

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.

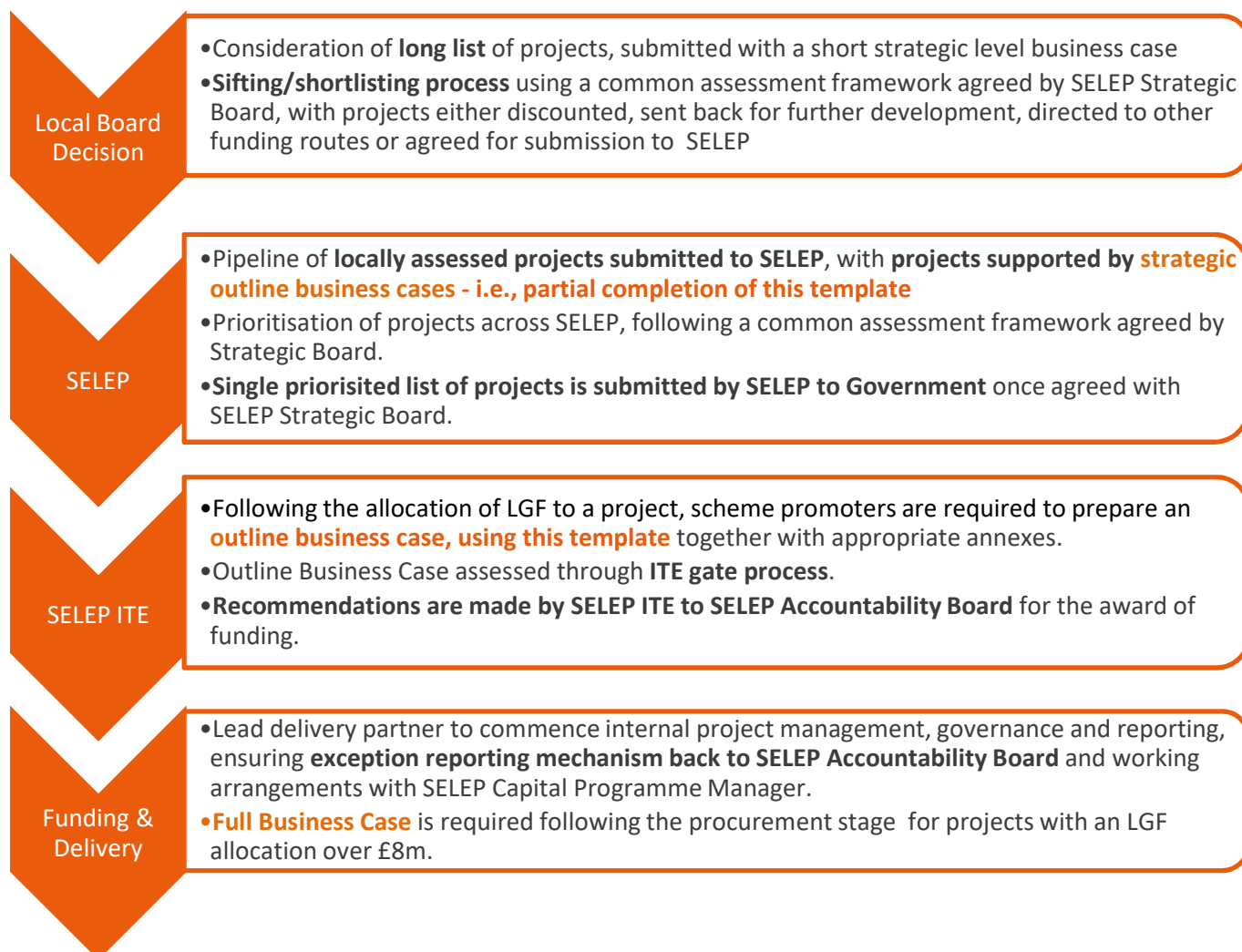
It is also designed to be applicable across all funding streams made available by Government through SELEP. It should be filled in by the scheme promoter – defined as the final beneficiary of funding. In most cases, this is the local authority; but in some cases the local authority acts as Accountable 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:

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Authorised by	
Date authorised	

1. PROJECT OVERVIEW

- 1.1. **Project name:**
New Construction Centre, Chelmsford College
- 1.2. **Project type:**
Site development
- 1.3. **Federated Board Area:**
Essex
- 1.4. **Lead County Council / Unitary Authority:**
Essex
- 1.5. **Development location:**
Chelmsford College, Princes Road, Chelmsford, Essex, CM2 9DE
- 1.6. **Project Summary:**

New Construction Centre – Chelmsford College

Executive Summary

Chelmsford College was established in 1962. We offer a wide range of vocational and professional courses and apprenticeships. We have two campuses (Moulsham Street and Princes Road). Our education and training is delivered to learners of all ages, with approx. 4000 individuals during any academic year.

There are areas of provision that we are unable to provide due to constraints of accommodation available with some sub-standard accommodation taking up valuable teaching space at our Princes Road Campus.

In order to offer greater opportunities for learners in Chelmsford and Mid Essex the College needs to develop the Estate to offer a greater curriculum. A new construction centre is required to replace existing temporary buildings. This development will enable a 2-storey framed structure, with a canopy connected to existing buildings which will provide

- 2 Multi skilled workshops in new curriculum areas
- 2 Classrooms and a light craft workshop
- Toilets on both floors
- Canopy linked to main building to allow for roofing skills and other out-door trades

The original bid (which did not receive funding in 2019) has been updated for re-submission. The following changes have been made.

1. The cost estimate has increased by £0.1m from the last bid, the estimated cost subject to full planning and full design is now circa £1.9m. There is currently a funding GAP for this project of £0.1m.

2. The College is unable to increase the match funding so the maximum that can be committed (subject to COVID19 impact is £504,600. Prior to COVID 19 discussions with Barclays had taken place and they indicated they would be willing to loan £400,000 in April 2021 as the College would have repaid existing debt to that level back by that point, with the college funding the remaining £104,600 from its own capital pot.

3. Milestones

If funding was made available, then the following delivery milestones could be set – subject to COVID 19 implications.

Milestone	Planned Date of Delivery
Start of project (start spending LGF or match funding)	1st June 2020
Removal of existing buildings and groundwork investigations during Summer Break August/September 2020	13 th July 2020
Planning discussions with Chelmsford City Council and Neighbours	1 st July 2020
Appointment of Architect/Cost Consultant/	1 st July 2020
Procurement process for contractor commences	1 st October 2020
Full Planning Permission Granted	20 th December 2020
Appointment of Contractor	15 th February 2021
Site Mobilisation Works Commence	1 st April 2021
Project Completion / Site Opening	1 st September 2021

4. Link to delivery of jobs/improved skills

Since the last submission, the College commissioned an economic modelling report (by EMSI) to show the value that Chelmsford College (CC) delivers to the economy. The Executive Summary and Fact Sheet are included in this submission. The College plays a key role in helping learners increase their employability and achieve their individual potential. It provides learners with the skills they need to have fulfilling and prosperous careers. Furthermore, it provides an environment for learners to meet new people, increase their self-confidence, and promote their overall health and well-being.

The value of CC influences both the lives of learners and the regional economy. The College serves a range of industries in the South East LEP, supports local businesses, and benefits society as a whole in the UK from an expanded economy and improved quality of life. The benefits created by CC even extend as far as the Exchequer in terms of increased tax receipts and public sector cost savings.

This study shows the benefits that the College generates in return for the investments made by its key stakeholder groups—learners, society, taxpayers and the economic impacts created by CC on the business community. The region the College serves is defined as the South East LEP.

5. Funding

At the meeting with STEER in January 2018 there was exploration as to the evidence that LGF funding was the funder of last resort. This was point was addressed as follows;

Chelmsford College is 73% funded by the Education & Skills Funding Agency who set strict controls over 'Financial Health'. There are 3 measures that the College is assessed against each year.

- Current Ratio, the current assets available to cover current liabilities
- Earnings before interest, Depreciation and Amortisation (EBITDA)

- Borrowing as a % of income.

Chelmsford College has reduced its campuses from 3 sites to 2 sites effective from 1st September 2018 and has sold the 3rd campus. The sale proceeds have repaid debt. Debt has reduced from £6.9m to £4.0m and the debt liability ratio is now 25% which is at the FE Commissioners benchmark. By April 2021 we would have repaid circa £0.4m of capital and it had been indicated from our bankers (prior to COVID19) that we could re-borrow this value towards our contribution.

Chelmsford College allocates a capital funding pot from its income each year. After the repayment of loan capital, the value left is £0.8m. From this £0.5m is allocated to Estate improvements of which £0.1m would be contributed to this project and the other £0.4m is to replace boilers that are 30 years old at our Princes Road campus. Other than donations from Industry the only capital fund available to the College is through SELEP.

6. Contractual commitments in place for 31st March 2021

The College will be able to meet this commitment (subject to any implications of COVID 19) if SELEP Funding is approved on 15th May 2020 and planning is approved in early December 2020.

7. Project purpose

A new construction centre will enable us to provide purpose-built accommodation to better prepare learners for employment in the Construction Sector, specifically in multi-construction. This will ensure we are delivering the skills required for projects such as Bradwell Power Station, Housing and associated infrastructure, development of Garden Communities and the lower Thames Crossing.

It would allow two Category D (Inoperable/serious risk of major failure) temporary structures to be replaced with a 2 storey purpose built modern facility for the delivery of education and training, producing skilled learners/apprentices to fill skills vacancies in the construction industry.

Existing accommodation



Artist impression of new building – there will be a linked canopy to the main building to enable further outdoor work (bricklaying) roofing etc.



1.7. Delivery partners:

Partner	Nature of involvement (financial, operational etc.)
<i>Chelmsford Business Board</i>	<p>Chelmsford City Council have produced a 'Chelmsford Priority Projects and Chelmsford College Construction Centre was 1 of 13 projects in the paper. Members agreed unanimously to support the bid.</p> <p>Birkett Long, Teledyne e2v, ARA, Aquila, Barclays, Kemsley, Chelmsford City Racecourse, Vision co working, Bellway homes.</p> <p><i>With committed employers, across all of our businesses from construction and manufacturing to health and IT; such as Stansted Airport, DP World, Coast Digital, Countryside Properties and Konica Minolta. It's superb to be able to work with SELEP to do more and a marvellous example of businesses, the education sector and the LEP working together to deliver more for the people and businesses of Essex."</i></p> <p>Adam Jones, Teledyne e2v, Chair Essex Employment and Skills Board David Rayner, Birkett Long LLP, Chair Essex Business Board</p>
Morgan Sindall	Are supporters of the project
Employers	Readie Construction, Essex Highways, Beardwell, Garland, Persimmons, Bellway, PGM and JTL

1.8. Promoting Body:

Chelmsford College

1.9. Senior Responsible Owner (SRO):

Andy Sparks – Principal

1.10. 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
<i>Chelmsford College - Capital</i>	494,600	Most of the College contribution would be in Q2/Q3 of financial year 2021/22	This would be funded from college capital allocation. Subject to COVID 19 implications on ESFA general funding
<i>Chelmsford College – Revenue</i>	10,000	From College revenue, for fees, surveys, monitoring that we could not capitalise.	
<i>SELEP</i>	1,295,000	The bulk of the expenditure would be in Q2 and Q3 of 2021/22	Planning December 2020. Contractors start 1 st April 2021
<i>Funding GAP</i>	100,000		
Total project value	1,899,600		

To reduce disruption to the College, the main build could not commence until **EASTER 2021**. We are estimating a 5 month build with opening for 1 September 2021.

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

The project was agreed as a pipeline project and £1,295,000 has been already agreed and allocated to the project.

The College can contribute £504,600 which leaves a current funding gap of £100,000 based on the cost estimates we have received.

1.12. Exemptions:

[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]

1.13. Key dates:

Subject to funding approval in May 2020 and subject to any implications of COVID 19 the following milestones are achievable.

Milestone	Planned Date of Delivery
Start of project (start spending LGF or match funding)	1st June 2020
Removal of existing buildings and ground work investigations during Summer Break August/September 2020	13 th July 2020
Planning discussions with Chelmsford City Council and Neighbours	1 st July 2020
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Project Completion / Site Opening	1 st September 2021

The College Board have already agreed the project subject to funding from LGF. This would be confirmed again at the Budget Meeting on 15th June 2020 should funding be awarded at the SELEP meeting on 15th May 2020 (subject to any further implications of COVID19)

If funding is approved on 15th May 2020 the existing building removal and groundwork investigations to support the detailed construction could be carried out during the summer break (13th July – 14th August 2020) which may include the purchase of a classroom for enrichment activities (subject to COVID 19) and this would need to be funded by SELEP. One of the temporary buildings is currently used as a boxing studio for student enrichment.

The construction phase can start during Easter 2021 through to August 2021 and disruption to the campus will be managed through the communications plan especially during examinations. Some classes may be re-timetabled to the Moulsham Street Campus.

1.14. Project development stage:

We have completed outline work with consultants and have a reasonably robust cost plan (subject to any impact from COVID19, such as shortage of contractors or materials. We are unable to progress any planning or other detailed work until funding is available.

1.15. 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.]

This is a stand-alone project, there have been no previous phases.

The objectives and key outputs are:

The objectives of the scheme are:

- To provide cutting edge workshops and facilities to meet the growing demand in construction, trades, HVAC engineering, plumbing and electrical.

- To equip learners with the required skills, to apply new technologies and modern methods of construction to meet the needs of local projects
- To ensure the local workforce is able to upskill to meet the identified requirements of the Success Essex Board and wider SELEP.
- To support SELEP key priorities in increasing apprenticeships and industry relevant qualifications within construction
- To meet the requirements of T Levels and Level 4/5 qualifications with the construction industry
- To introduce plumbing / HVAC within Chelmsford College to enable a multi trade vocational offer.
- Investigate the feasibility of establishing a AM2 centre at Chelmsford College

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.

1.16. 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.]

Chelmsford is one of the fastest growing centres in Essex. Granted City Status in 2012, it is a place where significant housing and economic growth is taking place at pace. It has an enviable track record of housing and economic delivery over the last 10 years and was recognised as one of only two Housing Business Ready authorities by the Housing Finance Institute in 2017.

For the past three years annual housing delivery has exceeded 1,000 new homes and economic growth is consistently providing some 700 new jobs per year, adding to the £3 billion Chelmsford contributes to the Essex and UK economy each year.

As a focal point in Essex, Chelmsford occupies a strategic position in the County, providing not only the administrative capital, but also an economic centre that provides employment for a wide catchment area. 20,000 residents from the seven adjoining authorities commute into Chelmsford each day to work, 7,000 alone from Braintree.

Chelmsford's future growth is critical to the future success of Essex. The City has a fully adopted local plan in place and is now planning for the period to 2036 and beyond. This will see a continued rapid expansion of the City at similar levels – 1,000 homes and 700 jobs per year.

Alongside the construction of new homes and commercial development the City also has an ambitious programme of infrastructure delivery – including new schools, roads, a new rail station and community facilities. Such growth will require the City to be able to produce a workforce that is equipped to support the construction sector

The current skills development and training facilities within central Essex are not sufficient to meet the demand and requirements to support the growth of the construction sector. Although

Chelmsford College has an established successful track record for construction training and skills development the college needs to ensure that it can provide learners with the skills and innovation to apply new technologies and modern methods within the construction industry.

During this current year 2019/20 the college has a total of 352 studying on various construction programmes (Full-Time, Apprenticeships and Part Time).

ESB Evidence base 2017-18 confirms 7,000 people within Chelmsford are employed within the construction sector and there are 2,192 vacancies. The need to ensure that learners aged 16-18 are work ready with the desired employability skills is considered by employers, the college and Ofsted as a priority. In response to demand identified by ESB & SELEP Chelmsford College is always looking at opportunities to ensure it can continue to maintain the development of its construction offer to meet the local needs of employers within construction. This will also include the development of a renewables workshop to enable design, construction and operation on low carbon building technology and effective use of renewables to meet the required demand for growth in this SELEP priority sector.

The College identifies the significant growth illustrated by SELEP within the area including the development of Bradwell Power Station; Amazon Fulfilment Centre; Lower Thames Crossing; Cross Rail (Essex routes) and Essex Garden Communities. All of these require skills from the local workforce in modern construction techniques.

The extensive labour requirement within the construction industry for the development of Bradwell Power Station will require specialist skill requirements to support this workforce. The development of the Nuclear Skills Passport would provide our learners with transferable skills and the relevant qualifications to support this project.

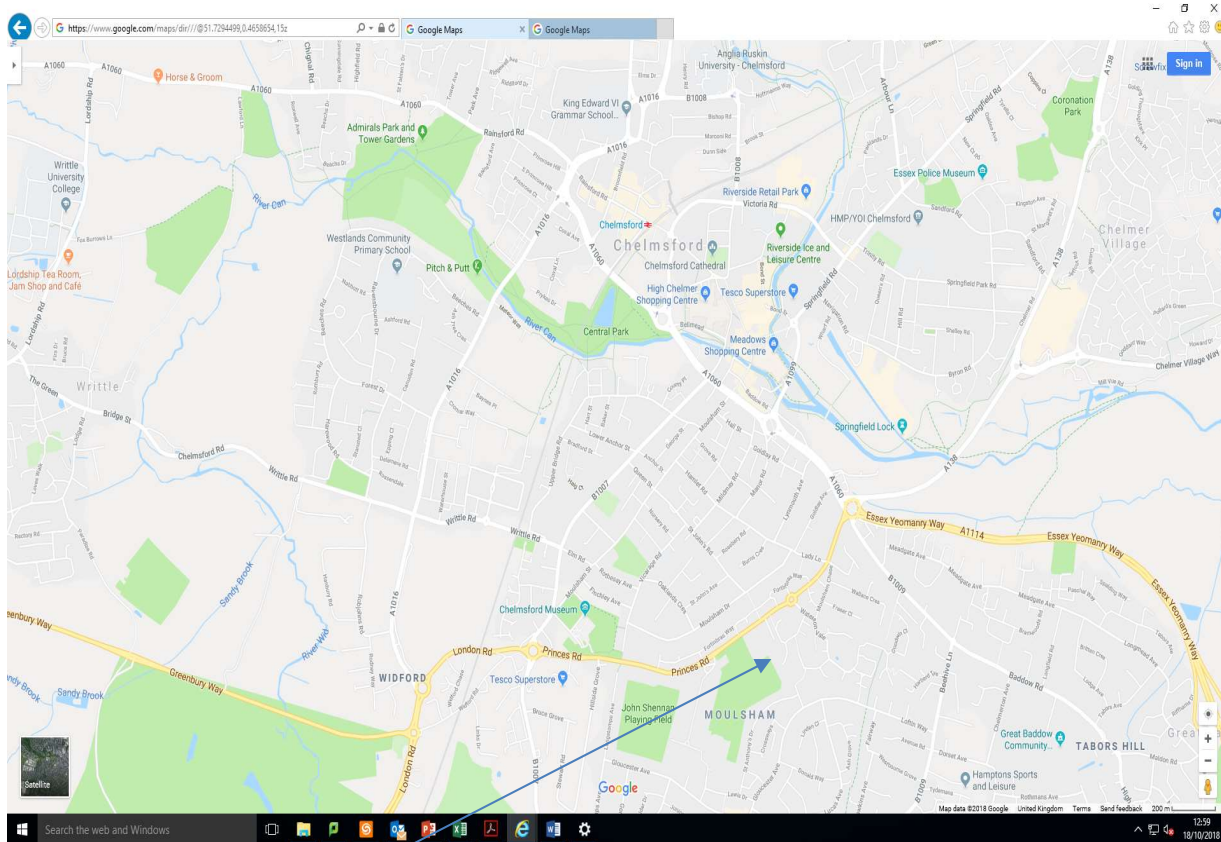
The College commissioned a report from EMSI on the social and economic value of learning. The executive summary of this report is included with the submission which demonstrate the College creates value in many ways. It plays a key role in helping learners increase their employability and achieve their individual potential. It provides learners with the skills they need to have fulfilling and prosperous careers. Further, it supplies an environment for learners to meet new people, increase their self-confidence, and promote their overall health and well-being.

The College serves a range of industries in the South East LEP, supports local businesses, and benefits society as a whole in the UK from an expanded economy and improved quality of life. The benefits created by CC even extend as far as the Exchequer in terms of increased tax receipts and public sector cost savings.

1.17. Location description:

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

The Princes Road campus is located A414/A1114 near the interchange (known locally as the Army & Navy) near Chelmsford City Center .



Princes Road Campus

The campus is centrally located with good, road, rail & bus access and is close to drop off points for the Sandon Park and Ride facility. The campus is also served with good cycle and pedestrian access with a number of secure bicycle storage facilities for both staff and learners. The Moulsham Street Campus is also located within a short walk (10 minutes) and it is a short walk to the city centre associated facilities.

1.18. 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]

In supporting the *Industrial Strategy - Building a Britain fit for the future*. Chelmsford College requires adequate facilities to ensure our learners are able to meet the local, regional and national needs for the future and our current facilities fall far short to “Establish a technical education system that rivals the best in the world to stand alongside our world-class higher education system”

In preparation for the implementation of T-levels in both construction and engineering the college needs to ensure it is able to increase its capacity to support the additional practical elements and anticipated increase in numbers. The 2 year T-levels will require all learners to learn core construction skills in the first year requiring significant increase in workshop facilities before progressing onto specific skills on their specific chosen discipline with a much larger emphasis on practical work. The increase of contact hours from 540 to 900 per learner will also increase the demand for limited practical and class room space to support these qualifications.

As highlighted in section 2.1 the project will provide opportunities to meet skills requirements within construction as highlighted as a priority at national, regional and local planning policies.

The South East LEP Skills Strategy 2018 – 2023 identifies the following key requirements within Construction to meet the demands of significant new developments that include:

- 300,000 new homes across SELEP
- A number of large infrastructure projects (including Bradwell Power Station; Amazon Fulfilment Centre; Lower Thames Crossing; Cross Rail - Essex routes) Garden communities.
- Growing need for 'green' & low carbon skills and opportunity to establish as area of expertise
- High demand for carpenters, joiners, architects, project managers, plumbers & heating & ventilation engineers and chartered surveyors
- To prepare for any concern with the impact of Brexit (large migrant workforce)
- Trend towards pre-fabricated housing speeding up construction

The new facility will provide opportunities for learners to develop the skills required to ensure they are able to support the above and future initiatives.

The ESB Skills Evidence Base Summary 2017-18 identifies Chelmsford as one of 4 districts with significant vacancies within Construction with occupations in demand that includes Quantity Surveyors, Elementary Construction Occupations and Electricians and Plumbers.

The Greater Essex Area Review, August 2017 identified the need to grow apprenticeships in priority sectors to contribute to the Government's target of 3 million by 2020. The project would further expand the apprenticeship provision within Chelmsford enabling greater options for apprentices in trade, construction and civil engineering to meet the demands of local employers.

The College identifies the significant growth illustrated by SELEP within the area including the development of Bradwell Power Station; Amazon Fulfilment Centre; Lower Thames Crossing; Cross Rail (Essex routes) and Essex Garden Communities. All of these require skills from the local workforce in modern construction techniques.

The extensive labour requirement within the construction industry for the development of Bradwell Power Station will require specialist skill requirements to support this workforce. The development of the Nuclear Skills Passport would provide our learners with transferable skills and the relevant qualifications to support this project. The facility will provide further opportunity to up skill the local workforce with electrical, plumbing, and wet trades.

1.19. 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.]

As outlined in the Farmer review of the Construction Labour Market (copy included with submission) there is a decline in anticipated labour workforce within the next decade. We are working closely with employers and our partners including JTL to respond to this need and ensure we are able to provide the modern facilities. The impact on migrant workforce Post Brexit will highlight further demand on local skills development within the construction industry and local demographic.

Statistics show that not enough bricklayers are going into this industry in the first place and with construction booming again there is a real need to attract more learners across Essex.

The Careers for Construction report led by CITB highlights the following for London, which is a similar story for Essex.

To demonstrate the journey that people can go on to join the construction industry, Janette outlined the bricklayer story. In 2015/16 1500 apprentices completed Level 2, and 350 apprentices completed Level 3. 3400 learners completed a bricklaying course at level 2 or above. Research indicates that 25% of construction learners are in a construction job 6 months after leaving college, meaning that 850 learners become new entrants as bricklayers. So, in total approximately 2700 new bricklayers join the construction industry every year, when nearly this number of new recruits is needed for every 10,000 houses built. A recent HBF workforce census detailed that 15% of all bricklayers are from overseas, and in London this figure is half of all bricklayers.

1.20. Sources of funding:

[Promoters should provide supporting evidence to show that:

The sources of funding are as follows:

Chelmsford College - £400,000 borrowing

Chelmsford College - £94,600 from College Capital Fund.

Chelmsford College - £10,000 from College revenue

LGF SELEP bid £1,295,000 already allocated as pipeline project

Funding gap £100.000

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

The current facilities are at maximum capacity and the College there is no space to deliver increased or new curriculum in areas such as plumbing/HVAC, carpentry & joinery, electrical, brickwork. We are also reviewing the options of providing an AM2 centre for Electricians. The temporary facilities are not suitable to provide learners with the required skills, to apply new technologies and modern methods within the construction industry and to ensure the local workforce is able to upskill to meet the identified requirements of the industry ESB & SELEP.

	Problems / opportunities identified in Need for Intervention section		
	Employer need	Learning experience	Student Satisfaction
Provide opportunities to upskill the workforce in Mid Essex	✓✓✓		
Choose Chelmsford College as the preferred provider	✓✓	✓✓	✓✓
Improved satisfaction leading to higher level qualifications	✓✓✓	✓✓✓	✓✓✓
Improve the quality of teaching. Learning and assessment with high quality facilities and resources		✓✓✓	✓✓✓

1.22. Constraints:

The constraints are:

- Chelmsford College has insufficient funds/resources to invest in projects to become 'oven ready' for any future funding streams.
- The College can only afford to invest £504,600 towards the project and this will still put a strain on existing plans to replace boilers and reconfigure areas for student benefit such as upgrading Learning Resource Centres
- The College needs the construction phase to be in the Summer Term from Easter as this is the most advantageous time to minimise disruption to learners. If the project could not go ahead until April – August 2021 (then the next opportunity would be April – August 2022),

1.23. Scheme dependencies:

- Receiving approval from SELEP in May 2020 to be able to deliver a fully constructed building by 1st September 2021.
- The project has been approved by the College Board. Reapproval will be obtained at Board budget meeting on 15th June 2020.
- Obtaining planning permission

1.24. 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.]

The Board of Chelmsford College agrees the Financial Regulations each year. The Financial Regulations indicate that any capital project over £100,000 has to be approved by the Board. The Board reviewed this project in 2018 and gave approval based on the scheme benefits assessed at the time. The existing accommodation is not suitable for teaching learners and is redundant space which prevents the College from expanding its offer in the construction field.

The Board will reapprove the project at the budget meeting on 15th June 2020.

Chelmsford College generates a return on investment to its major stakeholder groups – learners, society and taxpayers and creates a significant positive impact on the business community. Using a two pronged approach that involves an investment analysis and economic impact analysis an EMSI study calculates the benefits received by these groups and the summary results are shown below: -

Learner perspective

CC's 2017-18 learners paid a total present value of **£1.7 million** to cover the cost of tuition, fees, and supplies. They also forewent **£21.3 million** in money that they would have earned had they been working instead of learning.

In return for the monies invested in the College, learners will receive a present value of **£101.6 million** in increased earnings over their working lives. This translates to a return of **£4.40** in higher future earnings for every £1 that learners invest in their education. The average annual return for learners is **13.6%**.

Social perspective

Society as a whole invested **£58.5 million** in CC in 2017-18. The economic base in the UK will grow by **£275 million** over the course of the learners' working lives. Society will also benefit from **£7.7 million** in present value social savings related to reduced crime, lower unemployment, and increased health and well-being across the country.

For every £1 that society spent on CC 2017-18 educations, society will receive a cumulative value of **£4.80** in benefits, for as long as the 2017-18 learner population at CC remains active in the UK's workforce. The average annual return for society is **14.7%**.

Taxpayer perspective

In 2017-18, taxpayers in the UK paid **£13.7 million** to support the operations of CC. The present value of the added tax revenue stemming from the learners' higher lifetime earnings and the increased output of businesses amounts to **£48.3 million** in benefits to taxpayers. Savings to the public sector add another **£2 million** in benefits due to a reduced demand for government-funded services in the UK.

Dividing benefits to taxpayers by the associated costs yields a 3.7 benefit-cost ratio, i.e., every £1 in costs returns **£3.70** in benefits. The average annual return on investment for taxpayers is **12.1%**.

Impact on business community

During the analysis year, CC and its learners added **£130.9 million** in income to the South East LEP economy, approximately equal to 0.2% of the region's total gross regional product (GRP). The economic impacts of CC break down as follows:

Staff and College expenditure impact

CC employed 371 full-time and part-time employees in 2017-18. Payroll amounted to £10.8 million, much of which was spent in the South East LEP to purchase groceries, clothing, and other household goods and services. The College spent another £5.8 million to support its day-to-day operations.

The net impact of College payroll and expenses in the South East LEP during the analysis year was approximately **£15.9 million** in income

Added workforce skills impact

Over the years, learners have studied at CC and entered or re-entered the workforce with newly-acquired skills. Today, thousands of these former learners are employed in the South East LEP.

The accumulated contribution of former learners currently employed in the regional workforce amounted to **£115 million** in added income during the analysis year.

1.25. 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.]

The risk register at Appendix B has been completed and highlights the main risks to the project at this stage which are primarily achievement of funding and planning permission and the impact of COVID 19 on funding, contractor availability, materials

Risks

COVID 19 – delays due to funding, contractors and materials

Funding – successful achievement of SELEP bid and sale of property

Planning – successful planning application to replace existing temporary buildings

Ground conditions – major works are not required to ground works and foundations for new workshop

Growth in learners – projected growth in learners is achieved

Skilled lecturers – ability to recruit and retain lecturers in the construction trade and engineering areas.

Economic slowdown and impact of coronavirus

Delays to other SELEP projects impacting on skills required/job vacancies

2. 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.

A report by EMSI – Demonstrating the Value of Chelmsford College is attached as a supplementary document and analyses the social and economic impact of learning.

The fact sheet demonstrates that for every £1 spent there is

- £4.40 gain in lifetime earnings for learners
- £4.80 added in UK revenue and social savings for Society
- £3.70 gained in added taxes and public sector savings for the taxpayer
- The average rate of return for every Chelmsford College learner is 13.6%

2.1. Options assessment:

A number of options were considered against the DO NOTHING option.

1. Discussions with ECC planners in 2018 indicated that they might be favourable to selling Moulsham Street for residential and to create an 8 story facility at Princes Road. Circa £30m with capital receipts from sale of circa £15m. For this bid this has been discounted as the length of time to achieve this will be over 5 years and we need facilities for learners now.
2. Build a larger block that will join to the main building £4.5m. Discounted as too expensive
3. Do nothing – might be an option for one/two years but we need to have facilities to grow student numbers to deliver Government and Local policy
4. Close Engineering courses and use space for Construction – Discounted this is not what employers want and Engineering is a STEM subject area
5. Replace Rubb Tents with an affordable solution to last at least 20 years. Enabling the increase in student numbers by 100 learners and 50 apprentices each year – **CHOSEN OPTION**

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.]

2.2. Preferred option:

Replace the Category D buildings with an affordable solution to enable the minimum increase in learners' numbers each year by 150

2.3. Assessment approach:

Small project less than £2m therefore there are only two options do nothing or replace with the most cost effective option.

2.4. Economic appraisal assumptions:

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

See the EMSI report included as an appendix

2.5. Costs:

Estimate costs have been updated by our cost consultants. These are based on March 2020 prices. There is an increase of £0.1m from the last iteration but this is subjected to detailed project planning, ground conditions and planning requirements.

Element	£
Substructure	77,000
Superstructure	417,000
Internal finishes	63,000
Fittings, Furnishings and Equipment	64,000
Services	279,000
External Services	55,000
External works	101,000
Preliminaries	127,000
Overhead and profit	47,000
Inflation and contingency (subject to COVID19)	122,000
Fees and surveys	231,000
Estimated Total project cost	1,583,000
VAT at 20%	316,600
Total	1,899,600

2.6. Benefits:

- To provide cutting edge workshops and facilities to meet the growing demand in construction, trades, HVAC engineering, plumbing and electrical.
- To equip learners with the required skills, to apply new technologies and modern methods of construction to meet the needs of local projects
- To ensure the local workforce is able to upskill to meet the identified requirements of the Success Essex Board and wider SELEP.
- To support SELEP key priorities in increasing apprenticeships and industry relevant qualifications within construction
- To meet the requirements of T Levels and Level 4/5 qualifications with the construction industry
- To introduce plumbing / HVAC within Chelmsford College to enable a multi trade vocational offer.
- Investigate the feasibility of establishing a AM2 centre at Chelmsford College

This will lead to learners with skills necessary to deliver priorities in Mid Essex.

2.7. Local impact:

The SELEP which covers Essex, Kent and the South East will see significant housing and infrastructure growth with up to 300,000 new homes projected for completion by 2030. This is coupled with nationally important infrastructure schemes such as the Bradwell Power Station and the Lower Thames Crossing and Essex Garden Communities. This has clear consequences for both the Engineering and construction sectors.

There are more workless households in the SELEP area than in any other LEP area in the UK. There are 178,000 workless households and 83,000 children living in workless households in the SELEP area. Over 46,000 people were claiming out of work benefits, as of March 2018, among the highest nationally.

Government Strategy and the challenges highlighted in meeting business need to support major upgrade of UK's infrastructure. Across the county of Essex, there is an assessed housing need for an additional 136,000 homes by 2036^[1]. In future many of the new homes planned will come forward on much larger strategic sites, than has previously been the case in Essex. The scale of growth planned specifically for Chelmsford and surrounding areas will place a significant strain on existing college infrastructure. The college is therefore seeking funding to invest in specifically focused facilities to mitigate against the already, and widely anticipated growing skills gaps within the local construction sector and its wider supply chain. Chelmsford college believe that up-to-date construction facilities coupled with an already strong relationship with the local construction sector will have the ability to play a key role in supporting both the regeneration and expansion of the required community infrastructure.

3.

3.1. Economic appraisal results:

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.]

See EMIS report attached

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:

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.]

Value for Money and Quality

The College will be clear in its brief to the project team (comprising the architect, structural engineer, services engineer, quantity surveyor and project manager) that the aim of the project will be to deliver good quality, robust teaching accommodation whilst achieving good value for money. A quantity surveyor (QS) will be appointed at the start of the project in order to manage

the project and construction budgets; they will work alongside the design team to help align the design with the budget, and will produce a cost plan at the end of each design stage. The design and cost plan will be formally approved by the College upon completion of each design stage.

The tender process will be led and managed by the QS, and the works will be procured by either a single stage or two stage procurement route (depending on the state of the market at the time of tendering), via selective tendering to a minimum of four Contractors with suitable experience, size and resource to deliver the works.

The College will aim to tender the works to local, Essex-based Contractors in order to support the local construction market and minimise the project's carbon footprint. The tenders will be assessed on price (based on their tender sum) and quality (based on their written tender submission and post-tender interview), marked against a pre-determined scoring matrix. This will result in appointment of the Tenderer offering the best balance of price and quality.

Once the project is on site, the Design Team will be retained to monitor quality and compliance of the works on site and will make regular inspections as the works progress. The QS will produce monthly cost reports to the College and agree the final account with the Contractor.

Sustainability

A sustainability workshop will be held with the project team in the early design stages to review sustainability measures. These will be assessed on the basis of their benefits, cost, and payback periods (where applicable) to decide which to incorporate into the design. Due to the nature of this project, a BREEAM assessment will be unlikely to add much value, but some BREEAM criteria elements could be considered. Sustainability will be included on the agenda at all design team and project team meetings.

4.2. 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.]

The College does not directly employ expertise in building projects but uses local companies as cost consultants/project managers

We also use the services of Essex Shared Services Ltd (ESSLtd) a joint venture company set up by Chelmsford College and South Essex College to delivery back office functions such as Finance, Procurement and Payroll. The procurement department at ESSLtd ensure the College follows procurement processes and procedures in line with the Colleges Financial Regulations.

To date the majority of the college projects have been refurbishment of existing buildings over a number of years, where we have used a number of local contractors, cost consultants and architects to assist with these projects procured under the college policy and procedures as shown in section 5.3 below using Delta E procurement via Essex Shared Services Ltd.

A recent experience is the relocation of Hair & Beauty from Beacon House to Princes Road and the construction of a new reception phase 2 (start day May 2019).

The College worked in partnership with South Essex College and used Essex Shared Services Ltd to procure the services of Academy Consulting Ltd to act as quantity surveyors, project manager. Academy Consulting procured the architect and structural engineer services and ran the tender for the D&B contract. Over 9 companies some of which the College had used before

were invited to tender. Due to the amount of activity in the market place only 4 returns were received of which two were invited to tender submission meetings and review. The Vice Principal Finance & Corporate Services & Estates & Facilities Manager were representatives at the tender meetings.

Using this partnership with South Essex College & Essex Shared Services Ltd enabled us to use contractors who know the time constraints that Colleges are under to complete projects in very tight timescales and deliver value for money.

A project to complete a new single-story building for learners with complex needs was completed in Summer 2019 and was £50k under budget through value engineering and good project management. The building was funded from Essex County Council CIL funding and the College.

4.3. Competition issues:

[Describe any competition issues within the supply chain; max. 0.5 page.]
This is not required at SOBC stage.

An extract from the College Financial Regulations is shown below.

18.1 Tenders and quotations

All staff must comply with the College's procurement and tendering procedures as follows:

- *Under £1000 at least one quote should be obtained*
- *£1001 - £10,000 the budget holder should obtain two quotations*
- *£10,001 to 50,000 shall be required to obtain at least three to five quotations and follow procurement guidelines E-sourcing (DELTA)*
- *Over £50,000. Essex Shared Services Ltd procurement team will advise and arrange with the budget holder the procurement process through E-sourcing (DELTA). Where using External Consultants to procure contractors they will tender in accordance with European Regulations.*

Value for money must be obtained in all cases. Aggregated spend with one supplier through multiple purchases to avoid procurement processes or compliance with financial regulations, is not permitted.

The award of contracts over £100,000 will be reported to the governing body.

Only partnership arrangements for the supply of goods or services specifically approved the governing body will fall outside of these arrangements for tenders and quotations.

18.2 Post-tender negotiations

Post-tender negotiations (i.e. after receipt of formal tenders but before signing of contracts) with a view to improving prices, delivery or other tender terms can be pursued provided:

- *it would not put other tenderers at a disadvantage or show favouritism*
- *it would not affect their confidence and trust in the Colleges tendering process*
- *In each case a statement of justification should be approved by the Principal prior to the event showing:*
 - *background to the procurement*
 - *reasons for proposing post-tender negotiations*
 - *demonstration of the improved value for money*

All post-tender negotiations should be reported to the governing body.

18.3 **Contracts**

Building contracts are the responsibility of the governing body and are administered by the Principal.

Proposals will normally be initiated by the Principal in respect of planned replacements, general improvement schemes or space planning, or in response to requests from departments.

Consultants may be appointed if the project is of sufficient complexity to warrant the need for additional expertise. Appointments shall be subject to tendering and other procedures where appropriate.

Proposals shall be presented in the form of costings or investment appraisals prepared in conjunction with the Principal as appropriate for governing body consideration. Investment appraisals should comply with appropriate funding body guidance.

Following consideration and approval by the governing body, submissions should be forwarded to the funding body where appropriate. If required agreement is secured from the funding body, funding body procedural rules should be followed. Funding body guidance on best practice should be followed even when funding body approval is not required.

The achievement of value for money will be an objective in the letting of all contracts.

4.4. **Human resources issues:**

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

This is not required at SOBC stage.

There are no additional College staff required the project will be managed from the existing team.

4.5. **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.]

Current risks are identified in the Risk Register which can be found at appendix B. A detailed construction risk register will be in place and monitored by the project team on a fortnightly basis. The Vice Principal Finance & Corporate Services will be the College Lead and will be responsible for monitoring and managing risk and reporting to the College Executive Group and Board.

4.6. **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.]

The cost consultants will be advised of a number of local contractors that the college has used in previous years and will procure jointly with college management. Focus will be placed on ensuring that tenders include the use of local supply chains and a commitment to include apprenticeship delivery.

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.

4.7. 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.]

The College financial year is 1st August – 31st July. The assumption in the table below is that expenditure is from June 2020 to September 2021.

4.8. 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.]

The total amount of funding LGF already agreed from SELEP is £1,295,000. There is currently a funding gap of £100,000 based on the revised estimates.

4.9. 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.]

Cost type	April – March 2020/21	April – March 2021/22
Capital		
Fees, surveys, structure, internals and externals	£300,000	£1,589,600
Non-capital [For example revenue liabilities for scheme development and operation] contingency		
QRA		
Evaluation & Monitoring – Chelmsford College Revenue		10,000
Total funding requirement	£300,000	£1,599,600

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

4.10. 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.]

This is not required at SOBC stage.

4.11. 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.]

The College financial year is 1st August – 31st July. As the main spend will incur from June 2020 – September 2020 (in the middle of the SELEP) financial year we do not see any risks occurring.

	Expenditure Forecast					
Funding source	17/18 £000	18/19 £000	19/20 £000	20/21 £000	21/22 £000	22/23 £000
SELEP				300,000	995,000	
Chelmsford College					504,600	
Funding Gap					100,000	
Total funding requirement				300,000	1,599,600	

4.12. 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.]

The project has been approved by Chelmsford College Board and will require further approval on 15th June 2020 should the project be approved to go ahead at the SELEP Board.

4.13. 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.]

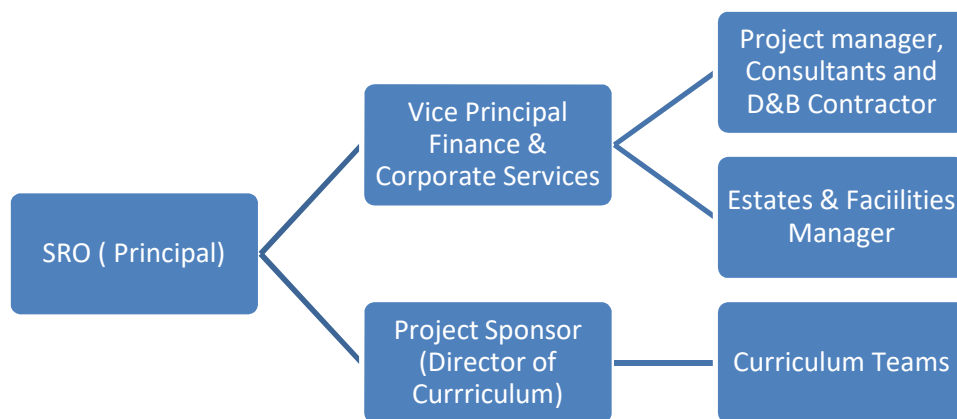
The main risk is the award of SELEP funding and any impact that COVID 19 will have in securing bank finance in 2021.

5. 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.

5.1. Governance:

Once funding has been confirmed then the final board approval will be obtained to commence the project. The project team is as shown below.



The project team will meet on a monthly basis during the feasibility, tender and agree final costings to update the college board. Once the project is live then fortnightly meetings will be in place.

[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.]

5.2. Approvals and escalation procedures:

[Specify the reporting and approval process; max. 0.5 pages.]

This is not required at SOBC stage.

Once the project has been approved the Vice Principal Finance & Corporate Services will agree the key personnel on the project board. As the cost consultants, architect, clerk of works and main contractor get appointed these will be included in the Project Group. The project board will meet fortnightly and the VPFCs will report to the College Executive Group and Board in accordance with meeting timetables. The VPFCs will report to SELEP in line with the requirements.

5.3. Contract management:

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

This is not required at SOBC stage.

The Vice Principal Finance and Corporate Services (VPFCS) will be the College Lead and through the College procurement processes will appoint key roles to support contract management including a 'clerk of works' and 'project manager'. The Clerk of works will ensure that the contract scope is delivered in line with the issued contracts.

5.4. 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.]

The Principal has regular meetings with the Essex County Council and Chelmsford City Council and will keep them apprised of progress along with the VPFCS reporting to SELEP in accordance with any requirements if the project is approved to proceed.

5.5. 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.]

5.6. 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.]

The college has a risk management policy and all new risks are recorded. Where necessary separate risk registers are kept for specific projects and will be reviewed and discussed at any project meetings.

5.7. 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.]

An outline project plan has been prepared and this can be seen at Appendix C.

5.8. 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.]

A new single storey classroom for learners with complex needs has been completed Sept 2019. The estimated project cost was £520,000 and was delivered under budget.

The College has recently relocated its Hair & Beauty Provision from a stand-alone site to the Princes Road campus. This is a £906k project over two phases. Phase 1 was completed on time with new salons open. Phase 2 included a new reception area and this was completed and opened in September 2019.

Previous projects involve the refurbishment of the main 1960's campus at Moulsham Street and the building of Art & Media Block.

5.9. 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*

Outputs (delivering the scheme/project)

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

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)*

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.]

SEE BASELINE CASE SEPARATE DOCUMENT.

5.10. 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.]

A review at the end of 3 years on the baseline information carried out to demonstrate learners achieved and destination into employment.

6. DECLARATIONS

<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>	No
<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>	No
<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>	No

**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.

<i>Signature of applicant</i>	
<i>Print full name</i>	
<i>Designation</i>	

7. APPENDIX A - FUNDING COMMITMENT

Draft S151 Officer Letter to support Business Case submission

Dear Colleague

In submitting this project Business Case, I confirm on behalf of [Insert name of County or Unitary Authority] that:

- *The information presented in this Business Case is accurate and correct as at the time of writing.*
- *The funding has been identified to deliver the project and project benefits, as specified within the Business Case. Where sufficient funding has not been identified to deliver the project, this risk has been identified within the Business Case and brought to the attention of the SELEP Secretariat through the SELEP quarterly reporting process.*
- *The risk assessment included in the project Business Case identifies all substantial project risks known at the time of Business Case submission.*
- *The delivery body has considered the public-sector equality duty and has had regard to the requirements under s.149 of the Equality Act 2010 throughout their decision-making process. This should include the development of an Equality Impact Assessment which will remain as a live document through the projects development and delivery stages.*
- *The delivery body has access to the skills, expertise and resource to support the delivery of the project*
- *Adequate revenue budget has been or will be allocated to support the post scheme completion monitoring and benefit realisation reporting*
- *The project will be delivered under the conditions in the signed LGF Service Level Agreement with the SELEP Accountable Body.*

I note that the Business Case will be made available on the SELEP website one month in advance of the funding decision being taken, subject to the removal of those parts of the Business Case which are commercially sensitive and confidential as agreed with the SELEP Accountable Body.

Yours Sincerely,

SRO (Director Level)

S151 Officer

8. APPENDIX B – RISK MANAGEMENT STRATEGY

Description of Risk	Impact of Risk	Risk Owner	Risk Manager	Likelihood of occurrence (Very Low/ Low/Med/ High/ Very High) (1/2/3/4/5) *	Impact (Very Low/ Low/ Med/ High/ Very High) (1/2/3/4/5) **	Risk Rating	Risk Mitigation	Residual Likelihood/Impact Scores
				[e.g. Medium 3]	[e.g. Very Low 1]	[Likelihood of occurrence multiplied by Impact]		
COVID19	Covid 19 could impact on the ability of the college to borrow the match funding from banks in 2021 due to the economic climate	Vice Principal	Vice Principal	4	4	16	If the college is unable to borrow £0.4m from the bank then the project could not go ahead.	16 unable to predict
COVID 19	The ability of the scheme to obtain planning permission due to the back log of applications	Vice Principal	Vice Principal	4	4	16	Planning could be delayed which will put pressure on the start of the project.	16 unable to predict

	during August – December 2020 depending on the severity of COVID 19							
COVID19	The availability of specialists and contractors will be dependent on the severity of COVID19	Vice Principal	Vice Principal	4	4	16	The economic climate may mean that these are scare resources and even if contractors are available costs may rise	16 unable to predict
Achievement of planning	The scheme does not achieve planning	Vice Principal	Vice Principal	2	3	6	The College will engage early with planners and local stakeholders and the visual of the new building will be more beneficial than the existing temporary Rubb Huts	4
Ground work issues and construction base	The infrastructure required to house the new workshops requires more work than anticipated	Vice Principal	Vice Principal	3	3	9	Ground condition and removal of the Rubb Tents could be programmed during Summer Break 2020 if funding is approved at an early stage.	5
Achievement of growth in learners and apprentices	The expected increase in learners from 2020 will not be realised	Director of Curriculum	Director of Curriculum	3	3	9	The College will implement a marketing campaign to recruit the construction learners as soon as funding is approved. We will also work with local business to ensure that	5

							there a pipeline apprentices ready for when the new building is open.	
Skilled tutors and assessors	The lack of availability of skilled tutors and assessors in some construction areas (e.g. electrical)	Director of Curriculum	Director of Curriculum	3	4	12	Review curriculum and specialist input requirements and blended learning options Continue to work with employers.	10
The coronavirus impacts economic forecasts and investment and other Essex projects are delayed.	There is a delay to the skills requirement	Vice Principal	Vice Principal	4	5	20	The impact will not be known until later in the year.	15

* Likelihood of occurrence scale: Very Low (1) more than 1 chance in 1000; Low (2) more than 1 chance in 100; Medium (3) more than 1 chance in 50; High (4) more than 1 chance in 25; Very High (5) more than 1 chance in 10.

** Impact scale: Very Low (1) likely that impact could be resolved within 2 days; Low (2) potential for a few days' delay; Medium (3) potential for significant delay; High (4) potential for many weeks' delay; Very High (5) potential for many months' delay

Please note, not all sections of the table may require completion.

9. APPENDIX C – GANTT CHART

Tasks	Start date	Finish date	2020						2021				
			June	Sept	Dec	Jan 2021	Feb	May	April	May	June	July	August
Funding known	June 2020	June 2020											
Board approval	July 2020	July 2020											
Ground work investigations	July 2020	August 2020											
Design for planning	July 2020	September 2020											
Planning approval	Dec 2020	January 2021											
Detailed design	Sept 2020	December 2020											
Procure contractor	July 2020	November 2020											
D&B contractor award	Feb 2021												
Construction phase	April 2021	Aug 2021											

10. APPENDIX D – MONITORING AND EVALUATIONS METRICS

Please note, it is not necessary to report against all the Monitoring and Evaluation Metrics below unless they are relevant to the scheme. There is scope to add further Monitoring and Evaluation Metrics where necessary.

Category	Key Performance Indicators	Description
High-level outcomes	Jobs connected to intervention (permanent, paid FTE)	Increase the number of learners (16-18 and apprentices) training in construction and engineering
	Jobs connected to intervention (permanent, paid FTE)	Learners studying construction and engineering are employed in that sector 1 year after leaving college
	Successful implementation of Technical Levels in the Construction & Engineering sectors from 2022	Engagement with employers and increase of hours from 540 – 900 with job related work experience

11. APPENDIX E – ECONOMIC APPRAISAL ASSUMPTIONS

[The DCLG appraisal guide data book includes all of the appraisal and modelling values referred to in the appraisal guidance. Below is a summary table of assumptions that might be required. All applicants should clearly state all assumptions in a similar table.]

Appraisal Assumptions	Details
QRA and Risk allowance	
Real Growth	
Discounting	
Sensitivity Tests	
Additionality	
Administrative costs of regulation	
Appraisal period	
Distributional weights	
Employment	
External impacts of development	
GDP	
House price index	
Indirect taxation correction factor	
Inflation	
Land value uplift	
Learning rates	
Optimism bias	
Planning applications	
Present value year	
Private sector cost of capital	
Rebound effects	
Regulatory transition costs	

12. APPENDIX F - CATEGORIES OF EXEMPT INFORMATION

There is a clear public interest in publishing information and being open and transparent. But sometimes there is information which we can't publish because it would cause significant harm to the Council - for example by damaging a commercial deal or harming our position in a court case. Equally sometimes publishing information can harm someone who receives a service from us or one of our partners.

The law recognises this and allows us to place information in a confidential appendix if:

*(a) it falls within any of paragraphs 1 to 7 below; and
(b) in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.*

- 1. Information relating to any individual.*
- 2. Information which is likely to reveal the identity of an individual.*
- 3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)*
- 4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.*
- 5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.*
- 6. Information which reveals that the authority proposes— (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or (b) to make an order or direction under any enactment.*
- 7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.*