

PART 2 – CONFIDENTIAL FACTS AND ADVICE

DD2195

Title: Development Support Fund

Information may have to be disclosed in the event of a request under the Freedom of Information Act 2000. In the event of a request for confidential facts and advice, please consult the Information Governance team for advice.

The information below is not for publication until the stated date, because:

The information contained within is commercially sensitive and its release could prejudice the commercial interests of the funding applicants and the GLA, impacting adversely on:

- (provided a bidder is successful at the Round 2 of the SfLCF), the GLA's negotiating position with proposed recipients affecting its ability to efficiently manage allocations and the finalisation of funding documentation and achieve the optimal outcome; and
- the applicants' ability to stimulate genuine competition for supplies, services and/or works required for efficient delivery of funded schemes.

In addition, information provided in confidence is contained within this document. This information will cease to remain confidential upon completion of individual projects.

Date at which Part 2 will cease to be confidential or when confidentiality should be reviewed: **30th April 2018**

Legal recommendation on the grounds of keeping the information confidential:

Section 1 of the Freedom of Information Act 2000 (the "Act") creates the general right of access, which provides that any person making a request for information to a public authority is entitled:

- to be informed in writing by the public authority whether it holds information of the description specified in the request; and
- if that be the case, to have that information communicated to him/her.

Part II of the Act contains a number of exemptions from disclosure for certain classes of information. Section 43 allows the exemption from publication of information, the disclosure of which would be likely to prejudice the commercial interests of any person (including the public authority holding it).

The section 43 exemption is a qualified exemption and its valid use is therefore subject to a public interest assessment.

Public Interest Assessment

On balance, it is considered that the public interest is best served if the information in this Part 2 not be disclosed at this point. It is understood that disclosure by the GLA would be likely to have a detrimental effect on:

- the GLA's bargaining position with proposed recipients affecting its ability to efficiently manage allocations and the finalisation of funding documentation and achieve the optimal outcome; and
- successful applicants' ability to stimulate genuine competition for supplies, services and/or works required for efficient delivery of funded schemes; and

For the reasons given above, the public interest in not publishing the information in Part 2 of this DD may be viewed as outweighing the public interest in publishing the information

Legal Adviser -

Title Principal Lawyer - Commercial Law

Date 11th December 2017

Confidential decision and/or advice:

The Decision is not confidential, as the only confidential information and advice is presented in the below summary of the proposal and the results of the evaluation which is attached.

Financial comments

Organisation Name	Project Name	Funding requested	Project Value	Score out of 100
Mary Ward Centre	The Mary Ward Adult Education Centre East	£33,000	£15,200,000	91%
Waltham Forest College	Vocational Training and SEND Centre Project	£120,000 (funding approved: £100,000)	£52,000,000	87%
Sutton and District Training Ltd	Grove Park Hair & Beauty Academy	£15,500	£180,335	82%
Big Creative	BCT Digital Future	£63,650	£4,400,000	82%
Havering college	The Ardleigh Green Campus Re-development Project	£100,000	£17,100,000	82%
Newham Vic College	STEM/ Health Learning Innovation Hub	£100,000	£20,000,000	81%
Richmond and Hillcroft Adult Learning	Surbiton Adult Learning Centre and Community Hub	£100,000	£8,000,000	81%
Newham College	RENEWAL: The Newham College Redevelopment Programme	£100,000	£30,000,000	80%
Barts Health	Barts Health Skills Academy	£48,300	£1,330,000	79%
Harrow College HCUC	Armstrong Building-Digital & Skills for Work Centre of Excellence	£99,000	£8,265,865	77%
London SE Colleges	Plumstead Campus remodelling and rationalisation	£100,000	£212,600	77%
New City College	Re-development of Poplar Campus	£100,000	£200,000,000	77%
Kingston College	Renewal of Kingston College; Kingston Hall Road Centre	£100,000	£26,100,000	76%
LB Bexley	Developing Phase One of Place and Making Institute	£100,000	£265,000	74%
Haringey, Enfield, NE London	Tottenham Centre Redevelopment	£100,000	£52,500,000	73%
Hadlow College	Peri-urban food production and skills development	£65,000	£320,000	72%
Lewisham, Southwark College	Lewisham Southwark College, New Lewisham Centre, and Creative Quarter	£100,000	£65,000,000	72%

Mary Ward Centre	
Detailed application	Evaluator's Score:
DSF Revenue Request: £33,000 Total Project Value: £15,200,000	91/100
Evaluator's Comments	
<ul style="list-style-type: none"> • A good project to promote learning within the areas where it is needed and reach out to those who require such skills. • The project aligns with the Mayor's commitment to support innovative tech solution to enable access to services information, as well as improving digital skills learning in London, complementing the Mayor's Digital Talent programme. • The bid strongly articulates outcomes offered for local people, including progression for learners at Level 1 to Level 3. Community engagement and strategic partnerships (LLDC and HE partners in locality) are in place which should anchor this new site into the community. • Contract to be signed only after the AEB devolution talks have concluded. • Confirmed that 1,000 additional learners is a net figure, i.e. not a result of change in curriculum; also the figure is annual. 	
Financial profile	
<p>The Mary Ward Centre is a registered charity and company limited by guarantee. According to its audited accounts for the year ended 31/7/17 the company made a surplus of £45k (before the actuarial loss on the pension scheme). It had reserves of £3.1 million at the year-end.</p> <p>http://www.marywardcentre.ac.uk/wp-content/uploads/2017/01/MWC-Final-signed-accounts-2016.pdf</p>	
Outstanding Due Diligence / ongoing monitoring	
N/A	
Recommendation	<i>successful on following basis:</i> <ul style="list-style-type: none"> • <i>contract to be signed only after the AEB devolution talks have advanced.</i>
Waltham Forest College	
Detailed application	Evaluator's Score:
DSF Revenue Request: £120,000 (funding agreed £100,000) Total Project Value: £52,000,000	87/100
Evaluator's Comments	
<ul style="list-style-type: none"> • Innovative proposal to support skills development in hair and beauty including fostering connections with local social care providers. Proposal outlines how development will contribute to the physical regeneration of park. • The scorers found that the applicants did not present a compelling enough case that justified receiving extra £20k. • This is expected to create exceptional vocational training facilities supporting strategic aims of the College, GLA and local authority; modernise and upgrade 18% of the College estate; integrate with the adjacent Town Hall campus development sponsored by Cabinet Office One Public Estates (OPE) initiative and expand training capacity for 19-24 year old SEND learners - meeting local need - with a new build specialist facility. • Applicant specified that the indicative budget and financial appraisal is based on 112 new residential units of which 49 would be affordable (43.75%) units and 63 private (56.25%) units. 	
Financial profile	
N/A	
Outstanding Due Diligence / ongoing monitoring	
N/A	
Recommendation	<i>successful ready for funding.</i>

Sutton and District Training Ltd	
Detailed application	Evaluator's Score:
DSF Revenue Request: £15,500 Total Project Value: £180,335	82/100
Evaluator's Comments	
<ul style="list-style-type: none"> The applicant makes a modest funding request to support the feasibility and development costs of a very coherent proposal to deliver a training facility; one that works with learners many of whom are described by Ofsted as vulnerable with complex needs. The proposal is well thought through and has the support of the local authority. Innovative proposal to support skills development in hair and beauty including fostering connections with local social care providers. Proposal outlines how development will contribute to the physical regeneration of park. Applicant provided clarification on number of students progressing into employment and design costs. Evaluators acknowledged that planning consent is needed in order for applicants to come forward to Round 2 of SfCF. Part of this DSF application is to seek planning approval. 	
Financial profile	
<p>The most recently published accounts for Sutton and District Training Ltd appear to show the company made a profit of £15,537 for the year ended 31/3/2017. The company's reserves increased to £120,897 at the year-end. The company is exempt from audit.</p> <p>https://beta.companieshouse.gov.uk/company/03721220/filing-history</p>	
Outstanding Due Diligence / ongoing monitoring	
N/A	
Recommendation	<i>successful ready for funding</i>
Big Creative	
Detailed application	Evaluator's Score:
DSF Revenue Request: £63,650 Total Project Value: £4,400,000	82/100
Evaluator's Comments	
<ul style="list-style-type: none"> Thorough and compelling case. The provider currently delivers provision in a growth sector which has under-representation of disadvantaged groups which reside in the borough. Applicant clarified on current baseline and rationale for proposed outputs. 	
Financial profile	
<p>The most recently published accounts of BIG Creative Training Ltd for the year ended 31/7/2016 show that the company made a surplus of £14,533 for the year. The company had reserves of £117,151 at the year-end. The company is exempt from audit.</p> <p>(https://beta.companieshouse.gov.uk/company/03942925/filing-history)</p>	
Outstanding Due Diligence / ongoing monitoring	
N/A	
Recommendation	<i>successful ready for funding.</i>
Havering college	
Detailed application	Evaluator's Score:
DSF Revenue Request: £100,000 Total Project Value: £17,100,000	82/100

Evaluator's Comments	
<ul style="list-style-type: none"> • Ready for funding but the feedback to this application will include a statement reiterating that receipt of DSF funding will not automatically guarantee funding from the SfLCF and that the applicant will be required to submit an Expression of Interest when the next round of the SfLCF prospectus is launched. • The project will make significant improvements in space utilisation in addition to creating significant new, future-proofed teaching and learning environments commensurate with a modern FE/HE provision. The project supports LEAP priorities and includes additional provision in STEM, LLDD and SEND and flexible learning, rich information environments. It will also see the integration of community support provision with state-of-the-art curriculum delivery and pedagogies, creating an innovative live, work, learn environment for learners and service users. 	
Financial profile	
N/A	
Outstanding Due Diligence / ongoing monitoring	
N/A	
Recommendation	<i>successful ready for funding.</i>
Newham Vic College	
Detailed application	Evaluator's Score:
DSF Revenue Request: £100,000 Total Project Value: £20,000,000	81/100
Evaluator's Comments	
<ul style="list-style-type: none"> • Well written application, providing both a good picture of the vision as well as outlining risks and how they will mitigate these. • The new facility will focus on STEM /Healthcare provision, the demand for which renders current capacity oversubscribed; local demographic trends strongly support the need for the college to increase investment in education capacity in skills shortage areas. Newham year 11 numbers are projected to increase up to 15% over the next 10 years and given the college's strong in-borough progression rate the applicant anticipates many of those learners will be applying to NewVic. • The bid articulates desire to create buildings which foster good learning but does not describe need for inclusive learning environments to support learners with a range of needs. References a range of relationships in the local community. 	
Financial profile	
Newham Sixth Form College is a corporation established under the Further and Higher Education Act 1992. According to its latest published accounts for the year ended 31/7/16 the College generated a deficit of £288k (before the actuarial loss on the pension scheme). The College has reserves of £7.2 million at the year-end.	
Outstanding Due Diligence / ongoing monitoring	
N/A	
Recommendation	<i>successful ready for funding.</i>
Richmond and Hillcroft Adult Learning	
Detailed application	Evaluator's Score:
DSF Revenue Request: £100,000 Total Project Value: £8,000,000	81/100
Evaluator's Comments	
<ul style="list-style-type: none"> • The bid proposes new 24-hour community-facing accessible learning facility which will provide strong outcomes for SEND learners, ex-offenders etc. Specific deliverables include a SEND residential facility. The bid 	

<p>shows awareness of importance of how a 24-hour facility can provide opportunities for different local groups at different times.</p> <ul style="list-style-type: none"> Following the merger of Hillcroft College and Richmond Adult and Community College (RACC) on October 1st 2017 the new college formed by the merger, Richmond and Hillcroft Adult and Community College (RHACC), is an Institute of Adult of Learning. This legal status will not change. 	
Financial profile	
Richmond Adult and Community College and Hillcroft College merged on 30 September 2017, following a public consultation. As such no financial statements exist for the merged entity. One of the stated benefits of the merger was 'a financially sustainable business model for the merged college'.	
Outstanding Due Diligence / ongoing monitoring	
N/A	
Recommendation	<i>successful ready for funding.</i>
Newham College	
Detailed application	Evaluator's Score:
DSF Revenue Request: £100,000 Total Project Value: £30,000,000	80/100
Evaluator's Comments	
<ul style="list-style-type: none"> Overall a very good description and case. The project will allow the college to respond to current and projected future demand from employers in Newham and adjacent London boroughs for more skilled workers in growth industries; it will improve the learner experience and support growth of both apprenticeships provision. This bid strongly articulates offer for priority groups including SEND and NEET. An expansion of current well-functioning SEND facilities is proposed to extend impact to a greater number of SEND learners. Successful for funding but the applicant is to confirm that outputs are deliverable. 	
Financial profile	
N/A	
Outstanding Due Diligence / ongoing monitoring	
N/A	
Recommendation	<i>successful ready for funding.</i>
Barts Health	
Detailed application	Evaluator's Score:
DSF Revenue Request: £48,300 Total Project Value: £1,330,000	79/100
Evaluator's Comments	
<ul style="list-style-type: none"> The Occupational focus of courses provided by the applicant covers key growth areas for London's digital economy and aligns with the is supports the Mayor's Digital Talent programme, particularly as the focus is on developing the digital skills of disadvantaged young Londoners. This project will increase capacity to train new and existing NHS staff in healthcare, health sciences and health administration and will support entry into apprenticeships in healthcare, health sciences, social care and administration for the local community, including those with additional barriers to employment or those at risk of falling into the NEET category. Project partners include the London Borough of Tower Hamlets, Queen Mary University of London and Mulberry UTC within its partnership and has a core objective of improving health career entry and progression rates. Applicant provided clarification on temporary accommodation. 	

Financial profile	
NHS Improvement placed Barts Health NHS Trust in financial special measures in September 2016. According to NHS Improvement: 'Financial special measures is a package of measures applied to particular NHS bodies as part of a reset of expectations of financial discipline and performance in the NHS. Financial special measures is designed to help NHS bodies facing the biggest financial challenges.' However, the hospital trust continues to operate and has an annual turnover of £1.4 billion.	
Outstanding Due Diligence / ongoing monitoring	
N/A	
Recommendation	<i>successful ready for funding.</i>
Harrow College HCUC	
Detailed application	Evaluator's Score:
DSF Revenue Request: £99,000 Total Project Value: £8,265,865	77/100
Evaluator's Comments	
<ul style="list-style-type: none"> • This project will enable greater career pathways for learners with direct employer support and will provide students with relevant skills, behaviours and business networks to meet the needs of the digital sector. • The bid references skills provision for those progressing to higher learning from ESOL. 35% SEND beneficiaries. No references to tailoring facilities to be inclusive and accessible. • Applicant provided rationale for proposed outputs and specified that the total space to be provided is 391 m². 	
Financial profile	
N/A	
Outstanding Due Diligence / ongoing monitoring	
N/A	
Recommendation	<i>successful ready for funding.</i>
London SE Colleges	
Detailed application	Evaluator's Score:
DSF Revenue Request: £100,000 Total Project Value: £212,600	77/100
Evaluator's Comments	
<ul style="list-style-type: none"> • A clear and achievable set of costed milestones are provided in the application. • A number of risks proportionate to the project have been provided and mitigations suggested. • Applicant responded to questions regarding timeframe and deliverability. 	
Financial profile	
N/A	
Outstanding Due Diligence / ongoing monitoring	
N/A	
Recommendation	<i>successful ready for funding.</i>
New City College	
Detailed application	Evaluator's Score:
DSF Revenue Request: £100,000 Total Project Value: £200,000,000	77/100

Evaluator's Comments	
<ul style="list-style-type: none"> The project is well aligned with the fund's priorities and provides a decent description of the plan although it is still vague given the stage at which they are. This is a strong proposal seeking funding to enable the feasibility and project costs for a major re-development of New City College's Poplar campus. The ambition is to create a flexible, adaptable learning space to meet the changing priorities of local – and wider London's – labour market. The redevelopment will contribute to the local authority's target of creating new homes for residents, and by enhancing the development of specialisms within the New City College group structure, will support the ambitions of the area review recommendations. Applicant provided narrative on outcomes and rationale behind them. 	
Financial profile	
N/A	
Outstanding Due Diligence / ongoing monitoring	
N/A	
Recommendation	<i>successful ready for funding.</i>
Kingston College	
Detailed application	Evaluator's Score:
DSF Revenue Request: £100,000 Total Project Value: £26,100,000	76/100
Evaluator's Comments	
<ul style="list-style-type: none"> The applicant demonstrates there is a clear need for this project as college estate is in need 'of major repair or replacement. Aligns to fund priorities especially rationalisation of curriculum adjacencies and improving teaching accommodation to enhance student and staff satisfaction. This bid responds to Area Review: to secure the success of the new strategic merger between Kingston, Carshalton and South Thames Colleges as recommended by the Area Review. The ambition in property terms is to develop a network of campuses in SW London with world class facilities to deliver the curriculum plan efficiently. 	
Financial profile	
N/A	
Outstanding Due Diligence / ongoing monitoring	
N/A	
Recommendation	<i>successful ready for funding.</i>
LB Bexley	
Detailed application	Evaluator's Score:
DSF Revenue Request: £100,000 Total Project Value: £265,000	74/100
Evaluator's Comments	
<ul style="list-style-type: none"> Good project description and case for need as they target, after clarification with them, several of the skills and industries prioritised by the Mayor. The applicant confirmed by this application does not enable a construction curriculum but does enable a digital design curriculum (BIM, built environment and architectural training). The proposed Place and Making Institute supports LEAP priorities by seeking to deliver a genuinely employer-led provision - including construction - that will be flexible, self-sustaining and responsive and will contribute significantly to economic growth locally, regionally and nationally. 	

<ul style="list-style-type: none"> • Good articulation of benefits for local area, especially opportunities for engaging learners from disadvantaged communities. 	
Financial profile	
N/A	
Outstanding Due Diligence / ongoing monitoring	
N/A	
Recommendation	<i>successful ready for funding; however, the applicant will have to demonstrate later on that SfLCF is not financing construction-related training.</i>
Haringey, Enfield, NE London	
Detailed application	Evaluator's Score:
DSF Revenue Request: £100,000 Total Project Value: £52,500,000	73/100
Evaluator's Comments	
<ul style="list-style-type: none"> • This is a good application which demonstrates clear alignment to areas of the Skills for Londoners Capital Fund prospectus. • This strong proposal seeks funding to carry out feasibility work on a proposed significant redevelopment that will provide a modern technical college, with a strong, high quality STEM offer at its core. This redevelopment, in an area of high deprivation, will deliver significant regeneration and place making benefits in addition to educational opportunity and equality. It will also allow the provider to deliver increased engagement with local employers and to enhance its delivery of apprenticeship programmes. • The forecast outputs and outcomes have been estimated from a comprehensive assessment of the future space requirements of the college, based on predicted changes in curriculum, including an expansion in STEM, and a progressive shift away from classroom-based delivery towards apprenticeships. • It is clear that the Haringey proposition relies significantly on an enhancement to the quality, rather than volume of learners and apprenticeships. That there are risks attached to this is clearly acknowledged. Some effort should go into improving understanding of these and developing an outline response, should they actually occur. 	
Financial profile	
N/A	
Outstanding Due Diligence / ongoing monitoring	
N/A	
Recommendation	<i>successful ready for funding.</i>
Hadlow College	
Detailed application	Evaluator's Score:
DSF Revenue Request: £65,000 Total Project Value: £320,000	72/100
Evaluator's Comments	
<ul style="list-style-type: none"> • The application to fund the survey appears to be sound and the proposed development has local authority and employer support and operates within a sector reporting skills shortages. • The applicant demonstrates how the project will complement existing horticulture classes in London. • Applicant provided a narrative explaining the timeline and specific priority groups being targeted in the future, and confirming that their project is not in conflict with others. LEAP officers have checked this with the Skills team, who have not raised any concerns. 	

Financial profile	
Hadlow College is a Corporation established under the Further and Higher Education Act 1992. The Group made a £195k surplus for the year ended 31/7/16 (before the actuarial loss on the pension scheme). The Group had reserves of £3.277 million at the year-end.	
Outstanding Due Diligence / ongoing monitoring	
N/A	
Recommendation	<i>successful ready for funding.</i>
Lewisham, Southwark College	
Detailed application	Evaluator's Score:
DSF Revenue Request: £100,000 Total Project Value: £65,000,000	72/100
Evaluator's Comments	
<ul style="list-style-type: none"> • The proposed facility will complement the college's Southwark campus which was completed in 2017 ensuring that provision is appropriate to the needs of local communities but avoiding unnecessary duplication. In the further development of its proposal the College will work with the local authority, schools and other providers as appropriate to ensure that the scheme meets local needs and enhances rather than duplicates existing provision. • The application proposes a high proportion of affordable homes (15%-40%) in an area closely connected to Canary Wharf and the City. Depending on whether they aim for the lower or the upper limit the project would offer good vfm or not. • Applicant specified that space is reduced following its under-utilisation. Further, confirmation was given that the freehold is owned by NCG trading as Lewisham Southwark College. 	
Financial profile	
N/A	
Outstanding Due Diligence / ongoing monitoring	
N/A	
Recommendation	<i>successful ready for funding.</i>