**Introduction**

The need for Skills Capital projects has been identified in the Solent Local Enterprise Partnership's (LEP’s) Strategic Economic Plan (SEP) and bids for Local Growth Funding (LGF). This reflects the importance placed on developing a strong pipeline of the right skills required to support growth in the Solent economy, as set out in the SEP.

Solent LEP is now requesting the submission of detailed businesses cases for shortlisted projects. Assessment of the business cases will enable the LEP to make final allocations of Skills Capital funding once it receives formal confirmation from government of its overall LGF allocation.

To receive grant support, applicants need to have submitted an Expression of Interest or Outline Business Case and be one of the priority projects identified separately by the LEP and also be successful with the full business case application.

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| **Section 1: Applicant Contact Information** |
| **Name:** |  |
| **Address:** |  |
| **Contact Name and Job Title:** |  |
| **Contact Telephone:** |  |
| **Contact Email:** |  |
| **Delivery Partners** (if applicable)**:** |  |
|  |

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| **Section 2: Project Details** |
| **Title of Project:** |  |
| **Total Project Cost:** | £[ ] |
| **Grant Requested:** | £[ ] Percentage [ ] of total project costs |
| **Project Summary: (A)** |  *maximum 100 words* |
| **Location of Project: (B)** |  |
| **Is the project also located within an adjoining LEP area?** | **Yes/No** (Delete as applicable)If Yes, state the name of the LEP and summarise the outcome of any dialogue held with the LEP regarding the proposed project. *maximum 200 words* |
| **Changes in project since Expression of Interest submission: (C)** | **At Expression of Interest:** Total Project cost: £[ ]Grant requested: £[ ] Percentage [ ] of total project costsThe project HAS/HAS NOT been subject to any material changes since submission of the Expression of Interest / Outline Business Case – (delete as appropriate). |
| **Has the project previously been considered by the Skills Funding Agency or other funding bodies?** | Delete as applicable:**Yes/No**If Yes, state the outcome and any subsequent changes made to the project. *maximum 250 words* |
|  |  |
| **Section 3: Benefits to Learners, Employers, Local Community and Supporting Economic Growth - how the project meets the key priorities of the LEP’s Strategic Economic Plan**  |
| **Impact on Benefits to Learners and Supporting Economic Growth****Note: In the responses to the 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 be benefit from the project. **Table 1: Learners benefiting from the project**

|  |  |  |  |
| --- | --- | --- | --- |
| **Learner Level**  | **Learner numbers before project****[1]** | **Learner numbers after project****[2]** | **Change in learner numbers** **= [2-1]** |
| **Level 1** |  |  |  |
| **Level 2** |  |  |  |
| **Level 3** |  |  |  |
| **Level 4+** |  |  |  |
| **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? (Note: we will not assess this but it will help us to understanding the proposal) *maximum 200 words* |
| **Responding to current and future skills needs:** | Explain how the project will enable a positive and measurable impact on responding to skills needs, including:* Meets the current and future skills needs and supports the key growth industries and sectors as identified in the SEP.
* Aligns to the [Solent Enterprise Zone Skills Plan](http://solentlep.org.uk/uploads/documents/Solent_Enterprise_Zone_Skills_Plan_-_May_2013.pdf).
* Makes measurable contributions to specific local priorities, issues and challenges.

 *maximum 750 words* |
| **Tackling NEETs and unemployment:** | Explain how the project will have a positive and measurable impact to tackle:* 16-24 unemployment
* adult unemployment
* NEETs
* skills shortages.

 *maximum 750 words* |
| **Expanding and growing Apprenticeships and employer engagement:** | Explain how the project will support the expansion and growth of Apprenticeships and employer engagement, with particular reference to:* how the project will have a positive and measurable impact on increasing and expanding 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
* how the project will support the business and skills requirements of employers, particularly small- and medium-sized enterprises (SMEs).

 *maximum 750 words* |
| **Providing benefits to classroom-based learners:** | Explain how the project will provide benefits to classroom-based learners, including:* a positive and measurable impact on 16-18 learners
* a positive and measurable impact on adult learners
* a flexible resource base and industry-standard equipment and environments for vocational learning.

 *maximum 750 words* |
| **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.

Are any of the curriculum areas concerned inadequate and, if so, how will the project address these? *maximum 750 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 500 words* |
|  |
| **Section 4: Estate Need** |
| **Estate Need: (D)** | Applicants are required to submit a copy of the College’s latest estate strategy with this detailed application. *maximum 750 words* |
| **College Gross Internal Area (GIA) m2:** | With reference to the college’s 2011/12 eMandate return, complete Table 2 below (2010/11 data). Allow for subsequent changes in estate and exclude farm and residential buildings. **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 Area Improved/Rationalised by Project: (E)** | 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))**

|  |  |  |
| --- | --- | --- |
| **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:** |  |  |

In cases where the data supplied above differs from that reported in eMandate, the LEP requires clarification and an explanation of potential floor-space anomalies. Complete Table 4 below to confirm how the ‘before project’ areas and condition categories are derived for this application. **Table 4: Building Condition Variations**

|  |  |
| --- | --- |
| **Information Source** | **Condition Category GIA (m2)** |
| **A** | **B** | **C** | **D** | **Total** |
| **eMandate reported position [1]** | []m2 | []m2 | []m2 | []m2 | []m2 |
| **Pre-project figures reported for proposed project [2]** | []m2 | [ ]m2 | []m2 | []m2 | []m2 |
| **Variance [1-2]** | **[]m2** | **[]m2** | **[]m2** | **[]m2** | **[]m2** |

Please explain and justify all variations in the current and historically reported areas and associated condition categories.  |
| **Inoperable/Category D Building Condition: (F)**  | **Note: This element is not scored but provides useful contextual information***maximum 100 words* |
| **Project Costs:** | Complete the cost breakdown pro forma with reference to the Skills Funding Agency’s cost model.Justify/explain any variances from the Agency’s cost model. *maximum 400 words* |
| **BREEAM: (G)** |  *maximum 100 words*   |
| **Sustainability: (H)** |   *maximum 400 words*   |
| **Acquisition details (if applicable, freehold/ long leasehold only): (I)** |   *maximum 200 words*   |
|  |
| **Section 5: Financial Value for Money and Affordability** |
| **Investment Appraisal and Running Costs: (J)** | Complete Table 5 below to show the cost and Net Present Value (NPV) of each option:**Table 5: Comparison of Options**

|  |  |  |
| --- | --- | --- |
| **Option** | **Cost (£000)** | **NPV (£000)** |
| Proposed project  |  |  |
| Base case  |  |  |

The investment appraisals should include estimates of any premises costs and operating savings arising from the project over a 20-year period.Complete Table 6 below to show the estimated premises costs and savings over a 20 year-period for the proposed project:**Table 6: 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 per cent of the total project cost then explain how the project will enable the college to reduce its overall premises costs per square metre 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*  If the costs exceed the savings by more than 5 per cent of the total project cost then explain how the project will enable the college to reduce its overall premises costs per square metre 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). (max 100 words). |
| **Project Funding/ Finance: (K)** | Complete Table 7 below to show how the project is to be funded/ financed.**Table 7: Funding/Financing of Proposed Project**

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

Additional comments: for example, if disposal proceeds are to be used, please explain current status of disposal.*maximum 200 words*   |
| **Expenditure Profile:** | Complete the detailed monthly expenditure template - for successful applications this will be used to determine grant payment profiles. |
| **Post-Project Reviews:** | Confirm that a Post-Occupancy Review (POR) will be submitted in the LEP’s agreed format within 12 months of the completion of the project: **YES/NO** – delete as appropriate |
| **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 minute(s) will be available. If successful, no grant offer will be confirmed until the required minute(s) is received. |
|  |
| **Section 6: Programme** |
| **Programme for Completion: (L)** | *maximum 100 words* |
| **Anticipated start date:** |  |
| **Anticipated practical completion date:** |  |
| **Planning Consents: (M)** | *maximum 200 words* |
| **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: |
|  |
|  |
| **Section 7: Risk**  |
| **Risk and Mitigation: (N)** | *maximum 200 words* |

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| **Section 8: Past return on Investment** |
| **Lessons learned and past return on investment** | **Note: This section is not scored. The Agency included it in its CCIF application form as it gives an indication of the applicant’s capacity to undertake capital projects, identify and quantify outcomes and learn from past experience.** Has the college completed a capital project in excess of £2 million in the last five years? YES/NO – delete as appropriateIf 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* |

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| **Section 9: Measurable Project Objectives** |
| **Measurable Project Outputs: (O)** | Provide a minimum of threespecific, measurable, achievable, realistic and time framed (SMART) objectives/outputs for the proposed capital project*maximum 300 words* |

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| **Section 10: 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 successful College Capital Investment Fund (CCIF) application to the Skills Funding Agency or received any other public capital funds.** |
| **Signature****(College Principal):** |  |
| **Print Name:** |  |
| **Date:** |  |

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| **Before submitting your detailed application ensure you have all the required supporting documentation:*** **One electronic copy of the application form, signed and dated**
* **Minutes confirming governing body approval for the project**
* **Investment Appraisal for 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 using the LEP’s template (please complete in April to March financial years)**
* **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-party project funding**
* **Supporting valuation for any property acquisition/disposal, with heads of terms provided where appropriate**
* **Adopted estate strategy**
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**EXPLANATORY NOTES**

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

B **Location of Project** – Provide the address of the proposed project, including post code.

C **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.

D **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 section 3). Applicants are required to submit a copy of the college’s latest Estate Strategy with the detailed application.

E **Floor Area Improved/rationalised by Project m2** – Information should be consistent with most recent eMandate submissions, updated where necessary assuming completion of successful Enhanced Renewal Grant, College Capital Investment Fund, College Condition Fund or other projects supported by public funds. Exclude farm and residential buildings. Quote both area (m2) and percentage. Building condition information should relate to the **whole applicant estate** as opposed to one campus. If successful at the expression of interest stage, applicants providing building condition data which varies materially from the most recent eMandate submission, without a robust explanation, will be required to provide an independent building condition survey to the LEP prior to submitting a detailed application.

F **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.

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

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

I**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.

J**Investment Appraisal and Running Costs** – Applicants must accompany their application with an [investment appraisal](https://www.gov.uk/government/publications/sfa-capital-funding-investment-appraisal-template) (in Excel format) for at least their preferred option **and a base case (do the minimum) option**, in accordance with the HM Treasury document ‘The Green Book: Appraisal and Evaluation in Central Government’*.* Applicants are required to use the Agency’s simplified investment appraisal model available on the Agency website for this process, including supporting guidance notes. Applicants are required to complete this investment appraisal model for each option (base case and preferred option) as part of an application, including assumptions.

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 than 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).

K**Project Funding/Finance** – Applicants will need to demonstrate 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 per cent of turnover, or a college’s financial health calculated or Agency assessed grade is ‘Inadequate’ at the application date.

The Applicant will be required to submit a financial plan (in Excel format) as part of its application using the latest financial plan spreadsheet model available on the Agency’s website. The financial plan should be for at least two years after project completion. Applicants should provide supporting evidence for any third-party project funding, including loan finance, disposal proceeds and other public sector grants.

L**Programme for Completion**– 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, and acquisition/disposal).

M **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 Area etc, English Heritage.

N **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.

O **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 following key areas:

* estate - for example, a reduction in the amount of space in building condition categories C and or D
* benefits to learners, employers, local community – for example improved recruitment, retention or improved student satisfaction rates.

Colleges will be expected to assess the extent to which the identified SMART objectives/outputs have been achieved when completing the LEP’s required post occupation project review analysis.