SOLENT
LOCAL
ENTERPRISE
PARTNERSHIP

Solent Local Enterprise Partnership
Skills Capital Fund Detailed Application Form

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 business 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. Any bid will also need to be successful with the full business case application.

Section 1: Applicant Contact Information	
Name:	Fareham College
Address:	Fareham College, Bishopsfield Road, Fareham, Hampshire. PO14 1NH
Contact Name and Job Title:	Nigel Duncan, Principal and Chief Executive
Contact Telephone:	01329 815201
Contact Email:	Nigel.Duncan@fareham.ac.uk
Delivery Partners (if applicable)**:**	Please see the following letters of support from employers: • App 11 – CETC Aeropark Developments Letter.pdf • App 11a – CETC Baram Letter.pdf • App 11b – CETC Blanchard Wells – Southern Concrete Letter.pdf • App 11c – CETC Blaze Construction Ltd Letter.pdf • App 11d – CETC Carlton Civil Engineering Letter.pdf • App 11e – CETC Dyer & Butler Letter.pdf • App 11f – CETC Gracelands Ltd Letter.pdf • App 11g – CETC John Reilly Civil Eng Letter.pdf • App 11h – CETC Knights Brown Letter.pdf • App 11i – CETC R&W Limited Letter.pdf

Section 2: Project Details	
Title of Project:	**Civil Engineering Training Centre (CETC)**
Total Project Cost:	£ 4,047,127
Grant Requested:	£ 2,832,989 Percentage: **70%** of total project costs
Project Summary: (A)	CETC will deliver to the existing workforce of 50 plus civil engineering employers in Hampshire, who together employ over 5,000 personnel. There is currently no local provision within 50 miles. The core offer will be: • a 24-month General Construction Operatives apprenticeship; • an expansion of advanced and higher level apprenticeship provision of over 120 learners; • a choice of leaderships and management qualifications and training programmes; • a selection of short courses including: ride-on-roller, disc cutter and manual handling certificates, a range of higher level skills, all of which are time bound and require periodic updating; and, • a range of retraining, annual updating and certificates mandated by legislation.
Location of Project: (B)	Solent Enterprise Zone East, Broom Way, Fareham, Lee-on-the-Solent, PO13 9FL Training will be delivered on a site of 1.5 acres, which has been identified on the Solent Enterprise Zone at Daedalus. The site has been allocated for educational use by Fareham Borough Council and already has large secure undercover storage facilities in the form of two 1940s aircraft hangars, which could house the plant required to support the training delivery. The site has good transport links and is adjacent to CEMAST (Fareham College's Centre for Engineering, Manufacturing and Advanced Skills Training). The land has been acquired and the Centre will be operational by September 2017.
Is the project also located within an adjoining LEP area?	**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.
Changes in project since Expression of Interest submission: (C)	N/A **At Expression of Interest:** Total Project cost: £[ ] Grant requested: £[ ] Percentage [ ] of total project costs The 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: **No** If Yes, state the outcome and any subsequent changes made to the project.

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		0		0		0
Level 2		0		0		0
Level 3		0		40		40
Level 4+		0		80		80
16-18 Apprentice ships	Intermediate:	40	Intermediate:	285	Intermediate:	245
	Advanced:	0	Advanced:	20	Advanced:	20
	Higher:	0	Higher:	0	Higher:	0
Adult (19+) Apprentice ships	Intermediate:	40	Intermediate:	200	Intermediate:	160
	Advanced:	0	Advanced:	60	Advanced:	60
	Higher:	0	Higher:	40	Higher:	40
Total		**80**		**725**		**645**

In addition, the project will deliver circa **1215** Full Cost Professional Training courses in accordance with the programme below.

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 in understanding the proposal)

CETC will deliver to the existing workforce of 50 plus civil engineering employers in Hampshire, who together employ over 5,000 personnel. There is currently no local provision within 50 miles. The core offer will be:

- a 24-month General Construction Operatives apprenticeship;
- an expansion of advanced and higher level apprenticeship provision of over 120 learners;
- a choice of leaderships and management qualifications and training programmes;
- a selection of short courses including: ride-on-roller, disc cutter and manual handling certificates, a range of higher level skills, all of which are time bound and require periodic updating; and,
- a range of retraining, annual updating and certificates mandated by legislation.

Apprenticeships (frameworks until standards are approved)

Course	Level	Duration in months/ weeks/days	Period		
			2018-2019	2022-2023	Total 2018-23
General Construction Operatives	2	24 mths	100	325	**1025**
Chartered Surveyor	6	60 mths	0	40	**90**
Surveying Technician	3	24 mths	0	40	**90**
Civil Engineering Technician	3	36 mths	0	40	**90**
Highway Maintenance	2	24 mths	0	60	**150**
Plant Maintenance	2	24 mths	0	50	**110**
Plant Operation	2	24 mths	0	50	**110**
Total			**100**	**605**	**1665**

Full Cost Professional Training

Course	Level	Duration in months/ weeks/days	Period		
			2018-2019	2022-2023	Total 2018-23
CSCS course in dumper, ride-on-roller. Excavator,	N/A	3 Days 5 Days	100	450	**1200**
Managing and coordinating plant	N/A	5 Days	10	50	**120**
Safe working practices around plant	N/A	2 Days	100	325	**1025**
Test and inspection of plant machinery	N/A	3 Days	10	50	**120**
Leadership and Management for Construction Sector	3	32 weeks, one day per week or one evening plus self -study	0	40	**100**
Construction Site Supervision	4	6 months (one day per month at college, assessment on site)	0	40	**100**
Construction Site Management	6	6 months (one day per month at college, rest on site)	0	40	**100**

	New Roads and Street Works: Operatives	N/A	5 Days	0	75	**185**
	New Roads and Street Works: Supervisors	N/A	5 Days	0	40	**100**
	Surveying and Setting Out (Advanced Operative)	N/A	25hrs	0	75	**370**
	(Beginner)		40hrs	0	75	
	Site Management Safety Training	N/A	5 Days	0	75	**185**
	Total			**220**	**1335**	**3605**

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. • makes measurable contributions to specific local priorities, issues and challenges. CETC will deliver to the existing workforce of 50 plus civil engineering employers in Hampshire, who together employ over 5,000 personnel. There is currently no local provision within 50 miles. The core offer will be: • a 24-month General Construction Operatives apprenticeship; • an expansion of advanced and higher level apprenticeship provision of over 120 learners; • a choice of leaderships and management qualifications and training programmes; • a selection of short courses including: ride-on-roller, disc cutter and manual handling certificates, a range of higher level skills, all of which are time bound and require periodic updating; and, • a range of retraining, annual updating and certificates mandated by legislation. Based on economic demand, this project is to establish a purpose-built Civil Engineering Training Centre (CETC) that will meet the increasing and long-term needs of a sector of industry that has been largely forgotten in the national training landscape. Initiated and driven by a group of large, highly regarded and regionally active civil engineering companies based in the Solent, the Centre will fill a gap in the construction training landscape that is in great demand and based on an immediate and long-term economic need.

With £15.4b of planned development in Hampshire over the next 5 years, the Centre will deliver the range of critical skills that underpin all sectors of the construction industry.

The Centre will also support the permanent employment of a group of young people that would have a high risk of becoming NEET or, at best, in short-term employment.

Our vision is that by 2020 CETC will be the Centre of Excellence for skill-based occupations in Civil Engineering for the Solent and South Hampshire Areas. The Centre will be driven by employers to meet the increasing demand for civil engineering skills.

The Centre will deliver a broad base of skills and knowledge from levels 1 to 6. The Centre will do this by:

- delivering high quality teaching, learning and assessment by occupationally competent, highly effective and dedicated staff;
- delivering a job-ready and workforce development experience that is based on equality and accessibility to all;
- producing a highly skilled, qualified and employable future workforce;
- providing strong employer-driven leadership in learning and skills;
- achieving the highest standards in every aspect of civil engineering;
- delivering a responsive curriculum that provides opportunities and supports the development of the local workforce and the local economy; and,
- working in partnership with civil engineering employers and the relevant supply-chain to deliver a better future for students, employers and communities in Fareham, Gosport and South East Hampshire.

In the Solent region, there are 35 companies specialising in groundworks and civil engineering. There are approximately 50 in the Hampshire region. All these employers have noted that in addition to skills shortages in groundworks and civil engineering, they expect their businesses to grow as they meet the demand of pipeline construction projects over the next five years with an estimated total value of £16b in the Hampshire region alone. With this forecast in growth, employers will need to retrain and up-skill existing employees and recruit new staff in all aspects of their organisations, from business administration, leadership and management to construction specific operations.

The Solent Skills Plan observes that across the LEP area, Advanced Engineering and Marine have both grown strongly, by 2,800 and 2,200 jobs respectively. However, it anticipates an overall loss of around 15% of engineering employment (2,300 jobs) in the LEP between 2010 and 2020, reflecting national level forecasts. Despite this, it also recognizes that the need to replace those in the workforce who will be leaving, because of retirement (or other factors), means there will be a net requirement for around 3,500 new recruits into the LEP's engineering sector from 2010 to 2020.

CETC will deliver 1,665 apprentices to the workforce between 2018 and 2023. The Centre will also provide 3,605 short course training episodes to up-skill the construction industry workers, and to ensure that they are properly qualified and that this certification is kept up to date.

Much of the construction industry relies on civil engineering and groundworks; as the supply of workers improves in this sector, the capacity to meet demand in other sectors will also grow. As businesses develop and increase turnover, they will create jobs in other aspects of their organisations.

Employers state that attracting new talent to the construction industry is a sector-wide issue. They expect skills shortages to be further exacerbated by the decision for the UK to leave the European Union. Because of “Brexit” many construction employers expect an

	exodus of European workers. Any project that aims to promote the construction industry and civil engineering specifically will be in support of the government's green paper: Building our Industrial Strategy – specifically with reference to the sections on "Developing Skills" and "Upgrading Infrastructure". *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. The new entrants will include 16-18 school or college leavers, adult career changers, resettlement from forces, unemployed adults and NEETS. These will benefit from structured training through a traineeship or apprenticeship. A traineeship will typically involve 4-6 weeks of training off-the-job in a real work environment, with some classroom delivery of health and safety and English and maths; trainees will benefit from being prepared to be site ready with the necessary CSCS card and PPE alongside certificates for working at heights, and using abrasive wheels. Trainees will then be provided with a work placement of up to 3 months, followed by a job interview on successful completion. Apprentices will undertake an intermediate apprenticeship in construction operative or plant operations until such time that the new apprenticeship standards have been approved. The employers involved in the steering group for this project are keen to influence the content of the new standards where practicable and now have active membership on the trailblazer group. All the new entrants who go on to complete the apprenticeship are then expected to be in secured employment in the sector. The project therefore aims to create 605 new jobs per year. Additionally, further developing the enterprise zone at Daedalus will help to secure new jobs in the area and further encourage businesses to occupy the remaining plots available. The Civil Engineering Training Centre aspires to be a flagship for the construction industry and it will promote working in the wider construction industry. The provision of local training in this sector will support accelerated growth in the construction industry with a wider socioeconomic impact to encourage lower level unemployment rates, local authority benefit and support to employment skills plans. The Centre will improve availability and affordability of labour, services and products whilst supporting the permanent employment of a group of young people that would have a high risk of becoming NEET or, at best, in short-term employment
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).

Apprenticeships (frameworks until standards are approved)

Course	Level	Duration in months/ weeks/days	Period		
			2018-2019	2022-2023	Total 2018-23
General Construction Operatives	2	24 mths	100	325	**1025**
Chartered Surveyor	6	60 mths	0	40	**90**
Surveying Technician	3	24 mths	0	40	**90**
Civil Engineering Technician	3	36 mths	0	40	**90**
Highway Maintenance	2	24 mths	0	60	**150**
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Plant Operation	2	24 mths	0	50	**110**
Total			**100**	**605**	**1665**

The new entrants will include 16-18 school or college leavers, adult career changers, resettlement from forces, unemployed adults or NEETS. These will benefit from structured training through a traineeship or apprenticeship.

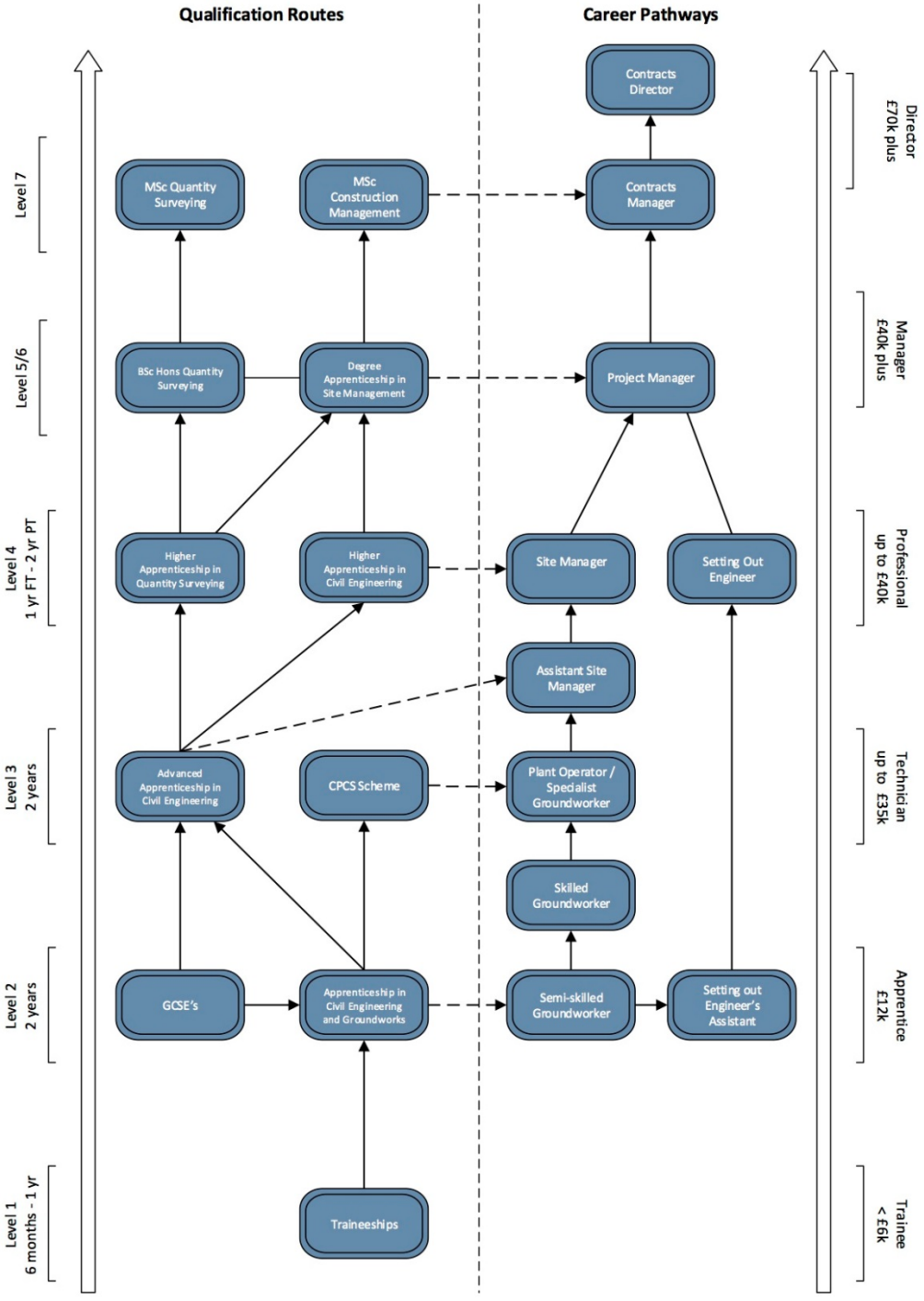
A traineeship will typically involve 4-6 weeks of training off-the-job in a real work environment, with some classroom delivery of health and safety and English and maths; trainees will benefit from being prepared to be site ready with the necessary CSCS card and PPE alongside certificates for working at heights, and using abrasive wheels. Trainees will then be provided a work placement of up to 3 months, followed by a job interview on successful completion.

Apprentices will undertake an intermediate apprenticeship in construction operative or plant operations until such time that the new apprenticeship standards have been approved. The employers involved in the steering group for this project are keen to influence the content of the new standards where practicable and now have active membership on the trailblazer group.

All the new entrants who go on to complete the apprenticeship are expected then to be secured employment in the sector. The project in its first year aims to create a hundred

jobs rising to 605 jobs per year in 2022-23.

The project funding will support schools' engagement by means of seminars and workshops. Additionally, the funding will support marketing costs of up to 10% of the total project value (total £70,000).



Extensive employer engagement has taken place prior to the completion of this bid with meetings of the employer forums taking place on 21.2.17 28.3.17, 25.4.17, 30.5.17, 27.6.17, 25.7.17 and 29.8.17.

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. The intake at CETC will be focused on developing skills required for the Civil Engineering sectors: by definition, these are not predominantly classroom-based learners. The space planning used to design CETC has taken account of the large proportion of time that learners will spend 'learning on the job' in their workplaces and in the external civil engineering training spaces provided as part of the external works. However, attainment of Maths and English GCSEs (and/or development of appropriate functional skills) remains a key priority for the College and employers and for all 16-18 year olds this will form a key part of their apprenticeship training programme. In addition, for all higher level course – from L3 and above – the majority of learning time at CETC will be spent in one of the well-equipped, light and professional training suites supported by the latest AV technology and industry standard online learning resource.
Improving the quality of teaching and learner success:	Explain how the project will support measurable improvements in: • the quality of teaching and learning The provision at CETC will be new provision for Fareham College, which has been judged Outstanding by Ofsted. The College has a strong track record in the delivery and development of programmes in partnership with employers as is evidenced by the success (in relation to numbers, achievements, demand and job creation) of the neighbouring CEMAST project. • learner success. Are any of the curriculum areas concerned inadequate and, if so, how will the project address these? None – N/A
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 The CETC Centre aims to raise the status and standing of the Civil Engineering training route with local schools, colleges, and other employers. There is a substantial shortfall in the labour pool and many of the jobs in this sector are well-paid and offer career routes that allow for flexibility and mobility. In the same manner that the CEMAST Centre has promoted technical training routes in the electrical, marine, aeronautical and automotive sectors, CETC will do the same for the Civil Engineering sector. In doing so it will create over 600 jobs per year and provide a well-paid and secure route to employment for returners to work, NEETs, career changers and people starting a civilian career after their

	careers in the armed forces.

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. Please find a copy of the latest Estate Strategy attached at Appendix 9.
College Gross Internal Area (GIA) m^2:	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. **Not applicable** as the area where the Centre will be located is not currently used for educational provision. All of the area of CETC will be grade A new build space. **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.

Not applicable as the area where the Centre will be located is not currently used for educational provision. Fareham has completed its transformation of its main Bishopsfield Campus in 2015 after opening the new CEMAST Centre in 2014.

Table 3: Impact of Project on Condition of Estate (Gross Internal Area (GIA))

Condition of Estate BEFORE project (m^2 and %)			**Condition of Estate AFTER project (m^2 and %)**			**Change in condition (m^2 and %) of estate as a result of the project**		
	m^2 [1]	%		**m^2** [2]	%		**m^2** [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.

Not applicable: There is no variation between the data used and the data reported.

Table 4: Building Condition Variations

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

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

Not applicable as the area where the Centre will be located is not currently built upon and is not used for educational provision.

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.

For further detailed breakdown of costs please refer to the attached Order of Cost Estimate titled 'Civil Engineering Training Centre- Fareham College – Order of Cost Estimate Nr 1'.

The order of cost estimate includes for costs associated with the demolition of the existing hangar currently on site, minor improvement works to an existing hangar, which is remaining, new build of the CETC building and hard and soft landscaping on site.

The SFA model used is the 'typical new build cost model for FE Colleges scheme – model 2'. This model includes for a location factor of 1.12 for the locality. The SFA model cost including inflation up to 3Q 2016 is £3,154 per m^2. Whilst the order of cost estimate is based on the SFA model, it has been adjusted to reflect the design detail and specifications provided by STEM architects for the proposed scheme. The cost per m^2 for the proposed new build building including all landscape works totals £3,374 per m^2. This is an uplift of the cost per m^2 from the SFA model of £220 per m^2.

The difference between the m^2 rates is due to the following; the SFA model only allows for inflation costs to 3Q 2016, the project is anticipated to start on site 3Q 2018 and inflation has been included for this within our order of cost estimate nr 1. We have also uplifted the contingency from 5% to 7.5% to allow for unexpected extra works such as further works required to the existing hanger and abnormal ground conditions. The model has also been flexed to accommodate the large area of landscaping to be carried out on site, there is a total of 2,269m^2 of landscaping to be carried out on site - this is a mix of soft and hard landscaping and road surfacing.

	The model has then been further adapted to consider project specific elements of works, for example the supply and install of FFE and ICT. The differences between the SFA cost model and the Order of Cost Estimate are therefore fully reconciled and justified. From experience of working with the College in the delivery of both the CEMAST Centre and the BRC campus Peter Marsh Consulting are confident that the project can be delivered on time and within the budgets set out above.
BREEAM: (G)	The building will be designed to meet BREEAM Very Good as an absolute minimum requirement. The location at Daedalus remains one where public transport is still under-developed which limits the number of BREEAM credits that can be achieved within the budgets provided above. It is proposed that a BREEAM strategy be agreed with the Solent LEP should this project be successful, and options to simplify the design further could be considered should the achievement of the EXCELLENT rating be deemed a non-negotiable grant condition.
Sustainability: (H)	The building will be designed using a sustainable design approach including generous amounts of natural light, LED lights throughout, PIR lighting controls, natural ventilation strategies, water meters, photo voltaic cells on the roof, north lights to upper teaching areas, and a range of other industry standard features as already deployed by the College on its CEMAST and BRC sites. The building contractor will register with the CSCS scheme and contract targets will include 100% recycling of all waste on site during the construction process. Furthermore, as a Civil Engineering Training Centre, CETC will work with partners to deliver industry leading approaches to the use of recycled materials in the civil engineering sector.

Section 5: Financial Value for Money and Affordability

Investment Appraisal and Running Costs: (J)

The full SFA business case template has been completed for the CETC Centre following the Green Book principles as required. A summary of the Financial Appraisal results is shown below. The base case is shown as zero as without CETC the provision detailed above will not be grown or sustained.

OPTION	COST (£000)	NPV (£000)
Proposed Project	£4,047	£21,333
Base Case	£0	£0

All premises related to the project will be new – there will be no direct savings resulting on premises costs and no changes in costs as compared to the base case. The table below is hence shown as blank.

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

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	400,000
LEP Skills Capital funding	2,832,989
College contribution (cash reserves)	814,138
Loan finance	
Disposal proceeds	
Other public sector grants	
Other	
Total	**4,047,127**

Additional comments: for example, if disposal proceeds are to be used, please explain current status of disposal.

Acquisition details (if applicable, freehold/

long leasehold only): (l)

When Fareham College purchased the land on which CEMAST was built, it entered into an option to purchase a further parcel of land to the north of the CEMAST site with the Homes & Communities Agency. The date that that option became available to be exercised is September 2017 and the price of the land has been pre-agreed at £300,000. During this period of time the freehold ownership of the land has passed from the HCA to Fareham Borough Council, who have agreed to and are supportive of the CETC development on this site.

Expenditure Profile:

Complete the detailed monthly expenditure template - for successful applications this will be used to determine grant payment profiles.

Please see the attached Expenditure Profile. In summary form spend per year is forecast to be as follows:

- 2017-18 £ 340,485
- 2018-19 £1,649,443
- 2019-20 £2,007,397
- 2020-21 £ 49,801

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 – 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.

Please find attached an extract of the confidential minute 21/17 from the 5th April 2017 meeting which provides the Board's endorsement of the establishment of CETC. This is included at Appendix 1 of the Bid Document.

Section 6: Programme	
Programme for Completion: (L)	Please find attached to this LEP bid a programme titled 'CETC Programme Rev 1', detailing the RIBA stages and programme for complete of each of the stages. This programme has been based upon our experience of delivering similar buildings, of a similar style, in similar locations including CEMAST Centre at The Solent Airport and the Future Skills Centre at Borden. The programme presumes a design and build contract will be entered into for the delivery of the scheme in order to ensure that the brief and detail design are determined in the early phases and that the contractor can complete the building with the comfort that the client will adopt a no changes philosophy during the construction period.
Anticipated start date:	Planning and Design 8 January 2018 Build Programme 22 November 2018
Anticipated practical completion date:	14 August 2019
Planning Consents: (M)	Planning consent is required for this project and will need to be passed before works start on site. The current programme allows for a timeline from January to the end of May to produce brief drawings, submit a planning application and get a decision from the Local Planning Authority. The College has engaged with the Planning Authority since early discussions concerning the CEMAST Centre in 2012. Informal discussions have taken place to confirm the appropriateness of the scale of massing of the CETC development on this site. Fareham College and Fareham Borough Council have a track record of collaboration and cooperation to secure early planning consents.

Project Team Appointments	Confirm, where known, consultants appointed to manage this project: Project Manager: Peter Marsh Consulting via the Bloom framework Architect: Stem Architects subject to further procurement Quantity Surveyor/Cost Consultant: Peter Marsh Consulting via the Bloom framework Planning Supervisor: Not yet appointed Structural Engineer: Scott White and Hookins subject to further procurement Electrical Engineer: RHB subject to further procurement Mechanical Engineer: RHB subject to further procurement

Section 7: Risk	
Risk and Mitigation: (N)	Project risks identified include: • Construction costs: low risk as Peter Marsh Consulting and the College have a track record of successfully appointing D&B contractors on a fixed price basis. For this project, we are also employing a design template which we have tried and tested on two other projects. • Costs of land purchase: low risk as there is already an option to purchase a parcel of land suitable for the facility adjacent to CEMAST and this has the support of both the College and the Local Authority as land owner. • Unknown ground conditions: limited risk as ordnance and soils structure surveys have been undertaken on the neighbouring site. Utilities: low risk as all utilities are present and available for connection via infrastructure that has been provided for the nearby CEMAST site with the exception of power where the costs of a new substation will need to be borne from the project budget. • Revenue costs: medium risk. A full business model has been developed based on known employer demands and skills shortages. There remains a risk that recruitment could fall below target, but the College's track record of working with employers to exceed targets remains strong. • Unknown aspects of the brief such as fire protection and sprinklers: medium risk. Our initial assessment suggests that sprinklers will not be required within the building design but this requires further verification.

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– delete as appropriate

If yes:

- provide a brief description of the project including outturn cost

The College has recently completed two major capital projects – on time and within budget of a substantial nature. For the purposes of this section we refer to the completion of the CEMAST building which opened in September 2014 – on time and within budget. The total project costs for CEMAST were £12m including construction, land purchase, FFE and set up costs. The main contract was let under a D&B contract to Bouygues UK at a value of £7.3m. The final account for the project was agreed in July 2014 on the day of practical completion and certified at £7.3m.

- comment on the return on investment achieved and the extent to which the project delivered on the intended outcomes.

The following data was reported to the SFA as part of the formal Post Occupancy Evaluation which was completed in October 2014:

Table 7: Learner numbers

	Learner numbers before project*	Projected learner numbers after project*	Actual learner numbers 2014/15
14 to 16	12	19	21
16 to 19 Education Funding Agency (EFA)	168	245	291
Adult Skills Classroom-based & HE	103	180	344
16 to 19 Apprenticeships	48	70	67
Adult (19+) Apprenticeships	26	233	68
Adult Skills Workplace / Full Cost	36	84	102
Total	**393**	**831**	**893**

*The information provided in the application was based on cumulative learner numbers over a five-year period. For the purposes of this table 1/5th of the numbers have been used as a comparison against the actual numbers achieved in 2014/15. Due to the addition of Auto within the curriculum plan at CEMAST and due to a more successful than first anticipated recruitment at year 1 the College has exceeded 1/5th of the 5 year growth target in year 1. 16-19 and HE numbers performed particularly well. Growth of 19+ apprenticeships has been substantial in percentage terms but is still short of the five-year target. Overall learner number growth has exceeded expectations.

In subsequent years, CEMAST has continued to grow and is now operating beyond planned capacity with levels of space utilisation in general purpose teaching spaces and some workshops significantly above sector benchmarks – on both frequency and occupancy measures. The initial annual learner number stretch targets set by the College as part of its initial bid application have been exceeded substantially – the number of learners studying at the Centre each week now exceed the initial annual cumulative targets. Enrolments to date have been as follows:

- 2014-15 983
- 2015-16 1024
- 2016-17 1118
- 2017-18 1187

Apprenticeships – including higher level – have grown by over 400% and employer engagement is continuous, innovative and supportive.

CEMAST has also acted as catalyst for the wider development of Daedalus – with phase 1 and 2 of the Innovation Centre being developed as a direct result of the success of CEMAST and its role in raising the profile of the Enterprise Zone.

Please see attached SFA Post Occupancy Evaluation for CEMAST.

- identify lessons learned from the previous project and explain how these lessons will be applied to the proposed project.

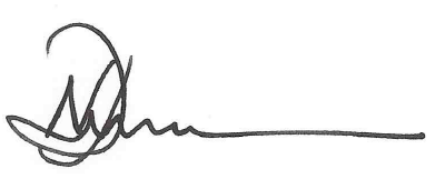
The College has shared the lessons learnt from CEMAST via AOC National Estates Conference and the Building Knowledge Website: FE building practice website http://www.building-knowledge.info/case-studies/fareham-college-cemast/

Three key lessons learnt were:

- When it comes to M&E apply the keep it simple philosophy.
- Use the Gateways effectively. Make them hard gates so that everyone understands that there are other contractors and designers ready to step in if cost, quality and time are not aligned at each Gateway.
- Keep a contingency on the contingency fund for post project changes. For the majority of the time changes will be cheaper post occupation and change can lead to reasons for delay, which can again prove too costly.

Section 9: Measurable Project Objectives	
Measurable Project Outputs: (O)	Provide a minimum of three specific, measurable, achievable, realistic and time framed (SMART) objectives/outputs for the proposed capital project • 1008 m^2 of new educational building will be constructed. • 725 learners will be recruited each year • Increase of 40 level 4 learners per year. • Increase of 40 level 6 learners per year. • Increase in 20 teachers employed

Section 10: State Aid compliance	
State aid compliance	Provide a short summary confirming why this project is state aid compliant and attached independent assessment of compliance to support your business case The primary use of CETC will be for the provision of state-funded vocational education and training and full cost courses paid for by employers in the Solent and Hampshire area. As such, in terms of state aid rules, the College will be predominantly carrying out non-economic activity. The grant will not affect the trading activities of other education providers in other EU Member States because there is no trade between EU Member States in the Further Education sector in which the College operates. Where economic activity is taking place, it will be between the College and the employers detailed in the bid who all operate in the local area. As stated in the bid there is no competitor provision from the state or private sector of this nature within 50 miles of the location and the bid should not materially affect any other FE College given the College's relatively local catchment and the specialist nature of this provision.

Section 11: 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:	Nigel Duncan
Date:	29 September 17

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**
- **Independent Assessment/Advice confirming State aid compliance**

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 (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:

- Y estate - for example, a reduction in the amount of space in building condition categories C and or D
- Y 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.