

Greater Manchester Combined Authority

Skills Capital Fund 2017 – 2020

Detailed Application Guidance for Strands 1 and 2 applications

1.0 Introduction

- 1.1 Skills Capital Funding (SCF) is an integral part of delivering the Greater Manchester Work and Skills priorities 2016-2019.
- 1.2 Greater Manchester Combined Authority (GMCA) has secured (subject to final negotiation and formalisation in a funding agreement) a Skills Capital Funding allocation of £71 million for the period 2017-2020.
- 1.3 The deployment in 2017-2020 of SCF will be aligned closely to the Greater Manchester Work & Skills Strategy and Priorities (Annex 1) together with the revised Greater Manchester Strategy: Our People; Our Place. It will also be guided by the underlying principles agreed for the Post-16 Area Based Review (ABR) in terms of both institutional and curriculum re-organisation (Annex 2). It will focus investment on those sectors, geographies and client groups where the greatest impact and return on investment can be achieved.
- 1.4 All relevant strategic documentation together with Skills Capital application forms and guidance can be found at <https://www.greatermanchester-ca.gov.uk/SkillsCapitalProgramme>
- 1.5 To receive Skills Capital Fund support at this stage, applicants would normally need to have submitted an Expression of Interest (Eoi) which has been approved for further development (detailed application).
- 1.6 This document summarises the key principles of the SCF, provides guidance on the submission of detailed SCF applications together with key application and determination dates.

2.0 Key Principles of Skills Capital Funding

- 2.1 The aim of the Skills Capital Funding is to promote excellence and to support employer-focused delivery, thereby enhancing skills acquisition and economic growth. The SCF recognises that accessibility to modern, state-of-the-art equipment and fit-for-purpose learning and training environments, equal to those used in the workplace, is crucial to the delivery of effective learning and training
- 2.2 **SCF Funding available** – There is £71m Skills Capital available over the period 2017-2020.
- 2.3 There are three strands of skills capital investment, outlined below:

Strand 1: Large Redevelopment of Further Education

This strand focuses on the need to enhance, improve or extend FE College facilities particularly estate re-configuration or new build arising from strategic need or merger/collaboration proposals. These are large scale projects with total project size

being at least £6m with a minimum grant of £2m at an intervention rate of 33%. This may be modified in exceptional circumstances dependent on the individual case.

Strand 2: Priority Sectors

This strand is designed to provide new or upgraded facilities to support GM's priority sectors including growth and high employment sectors. (See GM Work and Skills Strategy and Priorities) It will, in general, focus on Level 3 and above but will also support technical pathways as per the National Skills Plan from 2019, have significant employer investment and/or contribute to providing centres of excellence across Greater Manchester. Total project size will be a minimum of £1.5m with an intervention rate of 33%. This may be modified in exceptional circumstances dependent on the individual case. Consortia bids including employers and other stakeholders are welcome e.g. Local Authorities, Higher Education

Strand 3 Smaller Investment Projects

This strand will support small capital investment projects up to a maximum total project value of £1m with a proposed intervention rate for this strand of 33%

a) Up to date industry standard equipment

The GMCA recognises the importance of ensuring that the further education sector needs to have industry standard up to date equipment and specialist machinery if it is to deliver its technical and vocational training successfully. This is particularly important to provide 'live' working environments for learners.

b) Pilot Projects and Refurbishment

From time to time there will be requirements for smaller refurbishment projects to ensure that further education facilities continue to be fit for purpose, efficient and provide a safe environment for learners. This can also be used to provide specialist provision for a specific cohort or sector or support new models of delivery.

- 2.4 **College / Provider financial contributions** – Providers will be expected to maximise their financial contribution to projects through, for example, asset disposals, even if these occur after the project is complete. Providers will normally be expected to provide a minimum funding contribution which would normally be two thirds of the project cost. That is, for every £1 from the SCF, there should be an additional £2 invested from the College or provider. In exceptional circumstances where providers are unable to provide the required match funding, this should have been identified at the Expression of Interest stage.

Colleges / providers applying for grant funding in excess of the suggested match will need to demonstrate to GMCA that all avenues of securing additional funding (for example, land disposals, borrowing and financing from other sources) have been explored and opportunities maximised. While colleges / providers will not be permitted to use capital funding from other government bodies as part of its college funding contribution, colleges are encouraged to explore all possible sources of funding. The final decision on the financial contribution will rest with GMCA but will only be varied in exceptional cases.

- 2.5 **Project completion requirements** – Projects must be complete and operational by September 2018 for projects securing only 2017/18 funding; ready for the 2018/19

academic year and September 2019 or September 2020 for projects with two / three year funding ready for the 2019/20 or 2020/21 academic years. Larger projects due to be completed beyond this timescale will be considered eligible only on an exceptional and individual basis.

- 2.6 **Eligibility** – Applicants can be those Further Education Colleges or other approved training organisations that are on the Register of Training Organisations and who hold a prime contract or have access to funding from the Education and Skills Funding Agency or Apprenticeship Levy to deliver education and training for 2017/18 and/or who are expecting to hold a contract in 2018/19. In exceptional circumstances, however, GMCA may look at applications from non-traditional training organisations including employers, or consortia offering learning and training as part of a wider infrastructure or regeneration development.

For sector specific projects, applicants will be expected to demonstrate a track record of high quality provision in that sector with a focus on Level 3 provision and above. Projects with employer commitment and which support the creation of technical pathways that support the Government Skills Plan policy are encouraged.

Where funding is sought solely for large scale estate renewal or to support collaboration or merger, applicants will still need to demonstrate how the project meets the strategic, economic, commercial, financial and management cases outlined in the application forms.

GMCA will not consider as eligible proposals involving:

- Work that would normally constitute the usual summer works, or planned maintenance and redecoration, including fulfilment of statutory duties
- Improvement to, or addition of, temporary or modular type buildings.

- 2.7 **Procurement of consultants and contractors** – In all cases procurement must be in accordance with European Commission (EC) Procurement Directives.

3.0 Skills Capital Fund Detailed Application Requirements

- 3.1 Unless identified at the EoI stage, applicants are required to submit a detailed application in respect of the whole project (as opposed to parts / phases of the project) which formed the basis of the EoI.
- 3.2 GMCA reserves the right **not** to assess detailed applications for capital projects which have been subject to material change(s) since the EoI stage.
- 3.3 Examples of material changes include, but are not limited to:
- An increase in total SCF grant requested; and
 - Significant changes in the nature and / or scope of the project, for example its location, the extent of capital works being undertaken and a change in the key project deliverables such as the provision benefiting from the investment.
- 3.4 If applicants are unsure whether any changes are material they should discuss this with GMCA at an early stage.
- 3.5 GMCA reserves the right to delay assessment and decision of application(s) where it is aware of any issues that could impact on the delivery/potential outputs of the capital

project for example, but not limited to, the instance where the college may be subject to a possible dissolution or merger as a result of ABR, Ofsted or FE Commissioner reports.

- 3.6 Any college / provider considering a major change in their delivery model should consider carefully and thoroughly the impact on their communities, consulting widely and transparently on their proposals, and taking explicit account of the views of the people - learners, employers, and the broader community - that they serve.

4.0 Skills Capital Fund Detailed Application Information

- 4.1 Before submitting a detailed application, applicants will need to develop proposals up to the stage where they can identify and cost their extent properly. As a minimum, this should be to Royal Institute of British Architects (RIBA) Work Stage 2 (stage C) or equivalent with supporting sketch plans and cost plans. Applicants must be able to commit to a firm budget and demonstrate relevant certainty and ability to deliver the project to timescale; colleges may therefore decide to develop projects beyond RIBA Work Stage 2 (stage C) before submitting a detailed application to reduce project cost and deliverability risks. Applicants reminded that GMCA **will not in any circumstance** provide increased capital grant should project costs exceed the approved amount or fall outside the GMCA specified financial year.
- 4.2 Projects are expected to achieve high levels of environmental performance. Proposals will be expected to achieve a Building Research Establishment Environmental Assessment Method (BREEAM) 'excellent' rating for new build and 'very good' for refurbishments.
- 4.3 Projects put forward for SCF are expected to demonstrate a high standard of design and learning environment.
- 4.4 SCF detailed applications must pass the Skills Capital Fund value for money 'gateway' that is, they must provide adequate responses in respect of all three value-for-money assessment criteria (project cost, net present value and efficiency savings) to be eligible for SCF grant support.
- 4.5 The SCF detailed application requirements comprise completion and submission of the following:
- **Application form** – Detailed guidance on how to complete the application form is included within the form itself, with applicants required to overwrite application information. All information is to be incorporated into the application form with the exception of the information requested below. Applicants are required to keep answers brief and to the point – guidance is given in the application form for length of responses (word limits).
 - **Building cost breakdown analysis form** – The application will need to include one form for the overall project but colleges are requested to provide separate forms to support this where more than one set of building works is proposed. Where projects are in excess of the cost benchmarks of the Education & Skills Funding Agency (the Agency), colleges/providers must provide a detailed explanation to justify the additional costs and to demonstrate that the project still represents value for money. GMCA will not provide SCF to projects which are more than 5% in excess of the Agency's cost benchmark unless adequate justification of the additional costs is provided.

- **Investment appraisal template** – The application will need to include comprehensive investment appraisals, including assumptions (using the Agency’s template) in respect of the base case (do the minimum) and all short listed options. GMCA will **only** provide SCF to projects:
 - with a Net Present Value (NPV) better than the base case NPV
 - which contribute to lower premises costs (£/m²) for the college/Provider over an investment period of 20 years unless adequate justification is provided of why this is not possible, for example the college / provider proposes to build additional space to accommodate new provision.
- **Planned Expenditure profile** – (from approval). The profile must be completed in government financial years, April to March. The expenditure profile submitted will be the profile that the applicant will be held to if the project is approved.
- **Financial Plan template** – A financial plan that includes the proposed project (using the ESFA’s Financial Plan template and handbook <https://www.gov.uk/government/publications/financial-planning-handbook> and supporting commentary and is consistent with the investment appraisal for the preferred option. The financial plan should be continued for at least two years after project completion. The signature included in the application form will be taken as endorsing all supplementary documentation, including the Financial Plan;
- **Project Funding and Finance** – Details are required showing how the project is to be funded and financed. Evidence of the source of match funding must be included together with supporting documentation confirming non-GMCA / LEP funding is in place.
- **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.

4.6 In addition to completion of the above forms, applicants must provide:

- Sketch plans and elevations (to the equivalent of at least RIBA Work Stage 2 or Stage C)
- A detailed flow chart (for example a Gantt chart) setting out the project programme
- Minutes confirming governing body approval for the Skills Capital Fund project
- Latest estate strategy
- Other information as applicable to support and verify all project and financing/funding costs, for example independent valuations for land sales and acquisitions, heads of terms, supporting information for third party project funding and contributions.

Application information should be kept as brief as possible. Applicants **must** adhere to the word limit; we will not consider information provided over and above the word limit. Applicants are advised to provide focused and succinct responses, supported by robust, quantifiable and achievable information (particularly in the strategic fit / alignment, rationale for investment and project outputs sections).

4.7 Assessment of applications will be based only on the information submitted in the required format; however it may be validated against financial and estates related information already held by the ESFA and GMCA. GMCA cannot guarantee that it will

consider at the assessment stage any information provided which is in addition to that listed above.

- 4.8 Without exception, GMCA **will not consider** as eligible for the SCF any applicants that fail to submit both an electronic copy 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 the SCF colleges must submit Detailed Applications and supplementary financial information using the application forms and templates provided.

5.0 Application Process and Timescales for the SCF

- 5.1 The table below summarises the timescales for Round 1 application, submission, assessment and approval processes for SCF detailed applications:

Indicative Date	Action
31 st January 2018	Deadline for those applicants with sufficiently developed detailed proposals to submit a detailed application
February 2018	Assessment, moderation and decision
31 st March 2018	Target date for decisions and feedback on outcomes of Skills Capital Fund detailed applications

6.0 Assessment Criteria

- 6.1 GMCA will judge the relative strengths of each proposed project against the five cases:

- **Strategic Case Appraisal** –how the project meet the skills priorities set out within the ITT or prospectus in particular its contribution to GM Work and Skills Strategy and Priorities
- **Economic Case Appraisal** – How the project will meet current gaps in learning provision and or improve the quality of the learning experience for learners and employers
- **Commercial Case Appraisal** – including technical specifications, building regulations compliant, fit for purpose buildings, quality/standard of building, value for money, deliverability, rationalisation of estate and relevance to the overall property strategy of the organisation and ABR
- **Financial Case Appraisal** – How the project demonstrates value for money, reduces dependency on public funding, Skills Capital should be funder of last resort, sustainability, evidence of affordability and necessary match funding
- **Management Case Appraisal** – Programme management, contracting, evaluation, risk and contingency

All projects will need to demonstrate how they support the Greater Manchester Work and Skills Strategy and Priorities, The Greater Manchester Strategy Our people; our place and align to the GM Skills Analysis 2015/16 and GM Deep Dive Skills reports.

All documentation can be found at https://www.greatermanchester-ca.gov.uk/info/20174/skills_capital_programme

- 6.2 GMCA will be using internal capital project experts to assist with the appraisal process and may draw on external specialists and / or ESFA officers in certain cases. Applicants should not assume that the appraiser will have any specific knowledge of the applicant and its locality.

- 6.3 Based on individual appraisals by a Panel, a Moderation Panel (drawn from GMCA Research & Evaluation, GMCA Core Investment Team, GMCA Work & Skills Policy and an external Skills Adviser) will make recommendations for funding to the GMCA Chief Executives Investment Group (GXIG), Wider Leadership Team and then GMCA for agreement. These recommendations will take into account any necessary prioritisation, information of the appraisal process undertaken so far, the outcomes and any project risks. Technical input will be provided at all stages from Core Investment Team (CIT) experts and members of the Work and Skills Policy team. Any potential conflicts of interest will be declared.

Final recommendations will be made to GMCA Chief Executives who will decide on the final allocations of Skills Capital Funding within GM, before announcements are made to applicants

- 6.4 Applicants should pay due regard to the Public Sector Equality Duty. Among other requirements, the Duty requires you to take positive steps to ensure that disabled students can fully participate in the education and other benefits, facilities and services provided. In particular, when completing the detailed application, applicants should take account of how reasonable steps will be taken to avoid any disadvantages which a disabled learner may experience because of their disability.
- 6.5 GMCA will launch the first round for applications in September 2017. These will essentially be for projects already well advanced and ready to go. Communication and briefing events in late summer and autumn will enable prospective applications to be developed in readiness for a further application round to be held within 6 months of the launch. A further round is planned for January 2018 for which it is planned to retain up to 50% of the available funding. Further rounds will then be considered depending on requirements and budget availability.

7.0 Grant Payments and Project Monitoring

- 7.1 Applicants with projects approved for the SCF will receive a letter from GMCA confirming the funding in relation to the project and setting out the conditions of the grant.
- 7.2 Applicants will be required to indicate acceptance of the terms by signing and returning a copy of the funding letter within two weeks of receipt. Offer letters will only be sent out once a copy of the minutes confirming governing body approval for the SCF project have been received.
- 7.3 Arrangements for payment of the SCF grant and evidence requirements will be confirmed on award of grant.
- 7.4 GMCA will require successful applicants to comply with such funding conditions as it may impose and will undertake random site visits to ensure all conditions are followed.
- 7.5 GMCA reserves the right to recover funds in the event that project costs (including VAT savings) are less than originally approved, or have not been used for the agreed purposes.
- 7.6 GMCA expect applicants to provide monthly updates on progress and to report against the criteria within 7.7.

- 7.7 The monthly report is to be provided from the period when the Building Contract commences until practical completion or agreement of the Final Account, whichever is the latest. The report should cover the following items as a minimum;
- Summary of the key deliverables for the project as defined within the approved application form.
 - Executive summary of the report
 - Key progress of the projected during the last reporting period
 - Expected progress during the next reporting period
 - Summary of costs including
 1. Contract sum
 2. Provisional sums
 3. Client contingency
 4. Approved total budget
 5. Balance of contingency
 6. Predicted Final Account
 - Programme of projected milestones against actual progress on site
 - Cashflow actual v predicted
 - Planning condition tracker
 - Health and Safety summary of contractors performance
 - Risk register
 - Drawdown certificate for current month

8.0 Post-Occupancy Evaluations

- 8.1 GMCA is required to account for public investment made in the FE estate and the impact it has made and, therefore, usually requires, as a condition of capital grant, a [Project Post-Occupancy Evaluation](#). GMCA expects applicants to provide initial evaluations within 12 months of completion of the projects and by no later than 1st October 2019 for 17/18 projects and 1st October 2020 for 2018/19 projects, to highlight lessons learned and disseminate these to the FE sector. A further post-occupancy evaluation which considers the economic and educational impacts of the project should follow within 24 months of project completion.
- 8.2 As part of the SCF detailed application, applicants are required to identify a minimum of three SMART objectives / outputs for the proposed project. At least one objective/output should relate to the estate and one should relate to benefits to learners, employers and the local community. GMCA expects applicants to assess the extent to which the identified SMART objectives / outputs have been achieved when completing the Post-Occupancy Evaluation analysis.
- 8.3 GMCA reserves the right to conduct more rigorous evaluation that may require it to have access to the applicant records and relevant contact details (subject to learner's consent) so that we can track the progress of learners and undertake more detailed surveys of learners, lecturers, businesses who are benefitting from the project.

9.0 State Aid

- 9.1 Applicants must provide the information in the State Aid section of the application form to enable GMCA to make an assessment as to whether capital funding payable under this programme could amount to unlawful State Aid. Should GMCA decide that funding amounts to State Aid, which is incompatible with the common market, and decides that funding is to be recovered, a condition of grant will be that the applicant is required to repay the SCF to GMCA without set-off or deduction (plus interest). All successful non-FE applicants will be required to complete and return a State Aid declaration with their application.

Annex 1 GM 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 GM 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 10 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.

2) Reforming the work and skills systems to focus on outcomes not outputs

We will develop a series of outcome frameworks to underpin future Greater Manchester 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 & Maths, digital, meaningful work experience, and the behaviours/soft skills employers want (for example, communications, team-work, time-keeping).

3) Developing Greater Manchester's work and skills infrastructure to meet 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 and below is available locally in all parts of Greater Manchester. 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 in accessible locations in Greater Manchester.

4) Improving attainment from compulsory education

We will focus our efforts on significantly improving attainment of 5+ GCSEs grades A*-C including English and Maths and

5) 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.

6) Growing the quality and quantity of apprenticeships

We will develop an approach to significantly increase the number and quality of apprenticeships in Greater Manchester. At the same time will also 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 co-ordination of public sector activity in response to the Apprenticeship Levy.

7) Developing higher level skills

We will work to join up activity within schools, further education and training providers and universities in Greater Manchester 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 Greater Manchester's SME base and retain more graduates in the city region.

8) 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.

9) 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 and Health Programme recommissioning, designing a new offer for complex 18-65 year olds who have experienced long periods outside the labour market. This support will be developed to fully utilise complementary public, private and community services.

10) Ensuring Greater Manchester commissioned programmes have a skills and work focus

We will work with partners to ensure that relevant programmes commissioned by Greater Manchester partners - including ESF programmes, business support activity and GM Health (particularly mental health) programmes - 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 options¹

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 & employment provision which includes Careers, education, information, advice & guidance (CEIAG), 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 training for all

All individuals should have access to a strong academic post-16 offer from L2/3 and below provision in their local area, including sufficient provision for adults and learners with Special Educational Needs / Disabilities. 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 local level and across GM specifically for L3+), 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+ 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 financially viable, sustainable, resilient and efficient, and deliver maximum value for public investment

We must create a system that is financially viable and has greater efficiency against key cost 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 Agreed as part of the GM Area Based Review 2016

Annex 3 Skills Capital Funding Assessment Criteria: Additional Summary Guidance.

Please ensure you read the main guidance text in this document as well as the guidance provided in the application form itself.

Condition of estate - Estate need

- Urgent health and safety work and/or the need to carry out works to comply with statutory regulations. For example Equality Act access / compliance works. In the case of proposals dealing with urgent health and safety works and other aspects of statutory compliance, colleges must provide compelling and rational evidence confirming that work is required, that it is urgent, and that the proposed works will address all issues identified and would not normally be considered as part of regular maintenance
- Improving the condition of the college estate through redevelopment, refurbishment and/or rationalisation - bringing inoperable estate back into effective use, percentage of college area improved as a result of the project (area of college moved out of eMandate condition C/D), rationalisation of the college estate.
- Sustainability – strategic engagement with Sustainability and Carbon Reduction agenda, linking the project to these targets. Links to formally recognised initiatives such as ISO14001 and other environmental management and carbon reduction programmes.
- BREEAM rating – new build expected to be ‘Excellent’, refurbishment ‘Very Good’. Supporting work (such as pre-assessments) to support achievement of these ratings.
- Relevance of proposal to college property strategy – the project should be part of a clear adopted property strategy for the institution and a copy of the latest strategy must be provided with the application.

Value for money

- Cost per square metre compared with cost benchmarks – refer to cost model information in the Capital section of the Education and Skills Funding Agency’s website. Costs should be within five per cent of benchmark rates. If above this, a robust case must be made for any abnormal cost levels; GMCA will **not** provide SCF to projects which are more than five per cent in excess of the Agency’s cost benchmark unless adequate justification of the additional costs is provided.
- Premises savings - in terms of premises savings compared with premises costs over a 20-year period in the investment appraisal information for the preferred and base case options. If these costs exceed the savings by more than five per cent of the total project cost then adequate justification must be provided in terms of how the project will enable the college to reduce its overall premises costs per square metre over the investment period; or in exceptional cases, why the project

is unable to contribute to lower premises costs (£/m²), for example the college proposes to build additional space to accommodate new provision.

- Return on investment, in terms of the investment appraisal (NPV) for the proposed project compared with the base case (do the minimum) option.

Benefits to learners/Supporting Economic Growth

Evidence of how the project addresses the benefits to learners/supporting economic growth key criteria for inclusive growth in Greater Manchester. Priorities including evidence how the project addresses the following:

Contribution to and fit with Greater Manchester and Government Priorities including Area Based Review outcomes

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 supporting growth industries and sectors as set out in the Greater Manchester Skills Analysis
- Reducing dependency and promoting self-reliance
- Makes a measurable contributions to specific local priorities, issues and challenges.

Contribution to Greater Manchester Work and Skills Strategy and Priorities (Annex 1)

- Improving attainment from Compulsory Education
- Preventing and Reducing NEETs and unemployment
- Delivering an employer- led skills system
- Growing the quality and quantity of apprenticeships
- Developing higher level skills
- Improving the quality of teaching, learning and learner success and, if relevant, how any inadequate curriculum areas will be addressed.

Collaboration and Partnership

- Demonstrates 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 e.g. How will duplication and/or displacement of provision and learners be avoided.
- GMCA welcomes proposals which demonstrate collaboration between institutions and across travel to work/learn boundaries and that take account of the principles underpinning the [Post 16 Area Based Review](#) to
 - *meet the needs of current and future students and employers*
 - *are feasible and generates financial sustainability*
 - *raise quality and relevance of provision, including better outcomes*
 - *achieve appropriate specialisation.*
- Where possible and appropriate, proposals should demonstrate how skills delivery will be reshaped and developed with the sponsorship/close involvement of local employers

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 etc.

Other growth measures

- Contributes 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

Additional financial considerations:

- Investment appraisal – applications will **not** be approved where no base case investment appraisal is submitted in the application.