**Greater Manchester Combined Authority**

**Skills Capital 2017 – 2020 Programme: Expression of Interest**

Expressions of Interest (EoI) provide a strategic outline case to Greater Manchester’s (GM) call for skills capital proposals to be commissioned to support and provide for GM’s current and future skill requirements.

EoI’s are relatively light touch but should give sufficient information upon which a decision can be made as to whether it should be worked up into a full application. In particular, the Combined Authority (CA) wants to see an outline of the project and how it contributes to the GM Strategy Our people; our place and GM Work and Skills Strategy and Priorities 2016-19. An outline of total costs and deliverability in terms of financial viability and timescale are also required.

More detailed skills capital proposals will then be sought from those applications which satisfactorily address the key criteria and where sufficient funding is in place.

**Please return completed Expression of Interest to**

**GMSkillsCapital@greatermanchester-ca.gov.uk** **by 1pm, Friday 6th April 2018**

In completing this form, please review the attached guidance below and the website for additional background documentation.

<https://www.greatermanchester-ca.gov.uk/SkillsCapitalProgramme>

If you have any questions these should be addressed to:

GMskillscapital@greatermanchester-ca.gov.uk

**PART 1 - OVERVIEW**

|  |
| --- |
| **Applicant** |
| Lead Organisation Name: |  |
| Address: |  |
| Lead Contact Name and Job Title: |  |
| Telephone: |  |
| Email: |  |

|  |
| --- |
| **Project Summary** |
| Project Title: |  |
| Total Project Cost: |  |
| Skills capital funding from the Single Pot/Local Growth Fund required: |  |
| Skills Capital Strand | e.g. 1,2, 3a or 3b |
| Location of project including postcode |  |
| Project Summary (guidance note a)Please summarise the key points in this document relating to your project across each of the five cases (max 250 words) |
| Project start and completion dates |  |
| Likely constraints / barriers to delivery |  |

**PART 2 – KEY CASE CRITERIA**

|  |
| --- |
| **STRATEGIC CASE** |
| The purpose of this section is to explain how the scope of the proposed skills capital project fits within the existing business strategies of your organisation, the GMCA and its partner organisations and provides a compelling case for change, in terms of a high quality offer to meet existing and future skills requirements (40% of marks) |
| **Organisational Overview** Please provide a brief overview of the organisation(s) (purpose and structure) making the case for investment **Supporting Economic Growth****Business Strategies** (guidance note b)Please demonstrate fit, and contribution to the Greater Manchester Work and Skills Strategy and Priorities and criteria set out in Annex 1, the Greater Manchester Strategy, your business strategy and any national, regional or local strategies pertinent to the project proposalmax 500 words**Project objectives** (guidance note c)The SMART objectives for this project are as follows* Objective 1:
* Objective 2:
* Objective 3:

**Rationale and Need for Investment** (guidance note d)Please describe the existing situation with regard to the project – the status quo and the rationale for skills capital intervention.max 500 words**Impact on Benefits to Learners** (guidance note e)Explain how the project will enable a positive and measurable impact on responding to skills needsincluding the project’s contribution to [Greater Manchester Work and Skills Strategy and Priorities 2016 to 2019](file:///C%3A%5CUsers%5Cian.ruff%5CDownloads%5CGM_Work_and_Skills_Strategy_and_Priorities_2016_to_2019.pdf) (See Annex 1) with a strong quality offer. Applicants should demonstrate an awareness of how the project fits with existing provisionmax 500 wordsComplete 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 16-18** **19+** |  |  |  |
|  |  |  |
| **Level 2 16-18** **19+** |  |  |  |
|  |  |  |
| **Level 3 16-18** **19+** |  |  |  |
|  |  |  |
| **Level 4+ 16-18** **19+** |  |  |  |
|  |  |  |
| **16-18 Apprenticeships** | Intermediate:  | Intermediate:  | Intermediate:  |
| Advanced:  | Advanced:  | Advanced:  |
| Higher:  | Higher: | Higher:  |
| **Adult (19+) Apprenticeships** | Intermediate:  | Intermediate:  | Intermediate:  |
| Advanced:  | Advanced:  | Advanced:  |
| Higher:  | Higher:  | Higher:  |
| **Total** |  |  |  |

Which curriculum areas will be affected by the project?max 250 words**Estate Renewal and Modernisation** (guidance note f)

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

Please show the area of the entire estate in condition A, B, C and D before and after the project including Gross Internal Area (GIA m2) and percentage of estate in condition A, B, C and D **before and after project:****Table 2: Impact of Project on Condition of Estate (Gross Internal Area (GIA))****Collaboration and Partnership** (guidance note g)Demonstrate whether/how plans have been developed in collaboration / partnership with other employers, colleges or providers. max 500 words**Risk and Mitigation** (guidance note h)Highlight potentials risks to the project **Constraints**Please mention any constraints that could impact upon the project**Dependencies** (guidance note i)Tell us whether your project is dependent upon other projects, investments, and decisions etc. that are outside your control. max 250 words |

|  |
| --- |
| **ECONOMIC CASE** |
| In this section you need to document the options that have been considered in response to the project scope identified within the strategic case (20% of marks) |
| **The long-listed options**. (guidance note j)Set out your long list of options in the table below.***Table 3: Long list of project options***

| **Option** | **Description** |
| --- | --- |
| Base case/Do Nothing  |  |
| Option 2 |  |
| Option 3  |  |
| Option 4 |  |
| Option 5  |  |
| Option 6 etc. |  |

**Assessment of your long list of options** (guidance note k)Explain the criteria you have used to assess each option on the long list including **value for money** (guidance note l)***Table 4: Assessment of long list of project options***

| **Option** | **Advantages** | **Disadvantages** |
| --- | --- | --- |
| Base Case/Do Nothing  |  |  |
| Option 2 |  |  |
| Option 3  |  |  |
| Option 4 |  |  |
| Option 5 etc. |  |  |

**Short-listed options** (guidance note m)Based upon your assessment of the long listed options, please identify up to 3 short listed options that could be developed further if your project is invited to proceed to the outline business case stage. **You must include the base case / do nothing option in your shortlist.** ***Table 5: shortlisted options***

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

Please indicate your preferred option: |

|  |
| --- |
| **COMMERCIAL CASE** |
| This section outlines the proposed arrangements in relation to the options shortlisted in the economic case in terms of the programme for delivery (15% of marks)**Note: The detailed consideration of the commercial case takes place at Full Business Case stage, however you need to start thinking about it in outline terms now.** |
| **Procurement strategy** (guidance note n)Please provide details on how your project would be procured. If your plan is to engage an external partner, please provide more details on the nature of the market for supplying the good or service that will be procured.**Contracting** If you will be issuing contracts in relation to the project, what do you expect the length and nature of these contracts to be? **Milestones and delivery dates** (guidance note o)Please provide a high level GANTT chart showing the key stages of your project and when it will begin and complete |

|  |
| --- |
| **FINANCIAL CASE**  |
| The purpose of this section is to set out the indicative financial implications of the shortlisted options as set out in the economic case section.(20% of marks)**Note: detailed analysis of the financial case including affordability takes place at full business case stage** |
| Please provide an estimate of how much Skills Capital funding will be needed to deliver your project and where other funds will be sourced***Table 6: Funding/financing of proposed project***

|  |  |
| --- | --- |
| **Project funding / financing (guidance note p)** | **Capital cost (£)** |
| Requested Skills Capital funding | £[ ] |
| Applicant Contribution | £[ ] |
| Private Sector Contribution | £[ ] |
| Loan Finance | £[ ] |
| Disposal Proceeds | £[ ] |
| Other Public Sector Grants – state source | £[ ] |
| Other – Specify | £[ ] |
| ***TOTAL*** | ***£[ ]*** |
| **Capital Spend Profile (guidance note q)** |
|  Amount of project costs incurred 2018/19 | £[ ] |
| Amount of project costs incurred 2019/20 | £[ ] |
| Amount of project costs incurred 2020/21 | £[ ] |

**Match Funding** (guidance note r)Please outline the source of match funding identified and the level of intervention requested. Where the intervention rate requested exceeds 33% a compelling case must be made for enhanced public subsidy based on the criteria outlined in Annex 1. |

|  |
| --- |
| **MANAGEMENT CASE** |
| This section of the SOC addresses the ‘achievability’ of the scheme. Its purpose is to set out the actions that will be required of project partners to ensure the successful delivery of the scheme. (5% of marks) |
| **Project delivery** Who is the lead person/organisation in terms of project management?Which individuals/organisations will support the lead person/organisation and in what tasks?**Project governance**What will be the governance structure underpinning the project?**Monitoring and evaluation** How will you monitor and evaluate the performance of your project?How will the progress of the project be reported and disseminated? |

|  |
| --- |
| **State Aid** |
| All applicants must satisfy themselves that the proposed investment of skills capital via the Local Growth Fund meets the requirements of State Aid regulations for investing in schemes. Declarations of State Aid compliance will be required before funding is provided;  |

|  |
| --- |
| **Declaration** |
| **Declaration** | I certify that the information provided in this project proposal template is complete and correct. |
| **Signed** |  |
| **Print name** |  |
| **Date** |  |

**GUIDANCE**

1. **Project summary**

Summarise the proposed project across each of the five cases

* + Strategic
	+ Economic
	+ Commercial
	+ Financial
	+ Management

including the aims, scope and nature of development and/or refurbishment works, target beneficiaries, likely outcomes.

**The Strategic Case**

**Supporting Economic Growth**

1. **Business Strategies**

Demonstrate fit with the Greater Manchester Strategy Our people; our place, Greater Manchester Work and Skills priorities / Impact on inclusive growth – describe how the project will contribute to The Greater Manchester Work and Skills priorities 2016-2019 with particular focus on how it meets current and future skills needs and supporting growth industries and sectors as set out in the Greater Manchester Work and Skills Strategy, GM Skills Analysis and Sector Deep Dives

Detailed labour market intelligence to identify current and future labour market skills gaps and opportunities is available via publications hosted on Combined Authority /New Economy web site. Key relevant documents include the GM Skills Analysis 2015-16 and priority sector GM Deep Dive Skills Reports

All the strategic documents referred to above can be found at:

**https://www.greatermanchester-ca.gov.uk/SkillsCapitalProgramme**

1. **Project Objectives**

These are crucial to making a compelling case for Skills Capital investment.

* Identify a minimum of three and maximum of five objectives. There should be at least one objective relating to each of the following key areas
	+ Benefits to learners, employers, local community. – for example improved recruitment, retention or improved student satisfaction rates, increased engagement with employers.
	+ Estate – For example, a reduction in the amount of space in building condition C and/or D.
* Please note how these were derived with the involvement of stakeholders and customers for the proposed scheme. They must be SMART – specific, measurable, achievable, relevant, and time constrained. In particular, consideration should be given to objectives which will reduce cost (economy); improve throughput (efficiency) and improve quality (effectiveness); and the need for replacement services.
* Providers will be expected to assess the extent to which the identified SMART objective/outputs have been achieved when completing the GMCA’s required post occupation project review analysis.
1. **Rationale and Need for Investment**

Please describe the existing situation with regard to the project – the status quo and the rationale for skills capital intervention

Provide an account of the problems, difficulties and service gaps associated with the existing arrangements in relation to future skills needs and requirements.

What is the current status of the proposed scheme? i.e. – concept (RIBA stages 0-2), business case (RIBA stage 3), technical design / tender (RIBA stage 4)

1. **Impact on Benefits to Learners and Supporting Economic Growth**

This should include:

* Quality improvement both in terms of teaching and overall Ofsted grading
* An awareness of how it fits with other existing provision
* Clear links to the development of technical pathways to future proof learning
* Educational benefits
* Promoting an employer led skills system to meet labour market gaps and high skills growth opportunities including growth of high quality Apprenticeships
* Improving attainment, reducing NEETs and unemployment
* Impact on provision within institution and in the local area. E.g. net additional learners
* Reduces dependency and promotes self-reliance
* Makes a measurable contribution to specific local priorities, issues and challenges
1. **Estate Renewal** **and modernisation**

Please explain how the project will address estate renewal issues – what impact will the proposed investment have? Please consider:

* + Renewal/modernisation to reduce poor/inadequate (RICS condition definitions) floorspace
	+ Bringing inoperable estate back into use / rationalisation of estate to drive efficiencies
	+ Provision of industry-standard equipment and learning facilities
	+ Sustainability / carbon reduction, energy cost reduction etc.
	+ BREEAM ratings – all new estate should be ‘excellent’, refurbishment ‘very good’
	+ Ensuring that proposals are clearly part of a wider property strategy
1. **Collaboration and Partnership**

Demonstrate 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

1. **Risks and Mitigation**

Highlight potentials risks to the project (such as risks relating to funding, programme, costs, value for money, site acquisition/disposal and procurement). Identify the likelihood and impact of each risk. Identify risk mitigation measures.

The aim at this stage should be to identify any risks that pose a significant threat to the success of your project.

1. **Dependencies**

Tell us whether your project is dependent upon other projects, investments, and decisions etc. that are outside your control.

**Note:** these are the external influences on the project – namely things which have to be in place in order to make a success of this investment.

**The Economic Case**

1. **Long listed options**

Please complete the table. At least 5 options plus the base case should be highlighted

Explain how your long list of options was generated, who was involved etc.

The first option in your list should be the Do Nothing/Counterfactual option. Following that, we expect to see a range of options listed, varying in terms of what is delivered, where, to whom, by whom, over what timescale etc. Up to 10 options can be given. A number of these options should be feasible, desirable etc. at this stage i.e. you should be open-minded as to what your project will look like if it receives Skills Capital funding.

1. **Assessment of Long Listed options**

Use the table to set out the advantages and disadvantages of the long list of options – these should relate to things like the strategic fit, scope, affordability, value for money in terms of benefits delivered (including hard to quantify benefits if relevant), achievability etc. of each option.

1. **Value for Money**

Please consider:

* Building costs broadly in line with previous cost benchmarks\*[[1]](#footnote-1), e.g:

FE college scheme – c.£2706 per m2 (BREEAM ‘Very good’)

Small works scheme – c.£2478 per m2

Refurbishment – c£1848 per m”

* Returns on investment – net present value for proposed project compared to ‘do nothing’
* Operating savings – lowering premises costs over 20 years
1. **Short listed Options**

Up to 3 options including the base case should be short listed. Please indicate the preferred option.

**The Commercial Case**

1. **Procurement Strategy**

Please provide details on how your project would be procured. If your plan is to engage an external partner, please provide more details on the nature of the market for supplying the good or service that will be procured.

1. **Milestones and delivery dates**

Please provide a high level GANTT chart showing the key stages of your project including the following (amend as appropriate) and when it will begin and complete

* Planning
* Procurement
* Contract award
* Delivery
* Project completion.
* Monitoring and evaluation

Indicative timescales are that for 2017-18 skills capital, completion on site will be required by 1st September 2018. For 2018-19, completion on site is required by 1st Sept 2019. For projects with two/three year funding ready for the 2019/20 or 2020/21 academic years. Please state whether projects can be delivered to these timescales and highlight any major barriers (e.g. planning permission).

**The Financial Case**

1. **Project Funding/Finance** – Complete the table to show how the investment will be funded/financed.

1. **Grant Profile** – Anticipated cost profile each financial year (1 April – 31 March)
2. **Match funding**
* Please outline the source of match funding identified and the level of intervention requested. Skills capital should not be seen as a substitute for existing resources. Providers will be expected to maximise their own financial contribution to projects through, for example, reserves, asset disposals, even if these occur after the project is complete.
* Providers will normally be expected to provide a minimum funding contribution. Employer contributions are encouraged. This are likely to vary depending on the type of project but typically would be up to 33%. That is, for every £1 from the Skills Capital Fund, there should normally be an additional £2 invested. Where providers are unable to provide the required match funding, this should be clearly identified. In exceptional circumstances intervention rates higher than 33% may be considered. A compelling case should be given justifying the higher level of intervention based on the criteria outlined in Annex 1
* For projects under Strand 2 and 3a applicants will be expected to show evidence of employer contribution
* Applicants should attach the latest copy of their audited accounts.

**Annex 1 - Area Based Review agreed criteria to support appraisal of options[[2]](#footnote-2)**

**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 take 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 GMs 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 GMs learners and the economy and we must explore all models of delivery including greater commission of activity from third parties and businesses

1. These are indicative only based on ‘Further Education Schemes Cost models SFA, AoC and AECOM July 15’ and may well be slightly higher now. [↑](#footnote-ref-1)
2. Agreed as part of the GM Area Based Review 2016 [↑](#footnote-ref-2)