

The template

This document provides the business case template for projects seeking funding which is made available through the **South East Local Enterprise Partnership**. It is therefore designed to satisfy all SELEP governance processes, approvals by the Strategic Board, the Accountability Board and also the early requirements of the Independent Technical Evaluation process where applied.

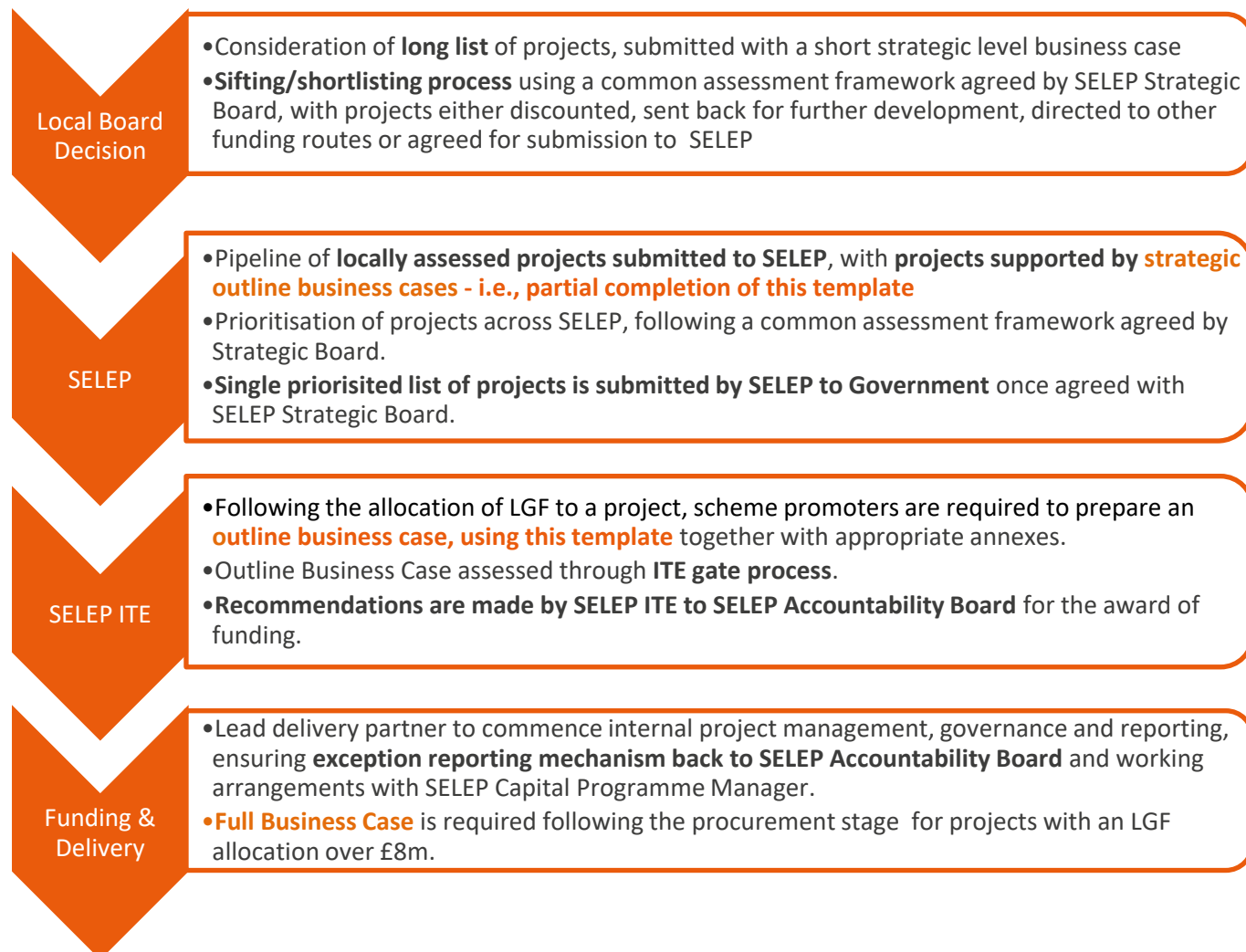
It is also designed to be applicable across all funding streams made available by Government through SELEP. It should be filled in by the scheme promoter – defined as the final beneficiary of funding. In most cases, this is the local authority; but in some cases the local authority acts as Accountable Body for a private sector final beneficiary. In those circumstances, the private sector beneficiary would complete this application and the SELEP team would be on hand, with local partners in the federated boards, to support the promoter.

Please note that this template should be completed in accordance with the guidelines laid down in the HM Treasury's Green Book. <https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government>

As described below, there are likely to be two phases of completion of this template. The first, an 'outline business case' stage, should see the promoter include as much information as would be appropriate for submission through SELEP to Government calls for projects where the amount awarded to the project is not yet known. If successful, the second stage of filling this template in would be informed by clarity around funding and would therefore require a fully completed business case, inclusive of the economic appraisal which is sought below. At this juncture, the business case would therefore dovetail with SELEP's Independent Technical Evaluation process and be taken forward to funding and delivery.

The process

This document forms the initial SELEP part of a normal project development process. The four steps in the process are defined below in simplified terms as they relate specifically to the



LGF process. Note – this does not illustrate background work undertaken locally, such as evidence base development, baselining and local management of the project pool and reflects the working reality of submitting funding bids to Government. In the form that follows:

Version control	
Document ID	GSTC_CI v3.0
Version	3.0
Author	CI / Gary Horne
Document status	Final BC for Submission
Authorised by	
Date authorised	

1. PROJECT OVERVIEW

1.1. **Project name:** Groundworks and Scaffolding Training Centre

[Specify the name of the scheme, ensuring it corresponds with the name of the scheme at programme entry (when added to the LGF prioritised list of projects).]

1.2. **Project type:** Skills Development

[Site development, skills, innovation etc.]

1.3. **Federated Board Area:** Essex

[East Sussex, Kent & Medway, Essex, and Thames Gateway South Essex]

1.4. **Lead County Council / Unitary Authority:** Essex County Council

[East Sussex, Kent, Medway, Essex, Thurrock, Southend-on-Sea]

1.5. **Development location:** Colchester Institute, Sheepen Road, Essex CO3 3LL

[Specify location, including postal address and postcode.]

1.6. **Project Summary:**

[Provide a summary of the project; max. 0.5 pages.]

Complementing existing construction training facilities, the investment will enable the development of a standalone Groundworks and Scaffolding Training Centre at Colchester Campus that will meet the core aims of the Essex Employment and Skills Board construction sector action plan and counter the identified barriers facing the sector at large. The project will support the vision and priorities identified in the October 2018 SE LEP Skills Strategy.

Project funding will allow for site clearance and preparation, design and planning approvals, plant and machinery purchase, signage, modular storage units and secure compound, tools and equipment, scaffolding sets, car park re-instatement, and reconfiguration and upgrade of classrooms adjacent to the site that will create a genuine first class training facility for Essex businesses.

Colchester Institute was originally approached by the Anderson Group to provide groundworks training in Essex, and this led to formation of an employer steering group (including MDS, Tamdown Construction, The Knight Group, Cadman Construction, Ringway Jacobs, Rose Builders) who aired their frustrations on the poor availability of local training that was impacting business growth. This project proposal has emerged as a key action from the employer engagement group. The project will develop a fit for purpose training centre replicating site conditions that will introduce new entrants to apprenticeships and upskill workforce teams.

The project will create self-contained training areas supporting both industry sectors with modular buildings to replicate site conditions. Scaffolding training will be developed using an existing building adjacent to the proposed ground working area where external practical skills training will complement classroom based activities. The College's existing training tower and confined space training unit is ideally positioned nearby to provide additional certification (bolt-on) qualifications including working at height and safe entry to confined space training as demanded by the employer group.

1.7. Delivery partners:

[List all delivery partners and specify the lead applicant and nature of involvement, as per the table below.]

Partner	Nature of involvement (financial, operational etc.)
<i>SE LEP</i>	Lead funder. Additional support through Skills Lead and provision of LMI via 2018 Skills Strategy and emerging SEP.
<i>Essex County Council</i>	Local delivery partner offering industry support, identification of new employers and provision of LMI via the Essex Employment and Skills Board.
<i>Colchester Institute (Lead Applicant)</i>	Project lead and project co-ordination, land owner and match funder to £100,000.
<i>Employer Group Steering Members</i>	<i>Industry Champions offering advice on deliverability and set up of training facilities. Donation of time and equipment to the project. Guarantee of learner numbers and match funder to £30,000</i>

1.8. Promoting Body: Essex County Council

[Specify who is promoting the scheme.]

1.9. Senior Responsible Owner (SRO): Gary Horne, Executive Vice Principal: Finance and Corporate Development. Email: gary.horne@colchester.ac.uk Tel: 01206 712636

[Specify the nominated SRO and provide their contact details. The SRO ensures that a programme or project meets its objectives and delivers projected benefits. This is not the same as a Section 151 Officer.]

1.1. Total project value and funding sources:

[Specify the total project value, how this is split by funding sources, any flexibility in funding scale and profile and any constraints, dependencies or risks on the funding sources, as per the table below.]

Funding source	Amount (£)	Flexibility of funding scale or profile	Constraints, dependencies or risks and mitigation
SE LEP LGF 3B	£100,000 (40% of total project)	Given specific circumstances surrounding urgent need to develop facility, funding required as soon as possible. No flex – this is maximum requirement to make a viable and vibrant project, meeting the needs of the identified objective	Risks are minimal – main constraint is funding availability
Colchester Institute	£100,000	No flex – this is the anticipated requirement to make a viable and vibrant project meeting the needs of the identified objective	Risks are minimal – main constraint is funding availability
Employer Contribution	£30,000	No flex – this is the anticipated requirement to make a viable and vibrant project meeting the needs of the identified objective	Risks are minimal – main constraint is funding availability
Sponsorship	£20,000	No flex – this is the highest that the College could anticipate	Low risk. Support already pledged by local builders merchant

Total project value	£250,000		
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1.2. SELEP funding request, including type (LGF, GPF etc.): LGF Round 3b. Any project funding through this route does not constitute state aid.

[Specify the amount and type of funding sought from SELEP to deliver the project. Please also confirm that the funding will not constitute State Aid.]

1.3. Exemptions: Not Applicable

[Specify if this scheme business case is subject to any exemptions (and provide details of these exemptions) as per the SELEP Assurance Framework 2017, Section 5.7.4 and 5.7.5]

1.4. Key dates:

[Specify dates for the commencement of expenditure, the construction start date and the scheme completion/opening date.]

Project Commencement - October 2018

Project Approval / Site works - June 2019 (or delayed until LGF funding go-ahead)

Construction Date - June 2019 (or delayed until LGF funding go-ahead)

Facility Opening - September 2019 Groundworks (or delayed until LGF funding go-ahead) with full operations Scaffolding from Jan 2020

1.5. Project development stage:

[Specify the project development stages to be funded, such as inception, option selection, feasibility, outline business case, detailed design, procurement, full business case, implementation, the current project development stage, and a brief description of the outputs from previous development stages. Add additional rows as necessary. Please note, not all sections of the table may require completion.]

Project development stages completed to date			
Task	Description	Outputs achieved	Timescale
Site identification [Not funded]	To identify best location of all CI – owned campus locations	Sheepen Road, Colchester location identified as best opportunity to deliver project	Complete
Site scoping [Not funded]	To identify suitable ground working and scaffolding areas, classrooms, etc	South Eastern corner of campus location identified as perfect location for project. Sheepen House will support scaffolding and classroom activities.	Complete
Employer Group [Not funded]	To form group of forward thinking companies willing to support project	Eight local businesses attending monthly meetings as of September 2018	Complete
Site Design Groundworks [Not funded]	CAD drawings and overlays to make best use of proposed site area – discuss with employer group and modify as required	Updated drawings and site plans approved by employer group	Complete
Project development stages to be completed			

Task	Description	Timescale
Complete Business Case funding Proposal [Not funded]	To seek approval of LGF3b funding (via this proposal)	Underway – Full BC submitted v3.0 March 2019
Seek approval and project go-ahead [Not funded]	To seek approval of LGF3b funding (via this proposal)	June 2019
Drawdown funding [Not funded]	To agree funding mechanism	June 2019
Tender for Project Design Team and Contractors	To appoint professional team members to deliver project	June 2019
Full Project Design and review of any planning requirements. [Funded]	Further update drawings and site plans approved by employer group. To include scaffolding element which will involve extension / modification of existing building / classroom teaching spaces.	June 2019
Equipment procurement and development of practical resources [Funded]	To support project requirements	June 2019
Develop programme of study including apprenticeship course design and staffing requirements. Seek awarding body course approval.	To deliver proposed apprenticeship and professional technical courses	Groundworks complete September 2019 Scaffolding by Jan 2020
Site completion (Groundworks) and development of practical resources	To complete teaching resources ready for programme delivery	September 2019
Course Commencement	To start to achieve project outputs	September 2019 (or earlier / later depending on LGF3B funding approval)
Site completion (Scaffolding) and development of practical resources	To complete preparations and purchase of materials and teaching resources ready for programme delivery	January 2020

1.6. Proposed completion of outputs:

[Include references to previous phases / tranches of the project (link to the SELEP website) and to future projects to be funded by SELEP. Please see SELEP Programme for more information.]

Proposed ACADEMIC YEAR outputs

	2018-19 (pre-project)	2019-20	2020-21	2021-22
Apprenticeship Starts (Groundworks)	0	36	36	36
Apprenticeship Starts (Scaffolding)	0	12	24	24
Total Project Apprentices on programme	0	48	108	120
CITB CISRS qualified scaffolding operatives	0	20	60	60
CITB Scaffold Inspection Training (SITS) candidates	0	10	20	20
Other CITB accredited training course candidates (Upskilling)	0	20	36	72
Additional Working at Heights and Confined Space Training candidates	0	12	24	24
ECTA supported training candidates	0	10	30	40
CSCS Card Candidates	0	25	50	75
Additional Employers engaged in training with the College	0	12	20	30
Additional training-led jobs in construction(cumulative)	0	48	108	168

2. STRATEGIC CASE

The Strategic Case should present a robust case for intervention, and demonstrate how the scheme contributes to delivering the SELEP Strategic Economic Plan (SEP) and SELEP's wider policy and strategic objectives. It includes a rationale of why the intervention is required, as well as a clear definition of outcomes and the potential scope for what is to be achieved.

The outlook and objectives of the Strategic Case need should, as far as possible, align with the Monitoring and Evaluation and Benefits Realisation Plan in the Management Case.

2.1. Scope / Scheme Description:

[Outline the strategic context for intervention, by providing a succinct summary of the scheme, issues it is addressing and intended benefits; max. 2 pages.]

The project will develop a fit for purpose training centre replicating site conditions that will introduce new entrants to apprenticeships and up skill workforce teams.

The project will initially prioritise the following core qualifications in Year 1:

1. City and Guilds Construction Operative Apprenticeship. Apprentices will train to work as a construction operative undertaking such tasks as laying kerbs and channels, installing drainage, structural concrete and reinstating concrete surfaces.
2. City and Guilds Accessing Operations and Rigging. Aimed at learners specialising in accessing operations and rigging, including scaffolding, and lightning protection.
3. Scaffolder L2 Apprenticeship Standard. Provides opportunities to work in many different sectors including Construction, Infrastructure, Nuclear, Oil and Gas, Rail, and Events across the world.

The project will create self-contained training areas supporting both industry sectors with modular buildings to replicate site conditions. Scaffolding training will be developed using an existing building adjacent to the proposed ground working area where external practical skills training will complement classroom based activities. The College's existing training tower and confined space training unit is ideally positioned nearby to provide additional certification (bolt-on) qualifications including working at height and safe entry to confined space training as requested by the employer group.

The government's 2017 **Industrial Strategy** recognises the challenges in meeting business needs for talent, skills and labour if it is to complete a major upgrade to the UK's infrastructure. It is prioritising a technical education system that invests heavily in STEM subjects and will create a national retraining scheme with a £64m investment in digital and construction training.

According to the **Construction and Industry Training Board (CITB)**, there are over 890 projects already in the planning process for the next five years, which illustrates the scale of growth within the construction sector. In addition, the CITB's 2017 migration research and found that nearly half of members expect the recruitment of skilled workers to become more difficult over the next two years and as Brexit approaches, RICS commentators fear that the situation will only be exacerbated by the threat of a skills vacuum developing. The demand for skilled construction workers nationally will be unprecedented over the coming decade.

On a regional scale, there is a clear and urgent need to increase and diversify construction skills in London and the South East if local authorities are to achieve their ambitious housing and infrastructure growth plans. Within Greater Essex alone, **Employment and Skills Board (ESB)** evidence suggests that this will require a need for 44,000 new recruits from within Essex

construction sector by 2021 and within Greater London there is already a shortfall of 40,000 skilled construction workers.

With three large North Essex garden communities being planned for delivery over the coming decade, and many more large infrastructure and construction projects confirmed (e.g. A12 widening, new A120 route, mainline rail upgrade, Stansted airport expansion, new energy generation at Bradwell and Sizewell) we continue to hear first-hand from local employers about the specific skills gaps that continue to appear, worsened by ageing workforce issues.

In Colchester there are more enterprises within Construction than any other ESB priority sector. According to ESB Research, Construction in Essex faces the following skills challenges:

- Not enough people want to pursue careers in the sector
- Not enough people are training
- Employers not investing in skills and see apprenticeships as a risk
- Training providers have huge challenges in attracting tutors and assessors
- Training provision is not always delivering what industry needs

This project aims to address these skills challenges by developing a first class training facility that will engender engagement from a both a new learners and staff attraction perspective. The project will contribute to the achievement of the ESB's Construction Sector Action Group ambitions:

- To increase the construction workforce in Greater Essex by 2,400-4,800 per annum, to achieve a target of 88,500 by 2021.
- To increase number of construction learning aims delivered in Essex from 7.3% (6,179) to 10% of all learning aims by 2021, supporting a 28% growth in learner numbers.
- To increase the proportion of construction apprenticeships starts from 3.5% to 10% of all apprenticeship starts by 2021, equating to an increase of 285% to 1,429 starts.

Both increasing levels of technical expertise required within this sector and growing demand means there are real opportunities for young people to access interesting and high paying careers in this field of work. The development of this provision will support the local and regional housing and infrastructure growth plans, the construction sector, its employers and provide careers for local young talent. Other local considerations addressed by this proposal include:

- An expected Essex population increase of 200,000 over 5 years, driving a need to build twice as many homes each year as current (from 4,000 to 8,000 houses per annum across Essex).
- There will be a £3bn infrastructure investment across five regeneration areas in North Colchester including St Botolphs, the Garrison, the Hythe, the Northern Gateway and the knowledge Gateway all driving a need for skilled workers in groundworks and scaffolding industries.
- The growing number of vacancies for skilled workers in priority sectors is increasing year on year in Colchester. For plant and machine operators, there were 196 job postings in 2016 in Colchester alone.

See section 2.3 for further alignment **with SELEP Economic Plan** and **SELEP Skills Strategy**.

2.2. Location description:

[Describe the location (e.g. characteristics, access constraints etc.) and include at least one map; max. 1 page excluding map.]

The location of the project will be at Colchester Institute main campus at Sheepen Road Campus, Sheepen Road, Colchester, Essex CO3 3LL. On campus, the specific location on site will be towards the south eastern boundary at the rear of the site. This will be furthest from the residential area.



The site earmarked is currently occupied by a range of 1960's demountable units that have not been used for many years other than for storage of old materials. These will be cleared and removed. The surrounding wasteland will have debris and brambles removed to create space for the facility.

The adjacent permanent building seen below (Sheepen House) will be renovated, extended and reconfigured to provide a standalone teaching building supporting both groundworks and scaffolding classroom activities. The east elevation of the building will also be used to teach practical scaffolding training techniques.



Sheepen House for project HQ, classroom activities and scaffolding practical sessions.

There are no access constraints. Low planning risk associated with building modifications since there are no immediate neighbouring properties to this part of the Sheepen Road Campus.

2.3. Policy context:

[Specify how the intervention aligns with national/regional/local planning policies and the SELEP SEP; max. 3 pages.

Smaller schemes: (less than £2 million) are required to complete this section in line with the scale of the scheme; max. 1 page]

A new **SE LEP Strategic Economic Plan** is set to be issued later this year. From the evidence base we know that consultees have determined three ‘factors of production’ including Skills, Infrastructure and Business. *This project supports all three of these factors by driving up skills, enabling the improvement of infrastructure at a faster rate, thereby enhancing business growth opportunities.*

The ONS SIC code data within the evidence base reveals that the construction sector is particularly represented in both Colchester and Braintree District. Essex has 10,390 enterprises within the sector, more than any other local authority across the SE LEP region.

The evidence base also lists the following major housing infrastructure schemes, that would be positively supported by this project driving the output of more skilled individuals: A120 Millennium Way Slips; Colchester Northern Gateway; West of Braintree Garden Community; Hythe Legacy Development; Northern Gateway Housing and Employment Land Infrastructure; Tendring Colchester Borders Garden Community.

Other major schemes highlighted in the evidence base include: The A120 trunk road linking Harwich port to the M11; A three lane Lower Thames Crossing and the Great Eastern Mainline upgrade.

The new **SE LEP Economic Plan** will also aim to increase productivity driven by innovative businesses and people skilled for the future. *Backed by a determined group of steering employers who are concerned about their ability to secure contracts through lack of skilled labour, this project will assist achievement of this aim through the confirmed outputs.*

Early investigative works are underway to scope proposals for Bradwell B Nuclear Power Station as referenced in the **SE LEP Skills Strategy 2018 - 2023**. This project will support the direct and supply chain resource requirements for this project and potentially Sizewell C which will coincide with the other large scale developments already planned across Essex. The College is a key partner within the North Essex Energy Group, helping shape local policy and engage with not only the contract holders for new energy delivery at Bradwell and Sizewell, but across the wider energy landscape. The College will be expected to support the needs of the project including identification of over 6,000 skilled workers to deliver the construction phase of Bradwell B alone.

SE LEP's vision for skills is to help deliver a flourishing and inclusive economy equipping employers, adults and young people with the skills, conditions and aptitudes required for significant growth today and tomorrow. Other relevant priorities within the recently published **SE LEP Skills Strategy 2018 – 2023** include:

- Increase apprenticeships and industry relevant qualifications for all ages, particularly in priority sectors and at higher and degree level. *By July 2021, this project will deliver 120 new apprentices and support over 200 learners in securing highly sought after construction qualifications.*
- Simplify the skills landscape for employers, stakeholders and individuals. *This project will offer local training co-designed by employers who know what skills they need to drive business.*
- Build an inclusive economy, creating opportunities for all. *This project will offer training opportunities to employed candidates sponsored by employers, to school leavers and to the unemployed.*

Further headline **SE LEP Skills Strategy** themes include:

- Removing any barriers to provision, such as the availability of tutors and facilities. *Appropriate facilities are currently the barrier to local delivery; this will be removed on project commission.*
- Ensuring that local provision and curriculum matches employer need and is led by employers. *The project is already being led by a determined employer group.*
- Ensuring that employers understand and are engaged in the skills and employability landscape. *Key employers involved in the project are passionate about the skills and employability landscape; and this engagement will be a good opportunity for the College to cement further long term partnerships and engender additional support for wider skills challenges.*

2.4. Need for intervention:

[Specify the current and future context and articulate the underlying issues driving the need for intervention referring to a specific market failure, need to reduce externalities, Government redistribution objectives etc.; max. 2 pages.]

According to the **Federation of Master Builders (FMB)** the lack of talent – which many say is being exacerbated by the UK’s decision to leave the European Union – leaves the country at risk of missing its housebuilding targets.

Almost half of small house builders (44%) polled for the FMB’s House Builders’ Survey 2018 said the shortage of skilled workers was a major barrier to their ability to build more new homes. Looking ahead over the next three years, more firms cited skills shortages as a likely barrier to growth than access to finance. Jason Ramsey, managing director of Bateman Groundworks confirmed “The construction industry is waking up to the shortage of skills and the need to bring the younger generation in.”

The Essex Employment and Skills Board continue to restate the multiple barriers facing the construction sector in Essex that are restricting the sector’s ability to create the skilled workforce that it needs, these include:

- Not enough people want to pursue careers in the sector
- Not enough people are training
- Employers not investing in skills and see apprenticeships as a risk
- Training providers have huge challenges in attracting tutors and assessors
- Training provision is not always delivering what industry needs
- An aging workforce

The challenge for the construction sector in Essex is huge. Detailed research suggests that the industry in Essex will need to grow its workforce from 65,000 to between 76,500 - 88,500 by 2021 to reach the forecasted level of need.

In response to the region's ambitions to become one of Britain's leading economies, '**Enterprising Essex: Opportunities and Challenges**' economic report was completed in March 2018. It contained an insight into Greater Essex's current and future skills condition and acknowledged that "skills performance is improving but is failing to close the gap with the rest of the UK". Skills have a huge impact on the outlook of Essex's economy as it encourages sector growth and employment. The report further concluded that:

- Apprenticeships for Greater Essex are at 0.82% of the local population (0.1% below the England total).
- Qualifications at level 4 and above have risen by 7% from 2005 - 2015, and those without a qualification have fallen by 7.8% (lesser than the national average of 8.4%)

There is a clear and pressing need for this bespoke training provision in Colchester. Strong demand has been evidenced by the employer group. Colchester Institute was originally approached by the Anderson Group to provide groundworks training in Essex. They were quickly joined by other organisations all citing chronic skills shortages and recruitment problems in both the groundworks and scaffolding sectors. The employer group included

MDS, Tamdown Construction, The Knight Group, Cadman Construction, Ringway Jacobs, Rose Builders.

The College continues to engage with employers via the steering group. Additional employers continue to enquire of apprenticeship training for groundworks. The latest is Marlborough Highways <http://www.marlboroughhighways.co.uk/> who have provided an expression of interest for 10 apprenticeship starts in September 2019.

The nearest equivalent groundwork and scaffolding facility is the National Construction College in North Norfolk. Being some 90 miles away from Colchester it does not currently meet the needs of Essex businesses. Business owners tell us the distance causes issues with travel and accommodation arrangements, adding significant additional time and cost of training provision. We also understand that there is uncertainty over the long term future of this training facility with potential relocation to Peterborough

Bob Weston, chairman and chief executive of Essex-based Weston Homes, said the constriction of the European talent pipeline caused by Brexit, combined with the increasing demand for new homes, would force house builders to reconsider their recruitment strategies. “The challenge facing construction is that the starter homes market is booming, we have hundreds of homes we need to build, this requires more staff, and with Brexit, we need young domestic UK employees to come into the sector,” he said. “Weston Homes alone needs 350 new employees, and the other big house builders are in the same situation, so there’s a need for hundreds and hundreds of people. The key challenge is persuading young people from the UK that the construction industry is a superb place to work. Some are dissuaded to join due to out-dated perceptions of the sector.”

This construction skills crisis is manifold. The UK’s construction workforce aging, with one in ten workers estimated to leave the sector in the next nine years. 27% of Essex construction workers have over 20 years’ experience. It’s also at huge risk from Brexit, with almost a third of London’s ‘construction of buildings’ workforce from the EU, compared to just 10 per cent in the rest of the UK. But it’s not just the prospect of losing EU workers that the industry is concerned about: more workers are leaving the profession than entering already. In 2017, twice as many workers left the construction industry as joined it, a trend projected to worsen over the next few years. This is despite demand for on-site occupations outstripping levels of current employment: recent findings from the Greater London Authority indicate that demand for scaffolders and bricklayers exceeded 300 per cent of 2015 employment levels.

2.5. Sources of funding:

[Promoters should provide supporting evidence to show that:

- all reasonable private sector funding options have been exhausted; and
- no other public funding streams are available for or fit the type of scheme that is being proposed

Public funding is regarded as a last resort. Promoters are encouraged to think carefully about and provide strong evidence that the intervention they are proposing has exhausted all other potential sources of funding and there is a genuine need for intervention from the public sector; max. 1.5 pages.]

The Institute for Fiscal Studies (IFS) revealed in its October 2018 report that funding per student for 16 to 18-year-olds in further education has fallen by 8 per cent in real terms since 2010-11 – and it is now at around the same level as during the late 2000s. Funding for adults has fallen by over 20%. Alongside considerable pay pressure and unavoidable additional

employment costs there is little, if any scope for Colleges to generate sufficient cash reserves to fund large scale capital projects through revenue income. Regrettably, the College is not in a position to absorb further loan funding due to high gearing associated with a previous scheme in 2008 where the Learning and Skills Council failed to sufficiently fund the Colchester Campus new build project.

In terms of capital funding options; there is no alternative capital funding opportunity to support UK FE College skills infrastructure development other than through funding sourced by LEP's. The College has explored capital support through Colchester Borough Council on a number of occasions, but regrettably they have confirmed they are unable to support the College in this way.

The College is not in a position to entirely self-fund new capital project initiatives due to a weak balance sheet (c£11m long term debt) driven by past events. On previous schemes, supported by SE LEP, the College has been able to identify asset sales to match fund. The College does not have any remaining land readily available to sell to deliver this scheme in its entirety.

The project will be funded as below:

Public sector grant (LGF 3b Funding)	Grant	£100,000	(40%)
Colchester Institute match funding		£100,000)
Employer Materials / Equipment Sponsorship		£ 20,000) (60%)
<u>Employer Contributions</u>		<u>£ 30,000</u>)
Total project costs		£250,000	

2.6. Impact of non-intervention (do nothing):

[Describe the expected outcome of non-intervention. Promoters should clearly establish a future reference case and articulate the impacts on environment, economy and society, if applicable. The future reference case should acknowledge that market conditions are likely to change in the future, with or without any intervention. 'Do nothing' scenarios where nothing changes are unlikely; max. 1 page.]

Non-intervention would lead to a continuation of the skills challenges described by the Essex Employment and Skills Board (ESB) in these specific construction trades (as outlined in section 2.4 above). As stated, the College is not in a position to self-fund new capital project initiatives. Local employers would continue to restate their concerns for lack of skilled labour to achieve their business outcomes and whilst the College would be sympathetic to their concerns, it could not afford to jeopardise its existence by over-committing valuable cash resources, particularly in light of the FE insolvency regime, planned for implementation in April 2019.

According to the ESB there is already a shortfall of construction workers in Essex and almost half of small house builders (44%) polled for the FMB's House Builders' Survey 2018 said the shortage of skilled workers was a major barrier to their ability to build more new homes. These challenges are in the present, and underline the fact that new

infrastructure developments (as outlined in sections 2.1 and 2.3) will only exacerbate the problem further.

2.7. Objectives of intervention:

[Outline the primary objectives of the intervention in the table below, and demonstrate how these objectives align with the problems presented in the Need for Intervention section.]

Project Objectives (add as required)

Objective 1: To generate a focus to improve engagement opportunities with employers to ultimately drive up more interest in careers within the ground working and scaffolding sectors.

Objective 2: To deliver a ready supply of skilled workers to the sectors at the rate outlined in the table below:

Objective 3: To provide a local resource for Groundworking and Scaffolding Training excellence

	2018-19 (pre-project)	2019-20	2020-21	2021-22
Apprenticeship Starts (Groundworks)	0	36	36	36
Apprenticeship Starts (Scaffolding)	0	12	24	24
Total Project Apprentices on programme	0	48	108	120
CITB CISRS qualified scaffolding operatives	0	20	60	60
CITB Scaffold Inspection Training (SITS) candidates	0	10	20	20
Other CITB accredited training course candidates (Upskilling)	0	20	36	72
Additional Working at Heights and Confined Space Training candidates	0	12	24	24
ECTA supported training candidates	0	10	30	40
CSCS Card Candidates	0	25	50	75
Additional Employers engaged in training with the College	0	12	20	30
Additional training-led jobs in construction(cumulative)	0	48	108	168

Problems or opportunities the project is seeking to address (add as required)

*Problem / Opportunity 1: Lack of awareness of career opportunities in these sectors
Lack of interest in following a construction pathway
Lack of employer engagement / support / sponsorship*

Problem / Opportunity 2: Lack of new recruits to meet the local and regional needs of the construction sector.

Problem / Opportunity 3: Aging workforce issues causing replacement issues (ESB evidence base: 27% of Essex construction workers have in excess of 20 years' experience)

Problem / Opportunity 4: Training provision is not always delivering what industry needs [Complete the following using a system of 0, ✓, ✓✓, ✓✓✓ which maps the objectives to their ability to address each problem. Add rows and columns as required and note not all sections of the table may require completion; max. 1 page.]

		Problems / opportunities identified in Need for Intervention section			
	Problem / Opportunity 1 <i>Lack of awareness of career opportunities (young people)</i>	Problem / Opportunity 2 <i>Lack of skilled workers available</i>	Problem / Opportunity 3 <i>Aging workforce issues</i>	Problem / Opportunity 4 <i>Training provision is not always delivering what industry needs</i>	
<i>Objective 1 To generate a focus to improve engagement opportunities</i>	✓✓✓	✓	✓✓✓	✓✓✓	
<i>Objective 2 To deliver a ready supply of skilled workers</i>	✓	✓✓✓	✓✓✓	✓	
<i>Objective 3: To provide a local resource for Groundworking and Scaffolding training</i>	✓	✓	✓✓	✓✓✓	

Other Project Objectives (linked to SE LEP Objectives)

Please set out the project objectives and how these objectives will support SELEP's objectives to support economic growth.

Project Objectives	SE LEP Objectives
To create high specification groundworks and scaffolding training centre that will help improve apprenticeship uptake and success rates within the SE LEP.	To drive up skills levels in the South East and ensure a high quality network of Further Education (FE) Colleges
To add two new construction trades to curriculum portfolio by quickly developing two construction apprenticeship pathways (not currently offered in North Essex) in early 2019	<p>1) To meet housing needs (up to 300,000 new homes to 2030), requiring a skilled construction workforce on a significant scale.</p> <p>2) Increase apprenticeships and industry relevant qualifications for all ages, particularly in priority sectors.</p> <p>3) Making sure that the right range of provision is available locally (Apprenticeships and industry qualifications to short courses)</p>
48 new apprenticeship enrolments in year 1. This will grow steadily to 108 apprentices in learning by the end of year 2	The SE LEP is striving to significantly increase apprenticeship numbers as part of its commitment towards the government 3 million national 2020 target.
The project will provide pipeline workers and support recruitment for SME's and large companies overcoming the current skills shortages that form barriers to contract delivery.	<p>Increase productivity driven by innovative businesses and people skilled for the future</p> <p>Skills development at the heart of SE LEP strategy for growth which will see by 2021 100,000 additional homes built across SE LEP.</p>
To advertise training options to employers, the unemployed and school leavers from June 2019.	Promoting careers where there are current and future vacancies/gaps in key sectors of our economy to adults and young people
Project development to be steered and monitored by employer engagement group that was first formed in August 2017	Making sure that the curriculum (content and levels) meets employer needs to support growth
Sharing the work of the employer engagement group and the outcomes of the project with a wider employer base through a range of communication channels.	Ensuring that employers understand and are engaged in the skills and employability landscape.
To provide more support for the ESB's Education and Industry STEM Programme	To raise awareness and understanding of apprenticeships and opportunities in construction trades

2.8. Constraints:

[Specify high level constraints or other factors such as social/environmental/financial/developments/schemes/legal consents and agreements which may affect the suitability of the Preferred Option; max. 0.5 page.]

Funding	The maximum contribution from College budget availability is £100,000, the project cannot proceed to a suitable size without additional LGF3b skills capital funding
Planning Permission	Any external modifications / enlargement of current buildings will require planning permission. Note: building is located deep into campus, furthest away from residential area.
Construction Costs	Construction costs continue to increase significantly ahead of inflation. If the project commenced at a later time period then higher costs could be anticipated.
Time	Project timings are critical. There is a clear and pressing need from local employers to proceed with the project immediately. As such the College would be very keen to maintain momentum from the employer group and start the project as soon as funding go-ahead is received.

2.9. Scheme dependencies:

[Provide details of any related or interdependent activities that if not resolved to a satisfactory conclusion would mean that the benefits of the scheme would not be fully realised; max. 0.5 page.]

No scheme dependencies other than funding:

LGF 3b Capital Funding - The College has identified a suitable location and wishes to respond quickly to the demonstrable employer demand.

Revenue Funding - The College assumes that Government will still be supporting Further Education and Training Funding into the future (via funding, or funding passed to employers via the apprenticeship levy collection scheme) and that revenue funding 'per capita' (Governed by the 'Institute for Apprenticeships') for each identified delivery programme will not drop below current levels.

2.10. Expected benefits:

[This section identifies scheme benefits (which will be achieved through delivering the scheme) which may not be valued in the Economic Case. Specify the extent of the scheme benefits referring to relevant economic, social, environmental, transport or other benefits. This is where any 'GVA based' estimates of benefits should be reported together with any dependent development (e.g. commercial or residential floorspace). Please reference the relevant section of the Economic Case where additional information regarding the assessment approach can be found; max. 0.5 page.]

Project delivery would enable Colchester Institute to compete to become CITB's main construction training centre in East Anglia. The College has been supporting CITB over many decades in delivering accredited programmes under subcontract arrangements

and as such is an Accredited Training Organisation for CITB. CITB are currently going through transition and are looking for new providers to take on the work previously delivered through their National Construction Colleges.

As the leading provider of construction apprenticeships in Essex, Colchester Institute is ideally located to service the needs of CITB employers across the region. We would expect to widen the CITB accredited course offering to include Plant Operations and Maintenance, Scaffolding and Access, Health and Safety, Leadership and Management, Construction and Specialist Trades, on Site Assessment and reverse sub-contracted Apprenticeships. Many of these programmes would be delivered during 2019. CITB are not currently accepting any further candidates (until 2019) on CISRS Scaffolding Courses at their National Construction Colleges due to the unprecedented demand levels. The project will immediately relieve this issue in providing an immediate outlet for local and regional businesses to retrain workers to achieve qualified status. Courses would include: Formwork upskilling, Levelling for Construction, Steel Fixing Upskilling, Proprietary System Shoring.

As stated above 120 new training led jobs will be created by the project within the first three years. We would anticipate that from 2020-21 apprentices would be following the new L3 'Groundworker' Apprenticeship Standard and from 2019 the L2 'Scaffolder' Apprenticeship Standard. Skills system investment translates into significant monetary returns for individuals over a working life. Government research suggests that on average the aggregate lifetime return would be £55,300 for a level 3 qualification. Therefore a £250k scheme investment providing 36 new L3 apprentices each year would provide for a £39m return over 20 years for the additional L3 qualified ground workers alone.

We would anticipate that a percentage of L3 completers would progress to higher level qualifications. Through University Centre Colchester, we would anticipate (by 2021) there being a minimum of 5 additional higher level students progressing to HNC Construction and the Built Environment.

The project will develop both capability and readiness in respect of the significant demand for skilled construction workers as evidenced through the College's membership of the North Essex Energy Group. Sizewell in Suffolk and Bradwell near Maldon will require significant additional labour, it is likely over 6,000 workers will be needed during the construction phase of Bradwell B alone from 2023.

2.11. Key risks:

[Specify the key risks affecting delivery of the scheme and benefit realisation e.g. project dependencies, stakeholder issues, funding etc. Information on risk mitigation is included later in the template. This section should be kept brief and refer to the main risk register in the Management Case; max. 0.5 page.]

All risks associated with this project are deemed to be 'low' or 'medium/low' status.

The main risk / barrier to proceeding is LGF 3b capital funding. Non approval of this business case and any professional fees lost in the process whilst 'working at risk' to

achieve the outcomes demanded by the employer engagement group. This would lead to reputational issues for the College to consider with key local employers.

Other (minor risks) include:

- Under assessment of costs /increasing plant prices
- Non achievement of relevant planning permissions (CBC) and approvals
- Identification of College match funding element
- Delay in receipt of plant and equipment to take forward procurement
- Staffing skills shortages and failure to recruit candidates with relevant industry experience

3. ECONOMIC CASE

The economic case determines whether the scheme demonstrates value for money. It presents evidence of the expected impact of the scheme on the economy as well as its environmental, social and spatial impacts.

In addition to this application form, promoters will need to provide a supporting Appraisal Summary Table (AST). This should provide:

- *a calculation of Benefit-Cost Ratio (BCR) according to the DCLG Appraisal Guidance, with clearly identified, justified and sensitivity-tested assumptions and costs*
- *inclusion of optimism bias and contingency linked to a quantified risk assessment*
- *inclusion of deadweight, leakages, displacement and multipliers*

Smaller schemes (less than £2 million) are not required to provide a supporting AST, and do not have to calculate a BCR.

3.1. Options assessment:

[Outline all options that have been considered, the option assessment process, and specify the rationale for discounting alternatives.

Promoters are expected to present a sufficiently broad range of options which avoid variations (scaled-up or scaled-down version) of the main options. The key to a well scoped and planned scheme is the identification of the right range of options, or choices, in the first instance. If the wrong options are appraised the scheme will be sub-optimal from the onset.

Long list of options considered:

Description of all options which have been considered to address the problem(s) identified in the Need for Intervention section above, including options which were considered at an early stage, but not taken forward.

Site location

1. Spring Lane Sports Ground, Colchester – This location was discounted for concern over site conditions including flooding and environmental impact. The security of plant and equipment was also highlighted as a concern at options appraisal stage.
2. Braintree Campus - This location was discounted for lack of availability of suitable ground space area. The only land that might be available to the College is too close to the river bank that again raises similar concern over planning permission and site conditions including flooding and environmental impact
3. Clacton Campus – Lack of available ground to cater for the project
4. Colchester Hillyfields – This location would provide suitable space and is within the College's ownership. However, permission to use this area is restricted by its designation under scheduled ancient monument and planning permission for new buildings (temporary or permanent) would be unachievable meaning that site conditions could not be easily replicated.
5. Colchester Sheepen Road Campus – This location provides for sufficient space with suitable adjoining classroom facilities (requiring modification to be fit for purpose identified). Site is accessible, very secure and already has CCTV in various locations.
6. Alternative site location (TBC) – This would involve considerable additional overheads, additional capital outlay and as a consequence; higher inherent risk to the project. An alternative site would need to be cost effective, secure and accessible for both employers and students.

Alternative (smaller) project

This was considered by the College Executive but discounted on the basis that it would not have the ability to service the needs of the employers outside the steering group who have not as yet been contacted about the innovative project plans. In addition there would be a reduction in the range of qualifications and type of qualification units available for delivery.

Alternative delivery model (subcontract)

This was considered by the College Executive but discounted on the basis that the College has the expertise from within its own ranks to deliver the intended qualifications. Whilst there will be a requirement for additional teaching and assessing resource over time; college leaders are

supportive of college direct delivery approach to enable close monitoring and control of performance outcomes in line with standard teaching and learning practices.

Non-intervention

Considered a non-option. The local employer steering group comprising MDS, Cadman Construction, Tamdown, Anderson Group and Ringway Jacobs have met with college leaders throughout 2017 and 2018 to develop proposals and provided compelling business case arguments as to why Colchester Institute must deliver on this proposal. Non-intervention would lead to a reputational impact for Colchester Institute in terms of its proud strategic corporate stance of being responsive to employer need.

Options assessment:

Describe how the long list of options has been assessed (assessment approach), rationale behind shortlisting/discarding each option.

The College Executive took forward the assessment approach based on initial feasibility and likelihood of successful outcomes. As can be seen above from the long list established, this was a straightforward process and the preferred option emerged logically.

Short list of options:

The 'Options Assessment' section is an opportunity to demonstrate how learning from other projects and experience has been used to optimise the proposal, and the Preferred Option is expected to emerge logically from this process; max. 2 pages.

Smaller schemes (less than £2 million) are required to complete an Options assessment which is proportionate to the size of the scheme; max. 1 page.]

This is not a large scale project. In terms of learning from other projects and experience, the promoter is aware of the value of stakeholder engagement in delivering successful outcomes. Therefore the College will continue to work through the various delivery stages of this scheme with the employer group alongside support from the Senior Responsible Officer. The employer group has already provided invaluable information and support in supporting the progress milestones achieved to date.

The College has worked collaboratively with a range of experienced and talented professional designers in the past to achieve successful innovative outcomes. It would propose to continue to utilise their skills (subject to tendering procedures) to deliver on this scheme.

Whilst responsibility for Business As Usual delivery of the project will lie with the Director of STEM Innovation, the College will set up an internal reporting arrangement through the Resources Committee and on to the Corporation Board for monitoring of project delivery and achievement of specified outputs. (See section 6.1)

The preferred option emerged logically from the options long list for the reasons stated.

3.2. Preferred option:

[Describe the Preferred Option and identify how the scheme aligns with the objectives. Include evidence of stakeholder support for the Preferred Option either through consultation on the scheme itself or on the strategy the scheme forms part of; max. 1 page.]

Project delivery preferred option is confirmed as:

1. Colchester Institute main campus location
2. By Colchester Institute direct delivery

<p>Objective 1 To generate a focus to improve engagement opportunities</p>	<p>Preferred option / site proposal is optimal in terms of creating a self-contained facility that can accommodate employer drop-in, meetings and events – all adjacent to practical delivery areas and close to existing facilities (eg Training Tower)</p>
<p>Objective 2 To deliver a ready supply of skilled workers</p>	<p>Preferred option / site proposal is optimal in terms of being able to support the achievement of skilled workers / outputs as detailed in section 1.6</p>

Colchester Institute was originally approached by several large employers (including Tamdown Construction, The Knight Group, Cadman Construction, Anderson Group, Ringway Jacobs, Rose Builders and others) frustrated by the lack of available local training supporting ground working and scaffolding.

This project proposal has emerged as a key action from the employer engagement group. All members of the group are committed to providing a fit for purpose training centre replicating site conditions that will introduce new entrants to apprenticeships in these sectors and provide careers for local young talent. The employers will contribute in monetary terms £30,000 and also provide free of charge support for site design.

Support from employers around the development of a new apprenticeship pathway is strong with commitment of new apprenticeship learner numbers for 2018/19 and year on year thereafter. The College continues to meet with other stakeholders including City and Guilds to check on progress with regard to the new apprenticeship standard ‘Groundworker’ which is currently in development.

The College has met with representatives from the Essex Construction Training Association <http://ecta.co.uk/> which is an ambassador for promoting a fully skilled and safe construction industry. They provide members across Essex with a raft of resources including advice, quality training, updates on legislation, knowledge of best practice, signposting, networking and a forum for discussion. The College would partner with ECTA to provide a local specialist training offer for its members.

The preferred option outlined above was unanimously supported by the employer group when they attended their latest meeting held on 24 September 2018. During the meeting the group were shown the intended site location (as detailed in section 2.2) and were excited by the opportunities that the location brings.

3.3. Assessment approach:

[Describe the approach used to assess the impacts of the scheme, describing both the quantitative and qualitative methods used, and specify the Do Minimum and Do Something scenarios. The assessment approach should be a proportionate application of the DCLG guidance; max. 1.5 pages.]

Do nothing

Non-intervention is considered non-option. The local employer steering group comprising MDS, Cadman Construction, Tamdown, Anderson Group and Ringway Jacobs have met with college leaders throughout 2017 and 2018 to develop proposals and provided compelling business case arguments as to why Colchester Institute must deliver on this

proposal. Non-intervention would lead to a reputational impact for Colchester Institute in terms of its proud strategic corporate stance of being responsive to employer need. Opportunity lost.

Do minimum

If SE LEP funding was not prioritised for the scheme then the project will not proceed in this guise. The College would consider taking forward a partial scheme within its own resource means but it would be questionable as to whether the facility could be developed, and necessary plant and equipment adequately resourced. Facilities would be sub-standard and the positive impacts and outcomes greatly reduced. Employer and student engagement would not be as positive impacting participation levels.

Do something

The College will always steer new curriculum development in the direction of employer need. The College will continue to increase apprenticeships in key growth sectors but the pace of change supporting this acute skills shortage in construction will be thwarted by the lack of available facilities. On flexibility, the project funding could be reduced by £50,000 but this would have a lesser impact, presenting a lower value proposition for groundworks employers (fewer unit options for selection) and also require the removal of the scaffolding element of the project outputs, which is not a desired position promoted by the College.

Do optimum – Recommended Option

The strongest business case. To develop the Groundworks and Scaffolding Training Centre at the Colchester Sheepen Road Campus and set up with effective resources, adequate to meet qualification / examining board requirements and appropriate direct delivery teaching resource.

3.4. Economic appraisal assumptions:

[Provide details of the key appraisal assumptions by filling in the table in Appendix A, expand if necessary. Key appraisal assumptions as set out in Appendix providing justification for the figures used and any local evidence, where appropriate (different from the standard assumptions or the ones with the greatest influence on the estimation of benefits). Explain the rationale behind displacement and deadweight assumptions.

Smaller schemes (less than £2 million) are not required to complete this section].

Although the size of the project does not require completion of this section we restate the assumptions leading to completion of the SFA Investment Appraisal template (as a recognised Government economic investment appraisal tool)

CAPITAL COST	
Initial Capital Cost	£250,000 as per SOBC
Capital Receipts	£100,000 via SE LEP LGF3b
Lifetime Capital Costs	£10,000 in year 10, £20,000 in year 20

Total Area Improved (m²)	1,600 SQM Outdoor Facility plus 100 GIA teaching spaces
Estimated life of the assets	40 years
OPERATING COSTS	
Premises Costs Utilities Repairs and Maintenance Rent and Leases Other	Utility costs for teaching spaces plus allowance for repairs and other miscellaneous improvements
Premises Savings Operating Savings One-off Savings	Operating Savings: Bringing 'back to life' a building on site no longer in use through refurbishment to support classroom activities. This saves on buildings rental cost if using an off-site facility as first anticipated. One-off savings: £50,000 in total (25% project cost) savings anticipated during build process through utilisation of in-house procurement resource
Staff Costs	6 new staff in total, employed as and when business develops
INCOME	
Learner Income	
16-19 Education and Training	n/a - although this might change in the future
Adult Skills	CITB accredited training course candidates (Upskilling) attracting Adult Education Budget Co-Funding. 20 in year 1 rising to 72 candidates by year 3
Non-Adult Skills	Apprenticeship Starts (16-18 and 19+) in both Groundworks and Scaffolding. 48 starts predicted in year 1 rising to minimum 60 starts per annum from year 2 onwards. Note estimated funding is tapered in year 1 allowing for variable start date. Also note funding for standards has not yet been set, so a prudent estimate of £3,600 per learner has been predicted (with 10% co-investment - see below)
Higher Education	No income estimated at present although we do foresee a progression route opening up over time
Fee Income	Employer co-investment as required for apprenticeships - estimated at 10%, could reduce to 5% depending on future Gov reform, but this would be recovered through higher funding income to offset. Additional fees include other short courses including upskilling / retraining eg CITB CISRS qualified scaffolding operatives, CITB Scaffold Inspection Training (SITS), Additional Working at Heights and Confined Space Training, ECTA supported training, CSCS Cards.
Other	n/a - although this might change in the future
Other Income	n/a - although this might change in the future
Learners benefiting from the project	6,755 learners benefitting from the project by 2040

3.5. Costs:

[Provide details of the costs of the scheme. All public-sector costs should be included:

- *Public sector grant or loan*
- *[Public sector loan repayments] (negative value)*
- *Other public sector costs*
- *[Other public sector revenues] (negative value)*

If the land is owned by the public sector, then the public sector will be incurring holding costs assumed to be 2% of the existing value of the land per year. Should the land be used for non-residential development these holding costs will be avoided. This needs to be reflected in the appraisal as a negative cost.

Please note that any private costs associated with the development should be included in the appraisal as a dis-benefit and therefore feature in the numerator of the BCR calculation rather than the enumerator.

Additional details regarding the consideration of costs as well as standard assumptions that can be used in the absence of local data can be found in the DCLG appraisal data book.

Project cost requirements are identified as below:

Cost type	Expenditure Forecast (Fiscal year)					All
	17/18 £	18/19 £	19/20 £	20/21 £	Etc.	
Capital costs						
Ground Clearance			10,000			
Area Marking and Landscaping			10,000			
Car parking reconfiguration			15,000			
Secure Storage Area / Facilities			30,000			
Capital Plant & Equipment, Scaffolding sets for training use			25,000	10,000		
Signage / Hoarding			10,000			
Professional Design / Planning / Management	0	0	15,000	10,000		
Building works (including preliminaries)			60,000			
IT cabling, switch, copier and projectors			5,000	5,000		
Materials			20,000			
Contingency			5,000	10,000		
Other overheads						
Non-capital						
Tools, furniture, equipment and PPE sets	0	0	5,000	5,000	0	
QRA - Nil given scale of project	0	0	0	0	0	
Monitoring and Evaluation –(Monitoring and reporting of project outcomes will be absorbed by College)	0	0	0	0	0	
Total project costs	0	0	210,000	40,000	0	
Inflation (%)	0	0	0	0	0	

Allocated capital cost allocations will comply with and align to capitalisation policy as set out in Colchester Institute Financial Regulations and Associated Procedures. The minimal funding required for post scheme Monitoring and Evaluation will be contained within Colchester Institute's staffing budgets.

Project funding requirements are identified as:

Public sector grant or loan	£100,000	40%
[Public sector loan repayments] (negative value)	N/a	
Other public sector costs	N/a	
[Other public sector revenues] (negative value):	N/a	
Colchester Institute match funding	£100,000)
Employer Materials / Equipment Sponsorship	£ 20,000) (match 60%)
<u>Employer Contributions**</u>	<u>£ 30,000</u>)
Total project costs	£250,000	

Land is owned by Colchester Institute and therefore as a non-residential scheme, NIL cost brought into project cost calculations.

Please note whilst inflation costs have not been included due to the short spend profile, these have been considered (see risk table for more details) as low risk and will be met by the proposer.

Should costs exceed plan due to any optimism bias on under-assessment of costs (which we do not believe to be the case), the costs will be met by the proposer.

A contingency sum of £15,000 has been included in the financial proposal (6% of total project costs). Should costs over-run, the proposer will support any additional contingency by identifying in-year revenue savings.

**The proposer has recently received further assurance that the third party commitments are secure. The College has been asked to invoice the employers ahead of project go-ahead.

3.6. Benefits:

[Provide details of the benefits of the scheme identifying the 'initial' and adjusted benefits that were used to calculate the 'initial' and 'adjusted' BCR. The DCLG Appraisal Guidance provides additional details regarding the initial and adjusted benefit calculations on page 17.]

'Initial' Benefits

All impacts quantified based on the Green Book Guidance and Green Book Supplementary and Departmental Guidance should feature in the 'initial' BCR calculation. These impacts currently include:

- Air quality
- Crime
- Private Finance Initiatives
- Environmental
- Transport (see WebTAG guidance)
- Public Service Transformation
- Asset valuation
- Competition
- Energy use and greenhouse gas emissions
- Private benefits e.g. land value uplift
- Private sector costs if not captured in land value
- Public sector grant or loan if not captured in land value
- Public sector loan repayments if not captured in land value

'Adjusted' Benefits

There are several external impacts to the users or entities already present in a development area or to the society that are additional to the impacts included in the Green Book Supplementary and Departmental Guidance.

Such external impacts include potential agglomeration impacts on third parties, health impacts of additional affordable housing and brownfield land clean-up, educational impacts of additional housing, transport externalities, public realm impacts, environmental impacts, and cultural and

amenity impacts of development. Such externalities should still form part of the appraisal and included in the 'adjusted' BCR.

Promoter should present here additional estimates of impacts based on their own evidence. These estimates might be based on tentative assumptions where the evidence base is not well established. Additional guidance regarding the identification of externalities and ways of estimating the 'adjusted' impacts are available in Annex F of the DCLG Appraisal Guidance.]

Not Applicable to scheme proposal, however our Benefit Cost Ratio exercise undertaken under SFA Investment Appraisal Methodology (as attached) indicates a positive outcome of 1.3043 over 20 years or 1.2583 over 10 years

3.7. Local impact:

[If the scheme has a significant level of local impacts these should be set out in this section.]

See 'Need for Intervention' section 2.4. The local impact to small, medium and large employers of not being able to access local training facilities cannot be under-estimated.

3.8. Economic appraisal results:

[Please provide details of the key appraisal results (BCR and sensitivity tests) by completing the table below. Please note, not all sections of the table may require completion.

Promoters should also include a statement which identifies other schemes which may have potentially contributed to the same benefits/impacts.

Smaller schemes (less than £2 million) are not required to complete a quantified economic appraisal but are required to include a Value for Money rationale.]

Not Applicable to scheme proposal however the outcomes from our completed SFA investment appraisal summary (attached) are stated below. Please also see VFM rationale statement

	DCLG Appraisal Sections	Option 1 relative to status quo (Do Something)	Option 2 relative to status quo (Do Minimum)
A	Present Value Benefits [based on Green Book principles and Green Book Supplementary and Departmental Guidance (£)]	£8,266,572 over 20 yrs (or £4,000,580 over 10 yrs)	n/a
B	Present Value Costs (£m)	£6,852,006 over 20 yrs (or £3,450,494 over 10 yrs)	n/a
C	Present Value of other quantified impacts (£m)	n/a – none quantified	n/a
D	Net Present Public Value (£m) [A-B] or [A-B+C]	£1,411,148 (NPV at 3.50% TDR over 20 years) or £550,086 (NPV at 3.50% TDR over 10 years)	n/a
E	'Initial' Benefit-Cost Ratio [A/B]		
F	'Adjusted' Benefit Cost Ratio [(A+C)/B]	1.3043 (or 1.2583 over 10 yrs)	1.3048 (or 1.2583 over 10 yrs)
G	Significant Non-monetised Impacts	[Please provide details of the non-monetised impacts of the scheme. Please note that, where monetisation is not possible, a qualitative assessment of the potential impacts should be carried out and presented in the Business Case submission. See below for a qualitative assessment The DCLG Appraisal Guidance provides additional details regarding the use of multi-criteria analysis (MCA) on page	



	DCLG Appraisal Sections	Option 1 relative to status quo (Do Something)	Option 2 relative to status quo (Do Minimum)
		<i>25 or switching values to capture the significance of such impacts on page 26]</i>	
H	Value for Money (VfM) Category	<i>[A VfM category should be produced for each spending option. The VfM should be based on the overall assessment of both monetised and non-monetised impacts. The VfM category will ultimately represent a judgment based on the size of the monetised benefits relative to the monetised costs (the BCR) and the potential significance of non-monetised impacts. Additional guidance can be found on page 28 of the DCLG Appraisal Guidance] Only one option prepared for the relative size of this bid</i>	
I	Switching Values & Rationale for VfM Category	<i>[Sensitivity analysis can be used to identify a 'switching value' particularly with respect to additionality] See sensitivity analysis within Investment Appraisal Summary template</i>	
J	DCLG Financial Cost (£)	£100,000	
K	Risks	As detailed in appendix B	
L	Other Issues	N/a	

Value for Money Rationale - Statement

The project has evolved from the needs and demand of local employers within the construction industry who are unable to identify fit for purpose local training solutions supporting their business needs. These needs have been captured by the College and encapsulated within a project proposal.

The project will provide for new training opportunities in two industry sectors not currently supported by Colchester Institute, or furthermore, by any other Further Education College in the County.

The project directly meets the strategic ambitions of the SE LEP Skills Strategy and challenges articulated by the Essex Employment and Skills Board. It provides for both funded training opportunities and full cost professional courses, allowing candidates to obtain legislative qualifications to unlock barriers to career progression and business growth.

As shown above 168 new training led jobs will be created by the project within the first three years. Skills system investment translates into significant monetary returns over a working life. Government research suggests that on average the aggregate lifetime return would be £55,300 for a level 3 qualification. Therefore a £250,000 scheme investment providing 36 new L3 apprentices each year would provide for a £40m return over 20 years for the additional L3 qualified ground workers alone.

We would anticipate that a percentage of L3 completers would progress to higher level qualifications. Through University Centre Colchester, we would anticipate (by 2020) there being a minimum of 5 additional higher level students progressing to HNC Construction and the Built Environment.

Sensitivity Modelling

In the event of a 4% increase in capital costs, the project will still return the following Benefit Cost Ratio outcomes

1.2771 over 20 years

1.2146 over 10 years

4. COMMERCIAL CASE

The commercial case determines whether the scheme is commercially viable and will result in a viable procurement and well-structured deal. It sets out the planning and management of the procurement process, contractual arrangements, and the allocation of risk in each of the design, build, funding, and operational phases.

4.1. Procurement options:

[Present the results of your assessment of procurement and contracting route options and the supplier market, and describe lessons learned from others or experience; max. 1 page.]

Small scale scheme - Colchester Institute Financial Regulations and Associated Procedures (FRAP) sets out how the College meets public sector procurement contracting requirements. Under current Regulation the College would be permitted to utilise the services of professional design teams supporting current projects, subject to benchmarking of rates back to previously approved tender sums. With a current scheme in the process of delivery, the College would favour a re-appointment of existing vendors to enable a fast-track delivery of this project. Therefore we would anticipate the re-appointment of Varsity Consulting (Cost consultancy) to support us in project design delivery, supplemented by the College's in-house Procurement Team and Tenet Educational Services Limited (who support the College with large scale strategic procurement activities).

The College has successfully delivered two major schemes within the last three years (STEM South Wing Building Colchester £9.5m SFA funded capital project and Braintree STEM Innovation Centre £5.6m SE LEP SCF capital project). Both projects were delivered by the current College Senior Leadership Team, led by Gary Horne, Executive Vice Principal and Natalie Hines, Director of Capital projects. The lessons learned from these projects have been documented and presented to the professional design team and contractors leading on the current SE LEP LGF delivery. At a high level, we know that the most critical element is appointing a suitable professional team who will work effectively with a trusted contractor who all drive to achieve the common goal – the very best value proposition for Colchester Institute students. Of equal importance is bringing the contractor on board as early as possible – a strategy that proved highly successful in the recent STEM Innovation scheme delivery.

4.2. Preferred procurement and contracting strategy:

[Define the procurement strategy and contracting strategy (e.g. traditional, (design and build, early contractor involvement) and justify, ensuring this aligns with the spend programme in the Financial Case and the project programme defined in the Management Case; max. 2 pages.]

Colchester Institute Financial Regulations and Associated Procedures sets out how the College meets public sector procurement contracting requirements. In this particular case, due to the size of the scheme there will only be a requirement for an Invitation to Tender / mini competition for individual project delivery elements to assure best value. Also see section 4.1.

4.3. Procurement experience:

[Describe promoter (and advisor) experience of the proposed approach including any lessons learnt from previous procurement exercises of a similar scale and scope; max. 0.5 pages.]

Executive Vice Principal: Finance and Corporate Development (11+ years FE management experience) to oversee procurement approach using Invitation to Tender approach for procurement of goods/ services in excess of £15,000. Utilisation of Tenet Educational Services - Professional Procurement Services and Crescent Purchasing Consortium (CPC) where applicable. Small scale scheme in comparison with £40m annual college turnover. Compliant procurement approach can be evidenced through previous SE LEP SCF capital schemes (as detailed in section 4.1), and revenue contracts such as outsourced catering (£1m p.a), outsourced cleaning (£0.6m p.a.), insurance (£0.150m p.a.). With significant experience of capital project delivery (including 4 previous schemes for the College) Varsity Consulting are the current preferred advisors to Colchester Institute facilities and project management.
<https://varsityconsult.com/>

4.4. Competition issues:

[Describe any competition issues within the supply chain; max. 0.5 page.]

No Competition issues identified at this stage. As stated above, the nearest equivalent groundwork and scaffolding facility is the National Construction College in North Norfolk. Being some 90 miles away from Colchester it does not currently meet the needs of Essex businesses, so there is an inherent training need for the industry that requires SE LEP funded intervention.

4.5. Human resources issues:

[Where possible, describe what you have done to identify and mitigate against any human resource issues; max. 0.5 pages]

The College has implemented a number of initiatives to overcome potential issues that may emerge from a staffing recruitment perspective. Collegiate policies are in place to provide us with the ability to overcome staff recruitment and retention issues for STEM lecturers and assessors. These include a Golden hello scheme, whereby staff joining 'difficult to recruit' curriculum areas, receive a bonus totalling £5,000 paid at different stages of their first two years in post. Additionally in some STEM areas, where recruitment of teaching staff has proved particularly difficult, generous skills supplements are added to standard pay scales, for both new and existing staff, the latter being important in respect of the retention of key postholders. Innovative recruitment campaigns have also been launched, for example a 'STEMgineer' branded social media campaign, aimed at attracting those with engineering skills and experience into STEM delivery roles. The campaigns have culminated in open evenings designed to inform and excite interested parties about the many benefits and rewards of a career in FE teaching or training. The College has successfully secured new staff through this route. The College is also starting to look at other opportunities to reach, and target, skilled staff, including through the use of LinkedIn. More recently, staff members have been encouraged to identify suitable candidates for teachers in hard to recruit areas through the introduction of a 'refer a friend scheme' which

pays a bonus of £500 to a staff member referring a friend or family member to a job, on successful completion of the new recruit's first month and then first year in post. The College fully funds a formal teacher training qualification (worth c£9,000) for all new, unqualified, teaching staff, provides mentoring and remission from teaching, in order to help new staff succeed in their role. Some staff, will also benefit from relocation allowances, and short term accommodation support. The College is also participating in the Taking Teaching Further project, in conjunction with Harlow College and South Essex College. Three main workstreams are all aimed at combatting staff recruitment and retention issues in STEM subjects. The three workstreams involve working together on innovative recruitment methods, with each College trialling different methods and sharing their findings; employer-led curriculum development, to fill gaps where College staff might be unaware of very latest developments ; and knowledge transfer – with College staff working alongside employers (at College and in the workplace) to update their subject specific skills and knowledge.

4.6. Risks and mitigation:

Specify the allocation of commercial risks (e.g. delivery body, federated area, scheme promoters) and describe how risk is transferred between parties, ensuring this is consistent with the cost estimate and Risk Management Strategy in the Management Case; max. 1 page.]

See table below and also Appendix B

Description of Risk	Impact of Risk	Risk Owner	Risk Transference
SE LEP funding not received	High	Project Proposer (Colchester Institute Corporation)	None Project will not proceed in current guise without confirmed funding support.
SE LEP funding transfer to proposer	Very Low	Project Proposer (Colchester Institute Corporation)	It is understood that funding will be drawn down on an application basis on an 'arrears' basis. Therefore the proposer will have already settled expenditures (and will be able to evidence such) before SE LEP LGF funding is received. Therefore no transference of risk.
Project non-completion	Very Low	Project Proposer (Colchester Institute Corporation)	If for whatever reason the project did not complete to the detailed levels as required, the proposer would assume that SE LEP capital funding would be repayable.
Under assessment of costs /increasing plant prices leading to project cost over-run	Medium	Project Proposer (Colchester Institute Corporation)	No risk transference – Retained proposer risk. The proposer would expect to identify resources to meet any additional costs
Lost professional fees in working up detailed design 'at risk' of funding to achieve programme and delay readiness	Medium	Project Proposer (Colchester Institute Corporation)	No Transference – Retained proposer risk The proposer would expect to identify resources to meet any additional costs

Non achievement of relevant planning permissions (CBC) and approvals	Low	Project Proposer (Colchester Institute Corporation)	No Transference – Retained proposer risk The proposer would expect to identify resources to meet any additional costs
Identification of College match funding element	High	Project Proposer (Colchester Institute Corporation)	No Transference – Retained proposer risk
Delay in receipt of plant and equipment to take forward procurement	Medium	Project Proposer (Colchester Institute Corporation)	No Transference – Retained proposer risk
Staffing skills shortages and failure to recruit candidates with relevant industry experience	Medium	Project Proposer (Colchester Institute Corporation)	No Transference – Retained proposer risk
Archaeology	Medium	Project Proposer (Colchester Institute Corporation)	No Transference – Retained proposer risk
Non receipt of employer donations (£20,000)	Low	Project Proposer (Colchester Institute Corporation)	No Transference – Retained proposer risk. Risk is low as sums already pledged.
Project cost over-run	Low	Project Proposer (Colchester Institute Corporation)	Project proposer will meet the cost of any over-run – very low risk to LGF outcomes / project delivery

4.7. Maximising social value:

[Where possible, provide a description of how the procurement for the scheme increases social value in accordance with the Social Value Act 2012 (e.g. how in conducting the procurement process it will act with a view of improving the economic, social and environmental well-being of the local area and particularly local businesses); max. 0.5 page.]

Through Financial regulation, Colchester Institute continues to apply the principles of the Public Services (Social Value) Act to its purchasing and procurement policy. The College recognises its responsibilities to the local community and continues to positively engage with a wide range of local stakeholders. This is in line with the three year Corporate Strategic Plan. The College will always support the local supply chain wherever possible and this can be evidenced through the use of local contractors and professionals on delivery of previous capital schemes. In the case of large contracts; the College will actively enforces the use of local labour and supply chain. Value for money is evidenced through the ongoing completion of the 'Efficiency Measurement Module for FE' – a tool that records annual purchasing savings. For the year ending 31/07/2018, this amounted to £963,970 against a full year target of £700,000. An annual Value for Money paper is also submitted to the Corporation Board annually for approval.

5. FINANCIAL CASE

The Financial Case determines whether the scheme will result in a fundable and affordable Deal. It presents the funding sources and capital requirement by year, together with a Quantitative Risk Assessment (QRA), project and funding risks and constraints. All costs in the Financial Case should be in nominal values¹. The profile of funding availability detailed in the Financial Case needs to align with the profile of delivery in the Commercial Case.

5.1. Total project value and funding sources:

[Specify the total project value and how this is split by funding sources by year, as per the table below (expand as appropriate). This should align with the total funding requirement described within the Project Overview section. Please include details of other sources of funding, and any conditions associated with the release of that funding. LGF can only be sought to 2020/21.]

Project funding requirements are identified as:

Public sector grant (LGF 3b Funding)	£100,000
Colchester Institute match funding	£100,000
Employer Contributions**	£ 50,000
Total project costs	£250,000

**The proposer has recently received further assurance that the third-party commitments are secure. The College has been asked to invoice the employers ahead of project go-ahead.

5.2. SELEP funding request, including type (LGF, GPF, etc.):

[Specify the amount and type of SELEP funding sought to deliver the project. This should align with the SELEP funding requirement described within the Project Overview section.]

Public sector grant (LGF 3b Funding)	£100,000
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5.3. Costs by type:

Detail the cost estimates for the project by year as per the table below (expand as appropriate) and specify how the inclusion of the Quantitative Risk Assessment (QRA) and other overheads aggregate to the total funding requirement. Where conversion has been made between nominal and real cost estimates (and vice versa) please provide details of any inflation assumptions applied. The Financial Case should not include Optimism Bias. Please confirm that optimism bias has not been applied in the Financial Case. Also, include details of the agreed budget set aside for Monitoring and Evaluation, and ensure this aligns with the relevant section in the Management Case. Please note, not all sections of the table may require completion.]

¹ Nominal values are expressed in terms of current prices or figures, without making allowance for changes over time and the effects of inflation.

Cost type	Expenditure Forecast (Fiscal year)			
	17/18 £	18/19 £	19/20 £	20/21 £
Capital costs				
Ground Clearance			10,000	
Area Marking and Landscaping			10,000	
Car parking reconfiguration			15,000	
Secure Storage Area / Facilities			30,000	
Capital Plant & Equipment, Scaffolding sets for training use			25,000	10,000
Signage / Hoarding	0	0	10,000	
Professional Design / Planning / Management			15,000	10,000
Building works (including preliminaries)			60,000	
IT cabling, switch, copier and projectors			5,000	5,000
Materials			20,000	
Contingency			5,000	10,000
Other overheads				
Non-capital				
Tools, furniture, equipment and PPE sets	0	0	5,000	5,000
QRA - Nil given scale of project	0	0	0	0
Monitoring and Evaluation – (Monitoring and reporting of project outcomes will be absorbed by College)	0	0	0	0
Total project costs	0	0	210,000	40,000
Inflation (%)	0	0	0	0

All allocated capital cost allocations will comply with and align to capitalisation policy as set out in Colchester Institute Financial Regulations and Associated Procedures. The minimal funding required for post scheme Monitoring and Evaluation will be contained within Colchester Institute's staffing budgets.

We confirm there has been no optimism bias included in the project proposal. The project costs and deliverables and outcomes are based on historical knowledge of project delivery, curriculum delivery and employer behaviour.

Please note whilst inflation costs have not been included due to the short spend profile, these have been considered (see risk table for more details) as low risk and will be met by the proposer.

Should costs exceed plan due to any optimism bias on under-assessment of costs (which we do not believe to be the case), the costs will be met by the proposer.

A contingency sum of £15,000 has been included in the financial proposal (6% of total project costs). Should costs over-run, the proposer will support any additional contingency by identifying in-year revenue savings.

The project proposer confirms

1. the suitability of all resources have been assessed and;
2. the availability of all resources required to complete the project.

5.4. Quantitative risk assessment (QRA):

[Provide justification for the unit costs and a Quantitative Risk Assessment (QRA) provisions (detailed in the capital and non-capital tables above); max. 2 pages. Please provide supporting documents if appropriate.]

Forecast unit costs have been assessed as correct estimates from outline enquiries made of professional designers, facilities management staff, experienced contractors and suppliers of equipment. Quotations for items have also been sought where applicable.

A Quantitative Risk Assessment (QRA) is a formal and systematic risk analysis approach to quantifying the risks associated with the operation of a process.

Our QRA focuses on the Business As Usual (BAU) activity once the centre has been developed, as opposed to the other risk analysis work undertaken in this Business Case which focuses on deliverability of the Centre.

Key

Likelihood		Impact	
1	Improbable	1	Minor Disruption
2	Remote	2	Major Disruption
3	Occasional	3	Severe Disruption
4	Probable	4	Short Term Closure
5	Almost certain	5	Long Term Closure

Hazard Identification	Inherent Risk Factor (L x I)	Protection Systems and Controls (Mitigation)	Potential Frequencies (Likelihood) after mitigating controls employed	Consequence of defined hazards (Impact) after mitigating controls employed	Residual Risk Factor (L x I)
Lack of delivery staff to support BAU operations	3 x 3	HR staff attractions and benefits. Transfer staff from other programmes (eg Bricklaying) Employ agency workers with	2	2	4

		appropriate monitoring and oversight			
Government Policy reform with negative affect on funding	3 x 3	Sector bodies supporting the training needs agenda (eg CITB reports, AoC, City and Guilds, etc)	1	3	3
Lack of Employers contributing to programme	1 x 5	Skills requirements clearly defined driven by economic growth and housing targets	1	5	5
Lack of recruits applying for apprenticeship vacancies	3 x 3	Advertising channel reviews. Marketing to schools incl. ECC roadshows. Case studies and partnership working	2	1	2
Health and Safety issues emerging (site safety, etc)	1 x 3	Staff induction followed up by central annual audit framework. Student site safety induction and modules throughout the programme	1	1	1

5.5. Funding profile (capital and non-capital):

[Where possible, explain the assumed capital and non-capital funding profile, summarise the total funding requirement by year, and funding source (add rows / columns as appropriate). Please note, not all sections of the table may require completion. Also, explain the external factors which

influence/determine the funding profile, describe the extent of any flexibility associated with the funding profile, and describe non-capital liabilities generated by the scheme; max. 1 page.]

Funding source	Expenditure Forecast					
	17/18 £	18/19 £	19/20 £	20/21 £	21/22 £	22/23 £
Capital source SE LEP LGF 3b	0	0	100,000	0	0	0
Colchester Institute	0	0	60,000	40,000	0	0
Employer Group	0	0	50,000	0	0	0
Other	0	0	0	0	0	0
Total funding requirement	0	0	210,000	40,000	0	0

5.6. Funding commitment:

[Provide signed assurance from the Section 151 officer to confirm the lead applicant will cover any cost overruns relating to expenditure and programme delivery, as per the template in Appendix A. Please also confirm whether the funding is assured or subject to future decision making.]

As stated in section 4.6, the proposer / grant recipient (Colchester Institute) has agreed to cover any cost over-run relating to expenditure or programme delivery. Match funding is assured from proposer and employer group.

5.7. Risk and constraints:

[Specify project and funding risks and constraints. Describe how these risks have, where appropriate, been quantified within the QRA/contingency provisions; max 0.5 pages.]

These have been identified in sections 1.1, 2.8, 5.4 and Appendix B

6. MANAGEMENT CASE

The management case determines whether the scheme is achievable and capable of being delivered successfully in accordance with recognised best practice. It demonstrates that the spending proposal is being implemented in accordance with a recognised Programme and Project Management methodology, and provides evidence of governance structure, stakeholder management, risk management, project planning and benefits realisation and assurance. It also specifies the arrangements for monitoring and evaluation in terms of inputs, outputs, outcomes and impacts.

6.1. Governance:

[Nominate the project sponsor and Senior Responsible Officer, explain the project governance structure (ideally as a diagram with accompanying text) and describe responsibilities, project accountability, meeting schedules etc.; max. 1 page.]

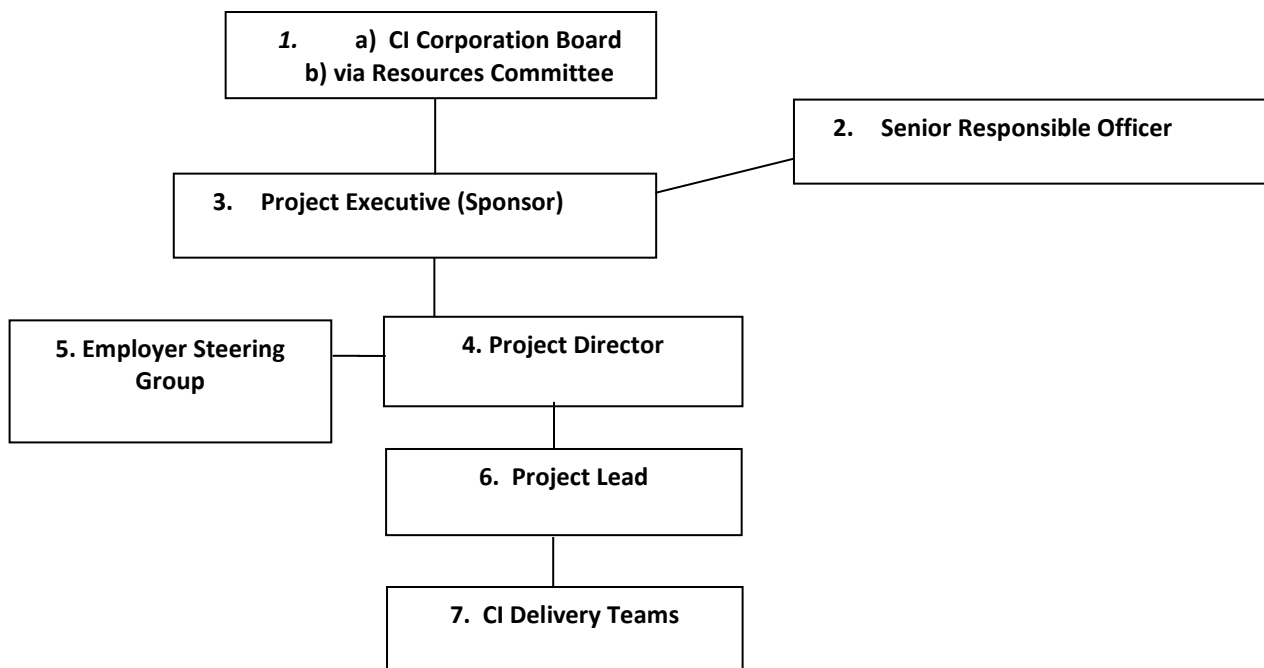
Whilst responsibility for delivery of the project will lie with the Director of STEM Innovation, the College will set up an internal reporting arrangement through the Resources Committee and on to the Corporation Board for monitoring of project delivery and achievement of specified outputs.

Referring to the organogram below:

No.	Title	Responsibilities	Accountability	Meeting Schedule
1a	Project Board (Corporation Board)	Corporate level responsibility for the organisation. The board will satisfy itself that the project represents good VFM and contributes towards strategic aims	Accountable to Government	4 times per year
1b	Project Scrutiny Committee (Resources Committee)	On behalf of the Board, this committee will monitor progress against project delivery and scrutinise ongoing project outcomes at Business as Usual status.	Will make recommendations to the Corporation Board	5 times per year
2	Senior Responsible Owner (ECC Post 16 Commissioner)	On behalf of the funder, this role is to monitor project progress and completion of outputs, communicating with Project Sponsor and providing support as required	Accountable to funding body	Estimated 3 times
3	Project Sponsor – Executive (Executive Vice Principal)	To promote the scheme to internal and external parties including reporting to Corporation	Accountable to Corporation	9 times per year
4	Project Director – SLT (Director of STEM Innovation)	Delivery level responsibility for the project. Chair employer steering group and responsible for achievement of enrolment and qualitative outcomes	Accountable to College Executive including Project Sponsor	12 times per year
5	Employer Steering Group	To promote the facility to other stakeholders. To help shape course content and design. To provide financial contribution and initial student numbers	Accountable to College Executive including Project Sponsor	3 times per year (monthly during set up phase)
6	Project Lead (STEM Development Manager)	To take advice from Employer Group to design and deliver a vibrant and challenging course programme in line with qualification requirements.	Accountable to Project Director	12 times per year

7	CI Delivery Teams (CI Tutors and Assessors)	To deliver the curriculum in line with awarding body and employer steering group expectations	Accountable to Project Lead	12 times per year
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Organogram following the construction phase:



6.2. Approvals and escalation procedures:
[Specify the reporting and approval process; max. 0.5 pages.]

There will be regular project team meetings (fortnightly moving to monthly once project mobilised and key risks overcome), with meeting minutes provided to the College Executive to ensure project delivery to time and budget. Thereafter there will be an internal reporting arrangement through the Resources Committee and on to the Corporation Board for monitoring of project delivery and achievement of specified outputs. (See section 6.1) Additionally the project risk register will be forwarded to the Colleges Risk Committee for scrutiny. The budget approval process will fall in line with the Colleges standing arrangements for delegated authority. The Director of Capital projects may only sanction expenditure within defined (corporation approved) levels.

6.3. Contract management:
[Explain your approach to ensuring that outputs are delivered in line with contract scope, timescale and quality; max. 0.5 pages.]

On receipt of project approval, the Executive Vice Principal will transfer project deliverability responsibility to the College’s Director of Capital Projects (DoCP), who is currently overseeing delivery of elements of the Sheepen Road masterplan. The DoCP

will decide which local staff will assist in stakeholder engagement to ensure successful project delivery. There will be an initial action to identify external project management resource requirements and a project design team. Once an initial needs assessment has been drawn up and approved by the College Executive, a tender process will be launched to contract with appropriate external professionals to assist with the delivery of immediate project outcomes.

Learning lessons from previous developments undertaken by the experienced college team, we will continue to seek early contractor input as this has proved to be hugely valuable in shaping schemes before construction commences. Regular project team meetings (fortnightly moving to monthly once project mobilised and key risks overcome) will be initiated, with meeting minutes provided to the College Executive to ensure project delivery to time and budget.

6.4. Key stakeholders:

[Describe key stakeholders, including any past or planned public engagement activities. The stakeholder management and engagement plan should be provided alongside the Business Case; max. 0.5 pages.]

Key stakeholder group

Anderson Group, MDS, Tamdown Construction, The Knight Group, Cadman Construction, Ringway Jacobs, Rose Builders. Please note this is the initial group and the College is regularly being contacted by other employers enquiring of training and willing to support the project. All members of the group are committed to co-design of a fit for purpose training facility and contributing £30,000 towards costs.

Support from employers around the development of a new apprenticeship pathway is strong with commitment of new apprenticeship learner numbers for 2018/19 and year on year thereafter. The College continues to meet with other stakeholders including City and Guilds to check on progress with regard to the new apprenticeship standard 'Groundworker' which is currently in development.

Current wider stakeholder engagement plans extend to a formal launch event and several wider groundworks and scaffolding sector forums (in conjunction with awarding body and ESB colleagues) once the facility is in place and cohort 1 training underway. These will start to take place in the spring of 2019, ahead of block course training opportunities in the summer months.

6.5. Equality Impact:

[Provide a summary of the findings of the Equality Impact Assessment (EqIA) and attach as an Appendix to the Business Case submission. If an EqIA has not yet been undertaken, please state when this will be undertaken and how the findings of this assessment will be considered as part of the project's development and implementation. The EqIA should be part of the final submission of the Business Case, in advance of final approval from the accountability board; max. 0.5 pages.]

The College Equality & Diversity policy is imbedded within all areas of college life, from marketing/promotional material through to every lesson plan - being ever mindful of minority groups within specific subject specialisms/faculties e.g. aiming to attract women into construction and men onto health and social care courses.

This project will consult with its employer group partners on understanding bias and influencing factors within the specific sectors; building on best practice, and consequently be proactive in carrying out equality impact assessments between groups of service users/delegates in terms of:

- referral source i.e. promotional material, referral organisation etc.
- student achievement rates by demographic groups
- delegate/student feedback forms - at both the registration & post training stages

The outcome of this assessment will assist the project in addressing any short-comings and positively attracting minority groups into the sectors.

6.6. Risk management strategy:

[Define the Risk Management Strategy referring to the example provided in Appendix B (expand as appropriate), ensuring this aligns with the relevant sections in the Financial and Commercial Case. Please provide supporting commentary here; max. 0.5 pages.]

Given the scale of the project we propose to incorporate project delivery within the College's current risk management policy and process. This incorporates a standalone specific risk management appraisal process for the curriculum area of Construction. There will also be a project-specific risk register maintained during the construction phase, monitored by the Risk Management Committee.

6.7. Work programme:

[Provide a high-level work programme in the form of a Gantt Chart which is realistic and achievable, by completing the table in Appendix C (expand as appropriate). Please describe the critical path and provide details regarding resource availability and suitability here; max. 0.5 pages.]

See Gant Chart at appendix C

The project proposer confirms

1. the suitability of all resources have been assessed and;
2. the availability of all resources required to complete the project are in place.

6.8. Previous project experience:

[Describe previous project experience and the track record of the project delivery team (as specified above) in delivering projects of similar scale and scope, including whether they were completed to time and budget and if they were successful in achieving objectives and in securing the expected benefits; max. 0.5 pages.]

SFA CCIF STEM Centre Colchester, £9.5m – Project completed to time / budget July 2016
SE LEP SCF STEM Innovation Centre, Braintree – Project completed to time / budget April 2017

6.9. Monitoring and evaluation:

[SELEP are required to submit detailed quarterly project monitoring reports to the Department for Business, Energy and Industrial Strategy for schemes that have been funded through the LGF to enable ongoing monitoring and evaluation of individual projects. Monitoring and evaluation metrics should be aligned to these reporting requirements (South East Local Enterprise Partnership Assurance Framework 2017, Section 5.8 – see SELEP Business Case Resources document). A proportionate approach to Monitoring and Evaluation should be followed ensuring evaluation objectives relate back to the business case and build on assumptions used in the appraisal process.

Specify the following:

Inputs

- Describe what is being invested in terms of resources, equipment, skills and activities undertaken to deliver the scheme

£100,000 LGF Funding

£100,000 sponsor match contribution

£30,000 employer third party cash match contributions

£20,000 employer third party equipment donation match contributions

Outputs (delivering the scheme/project)

- Identify what will be delivered and how it will be used

As outlined in section 1.6

Outcomes (monitoring)

- Identify and describe how the relevant performance indicators (KPIs) will be used to monitor the outcomes, including high-level outcomes, transport (outputs), land, property and flood protection (outputs) and business, support, innovation and broadband (outputs) (as per the table in Appendix D)

Project deliverables to be monitored by the Corporation Board in line with the reporting lines and accountabilities identified in section 6.1

Impacts (evaluation)

- Describe how the impacts will be evaluated 2 and/or 5 years post implementation depending on the size of the project. Consider the impact of the intervention on the following Growth Deal outcomes (if relevant):
 - o Housing unit completion
 - o Jobs created or safeguarded
 - o Commercial/employment floor space completed
 - o Number of new learners assisted
 - o Area of new or improved learning/training floor space
 - o Apprenticeships

Promoters should also include a statement which identifies other schemes which may have potentially contributed to the same benefits/impacts.

Max. 1 page excluding table.

Smaller schemes (less than £2 million) are required to complete Monitoring and Evaluation which is proportionate to the size of the scheme; max. 0.5 page.]

Proposed monitoring of outcomes by the Corporation Board in accordance with planned objectives specified in section 2.7. See also BRP in section 6.10

6.10. Benefits realisation plan:

[A Benefits Realisation Plan provides details of the process that will be followed to ensure that benefits are sustained and that returns on investment are maximised where possible. The Benefits Realisation Plan identifies the potential benefits and how these will be tracked and measured, the risks that may prevent benefits being realised and the critical success factors that need to be in place to ensure that benefits are realised. In many cases, benefits realisation management should be carried out as a duty separate from day to day project management. Describe the proposal for developing a Benefits Realisation Plan which should involve continuous public engagement to ensure the anticipated benefits are realised. The Benefits realisation plan should be consistent with the Strategic and Economic Case; max. 0.5 page.]

Provide a brief description of a modelling and appraisal methodology – including details of data source. Show sufficient information to demonstrate the analysis supporting the economic case fitness for purpose.

Data sources	Information and benefits realisation calculation touch points	Analysis
College enrolment database ProMonitor	Enrolment numbers at July 2020 and July 2021 will prove VfM / Payback positioning	<i>Impact analysis: At the end of first full year Y1 (July 2020) & Y2 (July 2021) comparative analysis will be carried out, highlighting successes, VfM and areas of further demand to drive curriculum decisions.</i>
Sample base of 20 local employers	Base data from July 2018- pre-project compared with assessment of the following at July 2020 and July 2021 (EoY1 & EoY2 of project) on: <ul style="list-style-type: none"> ○ recruitment activity in terms of candidate profile & outcome ○ employer satisfaction levels ○ vacancy type & quantity ○ 	
Independent reporting	Student destination data as at July 2020 and July 2021.	
National Apprenticeship Service; Sector Skills Councils; ECC Employment and Skills records, employer forum feedback	Changes to relevant qualifications, new apprenticeship standards, information requirements from employers	<i>Keeping up to date on 'supply and demand' - and influencing 'supply' by feeding back the demand data to project lead. Responding to employer demand as required by stakeholders</i>
Feedback questionnaire on training needs of specific sector organisations across Essex	Training needs - by subject specialism; accreditation vs. bespoke; length – bite-size 1 hour courses through to full-time funded versus full cost professional courses. Measure number of key skills requirements (as identified by ESB Evidence base) being met July 2020	
College CRM	Track key stages of employer journey – from enquiry to booking comparing pre-post project Identify employer engagement levels post v pre-project delivery, to verify objectives listed at section 1.6 have been achieved.	<i>Measure college Business Development Team KPI outcomes</i>
Employer feedback forms	Customer service levels July 2020 Feedback from employer group	

7. DECLARATIONS

<p><i>Has any director/partner ever been disqualified from being a company director under the Company Directors Disqualification Act (1986) or ever been the proprietor, partner or director of a business that has been subject to an investigation (completed, current or pending) undertaken under the Companies, Financial Services or Banking Acts?</i></p>	<p>No</p>
<p><i>Has any director/partner ever been bankrupt or subject to an arrangement with creditors or ever been the proprietor, partner or director of a business subject to any formal insolvency procedure such as receivership, liquidation, or administration, or subject to an arrangement with its creditors</i></p>	<p>No</p>
<p><i>Has any director/partner ever been the proprietor, partner or director of a business that has been requested to repay a grant under any government scheme?</i></p>	<p>No</p>

**If the answer is “yes” to any of these questions please give details on a separate sheet of paper of the person(s) and business(es) and details of the circumstances. This does not necessarily affect your chances of being awarded SELEP funding.*

I am content for information supplied here to be stored electronically, shared with the South East Local Enterprise Partnerships Independent Technical Evaluator, Steer Davies Gleave, and other public sector bodies who may be involved in considering the business case.

I understand that a copy of the main Business Case document will be made available on the South East Local Enterprise Partnership website one month in advance of the funding decision by SELEP Accountability Board. The Business Case supporting appendices will not be uploaded onto the website. Redactions to the main Business Case document will only be acceptable where they fall within a category for exemption, as stated in Appendix E.

Where scheme promoters consider information to fall within the categories for exemption (stated in Appendix E) they should provide a separate version of the main Business Case document to SELEP 6 weeks in advance of the SELEP Accountability Board meeting at which the funding decision is being taken, which highlights the proposed Business Case redactions.

I understand that if I give information that is incorrect or incomplete, funding may be withheld or reclaimed and action taken against me. I declare that the information I have given on this form is correct and complete. Any expenditure defrayed in advance of project approval is at risk of not being reimbursed and all spend of Local Growth Fund must be compliant with the Grant Conditions.

I understand that any offer may be publicised by means of a press release giving brief details of the project and the grant amount.

<p><i>Signature of applicant</i></p>	
<p><i>Print full name</i></p>	<p>ALISON ANDREAS</p>
<p><i>Designation</i></p>	<p>PRINCIPAL AND CHIEF EXECUTIVE</p>