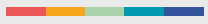


Mayoral Investment Fund

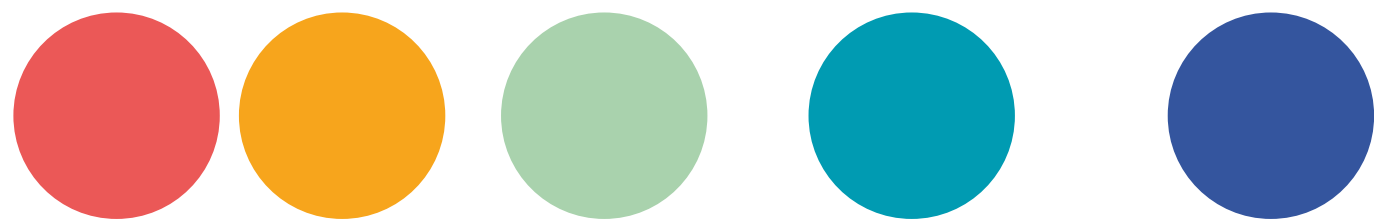


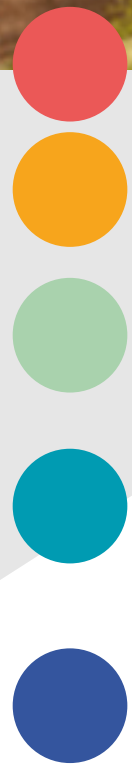
Skills Innovation Fund



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Foreword

from Mayor
David Skaith

I am delighted to welcome applications to the Skills Innovation Fund.

The Mayoral Investment Fund is devolution in action. Devolution enables regions to govern more effectively for their communities; utilising local insight and taking a collaborative approach to place regions at the heart of all decision-making.

As part of York and North Yorkshire's devolution deal, a Mayoral Investment Fund worth £540 million was agreed over a 30-year period. The Mayoral Investment Fund will deliver on York and North Yorkshire Combined Authority's local growth priorities and align with my vision as Mayor.

Funds have been designed to overcome major challenges and encourage growth. Those who play an integral part in our economy are aware of the barriers, but they are also the key drivers who have the resilience, resourcefulness and confidence to make us prosper as a region.

In July 2024, I announced plans for four funds worth up to £27.5million over four years. These are the **Vibrant and Sustainable High Streets Fund, Carbon Negative Challenge Fund, Skills Innovation Fund and Business Innovation Fund.**

Since being elected as Mayor and following on from July's announcement, I have had the privilege of meeting with

our diverse communities who make our region unique. It has been important to take the time to listen and understand the challenges that our local economy faces. This feedback has been invaluable and helped to shape the direction of funds that will make a real difference.

I have listened, understood the concerns, and now it is time to deliver.

York and North Yorkshire has a unique set of challenges due to our rural, urban and coastal setting. However, with challenge comes great opportunity, and I want to support the innovation, talent and collaborative spirit that we possess as a region. We are distinct in York and North Yorkshire, that's why we do things differently.

My vision is for York and North Yorkshire to be made up of healthy and thriving communities that are connected to opportunity. The creation of these funds will ensure that support is bespoke to our region's needs.

Connecting people to opportunity is a key focus of my Mayoral Vision, supporting access to skills, ensuring that employment support is working for people in the region to get them into work, and that the skills provision is targeted in the areas with the highest need.

That is why I have launched the Skills Innovation Fund,

making funding available for the delivery of projects focused on innovation, collaboration and capacity building in skills provision across York and North Yorkshire.

The following prospectus will provide information on why the Skills Innovation Fund was identified, along with key milestones, how to apply and what happens next.

We look forward to receiving applications and I would like to thank you for taking the time for applying to this fund.



Background and Challenges

Why the Skills Innovation Fund has been identified

The **Skills innovation Fund (SIF)** is a key mechanism for achieving a number of strategic priority actions outlined in the **YNYCA Skills Strategy**. The **revised Skills Strategy** is built on robust evidence and

consultation with stakeholders and is informed by existing strategies and detailed labour market analysis commissioned by the YNY LEP in 2023 which highlighted a number of challenges:

A decline in engagement in learning: The numbers participating in Adult Education are 29% below 2018/19 levels, with Apprenticeship Starts in 2021/22 5% below their pre-pandemic levels.

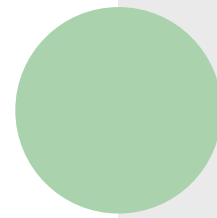
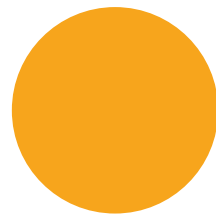
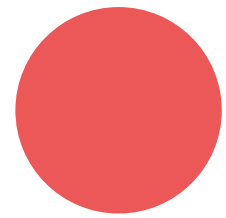
Skills Mismatch: A comparison of the subject profile of education and training provision with the profile of labour market demand shows major disparities between the two for apprenticeships, adult education and higher education.

Rurality, connectivity and access to services: Remote locations and a lack of digital connectivity and transport options present a particular challenge to individuals seeking training and support and local employers in recruiting and retaining staff.

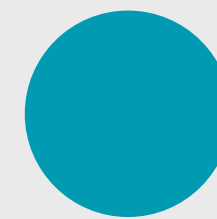
Modes of delivery are not meeting business or learner needs: There is a lack of flexibility in how provision is delivered. More modular and bitesize provision is required

with flexibility in when, where and how delivered - this was particularly highlighted in the work of the **Local Skills Improvement Plan**.

Recruitment, retention and CPD issues in the skills/FE sector: disparity of pay with industry and issues with lack of long-term funding for skills programmes means skills providers struggle to recruit and retain staff. Whilst teaching staff struggle to keep pace with technology and sector developments.



Programme objectives



The Skills Innovation Fund is a £2,375,000 indicative allocation from Mayoral Investment Funding to support skills development in the York and North Yorkshire region over a timeframe of 2 years - April 2025 to March 2027. It consists of a grant-funding programme designed to achieve the **objectives** below. The programme aims to innovate and build, or strengthen, capacity and placed-based collaborative approaches to:

1. Capital investment in York and North Yorkshire's emerging growth sectors and core sectors, taking into account significant cross-cutting themes.

- **Emerging growth sectors include:** Engineering Biology, Agri-Tec, Health and Life Science, Rail, Manufacturing, Clean Energy, Creative and Digital, Maritime.
- **Core Sectors:** Construction, Health and Social Care, Visitor Economy
- **Cross cutting themes:** Net Zero, Digital

- Applications for capital investment in **other sectors** are welcome, but further justification must be provided in your application form.

- Capital projects may include:
 - upgrading equipment and facilities with cutting edge technology
 - innovating teaching and learning practices using Immersive Technology, Virtual Reality and Artificial Intelligence.

2. Skills Sector workforce recruitment and development - encouraging those within industry to consider teaching and ensuring tutors/trainers have up to date industry knowledge.

3. Development and delivery of flexible, bitesize, and modular provision that meets employer needs and targets individuals with barriers to accessing learning.

4. Development and delivery of bridging provision to other skills programmes such as the Adult Skills Fund, Skills Bootcamps and Apprenticeships – to enable pathways to progression.

5. Innovative approaches to engaging individuals/businesses in learning to ensure capital investment and new flexible provision can be fully utilised, particularly disengaged and hard to reach learners and

businesses struggling to navigate a complex skills system.

6. Build capacity and enable collaboration in the place-based skills provider base in York and North Yorkshire



Programme outputs and outcomes

The deliverable and measurable outputs and outcomes that projects could aim to achieve, include (but are not limited to):

- Improved teaching facilities
- New flexible courses (bite sized, modular, outreach) developed and delivered
- Increased tutors trained in industry related skills
- Increased number of adult learners trained in priority sectors, focussing on disengaged learners and those in need of upskilling and reskilling
- Improved recruitment and retention of teaching staff

Projects are not expected to deliver against all outputs and outcomes here within a single application or project. Projects may identify and target a selection of these deliverables to focus on to monitor project progress and impact. For each output or outcome selected, applicants should have an understanding of the current baseline level of activity.

This list of outputs and outcomes is not exhaustive. There may be additional outputs and outcomes which you believe your project can realistically deliver. The application form will allow you to include and submit these.

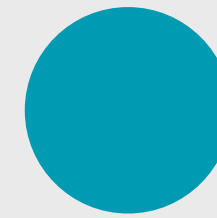
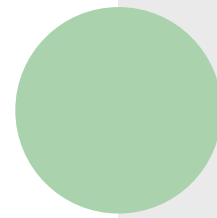
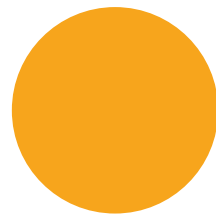
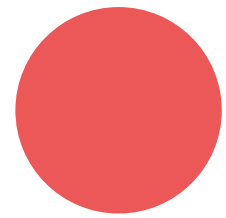
As part of the application, you will be asked to specify

the quantities of outputs and outcomes that you expect your project will achieve. For successful applications, this will inform the content of a grant funding agreement.



Funding opportunity and requirements

Total value	£2,375,000 (Revenue and Capital)
Open window	From 5th February until 5th March 2025
Amount of funding available	Grants from £100,000 to £1,000,000 (see further details below)
Match funding required	No mandatory requirement. However, applicants will be required to demonstrate how their application maximises public benefit through additional project contributions (cash and/or in kind). Statements of intent to add value to projects will be favourably considered during appraisal.
Eligible applicants	Applications will be accepted from FE & HE Sector Organisations, Local Authority Skills Providers, Independent Training Providers, and VCSE Sector Skills providers as individual organisations, partnerships, or consortiums. Where an application is submitted by a partnership or consortium on behalf of multiple organisations, a 'lead applicant' or 'lead provider' must be identified to complete the application, enter into the funding agreement, and distribute the funding amongst its partners.
Delivery window	April 2025 - March 2027



Eligible applicants

The initial funding pot available to access will be £2,375,000 over two years April 2025 - March 2027.

This has an indicative split of allocation into £950,000 capital funding and £1,425,000 revenue funding, with some flexibility to meet the demands identified through applications received.

The programme will accept applications for:

- Revenue funding only (for example, where there has been previous capital

investment)

- A mix of capital and revenue funding, where projects will involve capital investment alongside revenue activity

The programme will not accept applications for:

- **Capital funding only.** This is because the aim of the programme is to ensure capital investment is maximised in terms of course delivery and take up by learners

There is an expectation that all applications should request a **minimum of £100,000** revenue funding.

There is an indicative **maximum limit of £1m** for applications. This will be subject to review once the application window closes.

We want to make this funding as accessible as possible, so match funding is not a requirement of applications, and you can apply for up to 100% funding for your project. **However**, if you are able to provide evidence of match funding, including in kind contributions and demonstratable added value, this will be viewed favourably and will increase the value for money that your project can bring to the programme.

Who can apply?

Joint and collaborative applications are strongly encouraged, especially where provision will be complementary. The conditions and strength of any partnership submission will be considered during the project appraisal process.

Applications will be accepted from FE & HE Sector Organisations, Local Authority Skills Providers, Independent Training Providers, and VCSE sector skills providers as individual organisations, partnerships, or consortiums. Where an application is submitted by a partnership or consortium on behalf of multiple organisations, a 'lead applicant' or 'lead provider' must be identified to complete the application, enter into the funding agreement, and distribute the funding amongst its partners. The lead applicant will act as an accountable body for the project. All delivery partners should be clearly outlined in the application and **a signed declaration will be required as proof of each organisation's commitment.**

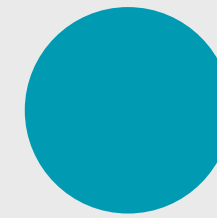
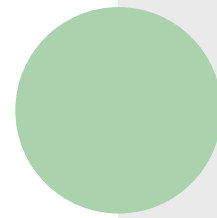
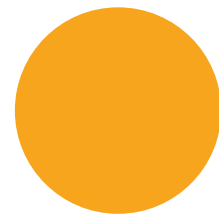
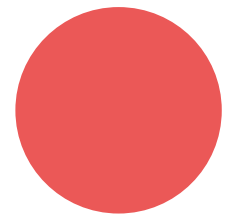
Sectors

All applications should include the sector or sectors the project relates to. Further justification is needed for sectors outside of the emerging growth and core sectors listed in the objectives section of this prospectus.

Learners

All projects should aim to support individuals and employers in learning. Applications should provide evidence of how projects will identify and support learners who are:

- Disengaged from learning and employment
- In need of upskilling and reskilling



Eligible activity and expenditure

As part of the application, you will be asked to provide a full breakdown of project costs. Here are some examples of the types of project costs which may be eligible and ineligible. (This list is not exhaustive).

Eligible costs may include:

- Costs associated with upgrading facilities

(buildings, classrooms and workshops) and purchasing new equipment that aligns with the programme objectives. This may include investment in cutting edge technology and the installation of immersive technology, virtual reality and artificial intelligence;

- Staff salaries relating

to the delivery of new courses and opportunities. This includes the costs of covering staff training absences, or for new staff to implement the project, or for training outside of normal working hours;

- Staff training including course costs, qualification/accreditation costs, transport/travel costs, cost of industry experts to support delivery;
- Costs associated with developing/ trialling new provision including learning costs, accreditation, transport, childcare, out of hours provision costs, costs of engaging learners, extra

support costs for learners;

Ineligible costs include:

- Costs associated with the maintenance of buildings, classrooms and workshops, or capital work which has already been planned and scheduled;
- Costs of developing new build facilities;
- Costs of purchasing equipment not related to the programme objectives;
- Costs related to courses that are already running or staffing that is already funded. Applications should not include costs for 'business as usual' activity or activity which has already been planned

to be introduced in 2025, 2026 or 2027;

- Recoverable VAT;
- Project contingency costs and contingent liabilities;
- Management fees to support general organisational running costs **above** 10% of total project costs



How to apply

To apply, please complete the application form and necessary additional documents available on this webpage: [Skills Innovation Fund > Mayoral Combined Authority](#)

- Applicants should read all the Prospectus and Guidance information
- Complete and Submit the Application Form and any additional documents or supporting information before the deadline

- The Application window will be open for 4 weeks from the 5th February, closing on the 5th March
- Once the application window closes, all applications received will begin to be appraised
- Once the appraisal of all applications submitted has been completed, a decision will be communicated to applicants
- If applicants are successful,

they will receive a grant offer letter. The contracting process to create a grant funding agreement will then begin.

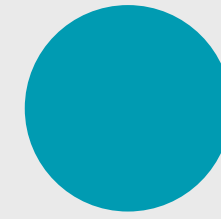
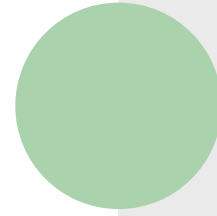
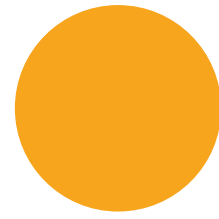
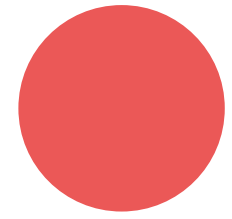
- Once funding agreements have been finalised and signed, project delivery can begin



Process and indicative timelines

Key milestones and dates

Milestone	Date
Communications available on the YNYCA webpage	January 2025
Formal Launch of prospectus and open call for applications (4-week open application window)	5th February 2025
Deadline for applications	5th March 2025
Appraisal and Decision making	Late March - April 2025
Contracting	April 2025
Projects commence	April 2025 - May 2025
Monitoring	Monthly (ongoing)
Evaluation reporting	January-March 2027



How will applications be assessed?

All applications submitted will be scored against a consistent appraisal framework. All applications and scoring will be presented to a moderation panel to make final decisions.

For the appraisal of applications, HM Treasury's 5 Cases methodology will be followed to ensure that applications demonstrate the strategic, economic, financial, commercial and management case for investment. This will require applicants to:

- Explain and evidence the Need for the project
- Explain and evidence the Strategic Fit with the programme objectives
- Explain and evidence the positive Impact the project will have and explain how measurable outputs and outcomes will be achieved. Any added value the project will achieve to maximise the public benefit from the grant funding should be described too.
- Provide an accurate and reasonable breakdown of Project Costs
- Explain how the project will be Deliverable in full within the timeframe
- Explain who will be Managing the project, which partners will be collaborating, and their track record of delivery. The extent of partnership working will be an essential consideration for appraisal.



Requirements for successful applicants

For successful applications, lead applicants will receive a grant offer letter and the process of contracting to enter into a funding agreement will begin. The grant offer letter and funding agreement will set requirements to:

- Evidence that any outstanding conditions have been met or permissions secured, e.g. planning approvals or licenses granted
- Agree a schedule for payment of the grant that enables the project to be delivered effectively.
- Agree to data sharing protocols consistent with

GDPR policy and the Privacy Policy of the Combined Authority.

- Adhere to Branding and Publicity guidelines which will be issued by the Combined Authority.
- Participate in providing monitoring information, focused on the reporting of expenditure, outputs and outcomes.
- Participate in Evaluation activities. This will be proportionate to the scale and scope of the project. For larger projects, there may be greater expectation on applicants (to provide case study material, to conduct

surveys, to analyse value for money, etc.) over and above the reporting of outputs and outcomes.

- Participate in networking meetings alongside other successful applicants to help capture and communicate impact.

Appendices

For all programmes

- [York and North Yorkshire Combined Authority - **Economic Framework**](#)
- [York and North Yorkshire Combined Authority - **Mayor's Vision**](#)
- [York and North Yorkshire Routemap to Carbon Negative \(Summary Document\)](#)
- [Guide to developing the Project Business Case](#) – Chapter 2 outlines HM Treasury's 5 Cases Methodology
- [UK subsidy control regime: statutory guidance - GOV.UK](#)

For the Skills Innovation Fund

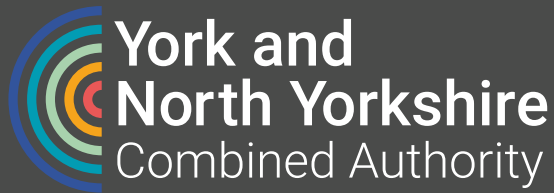
- [York and North Yorkshire Combined Authority Skills Strategy 2024](#)
- [Adult Skills Fund Strategic Skills Plan 2025 - 2028](#)
- [York and North Yorkshire Local Skills Improvement Plan \(LSIP\), Progress Report, June 2024](#)
- [York Skills Strategy – City of York Council](#)
- [North Yorkshire Council Economic Growth Strategy](#)

Contact us

If you have any questions about this prospectus and how to apply, please fill in an enquiry form available on our webpage: **[York and North Yorkshire Mayoral Investment Fund](#)**

Free local business support is available via **[North Yorkshire Council](#)** and **[City of York Council](#)**, or you can visit **www.ynygrowthhub.com** and complete an enquiry form.





Skills Innovation Fund Prospectus

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York and North Yorkshire Combined Authority
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Northallerton
DL7 8AD

About us

The York and North Yorkshire Combined Authority has been created by the City of York Council and North Yorkshire Council and is a legally recognised, single body. Our role is to use some of the money and powers, that up to now have been held by central government, and work with local leaders and communities to invest in ways that will help to make York and North Yorkshire a better place for you to live, work and do business.