

PART 2 – CONFIDENTIAL FACTS AND ADVICE

DD2205

Title: Skills for Londoners Capital Fund: Round 1

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The information below is not for publication until the stated date, because: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, impacting adversely on the procurement of good and services for the development of the proposed projects

In addition, information provided in confidence is contained within this document (scores, comments and financial information). This information may influence the evolution of the prospectus for future rounds and provides confidential information on the applicants' financial standing, partnerships in progress and other considerations that were critical to the approval process.

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: **31st August 2022***

** This date will be reviewed periodically in order to determine the continuing application of the Freedom of Information Act 2000 exemption set out below.*

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 recipients' (and as a consequence the GLA's) commercial interests, impacting adversely on their ability to secure value for money (as disclosing the amounts of funding available may prejudice genuine competition for the services/works/supplies to be procured using the funding).

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 21 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

Table 1 - Project summaries

Organisation Name	Project Name	Education provision delivered	Funding sought or recommended	Project Value	Score out of 100
London and South East College (LSEC)	London Aerospace and Technology College	STEM (Aviation)	£6.395m	£11.020m	82.2%
Barking and Dagenham College (B&D College)	Centre for Advanced Technologies (CAT)	STEM and Digital	£4.997m	£9.995m	77.3%
Morley College	Adult Learning Spaces	Digital and creative	£1.112m	£3.333m	76.9%
United Colleges Group: College of North West London (CNWL)	Phase 1: Willesden Green	Digital, STEM and provision for students with high needs	£10m	£59.2m	74.7%
Capel Manor College	Capel Manor College's Crystal Palace Park	Land based skills	£4.939m	£8.664m	71.4%
Harrow College	High Needs Learners Base-room and LRC Remodelling	Provision for students with high needs	£2.543m (recommended)	£2.826m	68.8%
The City Literary Institute	The Design and Digital Hub	Digital and creative	£480K	£1.097m	60.8%

Table 2 – Detailed project summaries

London Aerospace and Technology College				NPV: Do nothing £0	
Description of the scheme	The London Aerospace and Technology College (LATC) at Biggin Hill Airport (LBHA) will be a nationally significant centre of excellence for STEM education, skills and training progression with pathways into employment in the aviation sector. This project will address a specific, acute and significant skills gap in the aviation and aerospace sectors and significantly increase accessibility to employment for people in the region.			NPV: Preferred Option £2.1m	
Educational outcomes	This project will enable the College to deliver a new curriculum offer including intermediate and high level apprenticeships and European Aviation Safety Agency (EASA) Licensing. LATC will provide apprenticeship training for apprentices and employers across the South East's aviation and aerospace sectors. Currently only a handful of specialist aerospace apprentices at Gatwick or Heathrow, with most existing provision being in customer services, flight crew and travel and tourism related disciplines. LATC will build upon the College's existing network of FE provision to provide pathways into employment into aerospace and aviation in South and South East London. This will significantly increase accessibility to employment for people in the region.			Total Project Value £11.020m	
Match Funding	Due to the financial burden of the merged colleges and to ensure the College's financial health is sustainable, it is considered that this project's level of match is acceptable despite being lower than the 66% requested in the prospectus.	Indicative delivery timescales	Planning Consent: May 2018 Start of Construction Works: Sept 2018 Comp of Construction Works: July 2019 College Opens: Sept 2019	SfLCF Grant sought £6.395m	
Innovation	LATC has been designed in response to a specific, acute and significant skills gap in the aviation and aerospace sectors. This skills gap is especially acute in the SE of England, which has the fastest growing aviation sector anywhere in Europe. Unlike other FE provision in the sector, LATC will actually be based at a live, operating airport, which will provide learners with the vital experience of operating in a working environment with all of the security, access and behavioural implications that this entails.			Match funding £4.625m	
Risk	- Planning consent would be needed but the College are aware that GLA funding cannot be drawn down until planning permission is granted. - Risk and contingency allowances are built into the project, which have been tested in the due diligence process.			Assessor score 82.2	
Mayoral Strategies & other co-benefits	- This is an exceptionally strong application to deliver a facility that will directly improve an evidenced skills-gap in the aviation sector. Comparably, this application has demonstrated the highest level of local business engagement and support for the project. - Aerospace and aviation sector-specific proposal developed with the support of a number of employers reporting shortages of skilled workers. - The project has been developed in close consultation and partnership with employers to meet industries current and future needs through the curriculum and learning environment (facilities) they will offer.			No. of learners	NEETs supported
				1,708	503
				SEND learners	Apprenticeships
				17	671

London and South East Colleges

Centre for Advanced Technologies (CAT)

Description of the scheme	This project completes Barking and Dagenham's College's planned property strategy by refurbishing and reconfiguring the one remaining poor condition building which is noisy, energy inefficient and of lightweight pre-fabricated construction. The refurbishment will address the building's shortcomings to provide flexible, energised technical learning spaces, integrating with and complementing our existing STEM Centre, Digital Hub and Business Start-up POD.		
Educational outcomes	The Project is needed to equip local people with the skills they require to compete for contemporary employment in the increasing number of science, technology, engineering and creative digital and data analysis jobs that are being created across London. The CAT project does not compete with other provision in the area but complements it by providing an alternative curriculum. It will also provide progression opportunities for students at the Technical Skills Academy in Barking together with other schools in the area.		
Match Funding	The College has strong finances currently and it is not clear why the College require a higher level of grant than the standard 33% set out in the prospectus. This has been queried in the clarification process and specialist commentary will confirm the assessment of match funding in due course.	Indicative delivery timescales	Start of Construction Works: July 2018 Comp of Construction Works: Aug 2019 College Opens: Sept 2019
Innovation	CAT will be more than just a training facility. It is being designed and equipped to be a focus point for the development and innovation in STEM sectors in LBBB. By providing companies with modern facilities, equipment and amenities to develop their products and commercial ventures, students will be supported to gain real industry awareness as part of their training through hands on experience, apprenticeship opportunities, site visits and real work projects.		
Risk	- Planning consent should not be required for this refurbishment, however, the College are aware that GLA funding cannot be drawn down until planning permission is granted if necessary. - Risk and contingency allowances are built into the project, which have been tested in the due diligence process.		
Mayoral Strategies & other co-benefits	- The application shows a clear development path for students to access careers in London's high growth Tech and Digital spaces and reinforces the need for young people to be at the forefront of an increasingly digitalised economy. It is particularly positive to see a focus on emerging occupational areas like Robotics, Data and big data and TV and Film production. - This is a strong proposal that seeks to transform an element of an existing site in to a state of the art facility delivering higher level technical skills. The proposal demonstrates clear progression links to higher education, has support of local business and the local authority, and is in direct response to an increased need for post-16 education places in light of population growth.		

NPV: Do nothing
£0

NPV: Preferred Option
£538k

Total Project Value
£9.995m

SfLCE Grant sought
£4.997m

Match funding
£4.997m

Assessor score
77.3

No. of learners	NEETs supported
18,205 540 of which are growth in provision	80
SEND learners	Apprenticeships
36	290

Barking and Dagenham College

Adult Learning Spaces

Description of the scheme	Morley College is an Institute of Adult Learning (IAL) that draws students from across London, with high levels of students from diverse and deprived communities. This project will transform facilities at the College (the entrance, foyer, art gallery, studio block), significantly improving the public-facing spaces of the College, its streetscape visibility and profile. This project will also mean Morley will be able to deliver a diversified curriculum with clear progression pathways in priority sectors (it will be the only IAL in Central London to offer HE-level provision). This project will further the College's contribution to London culture and support outcomes, particularly for those without English as a first language or with a special educational need or disability.		
Educational outcomes	The Project is designed to develop all learners to their full potential by engaging learners in lifelong learning through the provision of accessible, modern and inviting public spaces animated by a vibrant cultural programme tailored to respond to visitor and student interests and ambitions. The project will enable the provider to deliver a diversified curriculum with clear progression pathways to advanced and higher learning in priority training sectors to create the clearest possible line of sight to future employment in the London economy.		
Match Funding	Match funding available from cash reserves and bank have granted formal credit approval for loan, to be used as liquidity rather than necessarily to fund project.	Indicative delivery timescales	Planning Consent: In place Start of Construction Works: early 2018 Comp of Construction Works: Aug 2019 College Opens: Sept 2019
Innovation	The project will be transformative in that Morley will be the only Institute of Adult Learning in Central London to be offering HE-level provision and will act as an important progression route for other adult community learning students and a model for others to follow our lead in their own areas of expertise. In addition, the project will enable the provider to establish an internet radio station which will be used by and for our students but also for the local community and local businesses. This will be a first for an Adult Community Learning institute.		
Risk	- Risk and contingency allowances are built into the project, which have been tested in the due diligence process. - The current consultation regarding the Adult Education Budget (AEB) devolution to the Greater London Authority will be decided outside of the timelines for the <u>SfLCF</u> Round 1. It is proposed that the applications from these providers follow the usual recommendation route but to pause the final decision to fund the projects until the New Year, when a decision on the AEB devolution is known.		
Mayoral Strategies & other co-benefits	- This project provides space for creative and cultural production and exhibition, prioritisation of creative skills and courses responding to significant sector growth, digital inclusion and upskilling adult population. Closing the disability employment gap, particularly in the creative industries is a top priority. - The fact that this bid (and one other) are the first Adult Community Learning providers to apply for funding is innovative as funding has not previously been available for these institutions.		

NPV: Do nothing
£1.78m

NPV: Preferred Option
£2.3m

Total Project Value
£3.333m

SfLCF Grant sought
£1.112m

Match funding
£2.221m

Assessor score
76.9

No. of learners
68,760
4,628 of which are growth in provision

Cost savings
£95k

SEND learners
1,190

Jobs created
16

Morley College

Phase 1: Willesden Green

Description of the scheme	This project will see construction of a new world class 13,848m ² GIA, inspiring and fit-for-purpose College building that supports the new merged College business plan, aligns with businesses new ways of working and reinforces the wider Skills for Londoners Plan. The match funding will be realised through delivery of a site masterplan including residential accommodation and community facilities.		
Educational outcomes	The proposal will enhance the College's existing specialisms, including areas identified by GLA as having skills gaps e.g. IT, Engineering, ESOL, Cyber security and High Needs provision. In addition growth of provision in specialisms Digital Creative and Media, cyber security and robotics. This fits in with the Mayor's Digital Talent programme to develop skills in these occupations. The proposed provision responds to market demand and collaborates with providers delivering similar provision to ensure a comprehensive and complementary skills offer.		
Match Funding	The match funding is being provided from land rationalisation for development, which is yet to be secured. The value for money is further increased due to the high level of match funding proposed.	Indicative delivery timescales	Planning Consent: Dec 2018 Start of Construction Works: Feb 2019 Comp of Construction Works: Dec 2020 College Opens: Jan 2021
Innovation	An employment focussed approach to the design has driven the development of the learning environments within the project, with design based on professional level, industry standard working environment. The 'innovation ethos' will be reinforced by bringing employers directly on-site and supporting the creation of jobs		
Risk	- Planning consent would be needed but the College are aware that GLA funding cannot be drawn down until planning permission is granted. - Risk and contingency allowances are built into the project, which have been tested in the due diligence process. - The land rationalisation is yet to complete, however, the applicant has provided sufficient detail to provide comfort that the match funding is achievable.		
Mayoral Strategies & other co-benefits	- The application has a strong understanding of the need for developing skills in IT, Digital Media and other high-growth sectors such as robotics and cyber security. It is positive to see multiple education pathways to deliver training in these sectors and this will compliment the Mayor's Digital Talent programme which will form part of his ambition to develop a tech talent pipeline for London's digital economy. - Willesden is in need of regeneration and it is therefore a good location for funding support.		

NPV: Do nothing

-£21.9m

NPV: Preferred Option

£16.1m

Total Project Value

£59.2m

SfLCE Grant sought

£10m

Match funding

£49.2m

Assessor score

74.7

No. of learners

11,500
1,111 of which are growth in provision

Cost savings

£300k

SEND learners

95

Apprenticeships

850

United Colleges Group: College of North West London

Capel Manor College's Crystal Palace Park

Description of the scheme	This project is required to ensure the long term security of land based skills provision in South-region of London. Without this project, this provision will be lost in the area. The project will establish a quality Land-based/Green Skills support facility to service South London by refurbishing the existing farm complex which is currently inoperable. The proposal also includes the museum building which is proposed as important to the scheme to increase accommodation and provide attractive civic presence.		
Educational outcomes	This project delivers the main land-based related recommendations of the Area review and creates sufficient capacity to accommodate increased apprenticeship, land-based and green skills training demand resulting from the Skills and Adult Community Learning reviews. The facility will offer qualifications ranging from foundation level to higher level in a range of land-based, green skills or animal husbandry qualifications. Capel Manor is the only College to offer these qualifications in south London and without this project, the provision of these skills will be lost.		
Match Funding	The level of match funding is lower than the prospectus requirements and the application does not demonstrate the exceptional case to demand a higher level of grant. This will be clarified in the clarification process.	Indicative delivery timescales	Planning Consent: July 2018 Start of Construction Works: Aug 2018 Comp of Construction Works: Aug 2019 College Opens: Sept 2019
Innovation	The project would pave the way for a unique tripartite relationships between the local authority/park management, the community and the College. This will bring significantly more collaboration between these parties and benefits to all. The strategic aims and objectives of the College are uniquely aligned to the purpose and future of Crystal Palace Park, with the first horticultural college ever was located in Crystal Palace Park.		
Risk	- Risk and contingency allowances are built into the project, which have been tested in the due diligence process. - Planning consent would be needed but the College are aware that GLA funding cannot be drawn down until planning permission is granted. - The borough have made it clear they do not back the option including the refurbishment of the museum building (which they own). The feasibility work demonstrates its inclusion is not required to deliver the projects aims, and so it is suggested that funding this project should be contingent on this option not being pursued, and the fully new build option being implemented. As such, it is recommended that this element of the project is removed from the scope.		
Mayoral Strategies & other co-benefits	- The proposal meets the Mayor's aim to 'work with boroughs to promote and protect London's libraries, community centres, and suburban arts venues.' - It is also positive to see the application seeks to embed digital skills training into their existing courses, particularly those that are in traditionally non-digital occupational areas. These are key skills which will be increasingly important in London's digital economy and compliments the Mayor's ambitions for his digital talent programme.		

NPV: GLA Preferred Option (no museum)

£21.544m

NPV: College Preferred Option (with museum)

£22.090m

Total Project Value

£8.664m

SfLCE Grant sought

£4.939m

Match funding

£3.725m

Assessor score

71.4

No. of learners

2,550

NEETs supported

1,105

SEND learners

1,222

Apprenticeships

235

Capel Manor College

High Needs Learners Base-room and LRC Remodelling

Description of the scheme

This project will dramatically improve provision for learners at Harrow College with a special educational need or disability. At present, the current Learning Resource Centre building is too small for the number of students and beyond economic repair. This project will directly improve the inoperable college estate to provide a fit for purpose Base Room on the ground floor of the LRC Building to meet the needs of growing numbers of High Needs learners with disabilities on mainstream courses. This project will also remodel and upgrade the LRC to provide eLearning Zones for independent study and right-size the library space.

Educational outcomes

The project has a focus on providing facilities for high needs disabled learners. The college has initiatives for improving the attainment of under-achieving groups and increasing apprenticeship provision. A range of intermediate and higher level vocational qualifications will be supported in the delivery of this project in the STEM sector including science, healthcare and digital qualifications.

Match Funding

Match funding immediately available from sale of excess land. It is proposed that this project receives a higher amount of funding and officer support than requested to enable the College to improve the financial health and estate of the College.

Indicative delivery timescales

Planning Consent: Feb 2018
Start of Construction Works: March 2018
Comp of Construction Works: Aug 2019
College Opens: Sept 2019

Innovation

This project will provide a pioneering hub for supporting SEND students with state-of-the-art small group learning practices and adaptive technologies in one space. This will meet the significant growth, challenges and needs of Students with Special Education Needs and Disabilities (SEND) by rationalising and modernising an inefficient accommodation.

Risk

- Risk and contingency allowances are built into the project, which have been tested in the due diligence process.
- Planning consent would be needed but the College are aware that GLA funding cannot be drawn down until planning permission is granted.
- Harrow College has been confirmed as the College with the worst college estate in London by the Area Review process. This project will directly improve the a small amount of College's estate.
- In addition, the College suffers poor financial health due to circumstances beyond the College's control, as an approved SFA funded project was subsequently withdrawn due to SFA over commitment of budget. The subsequent clawback of funding from the SFA left the College with a high level of abortive costs and damaged the financial health of the College. It is proposed that this project receives a higher amount of funding and officer support than requested to enable the College to improve the financial health and estate of the College.

Mayoral Strategies & other co-benefits

- The project demonstrates good fit with fund priorities by: reducing skills-gap priorities listed in West-London's Area Review; More apprenticeships SEND Health and Care, locally accessible learning offer for SEND. A strong focus was demonstrated on apprenticeships and progression.

NPV: Do nothing
-£6.2m

NPV: Preferred Option
-£896k

Total Project Value
£2.826m

SfLCE Grant recommended
£2.543m

Match funding
£283k

Assessor score
68.8

No. of learners

9,128
 1,578 of which are growth in provision

NEETs supported

646

SEND learners

1,285

Jobs created

41

Harrow College

The Design and Digital Hub

Description of the scheme	City Lit are looking to create an accessible Design and Digital Hub which will improve critical digital and design skills and employability for London's future economic success by providing a world class learning environment, with industry-standard facilities. With the addition of an open gallery space, the project will establish a creative centre for Londoners, open and accessible to all – showcasing learner's work and celebrating our communities of practice. In turn, attracting more Londoners in a new welcoming environment.		
Educational outcomes	This is a strong and unique application in that the focus group benefiting from the Design and Digital Hub completion will be older participants and participants that are usually harder to engage. Providing an accessible space for delivering digital and design skills is crucial to the needs of London's economy and it is positive to see that this space will improve and compliment existing skills programmes as well as providing new opportunities.		
Match Funding	The match funding is lower than requested but deemed acceptable. The costs for the Design and Digital hub are £685,677, of which 50% is funded from match. The cost of the Gallery is £411,576 of which 66% is funded from match.	Indicative delivery timescales	Planning Consent: March 2018 Start of Construction Works: June 2018 Comp of Construction Works: Aug 2018 College Opens: Sept 2018
Innovation	The project will encourage experimentation, innovation and the cross fertilisation of creative disciplines with a focus on employability and professional practice embracing new and emerging technologies. The Ground floor gallery and communal space will revolutionise the foyer area providing professional exhibition space for learners with direct street access to attract current and potential learners into the building, celebrating student achievement whilst creating a space encouraging interaction, discourse and collaboration.		
Risk	- Planning consent would be needed but the College are aware that GLA funding cannot be drawn down until planning permission is granted. - Risk and contingency allowances are built into the project, which have been tested in the due diligence process. - The current consultation regarding the Adult Education Budget (AEB) devolution to the Greater London Authority will be decided outside of the timelines for the SfLCE Round 1. It is proposed that the applications from these providers follow the usual recommendation route but to pause the final decision to fund the projects until the New Year, when a decision on the AEB devolution is known. - The application is weaker in explaining why the gallery is required, though specialist commentary indicates that the provision of the Gallery will enable the provider to increase the number of visitors to the building. The costs of the gallery are separated in the application and it is possible to remove this element of the project from scope, if desired.		
Mayoral Strategies & other co-benefits	- The application has a strong understanding of the need for developing skills in IT. This will support the Mayor's ambition to support more Londoners to gain digital skills and will compliment his Digital talent programme. - The application demonstrates that the design is responsive to employer needs and that there would be good collaboration with employers. The work that is undertaken with adults with LDD needs is highlighted. - The fact that this bid (and one other) are the first Adult Community Learning providers to apply for funding is innovative as funding has not previously been available for these institutions.		

NPV: Do nothing
£0

NPV: Preferred Option
£2.8m

Total Project Value
£1.097m

SfLCE Grant sought
£480k

Match funding
£617k

Assessor score
60.8

No. of learners
7,970
4,554 of which are growth in provision

Cost savings
£326k

SEND learners
300

New teaching hours
7,180

The City Literary Institute

