Date: 15 February 2019

Subject: GM Skills Capital 2017 – 2020 Programme Update - Wigan & Leigh College Strand 3b application


PURPOSE OF REPORT
The purpose of this report is to update Leaders on the outcome of the appraisal of the Wigan & Leigh College Strand 3b application. Further details are included as a more detailed report, considered in the confidential part of the agenda (PART B) due to the information relating to the business affairs of the company.

Please note that LEP approval is still pending for this funding.

RECOMMENDATIONS:
Leaders are asked to review and approve the information contained with the report, in particular:

a) Agree that the funding application by Wigan & Leigh College (strand 3b) of total project cost of £805,000 with a skills capital grant funding of £225,000. be given conditional approval and progress to due diligence; and

b) Agree to delegate authority to the GMCA Treasurer and GMCA Monitoring Officer to review the due diligence information and, subject to their satisfactory review and agreement of the due diligence information and the overall detailed commercial terms of the transactions, to sign off any outstanding conditions, issue final approvals and complete any necessary related documentation in respect of the grant at a) above

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**BACKGROUND PAPERS:**

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<th>TRACKING / PROCESS</th>
<th>YES</th>
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<td>Does this report relate to a Key Decision, as set out in the GMCA Constitution or in the process agreed by the AGMA Executive Board</td>
<td>YES</td>
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<th>EXEMPTION FROM CALL IN</th>
<th>NO</th>
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<td>Are there any aspects in this report which means it should be considered to be exempt from call in by the AGMA Scrutiny Pool on the grounds of urgency?</td>
<td>NO</td>
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<th>AGMA Commission</th>
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1. **INTRODUCTION AND OVERVIEW**

1.1 The purpose of this report is to update Leaders on the process and outcome of the appraisal of the Wigan & Leigh College application for Skills Capital funding.

1.2 Skills Capital investment is a key component of GM’s Growth Deal devolved responsibilities and successful deployment of this funding will support further education skills capital projects across the region. There is £71m earmarked for this investment for delivery between 2017 and 2021.

1.3 Following the launch of Round 2 of the programme in February 2018 an Expression of Interest (EoI) was received from Wigan and Leigh College. Investment will remodel existing accommodation within the 2nd floor of the Leigh Campus. The new resources will consolidate all activities in Leigh onto a single campus and offer an expanded employment focus curriculum offer.

1.4 The full business case was subsequently received in August 2018 and has been subject to a rigorous Green Book appraisal and moderation. The appraisal was carried out by internal GMCA colleagues, from both the Core Investment Team and the Skills and Employment Team.

1.5 The total project cost is £805,000 with a Skills Capital funding request of £225,000. Which equates to 28% of total project cost.

2. **INVESTMENT RECOMMENDED FOR APPROVAL IN PRINCIPLE**

2.1 Following an initial in-depth appraisal process, the College was asked to submit additional information to strengthen the application. The college submitted further information which GMCA now feel takes the application to a sufficient level for approval.

2.2 The Skills Capital investment will be used for:

- Reconfigure 738m2 space in Leigh to enable it to be a dual A-level and vocational centre.
- Rationalise all learning in Leigh through Wigan and Leigh College into one location.
- Improved room utilisation and rationalise wider estate.
- Create an extended Health and Wellbeing Centre facilitating an extension of the Sports Science and Fitness aspects of the curriculum by sharing facilities with the relocated beauty therapy programme.
• Respond to skills shortages with plans to expand the curriculum in Health and build a Clinical Skills Ward to increase the practical engagement of students in response to employer feedback as well as leading to the delivery of new Apprenticeship standards, degree level programmes and traineeships
• The project will pave the way for the installation of a Digital Skills Academy. This centre will expand the curriculum at all levels providing programmes of study up to and including degree level across the full range of computing specialisms

2.3 Summary appraisal notes on the project, including conditions precedent to completion, are included as a more detailed report, considered in the confidential part of the agenda due to the information relating to the business affairs of the applicant.

2.4 The business case in respect of Wigan and Leigh College is therefore recommended to GMCA for conditional approval and progress to due diligence.

3. RISK MANAGEMENT
The grant will be governed under the existing investment framework which includes several levels of review and ongoing monitoring of performance.

4. LEGAL CONSIDERATIONS
The legal agreement is based upon the existing templates for the fund, amended for the specific requirements of the individual funding arrangements.

5. FINANCIAL CONSEQUENCES – REVENUE
There are no revenue implications.

6. FINANCIAL CONSEQUENCES – CAPITAL
The capital grant will be taken from GM’s Local Growth Fund allocation.