**Greater Manchester Combined Authority**

**Skills Capital Fund 2017 – 2020**

Detailed Application Form for Strand 1 & 2 Applications

**Introduction**

Industry standard learning facilities have a major role to play in delivering the supply of skilled individuals needed to meet the changing needs of the Greater Manchester (GM) labour market. They can help to secure greater employer and learner participation, acting as a catalyst for improved curriculum design and delivery, while also contributing to local regeneration and productivity.

Greater Manchester Combined Authority (GMCA) now have responsibility for the strategic allocation of Skills Capital Funds secured as part of GM’s devolution and growth deals. The GMCA Commissioning Prospectus outlines the skills funding priorities for 2017 – 2020.

Projects successful at Expression of Interest (EoI) phase should complete and submit this Detailed Application Form in accordance with the GM Detailed Guidance September 2017[[1]](#footnote-1). A successful EoI does not guarantee funding; allocations will be dependent upon:

i) GMCA’s detailed appraisal of applicants’ detailed application form; and

ii) Sufficient funds being available to meet all successful applications.

In order for your application to be appraised, applicants must return the following by **1pm on Friday 10th August 2018:**

* **ONE signed electronic copy** of the completed application form and required supporting information submitted to GMSkillsCapital@greatermanchester-ca.gov.uk (please compress files to less than 5MB or send several emails labelled Email 1 of XX).
* **ONE signed hard copy and two further copies** of the completed application form and required supporting information to be received by:

Gemma Marsh

Assistant Director, Skills (Policy, Strategy & Delivery)

Greater Manchester Combined Authority

First Floor, Churchgate House

56 Oxford Street

Manchester M1 6EU

Without exception, **we will** **NOT** consider as eligible for the Skills Capital Fund any applicants that fail to submit **both an electronic and hard copy** of a signed and completed detailed application form, together with supplementary information in accordance with the above submission requirements. To be eligible for Skills Capital Funding, applicants must submit detailed applications and supplementary financial information using the correct application forms and templates.

**PART 1 – OVERVIEW**

|  |
| --- |
| **Applicant Contact Information**  |
| **Organisation Name**  |  |
| **Address** |  |
| **Lead Contact Name / Job Title** |  |
| **Lead Contact Telephone** |  |
| **Lead Contact Email** |  |
| **Delivery Partners (if applicable)** |  |

|  |
| --- |
| **Project Details** |
| **Project Title** |  |
| **Skills Capital Strand** | e.g. 1 or 2 |
| **Project Summary**  | *maximum 100 words*Guidance note a |
| **Total Project Cost** | £ |
| **Grant Requested** | £Percentage [ ] of total project costs |
| **Private Sector Funding** | £Percentage [ ] of total project costs |
| **Location of Project**  | Provide the address of the proposed project, including postcodeGuidance note b |
| **Procurement method of Building Contract** | Guidance note c |
| **Is the project also located within an adjoining CA / LEP area?** | **YES / NO** (delete as appropriate)If Yes, state the name of the CA / LEP and summarise the outcome of any dialogue held with the CA / LEP regarding the proposed project*maximum 200 words* |
| **Changes in project since Expression of Interest submission** | **At Expression of Interest:**Total Project cost £[ ]Grant requested £[ ] Percentage [ ] of total project costThe project **HAS / HAS NOT** (delete as appropriate) been subject to any material changes since the Expression of Interest. If YES, please give details.Guidance note d |
| **Has the project previously been considered by the Education & Skills Funding Agency or any other bodies?** | **YES / NO** (delete as appropriate)If YES, state the outcome and any subsequent changes made to the project *maximum 250 words* |
| **THE STRATEGIC CASE (see guidance note e)****\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_****The purpose of this section is to explain how the scope of the proposed Skills Capital project fits within the existing business strategies of your organisation, the GMCA and its partner organisations and provides a compelling case for change, in terms of existing and future skills requirements**  |
| **Organisational Overview**Please provide a brief overview of the organisation(s) (purpose and structure) making the case for investment.*maximum 250 words* |
| **Business Strategies**Please demonstrate fit with and contribution to Greater Manchester Work & Skills Strategy and Priorities 2016 – 219 and criteria set out in Annex 1, the Greater Manchester Strategy: Our People; Our Place, together with your business strategy and any national, regional or local strategies pertinent to the project proposal with particular focus on:* Growth, including the growth of high quality Apprenticeships, higher skills in priority sectors and stronger and deeper engagement of employers in the local skills system;
* Inclusion, including contribution to improving learner attainment, reducing NEETs and unemployment

Detailed labour market intelligence to identify current and future labour market skills gaps and opportunities is available via publications available at [www.greatermanchester-ca.gov.uk/SkillsCapitalProgramme](http://www.greatermanchester-ca.gov.uk/SkillsCapitalProgramme). Key relevant documents include the GM Skills Analysis 2015-16 and priority sector GM Deep Dive Skills Reports.*maximum 750 words* |
| **Measurable Project Objectives / Outputs** |
| **Please provide a minimum of three specific, measurable, achievable, realistic and time-framed (SMART) objectives / outputs for the proposed Skills Capital project** Guidance note f |
| **Objective 1** |  |
| **Objective 2** |  |
| **Objective 3** |  |
| **Rationale and Need for Investment**  |
| Please describe the existing situation with regard to the project – the status quo and the rationale for Skills Capital intervention *maximum 1000 words*Guidance note g |
| **Impact on Benefits to Learners**  |
| **Note: In the responses to questions in this section, it is important to make reference to the learner number table and to include quantifiable targets and measures, as appropriate, to assist with an objective assessment of the application** |
| **Learner Numbers** | Complete Table 1 below to show the number of learners that will benefit from the project**Table 1: Learner numbers**

|  |  |  |  |
| --- | --- | --- | --- |
| **Learner Level**  | **Learner numbers before project****[1]** | **Learner numbers after project****[2]** | **Change in learner numbers** **= [2-1]** |
| **Level 1 16-18** **19+** |  |  |  |
|  |  |  |
| **Level 2 16-18** **19+** |  |  |  |
|  |  |  |
| **Level 3 16-18** **19+** |  |  |  |
|  |  |  |
| **Level 4+ 16-18** **19+** |  |  |  |
|  |  |  |
| **16-18 Apprenticeships** | Intermediate:  | Intermediate:  | Intermediate:  |
| Advanced:  | Advanced:  | Advanced:  |
| Higher:  | Higher: | Higher:  |
| **Adult (19+) Apprenticeships** | Intermediate:  | Intermediate:  | Intermediate:  |
| Advanced:  | Advanced:  | Advanced:  |
| Higher:  | Higher:  | Higher:  |
| **Total** |  |  |  |

 |
| **Curriculum Areas** | Which curriculum areas will be affected by the project, including learner numbers?*maximum 250 words* |
| **Supporting Economic Growth**  |
| **Contribution to the Greater Manchester Work & Skills Strategy and Priorities 2016-19 (see Annex 1)**Applicants should demonstrate how the project will make a contribution to as many of the following criteria as possible. Strand 2 project applicants should specifically include C) Delivering an Employer Led Skills System Guidance note h |
| **A) Improving attainment from compulsory education** | Explain how the project will have a positive and measurable impact improving attainment at 16 and achievement at 19*maximum 500 words* |
| **B) Preventing and reducing NEETs and unemployment** | Explain how the project will have a positive and measurable impact on tackling:* NEETs
* 16-24 unemployment
* Adult unemployment

*maximum 500 words* |
| **C) Delivering an employer led skills system** | Explain how the project will meet the needs of employers and provide them with a greater role in shaping delivery, including:* How the project will support the business and skills requirements of employers, particularly SMEs
* Demonstrable demand from businesses who will co-invest in skills improvements for their current and future workforce leading to business growth
* Evidence of employer commitment to the project – numbers of new employers engaged, by size and sector

*maximum 500 words* |
| **D) Growing the quality and quantity of Apprenticeships** | Explain how the project will support the expansion and growth of Apprenticeships, in particular:* How the project will have a positive and measurable impact on 16-18 and 19-24 Apprenticeships
* How the project will support the provision of enhanced progression routes to higher level training, including higher level Apprenticeships

*maximum 500 words* |
| **E) Developing higher level skills** | Explain how the project will help to increase the progression into higher level skills particularly in priority sectors*maximum 500 words* |
| **Other Criteria** |
| **Improving the quality of teaching and learner success** | Explain how the project will support measurable improvements in :* The quality of teaching and learning
* Learner success

*maximum 500 words* |
| **Collaboration & Partnership** | Outline whether / how plans have been developed in collaboration / partnership with other employers, colleges or providers and what impact this will have on the skills provision in the sector / locality / GM, e.g. how will you avoid duplication and / or displacement of provision and learners? Explain how the project is, or will be, linked to employers and local employer networks and partnerships etc. *maximum 500 words* |
| **Social Value** | In accordance with the Public Services (Social Value Act) 2012 applicants should identify the relevant wider economic, social and environmental benefits for the local community deriving from the project. E.g. impact on local public services, regeneration, productivity etc.*maximum 500 words* |
| **Other growth measures** | Explain how the project will contribute to other growth measures including:* More opportunities for learners with learning difficulties and disabilities
* More flexible routes and opportunities to higher education
* Impact on areas of high deprivation
* Creation of new jobs during construction
* Creation of new jobs post construction
* Reductions in CO2
* Any other quantifiable benefits

*maximum 750 words* |
| **Estate Need** |
| **Estate Need** | Explain how the project relates to the college’s estate strategy and strategic objectives*maximum 750 words**Guidance note i* |
| **College Gross Internal Area (GIA) m2** | Complete Table 2 below to identify the size and nature of the proposed Skills Capital project. Where the skills project is part of a larger project (for example a training facility within a larger building) then provide information solely on the skills / training facility.**Table 2: Gross Internal Area (GIA) affected by the project**

|  |  |  |
| --- | --- | --- |
| **GIA (m2) before project** | **GIA (m2) affected by project** | **GIA (m2) after project** |
|  [ ]m2  | New build/ acquired GIA: | []m2  | [ ]m2 |
| GIA to be refurbished: | [ ]m2  |
| Vacated/ demolished GIA: | [ ]m2 |

 |
| **Floor Areas Improved / Rationalised by Project** | Complete Table 3 below to show the area of estate in eMandate condition A, B, C and D before and after the project **Table 3: Impact of Project on Condition of Estate (Gross Internal Area [GIA])**Guidance note j

|  |  |  |
| --- | --- | --- |
| **Condition of Estate BEFORE project (m2 and %)** | **Condition of Estate AFTER project (m2 and %)** | **Change in condition (m2 and %) of estate as a result of the project** |
|   | **m2** [1] | %  |  | **m2** [2] | %  |  | **m2** [2-1] | %  |
| A: |  |  | A: |  |  | A: |  |  |
| B: |  |  | B: |  |  | B: |  |  |
| C: |  |  | C: |  |  | C: |  |  |
| D: |  |  | D: |  |  | D: |  |  |
| **Total:** |  |  | **Total:** |  |  | **Total:** |  |  |

 |
| **Inoperable / Category D Building Condition**  | *maximum 100 words*Guidance note k |
| **BREEAM** | *maximum 100 words*Guidance note l |
| **Sustainability**  | *maximum 400 words*Guidance note m |
| **Constraints** | Please mention any constraints that could impact upon the project  |
| **Dependencies** | Tell us whether your project is dependent upon other projects, investments and / or decisions etc., that are outside your control  |

|  |
| --- |
| **THE ECONOMIC CASE****\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_****In this section you need to document the options that have been considered in response to the project scope identified within the Expression of Interest** |
| **Investment Appraisal and Running Costs** | Applicants are required to provide as an appendix to this application, a detailed investment appraisal of the short-listed options using the Education & Skills Funding Agency’s simplified investment appraisal model available at:[www.gov.uk/government/collections/sfa-capital-funding-for-fe-colleges-and-training-organisations](http://www.gov.uk/government/collections/sfa-capital-funding-for-fe-colleges-and-training-organisations) Guidance note n |
| **Summary of Options Considered** | **Short Listed Options**Based upon your assessment of the long listed options in your Expression of Interest, please identify up to 3 short listed options in Table 4 that could be developed further if your project is invited to proceed. You must include the Base Case / Do Nothing option in your shortlist.Set out your short list of options in Table 4 below.**Table 4: Shortlisted options**

| **Option** | **Description and Reason(s) for shortlisting** |
| --- | --- |
| Base Case/ Do Nothing |  |
| Option 2 |  |
| Option 3 etc. |  |

**Assessment of Short Listed Options** Guidance note o**Table 5: Assessment of Short Listed Options**

| **Option** | **Advantages** |  **Disadvantages** |
| --- | --- | --- |
| Base Case/Do Nothing  |  |  |
| Option 2 |  |  |
| Option 3 etc. |  |  |

Explain the criteria you have used to assess each option on the short list including **value for money**. Please include the results of the **sensitivity testing** from the investment appraisal of each option here.Guidance note pComplete Table 6 below to show the cost and Net Present Value (NPV) of each option highlighting the preferred option**Table 6: Comparison of Options**

|  |  |  |
| --- | --- | --- |
| **Option** | **Cost (£000)** | **NPV (£000)** |
| Base case/Do nothing  |  |  |
| Option 2 |  |  |
| Option 3 |  |  |

**Preferred Option / Proposed Project** Based on all the criteria provided in Tables 4, 5 and 6 above, please confirm which is the preferred option and the reasons for selecting it above the others. *maximum 250 words*Complete Table 7 below to show the estimated premises costs and savings over a 20 year period for the preferred option**Table 7: Premises costs and savings**

|  |  |  |
| --- | --- | --- |
|  | **Proposed Project****Savings/Cost (£000)** | **Base Case****Savings/Cost (£000)** |
| **Premises costs [1]** | £ [ ] | £ [ ] |
| **Premises savings [2]** | £ [ ] | £ [ ] |
| **Difference [1-2]** | **£ [ ]** | **£ [ ]** |

If the costs exceed the savings by more than 5% of the total project cost then explain how the project will enable the college to reduce its overall premises costs per square meter over the investment period; or in exceptional cases, for example where the college proposes to build additional space to accommodate new provision, why the project is unable to contribute to lower premises costs (£/m2). *maximum 100 words* |
| **Risks and Mitigations** | Highlight potential risks to the proposed project Guidance note q |
| **Lessons learned and past return on investment**  | Has the college / provider completed a capital project in excess of £2million in the last 5 years? **YES / NO** (delete as appropriate)If YES:* Provide a brief description of the project including outturn cost

*maximum 100 words** Comment on the return on investment achieved and the extent to which the project delivered on the intended outcomes

*maximum 500 words** Identify lessons learned from the previous project and explain how these lessons will be applied to the proposed project

*maximum 100 words* |
| **THE COMMERCIAL CASE****\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_****This section outlines the proposed arrangement in relation to the programme for delivery**  |
| **The Procurement Process** | Please confirm the procurement method for the project Guidance note r |
| **Project Team Appointments**  | Confirm, where known, consultants appointed to manage this project:Project Manager:Architect:Quantity Surveyor / Cost Consultant:Planning Supervisor:Structural Engineer:Electrical Engineer:Mechanical Engineer:(If the future appointment of a consultant is proposed for the project please give details above) |
| **Timetables and Milestones** | Outline the current position of project development and project programme Guidance note s |
| **Anticipated Start Date** |  |
| **Anticipated Practical Completion Date** | Guidance note t |
| **Planning Consents** | Guidance note u |
| **Acquisition Details (if applicable, freehold/long leasehold only)** | Guidance note v |

|  |
| --- |
| **THE FINANCIAL CASE** **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_****The purpose of this section is to set out the indicative financial implications of the preferred option as set out in the Economic Case section**  |
| **Project Funding / Finance** | **Total amount of Single Pot / Skills Capital funding being sought**Please confirm the amount of Skills Capital funding needed to deliver your project. Complete Table 8 below to show how the project is to be funded / financed**Table 8: Funding / financing of proposed project**

|  |  |
| --- | --- |
| **Project funding / financing** | **Capital cost (£000)** |
| Single Pot/Skills Capital funding | £ [ ] |
| College contribution (cash reserves) | £ [ ] |
| Private sector contribution | £ [ ] |
| Loan finance  | £ [ ] |
| Disposal proceeds | £ [ ] |
| Other public sector grants | £ [ ] |
| Other | £ [ ] |
| **Total** | **£ [ ]** |

Please state the existing and any other additional sources of funding that have been formally agreed, for each stating the source, amount and duration of the funding.Please provide information on the capacity of the non-Skills Capital funders to provide this level of funding over the time period in question (e.g. is the amount of funding expected from a funder a significant portion of that organisation’s budget? Does the funder have a secure future income?Additional comments, for example, if disposal proceeds are to be used, please explain the current status of disposal. *maximum 200 words*Guidance note w |
| **Match Funding**  | **Please outline the level of Skills Capital intervention requested** together with reasons if exceeding 33% of the total project cost*maximum 200 words*Guidance note x |
| **Expenditure Profile** | Complete a detailed monthly expenditure template for the period January 2018 to the planned completion date of the project – for successful applications this will be used to determine grant payment profilesGuidance note y |
| **Project Costs** | Complete the cost breakdown pro-forma with reference to the Education & Skills Funding Agency’s cost model [www.gov.uk/government/collections/sfa-capital-funding-for-fe-colleges-and-training-organisations](http://www.gov.uk/government/collections/sfa-capital-funding-for-fe-colleges-and-training-organisations)Justify / explain any variances from the Agency’s cost model*maximum 400 words* |
| **THE MANAGEMENT CASE****\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_****This section addresses the ‘achievability’ of the scheme, Its purpose is to set out the actions that will be required of project partners to ensure the successful delivery of the scheme.** |
| **Project Reporting & Governance** | What will be the governance structure underpinning the project? Please describe the reporting structure including, where possible, named individuals and roles |
| **Governing Body Minutes** | Provide appropriate minutes to confirm approval of project details, expenditure and loan requirements. If not yet available, state when the governing body meeting will be held and when the relevant minutes will be available. If successful, no grant offer will be confirmed until the required minutes are received. |
| **Project Delivery**  | Who is the lead person / organisation in terms of project management?Which individuals / organisations will support the leader person / organisation and which tasks? |
| **Monitoring & Evaluation** | Confirm that a Post Occupancy Review (POR) will be submitted in the CA’s agreed format within 12 months of the completion of the project:**YES / NO** (delete as appropriate)Guidance note z |
| **Outline arrangements for change and contract management**  | Please explain your plans for dealing with any project changes that become necessary and the contract management approaches you will follow to make these changes |
| **Outline arrangements for risk management**  | Please explain your strategy, framework and plan for dealing with the management of risks such as those identified in the Economic Case section |
| **Contingency** | In the event that this project fails, or significant changes occur what arrangements are in place for continued delivery of the project? |

**PART TWO – DECLARATION**

|  |
| --- |
| **DECLARATION** |
| **Declaration**  | **I certify that the information provided in this Detailed Application is complete and correct.****This project has not been the subject of a previous successful Skills Capital Fund application to the Education & Skills Funding Agency or received any other public capital funds.**  |
| **Signature****College Principal / Provider CEO**  |  |
| **Print Name** |  |
| **Date**  |  |

**Before submitting your detailed application, ensure you have all the required supporting information:**

* **ONE hard copy** of the application form (signed and dated)
* **ONE electronic copy** of the application form (signed and dated)
* Minutes confirming governing body approval for the project
* Investment Appraisal for the proposed project (latest version in Excel format)
* Investment Appraisal for base case (latest version in Excel format)
* Completed building cost breakdown analysis form
* Planned expenditure profile
* Sketch plans and elevations (to the equivalent of at least RIBA Stage C)
* A detailed flow chart (for example a Gantt chart) setting out the project programme
* A risk management plan (for projects in excess of £10 million in value or financial health ‘inadequate’)
* Financial plan and commentary (latest version of financial plan in Excel format)
* Supporting evidence for any third-part project funding
* Supporting valuation for any property acquisition / disposal, with heads of terms provided where appropriate
* Adopted estate strategy
* Most recent audited accounts

**PART THREE – GUIDANCE & NOTES**

a) **Project Summary** – Provide a brief summary of the proposed project, including: overview, summary of aims and objectives, anticipated target beneficiaries and what quantifiable and tangible outcomes are likely to be achieved.

b) **Location of Project** – Provide the address of the proposed project, including postcode.

c) **Procurement Method** – Procurement method of Building Contract i.e. Design and Build, Traditional, CostPlus etc. This is a summary only. More details will be required in the Commercial Case (guidance note p).

d) **Changes in Project since Expression of Interest submission** – Since submission of the Expression of Interest state the change (if any) in total project costs and total amount of grant requested. Confirm that the project has not been subject to any material changes since submission of the Expression of Interest.

e) Please use this space to describe any changes in the strategic case for the project that have come about since you last submitted a Skills Capital funding application form.

 **Note: If you are not making any changes to the Strategic Case please paste the Strategic Case section of your Expression of Interest here.**

f) **Measurable Project Objectives** – Identify a minimum of three specific, measurable, achievable, realistic and time-framed (SMART) objectives / outputs for the proposed capital project. At least one objective / output should relate to the college’s estate and one should relate to benefits to learners, employers and the local community.

i. Estate – for example, a reduction in the amount of space in building condition categories C and / or D

ii. Benefits to learners, employers, local community – for example improved recruitment, retention or improved student satisfaction rates

iii. Support inclusive growth in line with GMCA Work & Skills Priorities

iv. For Strand 2projects and Strand 3 focussed on priory sectors at least one objective should focus on the benefit to employers and their current and future employees.

Please note how these objectives were derived with the involvement of stakeholders and customers for the proposed scheme. The must be SMART. In particular, consideration should be given to objectives which will reduce cost (economy); improve throughput (efficiency); improve quality (effectiveness); and the need for replacement services.

Colleges will be expected to assess the extent to which the identified SMART objectives / outputs have been achieved when completing GMCA’s Post Occupation Review analysis.

g) **Rationale and Need for Investment –** Explain the key drivers for the project and how the project relates to GMCA and Government priorities including Area Based Review (ABR) outcomes. GM Leaders set out the following as part of the ABR process and this will now form a critical part in any appraisal of Skills Capital requests (more detail in Annex 2):

* An offer that meets each area’s educational and economic needs
* Sufficient access to high quality and relevant education and training for all
* Providers with strong reputations and greater specialization
* Provision which reflects changes in Government funding priorities and future demand
* Institutions which are financially viable, sustainable, resilient and efficient, and deliver maximum value for public investment.

h) **Contribution to Greater Manchester Work & Skills Strategy –** Explain how the project will enable a positive and measurable impact on responding to skills needs, including how it:

* Meets current and future skills needs and supported growth industries and sectors as set out in the GM Work & Skills Strategy, GM Skills Analysis and Sector Deep Dives
* Reduces dependency and promotes self-reliance
* Makes a measurable contribution to specific local priorities, issues and challenges.

i) **Estate Need –** Explain how the project relates to the college’s estate strategy and strategic objectives. Outline what the college intends to achieve, including the key drivers for the project. Ensure that the scope and nature of development and / or refurbishment works are clearly defined. Make it clear the extent to which the proposed project will meet estate need and how it links to the case for benefits to learners and economic growth (see Strategic Case). Applicants are required to submit, where relevant, a copy of the college’s Estate Strategy with the detailed application.

j) **Floor Area Improved / Rationalised by Project M2 –** Information should be consistent with most recent eMandate submissions, updated where necessary to assume that recent / active projects have been completed. Exclude farm and residential buildings. Quote both area (m2) and percentage.

k) **Inoperable / Category D Building Condition** – Where a college has accommodation in Category D (inoperable) that this project does **NOT** improve, explain why this is the case and set out the college’s plans to deal with this space in the future.

l) **BREEAM** – Confirm targeted Building Research Establishment Environmental Assessment Method (BREEAM) rating for the project. The expectation is that new-builds will achieve ‘Excellent’ and refurbishments will achieve ‘Very Good’. Confirm that work has been done to establish that the appropriate standard will be achieved.

m) **Sustainability** – Explain how the college / provider is addressing the sustainability agenda in relation to estate. Make specific reference to work it may be involved in such as achievement of, or work towards, recognised Environmental Management Systems, carbon / energy reduction and so on. Explain how the proposed project links to / is aligned with the college / provider sustainability strategy / policy.

n) **Investment Appraisal and Running Costs –** Applicants must accompany their application with an investment appraisal (in Excel format) for the shortlisted options **and the base case (do the minimum) option** (including assumptions), in accordance with the HM Treasury document ‘The Green Book: Appraisal and Evaluation in Central Government’. Applicants are required to use the Education & Skills Funding Agency’s simplified investment appraisal model available on the Agency website [www.gov.uk/government/collections/sfa-capital-funding-for-fe-colleges-and-training-organisations](http://www.gov.uk/government/collections/sfa-capital-funding-for-fe-colleges-and-training-organisations) for this process, including supporting guidance notes.

 The investment appraisals should include estimates of any premises costs and operating savings arising from the project over a 20 year period.

 The investment appraisal for the project proposal is not required to show a positive net present value (NPV). However it should provide a more favourable result that the base case option (that is, if both provide a negative NPV the proposed project should generate a smaller negative NPV than the base case).

o) **Assessment of Short Listed Options –** Indicate who was involved in assessing the options.Use the table to set out the advantages and disadvantages of the short list of options – these should relate to things like the strategic fit, scope, affordability, value for money in terms of benefits delivered (including hard to quantify benefits if relevant), achievability etc. of each option.

p) **Value for Money** – Please consider:

* Building costs broadly in line with previous cost benchmarks e.g.
	+ FE college scheme – c£2706 per m2 (BREEAM ‘Very Good’)
	+ Small works scheme – c£2478 per m2
	+ Refurbishment – c£1848 per m2
* Returns on investment – net present value for proposed project compared to ‘do nothing’
* Operating Savings – lowering premises costs over 20 years

q) **Risk and Mitigation** – Highlight potential risks to the project (such as risks relating to funding [capital and revenue], programme, costs, value for money, site acquisition / disposal and procurement). Identify the likelihood and impact of each risk. Identify risk mitigation measures. **A risk management plan** is also required for projects of total value (grant and match) over £10 million, or where the college’s financial health is Inadequate, to demonstrate that risks will be adequately managed

r) **Procurement Process** – With reference to how this might impact on the risks outlined in the Economic Case:

* What procurement route are you using?
* What criteria did you apply to generate a shortlist of potential suppliers
* How were the shortlisted suppliers reduced down to a preferred supplier?

s) **Timetable and Milestones** – Outline the current position of project development. Provide a detailed project programme in the form of a Gantt chart. Show key milestones and timings relating to key aspects of the project (planning, procurement, contract award, project completion, acquisition, disposal etc.).

t) **Anticipated Practical Completion Date** – Completion on site should, wherever possible, be by 1st September 2018 for projects receiving only 2017/18 funds and 1st September 2018/19 or 2019/20 for two / three year projects.

u) **Planning Consents** – Confirm current planning status, including constraints and potential issues (for example s106, s278 agreements, listed buildings). Confirm whether consultation has been undertaken with the relevant Local Authority and, in the case of Listed Buildings / Conservation Areas etc. English Heritage.

v) **Acquisition Details (if applicable, freehold / long leasehold only)** – Site / building to be acquired including areas (hectares and GIA in m2). Provide copy of heads of terms and details of professional advice and valuation obtained and any potential issues.

w) **Project Funding / Funding** – Please outline the source of match funding identified and the level of intervention requested. Skills Capital Funding should not be seen as a substitute for existing resources. Providers will be expected to maximise their own financial contribution to projects through, for example, asset disposals, even if these occur after the project is complete.

 Applicants should provide supporting evidence for any third-party project funding, including loan finance, disposal proceeds and / or other public sector grants.

Applicants will need to demonstrate that they will be financially viable after taking account of their contribution to the project, including any associated borrowings. (Applicants will be required to provide a risk management plan where either the project cost exceeds £10 million or 25% of turnover, or a college’s financial health calculated or ESFA assessed grade is ‘Inadequate’ at the application date).

x) **Match Funding** – Providers will normally be expected to provide a minimum funding contribution. Employer contributions are encouraged. This is likely to vary depending on the type of project but typically would be up to 33%. That is, for every £1 from the Skills Capital Fund, there should normally be an additional £2 invested. Where providers are unable to provide the required match funding, this should be clearly identified. In exceptional circumstances intervention rates higher than 33% may be considered. A compelling case should be given justifying the higher level of intervention based on the criteria outlined in Annex 1.

 For projects under Strand 2 applicants will be expected to show evidence of employer contribution.

 Applicants should attach the latest copy of their audited accounts.

y) **Financial Plan** – The applicant is required to submit a financial plan (in excel format) as part of the application using the latest financial plan spreadsheet model available on the ESFA website. The financial plan should for at least two years after project completion. [www.gov.uk/government/collections/sfa-capital-funding-for-fe-colleges-and-training-organisations](http://www.gov.uk/government/collections/sfa-capital-funding-for-fe-colleges-and-training-organisations)

z) **Post Occupancy Review** – GMCA’s Post Occupancy Review is currently being developed but will be based on the ESFA Post Occupancy evaluation form available at [www.gov.uk/government/publications/sfa-capital-funding-evaluation-and-use-of-capital-grant-forms](http://www.gov.uk/government/publications/sfa-capital-funding-evaluation-and-use-of-capital-grant-forms).

**ANNEX 1: GREATER MANCHESTER WORK & SKILLS PRIORITIES 2016 - 2019**

In Greater Manchester we need to be ambitious about the future of our work and skills system if we are to seize the opportunities that devolution provides, capitalise on national changes and minimise the risk from reduced levels of Government investment. We also need to be realistic about the challenges we face and our baseline position. The opportunities and challenges are not uniform across Greater Manchester and we recognise that there is a lot of good work at local authority level upon which we can build. Therefore we need to be focused on where we concentrate GM Level resources to add value and maximise the impact of GM work and skills initiatives. The ten priorities for the next 3 years are:

1. **Improving careers education, information, advice and guidance (CEIAG)**

We will radically improve the quality of CEIAG to ensure that young people and adults – and the parents, teachers, trainers, colleagues and friends that advise them – understand the range of education, training and employment opportunities available in Greater Manchester and are able to make informed choices. This will be founded on high quality labour market information.

1. **Reforming the work and skills system to focus on outcomes not outputs**

We will develop a series of outcome frameworks to underpin future GM commissioning to ensure all work and skills provision supports sustainable employment and career progression. The outcome frameworks will ensure that young people and adults are given the skills needed for the world of work: English and maths, digital, meaningful work experience, and the behaviours / soft skills employers want (for example, communication, team working and time keeping).

1. **Developing Greater Manchester’s work and skills infrastructure to meet the needs of the economy**

Working through the Area Based review, the JCP Estate Review and the One Public Estate programme, we will ensure that general education and training provision at Level 3 ad below is available locally in all parts of GM. We will also develop specialist and technical provision at Level 3 and above in areas linked to GM’s growth sectors in a small number of Centres of Excellence I accessible locations in GM.

1. **Improving attainment from compulsory education**

We will focus our efforts on significantly improving attainment of 5 GCSE grades A\*-C (or equivalent) including English and maths.

1. **Strengthening employer engagement**

Working with the LEP, employer bodies and local authorities, we will develop a comprehensive approach to employer engagement to genuinely put employers at the heart of the skills and work system. This will ensure that (1) publicly funded provision better meets the requirements of employers; (2) employers increasingly recognise the value of workforce development and investing in the skills of their employees at all levels; (3) the higher level skills needed for growth are developed and commissioned by business, recognising that changes to public funding means that most of this will need to be funded through FE Loans and employer investment; (4) employers are engaged in the system to support people to stay in and (re)enter the labour market.

1. **Growing the quality and quantity of Apprenticeships**

We will develop an approach to significantly increase the number and quality of Apprenticeships I GM. At the same time we will shift the balance of provision increasingly towards advanced and higher level Apprenticeships in GM’s growth sectors. This will be delivered through providing better CEIAG, improved employer workforce development, and the coordination of public sector activity in response to the Apprenticeship Levy.

1. **Developing higher level skills**

We will work to join up activity within schools, further education and training providers and universities in GM to ensure that there is a seamless system where young people and adults easily and routinely progress to achieve degree level equivalent skills. We will also work with universities to connect graduates with employment opportunities in GM’s SME base and retain more graduates within the city region.

1. **Redesigning universal support provision**

We will redesign universal back to work support services so that there is an early assessment of need. For those residents that require support, a personalised offer will be delivered based on their specific circumstances. This will be delivered in an integrated way with other local services to improve the customer experience and increase sustainable job outcomes.

1. **Developing specialist support for hard-to-reach groups**

We will focus on delivering a successful expansion of the Working Well Programme and, through the Work & Health Programme recommissioning, designing a new offer for complex 18-65 year olds who have experienced log periods outside the labour market. This support will be developed to fully utilise complementary public, private and community services.

1. **Ensuring Greater Manchester commissioned programmes have a skills and work focus**

We will work with partners to ensure that relevant programmes commissioned by GM partners, including ESF programmes, business support activity and GM health programmes (particularly mental health) have a strong work and skills component to support the delivery of GM’s work and skills objectives.

**ANNEX 2: AREA BASED REVIEW AGREED CRITERIA TO SUPPORT APPRAISAL OF OPTIONS**

**An offer that meets each area’s educational and economic needs**

Using GM labour market intelligence and future skills requirements we must ensure that provision better delivers the higher level and technical skills required by GM’s core and growth sectors in every locality. Employers must play a stronger role in future provision by being proactively involved with shaping the curriculum and embedding work experience, enterprise skills and knowledge transfer. We must create an integrated approach to skills and employment provision which includes careers education, information, advice and guidance (CEOAG), increasing English / maths attainment, reducing levels of NEET young people and exploration of different models of all post-16 provision.

**Sufficient access to high quality and relevant education and training for all**

All individuals should have access to a strong academic psot-16 offer from Level 2 / 3 and below in their local area, including sufficient provision for adults and learners with Special Educational Needs / Disabilities (SEND). Specialist higher level provision should be limited to specific sites in GM that have excellent transport connections – recognising travel to learn patterns. Provision at all levels should have clear pathways for progression supported by strong collaboration between institutions and employers to ensure these progression routes are seamless across geographies.

**Providers with strong reputations and greater specialisation**

In order to create a system that does not unnecessarily duplicate provision, both at a local level and across GM specifically for Level 3 and above, we should build on the existing strengths of institutions to support greater specialisation including the opportunity for an Institute of Technology. In line with growth projections, there should be a focus on enhancing provision in line with GM’s key sectors where skills shortages are emerging and impacting on growth.

**Provision which reflects changes in Government funding priorities and future demand**

With the national focus on Apprenticeships, we must ensure that we effectively stimulate demand for Apprenticeships particularly at Level 3 and above, in order to grow and deliver increasing numbers of Apprenticeships in GM’s key sectors. IN order to reduce reliance on public funded provision, we must enhance provision that is funded through adult loans, the Apprenticeship Levy and direct employer investment. Provision should meet changing future demand and should incorporate new models of delivery and virtual learning.

**Institutions which are financial viable, sustainable, resilient and efficient, and delivery maximum value for public investment**

We must create a system that is financially viable and has greater efficiency against key costs drivers, meeting at least national benchmarks set out by the FE Commissioner. To achieve this we must make more efficient use of land, buildings and technology in line with ‘One Public Estate’; ensure strong leadership and management of institutions that lead to the creation of the right infrastructure for the future, for GM’s learners and the economy; and we must explore all models of delivery including greater commission of activity from third parties and businesses.

1. Detailed Guidance can be found at [www.greatermanchester-ca.gov.uk/SkillsCapitalProgramme](http://www.greatermanchester-ca.gov.uk/SkillsCapitalProgramme) [↑](#footnote-ref-1)