 02 – Port of Blyth Welding Ctr - Income projection - Rev 02.

Report sign off.

Authors must ensure that officers and members have agreed the content of the report:

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