



GLLEP BESPOKE INVESTMENT BOARD

6 September 2019

Lancaster House, 36 Orchard Street,
Lincoln, LN1 1XX

Paper 1 - Agenda

Time	Item and brief description	Lead	Access/Circulation
10:00	Welcome, Apologies, Declarations of Interest <ul style="list-style-type: none"> Approval of Minutes 19th July 2019 	Chair	Paper 2 attached
10:10	<u>For Decision</u> The Bridge Advanced Engineering Centre <ul style="list-style-type: none"> Covering paper and recommendations Due diligence report (<u>Commercial in Confidence</u>) 	Halina Davies, LEP	Papers 3 and 3.1 attached
10:35	<u>For Decision</u> Digital Technology Transport and Logistics Academy <ul style="list-style-type: none"> Covering paper and recommendations Due diligence report 	Halina Davies, LEP	Papers 4 and 4.1 attached
11:00	AOB and close of meeting	All Members	

Attendees: Cllr Colin Davie, Cllr Rob Waltham, Pat Doody

Apologies: Ursula Lidbetter, Andrew Crookham, Chris Baron, Cllr Philip Jackson

Observers: Pete Holmes (BEIS)

Officers: Halina Davies (GLLEP), Lindsay Hill Pritchard (Accountable Body), Zoe Bursey, Sue Groves (Note Taker)

Parking Arrangements

Parking space booked for Cllr Waltham at the front of County Offices, Newland, Lincoln

6th September 2019 GL LEP Investment Board - Conflict of Interest Table

Board Member	Project	Conflict
Ursula Lidbetter	The Bridge	Wider Lincoln Science and Innovation Park land owner - but not involved in the meeting today



LEP INVESTMENT BOARD

19th July 2019

Stokes, The Lawn, Union Road, LN1 3BU

Draft Minutes

Draft Minutes

<p><u>Present:</u></p> <p><u>Board Directors:</u> Ursula Lidbetter (Chair) (Lincs Co-op), Cllr Philip Jackson (NELC), Cllr Rob Waltham (NLC), Cllr Colin Davie (LCC)</p> <p><u>LEP Officers:</u> Halina Davies, Cathy Jones, Sue Groves (Note Taker), Zoe Bursey</p> <p><u>Observer:</u> Pete Holmes (BEIS), Marcella Hague (BEIS), Andrew Crookham (S151 Officer & Accountable Body)</p> <p><u>Apologies:</u> Chris Baron (Butlins), Pat Doody (Nat West), Ruth Carver (LEP)</p> <p><u>For Agenda Items:</u> Russell Copley (Item 3)</p>							
<p><u>Welcome by the Chair</u></p> <p><u>Apologies and Declarations of Interest</u></p> <p>Formal apologies were received from the following: Chris Baron (Butlins), Pat Doody (Nat West), Ruth Carver (LEP)</p> <p>Declarations of Interest:</p> <table border="1"><tr><td>Cllr Rob Waltham</td><td>Lincolnshire Lakes, Papers 5 & 5.1 Keadby Terminal Assisted Outfall Pumping Station, Paper 7</td><td>NLC are applicants</td></tr><tr><td>Cllr Colin Davie</td><td>GLLEP Feasibility Fund - Paper 6 Huttoft Boat Shed and Gradus Business Centre</td><td>LCC are applicants</td></tr></table> <p>Full declarations of interest can be found at https://www.greaterlincolnshirelep.co.uk/documents/declarations-of-interest-register-nov-2016/</p> <p>The board were reminded that declarations of interest are required as part of LEP governance and must be submitted at least annually, and if anything changes to notify the LEP office at the earliest convenience.</p>		Cllr Rob Waltham	Lincolnshire Lakes, Papers 5 & 5.1 Keadby Terminal Assisted Outfall Pumping Station, Paper 7	NLC are applicants	Cllr Colin Davie	GLLEP Feasibility Fund - Paper 6 Huttoft Boat Shed and Gradus Business Centre	LCC are applicants
Cllr Rob Waltham	Lincolnshire Lakes, Papers 5 & 5.1 Keadby Terminal Assisted Outfall Pumping Station, Paper 7	NLC are applicants					
Cllr Colin Davie	GLLEP Feasibility Fund - Paper 6 Huttoft Boat Shed and Gradus Business Centre	LCC are applicants					
<p><u>Minutes and Matters Arising (Paper 1)</u></p> <p>The minutes of the 24th May 2019 were accepted as a true record.</p>	<p><u>Action</u></p> <p>Publish</p>						
<p><u>Electronic Approval Note (Paper 2)</u></p> <p>A note reflecting the electronic approval process and decision for the Gainsborough Growth project was tabled at the meeting for reference. The scheme was approved electronically on the 19th June 2019.</p>							
<p><u>Cllr Waltham left the room</u></p>							
<p><u>Lincolnshire Lakes (Paper 5)</u></p> <p><u>Paper Commercial in Confidence</u></p> <p>Simon Green, Deputy Chief Executive and Executive Director of Commercial for North Lincolnshire Council presented an update paper on progress with the Northern Junction Roundabout and Lake 1</p>							

schemes at Lincolnshire Lakes, providing an overview of what was happening with the entire Lincolnshire Lakes site including the southern junction. NLC continues to work closely with all parties involved in the delivery of the wider Lincolnshire Lakes Strategic Land Allocation and will continue to keep GL LEP informed of progress.

A meeting is being held on the 26th July between Simon Green, the CEO of Homes England and BEIS representatives for Greater Lincolnshire and The Humber to agree a way forward for future investment and address key questions raised by LEP Board Directors.

Simon Green left the room

Decision

The Board agreed that an update of the meeting with Homes England on the 26th July is required via email within 7 days of it having been held. A decision will be made regarding continued support for the scheme at a bespoke meeting to be arranged in August/early September. Timescales for delivery remain extremely important with £3.9m of GL LEP grant funding allocations attributed to this site; clarity is required from Homes England regarding milestones and future investment.

The report to the next Investment Board should include a full risk analysis and revised milestones.

CLlr Waltham returned to the room

ParkAcre Ltd (Paper 3) - Russell Copley Paper Commercial in Confidence

Russell Copley, Director of Greenborough Management Ltd presented a paper and due diligence report on the development of a new warehouse and refurbishment of an existing innovation centre at Hemswell Cliff. The submission by ParkAcre Enterprises Ltd was under the auspices of the Greater Lincolnshire Growth Fund requesting approval for progression to contracting stage. ParkAcre are one of the UK's largest fully integrated contract manufacturers of Vitamins, Minerals and Supplements.

Decision

The Board approved £500,000 of Greater Lincolnshire Growth Fund towards the ParkAcre Enterprises Ltd project and progression of the scheme to procurement and contracting stage.

CLlr Davie left the room

GLLEP Feasibility Fund (Paper 6)

Board Directors were asked to approve Feasibility Fund allocations for two projects that had applied since the Open Call.

Project 1 - Gradus Business Centre - LCC as applicant

The application sought £7,000 towards £14,000 retrospectively spent on feasibility work in preparation for an extension to the Gradus Business Centre in Market Deeping. The work was commissioned after 29th March 2019, which is in scope of the eligible costs.

An outline business case for this project was submitted in December 2018 and consequently the project had been included within the GLLEP pipeline as a short/medium term project under the theme of Business and Innovation.

Feasibility funding will be recycled within the project to finance projects costs which will be incurred in the further development of the scheme.

Project 2 - Huttoft Boat Shed Visitor Centre - LCC as applicant

The project aims to replace an existing redundant boat shed with a new visitor facility at Huttoft. The application sought £4,534 towards £9,068 feasibility work to identify the restrictions and limitations of the site and get a better understanding of the options that could be developed. The scheme will align with other investment in the area, ie, coastal walk, Visitor Centre and North Sea Observatory. The building will provide a high quality café, kiosk, roof terrace and external deck and provide information to visitors on local attractions.

If the project progresses, in addition to the feasibility costs, the total investment in this project would be £480,000.

The project has been identified as one of the most deliverable pipeline schemes in the short term, and subsequently had a provisional allocation of £240,000 approved by GL LEP Investment Board in May 2019 subject to due diligence appraisal.

The project delivers another key facility within the Lincolnshire Coastal Country Park and it will help address seasonality by extending the tourist season and creating new patterns of demand for tourists and opportunities and access for all.

Decision

The Board Directors asked LEP Officers and the Accountable Body to explore another way of approving this funding programme in future (within the context of the Assurance Framework) given the small amounts requested ie, electronic approval up to a certain amount being requested, consider introducing a minimum grant level, perhaps related to financial scheme of delegation.

The Board approved £4,534 feasibility funding totally £4,534 towards Huttoft Boat Shed Visitor Centre and £7,000 feasibility funding towards Gradus Business Centre.

Cllr Davie returned to the room Cllr Waltham left the meeting

Consideration of a reserve provisional allocation to a GLLEP Pipeline scheme (Paper 7)

Board Directors were asked to review and endorse a "first reserve" pipeline provisional allocation (pending outcome of a due diligence assessment) to Keadby Terminal Assisted Outfall Pumping Station should Growth Deal funding become available in the short term.

The Keadby Terminal Assisted Outfall Pumping Station scheme was one of five pipeline schemes deemed most deliverable by 31 March 2021. The project provided full business case proposals for consideration at the 24th May Investment Board. Three projects were awarded a provisional allocation at the time, however despite scoring well in the assessment process, the Keadby Terminal Assisted Outfall Pumping Station scheme was asked to submit an updated business case with greater focus and clarity on demand and need, economic case and impact.

The Accountable Body asked if initial questions regarding requirement of the grant had been addressed by NLC and if there had been sufficient clarity regarding where FDGIA could be invested sooner as a result of GL LEP grant support. The difference in overall cost shown in Appendix 3 was also queried.

The revised full business case was received and reviewed in June. Initial investment into the Keadby Pumping Station project would enable a significant amount of Flood Defence Grant in aid (FDGIA) to be available to undertake additional bank and watercourse works required on the upstream parts of the Keadby Group which have now been named and clearly identified within the appendices provided. The Keadby Pumping Station and wider Isle of Axholme projects will help to sustain and grow the economy across the North Lincolnshire Council area of the Isle of Axholme, as

well as Doncaster Council and East Riding Council areas to the north. Officers explained that overall costs identified in Appendix 3 had since been updated and that the figures provided within the business case were accurate following recent analysis of requirements by the Environment Agency. Due diligence appraisal would include a full QS led value for money assessment should the scheme be in a position to proceed.

Decision

Should LEP funding meet the scheme's gap funding requirement become available in the short-term, the Board agreed that the Keadby Pumping Station scheme would still need to go through a full due diligence appraisal, but would be regarded as a 'first reserve' scheme for consideration given the analysis of the scheme and comparison with other deliverable schemes by March 2021 that has already taken place.

If a much lower grant amount to the £3.4m needed for Keadby Pumping Station became available in the short term, thus affecting viability levels, other GL LEP pipeline schemes requiring grant of a similar scale and deliverable by March 2021 would be asked to submit full businesses cases for consideration on a competitive basis.

Growth Deal Update Report (Paper 4)

Paper Commercial in Confidence

There are still 10 schemes/phases with allocations uncontracted with GLLEP and these amount to £18.42m growth deal allocation (14.89% of the total allocation). There are currently four high risk uncontracted schemes and the Board was provided an update on each of these projects.

Skegness Gateway Project

The agreed milestones for completing the land negotiation and HOTS have been achieved. Planning permission has been submitted earlier than originally planned, however, finalising wording of the legal documentation for the land sale remains unresolved. The Board acknowledged the positive progress made but agreed that the legal documentation between parties will need to be completed (not signed) by a deadline of Monday, 2nd September 2019.

Northern Junction Roundabout

This was discussed earlier with Paper 5.

Access to Employment Zones

Monthly meetings are being held with the NELC Project Lead and Director. A 27th July start on site had been expected for the already contracted Phase 1 scheme, but a substantial contract variation in relation to scheme design for Toll Bar (Phase 1) may now have to be proposed with Littlecoates Road/Cambridge Road (Phase 2) proceeding ahead of Phase 1.

Decision

Any variation proposals for Toll Bar will need to be reappraised in August and considered by the 27th September Investment Board. Delivery of Phase 2 may need to be brought forward if Toll Bar requires re-designing.

The Bridge

Following a meeting with LCC ESIF lead, UoL, BEIS, GL LEP and GDT, a timescale was agreed for MHCLG appraising the scheme, and UoL responding to queries given the tight deadlines involved for delivery. Due diligence appraisal by the LEP will take place in August 2019 and the ERDF decision in principle subject to contracting documentation expected in September 2019. This would enable UoL to proceed at risk if necessary so as not to delay the scheme further. A full report will be provided for a bespoke Investment Board decision in late August early September 2019.

Improvement Plan

Following from the Annual Performance Review, GLLEP has agreed a programme delivery improvement plan with BEIS. Four meetings to discuss progress against agreed milestones have been arranged with Government throughout the year, the first of which took place on the 22nd May and the second on the 17th July. All required milestones to date have been fully achieved subject to one more new contract needing to be in place by the 16th September meeting

In addition to the Growth Deal Update Paper which focuses on overall performance and mitigation measures being taken in relation to high risk schemes, a separate summary paper for information will be prepared for future Investment Board meetings as of the 27th September, providing progress updates on all the projects within the Growth Deal programme.

GLLEP Pipeline Call Launch 2019

This Pipeline Call was launched at the LEP Conference held on the 12th July. It will enable existing pipeline schemes to update their business cases, thus informing us of progress made in scheme development to date, and new proposals to be reviewed in preparation for future funding opportunities. This call for outline business cases asks for projects which are aligned to strategic priorities within our SEP and emerging Local Industrial Strategy that will clearly contribute to economic growth and productivity. Schemes can be capital or revenue related, however, the projects that the LEP is interested in are projects/programmes with a minimum grant request of £250,000 that can demonstrate match funding.

The LEP is looking for schemes that fall into one of two categories:

- Category A - Capital projects that can financially complete before March 2020/21.
- Category B - Capital or revenue projects that can be delivered within the next five years.

The call closes on the 27th September 2019.

The Board Directors noted the position of the Single Local Growth Fund performance.

Meeting closed

Bespoke Investment Board

Paper 3 - The Bridge, Advanced Engineering and Research Centre

1. PAPER FOR DECISION

1.1 This paper seeks Investment Board approval to contracting stage for 'The Bridge' Advanced Engineering and Research Centre. The project is being considered as part of the Growth Deal Programme.

2. BACKGROUND

2.1 The engineering sector in Lincolnshire employs around 12,900 people and brings in approximately £550m to the local economy each year. There is also a higher than average number of SMEs and small businesses in the LEP area. The most important export sectors in Greater Lincolnshire, according to the Opportunities for Greater Lincolnshire Supply Chains report, manufacturing and agri-food.

2.2 This project is needed to address the low level of business investment in research and development and low levels of product/process innovation across Greater Lincolnshire and in particular amongst advanced engineering businesses. There is a current shortfall in research and development infrastructure, and lack of support for commercial innovation and business-research enterprises in Greater Lincolnshire.

2.3 This project was awarded a provisional allocation of £1.95m as part of Greater Lincolnshire LEP's Growth Deal 3 confirmation from government in January 2017. Now at a more progressed stage the scheme has come forward for due diligence appraisal and is requesting approval to contracting stage.

3. THE PROJECT

3.1 The Bridge will be a new-build, 788 m² R&D facility on the Lincoln Science and Innovation Park and Greater Lincolnshire LEP grant would contribute towards the capital build elements of the project only.

3.2 Its aim is to catalyse growth and productivity for advanced materials in Greater Lincolnshire, promoting research and innovation in the SME supply chains of several key sectors of the GLLEP economy e.g. metals manufacturing, chemicals and petroleum, rubber and plastics, power generation and storage, semi-conductors and electronic devices.

3.3 The scheme will provide a physical focus for innovation in advance materials and developing mechanisms for businesses to pool and coordinate resources and engage in partnership for R&D projects. The Bridge will be a leading-edge collaborative R&D test facility, equipped for delivery of R&D projects and collaborative ventures with SMEs and the wider engineering sector, interfacing to a wider network of capability of the University and partner networks.

3.4 The principal project activities would be:

- ❖ Construction of a new-build two-floor R&D and innovation facility with high quality creative spaces for business interaction, open innovation and knowledge exchange alongside specialist laboratory areas to support product development investigations and house advanced instrumentation.
- ❖ Equipping the Centre with cutting-edge instrumentation that will support R&D investigations, new product development and materials innovation.
- ❖ Assembly of a team with relevant skills and experience to address the key processes of the project: business outreach, event coordination, diagnostic problem solving, project management and quality assurance alongside expertise in the development of analytical methods, structural studies and advanced materials manipulation.
- ❖ Delivery of R&D assistance to SMEs through a range of activities including:
 - Access to commercial scientists for diagnostic support and identification of potential business opportunities
 - Provision of regular networking forums for knowledge exchange
 - Coordination of expert seminars, themed conferences, workshops and training events.
 - Brokered interactions across the Bridge network
- ❖ Delivery of business engagement for R&D collaboration.

3.5 The Bridge will provide the following specialist facilities:

- Electron imaging laboratory to house transmission electron and dual beam microscopes.
- Microscopy thermal analysis laboratory for thermos-spectroscopic equipment and optical and atomic force microscopy.
- Mechanical materials testing laboratory to offer flexible entry for loan and demonstration instruments.
- Dry, wet and clean laboratories for sample preparation and long term stability studies.
- Open innovation and knowledge transfer spaces for business to business interaction collaboration and provision of consultancy spaces.
- A training centre with flexible board room to house seminar and training events.

- An open innovation collaborative space, high end space to be utilised flexibly by partner businesses to facilitate business to business interaction and provide a landing space for visiting scientists. In addition, an effective working space for bridge business interactions including diagnosis, consultancy support and collaborative development of R&D projects.

4. PROJECT MILESTONES

4.1 The key milestones identified for delivery of the scheme and which would be included within any contractual documentation are as follows:

Milestone	Forecast Date	Comments
Detailed design completed	March 2020	RIBA Stage 3 completion to be fully evidenced. Stage 4 to be completed by March 2020.
Procurement process issued	May 2019 to January 2020	May 2019 for Construction, January 2020 for instrumentation
Match funding secured (subject to contracting)	September 2019	ESIF appraisal underway simultaneously
Procurement contracts awarded	August 2019	
Planning application submitted	October 2019	
Land acquisition completes	November 2019	
Planning permission secured	January 2020	
Contractor mobilisation	January 2020 to March 2020	
Start of construction/scheme	March 2020	
Equipment orders placed	January 2021	
Completion of construction/scheme	March 2021	
<u>Post Construction RIBA Stages 6 & 7</u>		
Start of activity	May 2021	
Instrumentation delivery and commissioning	June 2021	
Claim submission and monitoring underway	March 2020 -March 2021	
Outcome review - Evaluation report provided	June 2022	

5. OUTPUTS AND OUTCOMES

5.1 The scheme will deliver the following outputs:

	2019/20	2020/21	2021/22	2022/23	Future Years	Total
i) Core Outputs (Strategic Economic Plan)						
Public Investment Leveraged (£)	168,237	2,043,240	980,536	31,683		3,223,696
Private Sector Investment Leveraged (£)		300,000	472,000	536,000		1,308,000
Number of new Jobs Created (gross)			12			12
Number of Jobs Safeguarded						

(gross)						
Number of new housing units completed						
ii) Local Strategic Outputs						
Commercial floorspace refurbished / constructed and occupied (sq m)		788				788
Number of businesses assisted to improve performance		30	60	30		120
Number of learners supported						
Number of new businesses created						
GVA Uplift			£780,000	£780,000	£2.34m	£3.9m

5.2 Due diligence appraisal has confirmed that as a package of outputs generated the project is considered to be very good value for money.

6. RISKS

6.1 The main risks to the project would be:

Risk	Likelihood	Overall Impact	Mitigation	Condition of Funding
Scheme is not at an advanced stage of design and requires to be progressed to RIBA Stage 3 and beyond.	2	5	The University to provide to GL LEP updated scheme information demonstrating that the project has reached as a minimum RIBA Stage 3, so that the scheme can proceed in accordance with the programme specified by the University. In the event that the project is at an earlier stage of design (RIBA Stages 1-2) the University to demonstrate to GL LEP that the design of the project can complete the required detailed stages of design in order for the programme provided as part of the application to GL LEP to be achievable.	Yes - pre-contract.
Delay in Growth Deal approval	1	5	University of Lincoln controls the delivery of the project so the programme milestones can be adjusted once approval timescales are known. The project team can monitor and adjust throughout the delivery period, however, requirement to meet Growth Deal funding timescales is driving the project	Not applicable
Failure to secure ESIF Funding	2	5	Invest in developing a strong, evidenced case for the project as part of the full application	No - pre-contract - Hope to have ESIF grant in place in principle by September 2019. Evidence required.
Failure to secure planning permission and / or listed building consent	1	5	Project has been developed in close consultation with City of Lincoln Planning Department and is part of the overall site Masterplan for the Science and Innovation Park	Condition of drawdown for construction works only, not land acquisition.
Failure to	1	4	All procurement over the value of £50,000	Evidence of tender

procure correctly			(excluding VAT) will be managed by the Procurement Team. The procurement process for these items including the procurement of the construction contract for the Centre will be led by Roger Holloway, Head of Procurement and Purchasing at the University	process required prior to drawdown of funding for the works.
Tenders received exceeding the budget cost allowances	1	4	Robust project budget including appropriate allowances in place by professionals. Value Engineering if necessary. Timely progress to avoid inflation	Confirmation required that issues have been addressed prior to drawdown of funding for works.
Poor quality workmanship	2	3	Identify track record and pedigree of contractors during tender assessment period, checking relevant experience and quality issues as well as cost. Agreed/ sign off samples of works	No
Budget overspend	3	4	Scheme to be robustly appraised and costed by professional consultancy team. Robust, ongoing cost control system.	Yes - pre-contract - responsibility of the University to meet any overspend and confirmed in writing.
Construction delays	3	3	Undertake full due diligence of contractor prior to appointment. Build sensible 'float' into construction programme	Yes - programme for delivery to be provided to GL LEP once contractor has been approved.
Lack of demand	3	2	Robust market assessment has been undertaken to determine demand. Business case prepared on this basis. Building on University's existing strong partnerships with businesses. Flexibility built into business plan.	No - part of standard monitoring arrangements in place with GL LEP.
Too much SME demand	3	2	Consider funding routes to increase staff resources. Work with partners including the Growth Hub to ensure businesses are able to access support until capacity becomes available.	No - subject to monitoring between University and GL LEP.
Failure to achieve outputs	3	3	Progress towards achieving outputs will be monitored at regular progress meetings between the Bridge Team and Project Board. In the event of issues arising additional marketing will be undertaken.	Yes - subject to standard ongoing monitoring arrangements.
Failure to administer the project appropriately according to grant guidelines	3	4	A Project Manager will be appointed. The Project Manager will gather evidence and maintain an audit trail for the project.	No - subject to standard monitoring arrangements.

7. COSTS AND MATCH FUNDING

7.1 The total project cost is £5,173,642. Greater Lincolnshire LEP Growth Deal would be contributing a grant of £1,949,946 (inclusive of Greater Lincolnshire LEP fees of 0.5%).

7.2 Match funding for the project will be from the European Regional Development Fund. A full application was submitted in May 2019 and the project is currently under appraisal. Approval of the funding subject to contracting is expected by the end of September 2019.

8. COMMENTS FROM THE ACCOUNTABLE BODY

8.1 The project clearly meets the SEP priorities and from our review of the business case has consulted with a wide range of industry partners to develop a robust strategic project. There is added complexity given the dual funding approach with aligning the LEP and ESIF process and this has perhaps impacted on key milestones to be delivered to ensure the project is deliverable within the timeframe of the programme. We note the various contract conditions and would recommend that the Growth Deal manager seeks further clarification on the points raised in the due diligence report and verbally updates the board to help support the decision making process on the 6th September. We would also recommend clarification on the outputs being delivered for the whole scheme to understand the proportion being attributed to the GLLEP contract.

9. CONDITIONS OF GRANT

9.1 The following conditions are recommended either prior to contracting or to be incorporated within the funding agreement:

Pre-contract Conditions

- The University to provide updated project information, demonstrating that the scheme has as a minimum achieved RIBA Stage 3 and can proceed in accordance with the programme provided by the University for this project. In the event that the project has not reached RIBA Stage 3, the University to confirm measures in place that will enable the detailed design of the project to be complete in time so as not to impact on programme and deliverability of the scheme by the programme deadline of March 2021.
- The University to provide written confirmation that they will be solely responsible for any cost overruns and budget overspend so as to enable the scheme to be delivered as proposed within their application without any material change.
- University to confirm ESIF match funding being in place subject to contracting by October 2019.

Pre-drawdown of Funding Conditions

- The University to provide a detailed programme for delivery of the project and to keep GL LEP notified in terms of all progress and any potential slippage which may jeopardise delivery of the project beyond March 2021.
- The University provide a copy of the lowest tender and report on tenders once the procurement process has completed so as to verify that the procurement that current regulations have been complied with and that the project can proceed in accordance with the approved budgets.

Post Completion Monitoring

- A Level 1 evaluation report is to be provided upon completion of the scheme as per the GL LEP monitoring and evaluation framework.

10. RECOMMENDATION

10.1 That the Investment Board formally approves £1,949,946 of Single Local Growth Fund towards delivery of The Bridge scheme subject to the conditions outlined above, of which £9,750 (0.5%) relates to supporting Greater Lincolnshire LEP management fees.

Bespoke Investment Board

Paper 4 - Digital Technology, Transport and Logistics Academy, Boston College

1. PAPER FOR DECISION

1.1 This paper seeks Investment Board approval to contracting stage for the Digital Technology, Transport and Logistics Academy scheme. The project is being considered as part of the Growth Deal Programme.

2. BACKGROUND

2.1 Following the 29th March Board, six short-term Greater Lincolnshire LEP pipeline schemes deemed most deliverable by March 2021 post assessment were invited to compete for grant funding that had become available with a deadline of 1 May 2019 for full business case submissions. Five schemes provided proposals for consideration by the 24th May Investment Board requiring £9.9m of grant in total, and three of these schemes were awarded provisional allocations. The Digital Technology, Transport and Logistics Academy in Boston was one of these three projects and it has now come forward for a decision on funding support subject to contracting following due diligence appraisal.

2.2 Boston College mainly serves the borough of Boston and districts of South Holland and East Lindsey. The areas are currently characterised by a low skills, low wage economy and consequently a high level of deprivation and rural poverty. Investing in skills in Boston will generate a high return on investment through boosting the local economy.

3. THE PROJECT

3.1 This project will create an industry-driven Digital Technology, Transport and Logistics Academy with a main hub in Boston, spoke in Spalding and providing a complementary offer to the Institute of Technology. The centre will act as a training centre for the Port of Boston, will complement Network Rail's Digital Rail strategy, and will support local, national and international supply chains, to generate career progression in the highly skilled digital economy.

3.2 The UK's Transport & Logistics activities employ 2.2 million people, representing 8 per cent of the UK's workforce and the Port of Boston is a major gateway to and from European markets. The development of a new rail spur at the Port creates a clear synergy to the rail industry. The focus of this scheme is on providing a multi-functional training environment which blends digital skills, simulation training and practical assessments with a specific focus on transport and logistics.

3.3 The project will:

- Improve the skills and talents of the current and future workforce across levels 2 - 5
- Support key strategic sectors and national projects such as HS2
- Support business growth through access to resources and advice

- 3.4 The proposed centre will bring national partners such as Network Rail, Victoria Group, Hire Association Europe and the Construction Plant-hire Association (incorporating the Rail Plant Association), and their employer partners into Boston for sector specific training opportunities alongside Lincolnshire employers such as Turners, FreshLinc and MetsaWood. Their input into the creation and equipping of the facilities, as well as the development of the training programmes, will ensure its relevance and credibility. There will be a focus on developing port skills; crane operations; construction plant, including fork lift truck skills; steel erecting; stevedoring; leadership and management as well as improving digital skills at all levels to support further innovation. A suite of apprenticeships will also be developed with leading contractors.
- 3.5 The new Academy will:
- Provide industry standard training facilities
 - Offer a progressive skills pathway from Level 1 to Level 5
 - Deliver a range of bitesize modular training packages in new skills and technologies for new and existing employees
 - Act as a hub for transport and logistics businesses, including rail, road and plant industries.



4. PROJECT MILESTONES

- 4.1 The key milestones identified for delivery of the scheme and which would be included within any contractual documentation are as follows:

Milestone	Deadline Date
Match funding package to be in place	Already approved
Planning permission received	September 2019
Procurement Process commences	1 September 2019
Procurement process complete and contract awarded	December 2019

Site mobilisation	January 2020
Construction works commence on site	February 2020
Construction works and building fit out complete	September 2020

5. OUTPUTS AND OUTCOMES

5.1 The scheme will deliver the following outputs:

Public investment leveraged	£720,000
Private investment leveraged	£1,050,000
New jobs created	12
Jobs safeguarded	14
Apprenticeships created	67
New learners supported	1,000
Businesses assisted to improve performance	210
Training floorspace created	1,900sqm

6. COSTS AND MATCH FUNDING

6.1 The total project cost is £3,725,000 of which £200,000 is revenue funding. Greater Lincolnshire LEP Growth Deal would be contributing a grant of £2,425,000 (inclusive of Greater Lincolnshire LEP fees of 0.5%).

6.2 The match funding is secured and is available within the College's accounts. A copy of the College's financial statement has been reviewed and shows that the college does have the necessary funds available. Once the Academy has been established, the college can confirm it will become self-sustaining and will be funded via a combination of publicly funded training, fee paid work and employer sponsorship. A business plan and cash flow have been provided by the college.

7. COMMENTS FROM OUR ACCOUNTABLE BODY

7.1 The project is a strong strategic fit and will deliver 4 of the 5 key outputs reported to government through the dashboard return. The contract conditions detailed within the report appear reasonable against the risks associated with the scheme. We would recommend further that legal advice is sought on the potential state aid prior to any contract being awarded. The project milestones are clear and are deliverable within the timeframe of the programme. We note however the comments within the due diligence to monitor these closely for any slippage should the project move to contract.

8. RISKS

8.1 Risks have been carefully considered and the following mitigations will be applied:

Risk	Owner	Probability	Impact	Mitigation
Delayed funding approval	Project team	L	H	Defer project until funds are available.
Not completing to programme and in line with funding requirements	Project team	L	H	Consider funding conditions in Project Execution Plan. Contractor to monitor their programme and update frequently. Any delays are to be mitigated by managing the programme where possible.
Non-conformance to client's requirements	Project team	L	H	Design information is to be reviewed and quality will be inspected on site.
Inclement weather	Contractor	L	M	Delays as a result of inclement weather are greatly reduced using a modular construction systems. Each modular component is built off site in controlled factory conditions and brought to site as a complete unit.
Delayed client decision making	Project team	L	M	Contractor to notify the Client of key 'decision required by' dates and Client is to respond within timescales. Challenges in meeting timescales are to be raised at the earliest opportunity.
Disruption to staff and students during the works (i.e. noisy works)	Contractor	L	M	Noise disruption is to be minimised where possible. Contractor to notify the College if there is intended to be any particularly noisy works. On site construction time is reduced by up to 50% using a modular system.
Construction traffic causing congestion	Project team	M	M	Team to review traffic management plan for College. Contractor to monitor and ensure traffic is minimised during busy college periods.
Failure of Client Team to perform	Project team	L	H	Appointment of experienced team. Regular tracking and monitoring. Close liaison between client and lead adviser.

9. CONDITIONS OF GRANT

9.1 The following conditions are recommended to be incorporated within the funding agreement:

Pre-contract Conditions

- Confirmation to Greater Lincolnshire LEP that any additional costs are underwritten by the applicant.
- If the decision is taken to change the delivery mechanism from a traditional construction process to a modular one, that full scheme details are provided to Greater Lincolnshire LEP and a re-appraisal of costs, funding required and value for money is undertaken accordingly.

Pre-drawdown of Funding Conditions

- Confirmation that the scheme has secured a satisfactory planning permission and is able to proceed.
- A copy of the report on tenders and lowest tender is provided to Greater Lincolnshire LEP to demonstrate the scheme is deliverable.

- An updated programme for delivery and drawdown of funds is to be provided once a contractor is appointed.

Post Completion Monitoring

- That within the first year of project completion, a statement is provided stating exactly what the new qualification offers are, and what new activity is taking place for ongoing monitoring.

10. RECOMMENDATION

10.1 That the Investment Board formally approves £2,425,000 of Single Local Growth Fund towards delivery of the Digital Technology, Transport and Logistics Academy subject to the conditions outlined above, of which £12,125 (0.5%) relates to supporting Greater Lincolnshire LEP management fees.



Greater Lincolnshire Local Enterprise Partnership

Due Diligence Assessment

In Respect of

Single Local Growth Fund

**For
Digital Technology, Transport and Logistics Academy
Boston College
Boston**

5th August 2019

Paper 4.1

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APPENDICES

- I. BUSINESS CASE AND KEY SUPPORTING DOCUMENTATION
- II. RLB COST APPRAISAL

1.0 PROJECT SUMMARY AND PLANNING STATUS

- 1.1 The applicant, Boston College, is proposing the development of a 1,900sqm Digital Technology, Transport and Logistics Academy (the Academy), which will create a multifunctional training centre for this sector and the first of its kind in Lincolnshire. The transport sector is rapidly evolving with technical transformation at the forefront of this evolution and skills required to deliver this change are required immediately.
- 1.2 The proposed scheme will be provided on land within the college's Rochford campus, situated next to the port.
- 1.3 A lack of skilled workers has been identified as the biggest barrier to growth within these sectors and the development of the centre will help to address this barrier by providing courses to train young people with the appropriate skills they need and linking them with companies within the industry that are located within the Greater Lincolnshire LEP area and particularly at the nearby port.
- 1.4 Boston College has identified that the project is specifically designed to:
- Stimulate and support innovation for businesses.
 - Improve the skills and talent of the current and future workforce.
 - Support business growth through access to resources and advice.
 - Support key strategic sectors.
- 1.5 On completion, the Academy will provide education and training, primarily at levels 2, 3 and 4, with provision at level 5 in future years. Training will evolve through engagement with key employers in the area, including Network Rail, Firstline, Victoria Group, Hire Association Europe and Construction Plant Association. Education and training will be offered across:
- Port skills.
 - Crane operations.
 - Construction plant.
 - Steel erecting.
 - Digital skills.
 - Pre-employment training.
 - Rail technology skills.
- 1.6 The new Academy will:
- Provide industry standard training facilities where learners are trained on equipment relevant to local employers with opportunities for breakfast seminars, evening and weekend training to ensure that employers' needs are met.
 - Offer a progressive skills pathway from level 1 to level 5.
 - Deliver a range of bite size modular training packages in new skills and technologies for both existing and new employees.
 - Act as a hub for local transport and logistics businesses, including rail, road and plant industries.

- Increase the number of trainees and apprentices entering these industries.
 - Foster a culture of innovation amongst local businesses.
- 1.5 The building will consist of a simulation workshop, containing simulators required to safely train digital skills on parts, plant operator kit and cranes. There will also be a workshop with equipment for construction plant mechanics along with two digital innovation classrooms and ancillary offices.
- 1.6 The proposed Academy has been developed in partnership with employers to ensure that it delivers the core skills required to meet the needs of Greater Lincolnshire's key economic sectors, as identified in the Skills Strategy and the Strategic Economic Plan (SEP).
- 1.7 A planning application for the Academy was submitted to the Local Planning Authority (Boston Borough Council) in July 2019. A decision on the application is pending, but anticipated in September 2019.
- 1.8 The Academy project will build upon the successful delivery of the EMAT centre which was approved by GL LEP in May 2018 and will provide education and training in engineering, manufacturing and technology and is due to be operational by September 2019.

2.0 FUNDING SOUGHT AND STATUS OF MATCH FUNDING

- 2.1 Boston College has reported that the total project cost is £3,725,000 of which £200,000 is revenue funding. GL LEP Single Local Growth Fund (SLGF) of £2,425,000 has been requested to assist with the delivery of the Academy.
- 2.2 Boston College is proposing to provide £850,000 capital and £200,000 revenue funding towards the total cost of the scheme. The match funding has been allocated towards the project and is available as cash within the College's accounts. A copy of the College's financial statements as at 31st July 2018 has been reviewed and shows that the College does have the funds available to provide this match funding.
- 2.3 Once the Academy has been established, the College confirm this will become self-sustaining and will be funded through a combination of:
- Publicly funded training.
 - Fee paid work.
 - Employer sponsorship.
- 2.4 The ability to ensure that revenues are maximised so as to sustain the Academy will be through ongoing engagement with employers, employees and learners. A business plan and cash flow has been provided by the College which demonstrates the Academy should be self-financing around two years after establishment. The assumptions underpinning the business plan and cost and revenues have been substantiated by the College and appear reasonable and realistic.

3.0 KEY ISSUES

- 3.1 The main issue surrounding the application and the project is State Aid. The applicant's legal advisors; Irwin Mitchell, have provided their advice in relation to how likely State Aid will occur should the project be granted the funding requested.
- 3.2 At the time the application for funding was submitted, the project had only been progressed to RIBA Stage Two and the planning application had not been prepared and submitted. The implications for appraising a project at this stage of design is that there is scope for both scheme design and associated costs to vary significantly, which could translate into a different amount of funding being required in order to facilitate delivery of the project.
- 3.3 It subsequently transpired however that the project has actually progressed through RIBA Stage Three and the scheme is further advanced through the detailed design process and a planning application submitted. Therefore, the cost information that is available for this scheme is more detailed than that previously submitted as part of the application pack. It was therefore decided that a cost appraisal be undertaken so as to inform this Due Diligence and assess costs now as opposed to when the scheme has been tendered.
- 3.4 Further discussions have thus been held with the Boston College, including RLB directly with the College's professional team in order to obtain all of the necessary information to enable a cost assessment to be undertaken.
- 3.5 RLB have now completed their cost assessment and details of this are contained within Section 6 of this report.

4.0 STRATEGIC FIT

- 4.1 The scheme has a strong strategic fit with a number of priorities and strategies locally. The GL LEP Strategic Economic Plan highlights the five priority sectors for the area. The Academy will positively impact on the transportation and logistics sectors across Lincolnshire; by providing high quality training facilities and courses, as well as, business support services.
- 4.2 The project is specifically designed to:
 - Stimulate and support innovation for businesses
 - Improve the skills and talent of the current and future workforce across levels 1-5
 - Support business growth through access to resources and advice
 - Support key strategic sectors
- 4.3 Overall, the project will aim to equip employed learners and young people in Lincolnshire with the skills required to work in the transportation and logistics sectors to ensure that they are at the forefront of emerging technologies in this sector. In turn this will assist in filling the skills gap that has emerged across these sectors, as well as, assist in addressing the high unemployment levels within the County.

5.0 MARKET ASSESSMENT

- 5.1 Boston College has identified that there is a gap in skilled workers within Lincolnshire; in particular within the transportation and logistics sectors. This gap is considered to be one of the biggest hindrances for the growth of these sectors, given rapidly evolving technologies and lack of any other training facilities in Lincolnshire similar to one proposed by the College.
- 5.2 The Academy will provide training facilities comprising space and equipment required to effectively and safely train students and employees and equip them with the required skills necessary to work and develop a career within their chosen industry. The courses and training opportunities will be available to; businesses, employees, the unemployed, unskilled and young people.
- 5.3 The College has and will continue to work with local businesses within the sectors to ensure that the contents of the courses and training opportunities address the skill gaps within the industries and continue to successfully provide students with the skills required to work and assist in the growth of the transportation and logistics sectors in Lincolnshire.

6.0 DEVELOPMENT APPRAISAL

- 6.1 A development appraisal of this project has not been undertaken in the traditional sense given the nature of the project being educational and being retained as a non-economic activity by the college.
- 6.2 RLB Consultants have, however, reviewed the cost plan produced by Thornton Firkin in relation to the delivery of the Academy, and obtained more recent scheme information available since the project has been submitted for planning approval.
- 6.3 RLB have produced a cost assessment report for the project which has been prepared by the College on the basis of a traditional method of construction. RLB have reported that all cost estimates, rates and quantities have been checked in accordance with a specification and scheme plans and are deemed to be reasonable for the scheme.
- 6.4 The issue that has been noted by RLB, based upon information provided by Thornton Firkin, is that the option to deliver the scheme using a modular method of construction incorporating a portokabin solution has been explored as a means to accelerate the construction programme for the scheme. If this construction method were to be utilised, this may mean that the costs and programme for delivery of the scheme could vary materially from costs and thus funding required from GL LEP and recommended within this due diligence report.
- 6.5 This matter has been raised further with the College who have clarified that, given the advanced stage of design for the scheme and as planning permission has been sought, it is very unlikely that a modular construction will be considered any further. Essentially, the time it would take to re-design the scheme and potentially either vary or submit a new planning application would delay the scheme and erode any savings time made through the modular construction process.

- 6.6 It is therefore recommended as a pre-contract condition, that if the decision is taken to change the delivery mechanism from a traditional construction process to a modular one, that full scheme details are provided to GL LEP and a re-appraisal of costs, funding required and value for money is undertaken accordingly.

7.0 DELIVERABILITY AND PROGRAMME

- 7.1 Upon award of SLGF from GL LEP, the scheme is considered highly deliverable. The College is committed to the delivery of the scheme and has the necessary match funding in place for the scheme and are the landowner for the land required for the scheme.
- 7.2 The main risks to the deliverability of the scheme are securing planning approval and procurement of the main contractor within the agreed budget. Planning risks are deemed low given the positive pre-application discussions.
- 7.3 Cost risk will be managed through the tender process led by a professional team with the contract to be let on a fixed price basis.
- 7.4 The programme for the delivery of the Academy is considered realistic, however, there is no room for any delays if the building is going to be open in time for the start of the 2020/21 academic year, and therefore this will need to be monitored closely by the applicant to ensure the delivery timescale is met.
- 7.5 Milestones for delivery of the scheme are contained within Section 11 of this report.

8.0 MECHANISM FOR INVESTMENT, STATE AID AND LEGAL COMPLIANCE

- 8.1 Funding is proposed to be invested through SLGF under the GBER Article 26 for which training aid can be provided. Any economic activity proposed must be less than 20% of total activities to be undertaken within the scheme.
- 8.2 As highlighted above in Section 3 of this report, the College has sought legal advice in relation to the potential of unlawful State Aid occurring. As the College will be working with a number of private sector partners there is the potential for unlawful State Aid to occur, however, as this is considered to be an ancillary outcome of the project with the main aspect of the project being to provide education and training opportunities to learners, employees and employers. It is therefore deemed unlikely that the unlawful State Aid will occur.
- 8.3 It should also be noted that where public funding is utilised to support education, pre-employment training and certain categories of training aid, it is deemed to be State Aid compliant. As the applicant is predominantly public sector funded and will be using the funding to provide these opportunities it is considered that the funding and project would be State Aid compliant. The College has confirmed that charges will be levered upon employees for use of its facilities; however, as such use will be charged on a pay on use and at market rates, this is also deemed to be compliant with state aid.
- 8.4 As Thomas Lister are not state aid experts, it is recommended that the state aid position is verified by GL LEP's legal advisors.

9.0 PROCUREMENT

- 9.1 Boston College has confirmed that public sector procurement regulations are followed which are supported by its own financial regulations that ensure that the College achieves best value for money, acts with integrity and contractual obligations are complied with when procuring and issuing new contracts.
- 9.2 For this project the College will procure a contractor in line with the GL LEP's procurement policies and work with their specialist consultancy team, led by Thornton Firkin, through the tender process.
- 9.3 The applicant has allowed for a five week tender period; commencing from early September 2019. The five week period is considered by RLB to be a reasonable timescale for the tender process. Two weeks have been allowed to assess the tender returns and again this is considered a reasonable timescale.
- 9.4 A four week mobilisation period has been built into the programme from the Contract Award date which is considered reasonable.
- 9.5 It is recommended as a condition of SLGF approval that an update programme to the delivery of the scheme to be provided once the contractor had been appointed, prior to drawdown of funding.

10.0 OUTPUTS AND VALUE FOR MONEY

10.1 Outputs generated by the Academy are detailed in the table below:

	2019/20	2020/21	2021/22	Future Years	Total
i) Core Outputs (Strategic Economic Plan)					
Public Investment Leveraged (£)	£364,800	£531,200	£77,000	£77,000	£1,050,000
Private Sector Investment Leveraged (£)					
Number of new Jobs Created (gross)	3 plus 12 apprenticeships	3 plus 15 apprenticeships	3 plus 20 apprenticeships	3 plus 20 apprenticeships	12 plus 67 apprentices
Number of Jobs Safeguarded (gross)	3	3	4	4	14
Number of new housing units completed					
ii) Local Strategic Outputs					
Commercial floorspace refurbished/constructed and occupied (sq m)					
Number of businesses assisted to improve performance	35	35	35	105	210
Number of learners supported	120	150	180	550	1,000
Number of new businesses					

created					
GVA Uplift					
iii) Others (please list) *					
Training facilities created/refurbished (sq m)	1,900				1,900

10.2 The outputs in the table above are considered realistic based upon supporting information provided. The value for money assessment of proposed outputs is detailed below;

- £1,050,000 private investment (including £200,000 revenue) levered at the ratio of 1:2.3. This is below the standard benchmark of 2:1, however is justified on the basis that the applicant are an education provider, delivering public services and training.
- 79 apprenticeships will be created - £30,696 per apprenticeship, which is high; however is justified as part of a package of outputs.
- 1,000 learners supported within and for priority sectors - £2,425 per learner, which is excellent value for money.
- 210 businesses assisted to improve performance - £11,548 per business. This is considered to be good value for money in accordance with standard benchmarks.

10.3 The other outputs for the scheme include:

- 1,900sqm training facilities created 1,276sqm which is considered to be high; however reflects the high tech nature of the facility and associated costs in this regard.
- 14 jobs safeguarded at a cost per job of £173,214 is very high, however reflects the fact that safeguarded jobs are not a primary output delivered by the Academy.

10.4 It is evident that the project provides a good range and number of strategic outputs and overall it is considered that the project provides good value for money across a number of outputs for the £2,425,000 SLGF funding being requested.

11.0 MILESTONES

11.1 The key milestones identified for the delivery of this project are as follows:

- Match funding package to be in place – already approved.
- Planning permission received – September 2019.
- Procurement process commences 1st September 2019.
- Procurement process complete and contract awarded – December 2019.
- Site mobilisation – January 2020.
- Construction works commence on site – February 2020.
- Construction works and building sit out complete – September 2020.

11.2 Whilst the above programme is not considered to carry any significant level of risk in the relatively advanced stage of the project, it is recommended that it is a condition of funding that a detailed programme for the delivery of the scheme be provided along with a profile of drawdown of funding once a contractor has been appointed and the programme for the scheme crystallised.

12.0 RISK ASSESSMENT

12.1 The main risks identified for the delivery of this project are as follows:

Risk	Owner	Probability	Impact	Mitigation
Delayed funding approval	Project team	L	H	Defer project until funds are available.
Not completing to programme and in line with funding requirements	Project team	L	H	Consider funding conditions in Project Execution Plan. Contractor to monitor their programme and update frequently. Any delays are to be mitigated by managing the programme where possible.
Non-conformance to client's requirements	Project team	L	H	Design information is to be reviewed and quality will be inspected on site.
Inclement weather	Contractor	L	M	Delays as a result of inclement weather are greatly reduced using a modular construction systems. Each modular component is built off site in controlled factory conditions and brought to site as a complete unit.
Delayed client decision making	Project team	L	M	Contractor to notify the Client of key 'decision required by' dates and Client is to respond within timescales. Challenges in meeting timescales are to be raised at the earliest opportunity.
Disruption to staff and students during the works (i.e. noisy works)	Contractor	L	M	Noise disruption is to be minimised where possible. Contractor to notify the College if there is intended to be any particularly noisy works. On site construction time is reduced by up to 50% using a modular system.
Construction traffic causing congestion	Project team	M	M	Team to review traffic management plan for College. Contractor to monitor and ensure traffic is minimised during busy college periods.
Failure of Client Team to perform	Project team	L	H	Appointment of experienced team. Regular tracking and monitoring. Close liaison between client and lead adviser.

Failure of Build Contractor to perform	Project team	L	H	Rigorous selection process. Experienced project team. Regular reporting and monitoring.
Accidents/dangerous occurrences on site	Contractor	L	H	Contractor to maintain a high level of H&S management on site and report any incidents.
Insolvency of Build Contractor	Project team	L	H	Rigorous selection process. Close monitoring.

12.2 The identification and assessment of risk is considered to be appropriate for the nature and scale of the project with sufficient mitigation measures in place.

12.3 A detailed risk register for the project will be prepared and managed as an integral part of the construction process and will manage, monitor and address any risks as they may arise at the time.

13.0 CONDITIONS AND TERMS FOR THE FUNDING AGREEMENT

11.1 The following conditions are recommended to be incorporated within the funding agreement;

- Confirmation to GL LEP that any additional costs are underwritten by the applicant – pre-contract condition
- Confirmation that the scheme has secured a satisfactory planning permission and is able to proceed -pre-drawdown of funding.
- A copy of the report on tenders and lowest tender is provided to GL LEP to demonstrate the scheme is deliverable – pre-drawdown of funding.
- If the decision is taken to change the delivery mechanism from a traditional construction process to a modular one, that full scheme details are provided to GL LEP and a re-appraisal of costs, funding required and value for money is undertaken accordingly – pre-contract condition.
- An updated programme for delivery and drawdown of funds is to be provided once a contractor is appointed – pre-drawdown of funding.
- That within the first year of project completion, a statement is provided stating exactly what the new qualification offers are, and what new activity is taking place – for ongoing monitoring.

14.0 CONCLUSIONS

14.1 Boston College are intending to deliver the new Academy building to provide learning, training and skills opportunities to students, employees and employers targeting the transportation and logistics sector across a broad range of sectors.

14.2 The centre seeks to assist with addressing the skills shortages within these industries to overcome the single largest barrier to growth across these sectors.

- 14.3 The Academy will be the first of its kind in Lincolnshire and has been designed working in close collaboration with major businesses within the area and is thus developed to be specifically in accordance with employer's requirements as well as seeking to be at the forefront of evolving digital technologies within the sector.
- 14.4 This scheme has now progressed to a relatively advanced stage, with planning applications submitted and the decision expected in September 2019. At this point, the project will be able to move to the implementation stage, following the procurement of a contractor on a competitive basis.
- 14.5 The Academy will also build upon the successful development of the EMAT Centre within the College campus which collectively will enable a broad range of education and skills training to be provided within an area where such facilities are lacking and skills shortages are prevalent.

15.0 RECOMMENDATIONS

- 15.1 It is hereby recommended that SLGF of £2,425,000 be approved by the GL LEP Board, subject to the conditions detailed in Section 14 above.



Date: 5th August 2019

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