

COAST TO CAPITAL LOCAL GROWTH FUND FULL BUSINESS CASE

Project Title:	Developing new entrant and employee resilience against changing needs in skills in the Coast to Capital area. Enhancing skills and job role resilience and transference in the land based sector people. Short Title Future skills creation in horticulture, woodland and tree management science.
Lead delivery organisation:	Plumpton College
Organisation Address:	Plumpton College Ditchling Road Lewes East Sussex BN73AE
Lead contact name:	Mr James Hibbert James.Hibbert@plumpton.ac.uk 01273 892037
Issue Date:	

This document provides a template for a Full Business Case (FBC) for Coast to Capital to invest in a project through the Local Growth Fund (LGF). Please ensure you read the full **guidance document** to assist you in completing this form.

Projects funded from the Growth Deal are expected to contribute towards the Coast to Capital Gatwick 360 Strategic Economic Plan (SEP); to deliver economic outputs as detailed within the 8 priorities listed in the SEP, or to support the medium term delivery of our Strategy.

Projects can only request funding as stated within the EO1 application; from **£500,000 and up to £2,000,000**, and must demonstrate a minimum of a 50% matched funding contribution.

The information provided in this form will help our Investment Committee, determine the eligibility of your project, and formally decide which projects called for the FBC stage have been successful following a presentation from applicants, that will allow opportunity for Committee members to ask questions. As part of this scrutiny Croydon Council as the acting Accountable Body for Coast to Capital will be ensuring all projects are State Aid compliant and therefore sufficient evidence is required.

The Investment Committee have delegated authority from Coast to Capital Board to make funding awards up to £2million, and make decisions on full or partial funding awards, or any funding conditions. Decisions made would be noted to the October Board meeting, following which funding awards will be announced.

FBC must submitted any time before: **12noon on Friday 16th August 2019**. **Any FBC not received after this deadline will NOT be accepted and will be returned to the applicant.** FBC submissions will be acknowledged by email within 24 hours.

Applicants must be able to evidence as part of the FBC that they are able to incur full LGF project costs (to include elements of matched funding), by **31st December 2020**.

Coast to Capital also reserves the right to withdraw / reclaim and re-allocate, all funding, if at any point in the delivery of successful projects, our Board believes that the full draw down will not be made.

If you have any queries or require further information please contact Coast to Capital on localgrowthfund@coast2capital.org.uk

Coast to Capital Disclaimer

By submitting this FBC, Project Applicants are agreeing to the following;

- Grant payment (in arrears) will not be made until a funding agreement is signed by both parties.
- All funds provided by Coast to Capital must be used for capital expenditure under the definition of capital provided within HM Treasury, CIPFA and International accounting standards.
- All costs and charges incurred as a result of making this application cannot be claimed as part of the project.
- All FBC submissions will be treated in the strictest confidence, and will only be shared with those involved with the evaluation and the processing of your application (Coast to Capital Officers, London Borough or Croydon Accountable Body, Coast to Capital Investment Committee Members, and Board members).
- Successful FBC submissions who are awarded funding are required to agree as a condition of applying for this funding that their business case will be published in the public domain in full.
- Coast to Capital will keep a record of your contact details, and application on file. We may use your contact details to send you further information, notify you of further funding opportunities, and/or invite you to events organised by Coast to Capital or its partners. Your personal and business information will remain confidential.
- Applicants submitting an FBC will in doing so warrant to have agreed to be bound by the following conditions:
 1. Applicants will indemnify Coast to Capital against any claim for loss, costs or damages as a result of being unsuccessful at FBC stage.
 2. Applicants who are successful in obtaining a grant funding award following scrutiny of the FBC, agree to pay a fee to Coast to Capital to cover the cost of processing and preparing the funding agreement. This fee will be payable in advance and is set at a flat rate of **£9,500.00**, to cover legal and administration costs. This fee cannot be recovered through applications.
 3. Applicants who are unsuccessful following their submission and scrutiny of the full business case, accept that they will be informed in writing on the reasons for this decision in accordance with the attached Guidance, with further feedback only being provided to the extent and discretion decided by Coast to Capital officers.
 4. Applicants agree to not issue any written or verbal statements to any third party which could reasonably be seen to be designed to defame, discredit, or to undermine the decision reached by Coast to Capital in not awarding grant funding following their submission and scrutiny of the FBC.
 5. That the decision of the Coast to Capital Investment Committee and/or Board is final in deciding what FBC submissions are awarded funding, and there is no right of appeal.
 6. That no applications for information under the Freedom of Information Act (FOI) will be accepted from the applicant or any other party, as to the reasons for an application not being invited to full business case stage, or for feedback on the reasons why funding has not been awarded following the submission of an FBC, as Coast to Capital is not bound by this Act.
 7. The applicant warrants that they have not colluded with any other applicant to attempt to benefit their own application through falsification of information or reliance on other applications being successful.
 8. That applications made are on an unconditional basis.
The applicant warrants that their application is state aid compliant. Applications at FBC submission must provide evidence and/or will be asked if they have taken independent legal advice that their application is state aid compliant. Applicants must accept that if subsequently at any point their project is established to not be state aid compliant, Coast to Capital, solely at the discretion of its Board, will withdraw and reclaim any funding awarded.

I James Hibbert on behalf of Plumpton College confirm that we agree to be bound by the above application contractual terms.

Signed:



Dated:

15 August 2019

1. Executive Summary

1.1) Overview of the project including what opportunity or barrier the investment will unlock:

Plumpton College is the regional specialist training and education centre in land based industries supporting small and large businesses located across the southeast. The College has extensive productive working relationships with over two thousand land based businesses and trains and educates over 3,500 students and 400 apprentices annually.

The College 7 year Strategy sets out the ambitious vision for the College's contribution to a thriving rural sector (both rural businesses and those businesses which are rurally located) through effective training of advanced and higher level technical skills for new entrants and to scale up the support for business start ups and expansion of existing businesses.

This Strategy endorsed by the Government's Area Based Review Process, is predicated on:

- Remaining independent to ensure the highest quality of staffing and physical resources for supporting specialist businesses, especially with level three and above skills and management competencies
- Continuing sustainable growth in specialist provision to meet the rising demand for local, regional and national skills across the land based sectors
- Improving the access to, and scaling up the delivery of, existing provision and services through expansion of key training resources, the shortage of which is currently limiting the number of potential new entrants for the horticulture and woodland and tree management sectors.

The College works in partnership with regional and national businesses, for example, Idverde (horticultural contractors), West Sussex Growers, Bookers Foods along with the farmers and growers across the C2C area, including forestry and tree management science businesses and works alongside the Agriculture and Horticulture Development Board at national level.

Currently, the College with investment support from both Coast to Capital and Heritage Lottery, is working with Brighton and Hove City Council to develop a centre for horticulture training at Stanmer Park. This centre is focussing largely on engagement at entry, L1 and L2 skill levels.

This proposal is for the development of an advanced horticulture and woodland and tree management science centre to provide a higher level progression route for students to be able to study effectively at Levels 3, 4 and 5. The centre will also focus on developing hard, soft and technical skills leading to better resilience for existing employees in fast changing sectors

The Government Industrial Strategy is focussed on improving productivity of all UK businesses but especially food and rural given the ongoing Brexit situation. To thrive in the new era, businesses will rely more on:

1. A better supply of more highly trained, educated and entrepreneurial new entrants
2. Less dependency on migrant Eastern European labour
3. Continual updating of the existing workforce (professionalising)
4. Business leaders adopting improved business techniques to exploit market opportunities, non-traditional diversification, estate utilisation and available technologies, eg the potential offered from automation
5. Increasing technical skills to a) fill the current national shortage of 650,000 technical vacancies (land-based); 150,000 in the southeast, and b) meet skills demand through new AgriFood opportunities which are not currently delivered elsewhere in the south east
6. Plumpton College's enhanced presence to prepare businesses for Brexit and the post-Brexit period, including recruitment of individuals with appropriate levels of skill
7. Greater awareness of emerging and available technologies, eg robotics

8. The planning for the use of robotics in industry - the training of the 'trainers' for the robotic system is crucial and insufficient training in this area will result in delayed implementation of equipment and slow 'learn from errors' implementation

A key partner in this work with robotics is the Kings College London who specialise in robotics and they are working in partnership with the college to secure a PhD scholarship from the Agriculture and Horticulture development Board to develop systems. This centre will support the testing of this research work in an industrial sector environment (see letter of support).

This proposal is for the development of an **Advanced Skills Centre for Horticulture and for Woodland and Tree Management Science**.

In summary, this project will build two classrooms, create specialist training space inside two greenhouses, provide leading edge technology for the horticulture and woodland industries, create workshop space and equipment storage and provide student facilities and external landscaping to create a bespoke campus zone within the Walled Garden at our Stanmer Park site.

This project builds upon our previous investment and support from C2C and the HLF in support of our Stanmer site. Our work within this completing project allowed the scope to be significantly enhanced and resulted in the bringing forward of the campus zone for future investment (the focus of this proposal is to take the campus zone to completion).

The proposed advanced training centre will **complement** the existing development and investment at Stanmer Park by:

- a) Focussing on advanced skills delivery (L3 and above) specifically related to the horticultural growing industry to create a pipeline of new entrants to the horticultural production industry across the C2C area
- b) Delivering specialist training in tree management in either woodland, orchard and urban trees to improve productivity and visitor experience through enhanced amenity value for tourists
- c) Creating a progression route to higher skills for those at level 2 and below
- d) Providing a fast track skills development environment for those highly skilled individuals from other sectors (eg finance, retail, innovation, investment, 3rd sector) who have very strong business acumen but lack the fundamental grasp of plants and trees to be credible new entrants to the horticulture and tree industries at management level
- e) Providing training in skills resilience to tool up existing employees to be able to make the step changes when their career changes because of new innovations or when they change their careers
- f) Creating an aspiration for the visitors to the walled garden and existing students in horticulture to experience the opportunities for self development in the plant and tree industries across the region.



This proposal directly supports the objectives of the C2C SEP in three main ways by:

- 1) Creating a progression pipeline from lower skills to higher skills in two important rural sectors
- 2) Creating more resilience in individuals to adapt and thrive in new more efficient and competitive business environments
- 3) Attracting and raising ambition for new entrants and career changers

The opportunities that will be realised by creating this advanced training centre and removing barriers of insufficient space and quality of resources will be:

- Significantly increased efficiency in the delivery of, and access to, education and training at our campus within Stanmer Park
- Increased engagement with employees and employers to stimulate greater progression to higher levels

skills and qualifications, including Higher Apprenticeships

- Increased social engagement of hard to reach, reluctant learners at all ages, particularly through the initial expansion work at Stanmer Park (primarily at levels Entry, 1 and 2)
- Increased capacity of higher skills and progression within businesses linked to horticulture and woodland and tree management science
- Increasing business support by creating a clear conduit for employers to skilled labour.
- It will also ensure all training programmes for new entrants and the existing workforce incorporate and showcase increasingly important course aspects relating to best environmental practice (for example; water management, use of food waste and light-limited environments.)

Examples of the skills which will be delivered include:

- Business improvement techniques, innovation and performance monitoring for productivity and planning
- Investment analysis and business development planning
- Workforce development support to businesses at all establishment levels including start-ups.
- Development of business practices to exploit emerging technologies to improve productivity and efficiency
- Emerging technologies for horticulture and woodland and tree management science, including for example, simulator and virtual reality training for staff professional development / maintenance of competency, robotics and systems development to exploit the potential of early robot designs / development of production systems to ensure greater robot compatibility (development of strawberries and growing systems with long stalks to facilitate robot access to the fruits)
- Changing approaches to weed, pest and disease control strategies and measures
- Developing new supply chains and approaches to adding value to primary products (sustainable timber)

Outline of the proposed development at Stanmer Park.

The initial development provides for the development of the artist impression area of the garden experience, demonstration glasshouses and the teaching and learning to support the growth of students on primarily Entry, L1 and L2 programmes. The section of the walled garden (working title - Campus Area) has been cleared using existing college investment but has no funding to secure its development in the advanced training centre (outline drawing showing location and design as submitted and approved for planning permission by SDNPA).



1.2) Please choose a priority area that is most appropriate to your project.

For further information around each priority area please review our Gatwick 360 Strategic Economic Plan.

Priority 1: Deliver Prosperous Urban Centres	<input type="checkbox"/>
Priority 2: Develop Business Infrastructure and Support	<input type="checkbox"/>
Priority 3: Invest in Sustainable Growth	<input type="checkbox"/>
Priority 4: Create Skills for the Future	<input checked="" type="checkbox"/>
Priority 5: Pioneer Innovation in Core Strengths	<input type="checkbox"/>
Priority 6: Promote better transport and Mobility	<input type="checkbox"/>
Priority 7: Improve digital network capability	<input type="checkbox"/>
Priority 8: Build a strong National and International profile	<input type="checkbox"/>

1.3) The fit with Coast to Capital Strategic Economic Plan: Gatwick 360, and the chosen priority above. Please identify if this project fits in with other priorities as above.

The rural economy, which comprises at least 20% (now approximating to 30% given the removal of the Croydon and Lewes conurbations) of the C2C area, is increasingly characterised by a greater reliance on technological innovation underpinning production systems and demonstrating high level of social and environmental responsibility. As the leading organisation responsible for education and training in this sector we must be developing our facilities to be at the forefront, leading innovation and best practice.

This proposal will directly support Priority 4 of the Gatwick 360 Strategic Economic Plan by:

- Working with businesses in horticulture and tree management to understand and articulate the skills needs for future productive and efficiency gains
- Attracting more new entrants who are more capable and dynamic by exposing them to the opportunities from better career progression, improving not just business performance but their own lifestyle
- Reducing the skills loss where individuals are not able to develop the transferable / allied skills to their technical skills and where this becomes a limitation to progression
- Helping to secure better recruitment, for example, the horticulture food sector in West Sussex has a turnover of £1bn but cannot secure sufficient staff to guarantee full business productivity and requires a significant step change in:
 - workers at basic levels of technical competency and sufficient of them. This is to counter the Brexit effect
 - workers with higher skill levels which can support the technology introductions to gain greater efficiency. At times there is too much wastage because staff do not understand the key principles of plant growth and performance

- supervisors and managers who have the right management and supervisory skills to operate across a range of business sectors (bringing innovation and entrepreneurship) but who also have the fundamental understanding of the business production processes and challenges (eg seasonality in the production of lettuce or the risk analyses of dealing with ash trees suffering from Die Back)

The creation of the skills for the future in this project proposal is the only Strategic Economic Plan priority which directly addresses each of the four grand changes of Government:

- artificial intelligence – for example, the use of robotics in the harvesting of fruit and vegetable crops
- clean growth - for example, greater harvesting of coppice woodland and planning to bring more derelict and semi derelict woodland into production, also increasing the aesthetic value for tourists and residents
- mobility – the more skilled an individual is in horticulture and tree management the more they are in demand and hence they are able to relocate more easily to the higher paid jobs
- Ageing society – where individuals are only skilled to basic levels, their longevity in the horticulture and tree management sectors is less certain whereas if they had better supervisory and management skills for example, they could work longer and make a better contribution in later life. Too many individuals with good industry knowledge cease work early because they cannot physically cope with the demands of their present role but don't have the skills to move 'up the ladder'

Production horticulture is an excellent example of the potential to be gained for new technology arising from, for example

- New telemetry process for monitoring productivity and quality of production
- Creating new growing regimes to minimise energy wastage eg, by growing in highly insulated environments and driving photosynthesis through LED lighting systems powered by solar cells and non renewables. This is necessary to increase the proportion and range of UK produced fruits and vegetable.
- Enhancing the education surrounding the utilisation of space through light-limited studies.
- The potential of robotics to reduce the manual component of many processes freeing up labour to be used elsewhere in the business thus exploiting the human resource skills more effectively
- Opportunities through on line media for more direct retail to the public avoiding the price controls through multiples and holding more value added income within the business

The proposed project has an exceptionally good fit with the overall Strategic Economic Plan, Skills Strategy and Local Devolution Deals because it will result in:

- a) Support for the Greater Brighton City Deal, the European Structural Investment Funds Strategy and the C2C Skills Strategy
- b) Improved access to training and education to raise ambition and drive skills and qualifications acquisition at all levels, especially progression from L2 and L3 through to higher skills and higher education
- c) Increased access from hard to reach and reluctant young people and adults, especially those in the Brighton and surrounding areas (College catchment covers all the C2C area)
- d) An increased progression of new entrants with strong employment related skills (industry specific and generic) into the agricultural and specialist industries
- e) Bringing 1500m² derelict land into productive training area
- f) Creating 580m² of classroom and specialist training facilities
- g) 130 jobs (11.5 directly as a consequence of the investment) being created, safeguarded or unlocked
- h) 3450m² of new training and education workshops, classrooms and demonstration suits
- i) Providing technical training where there is a current shortage – horticultural food production / amenity and in woodland and tree management science
- j) 900 (per annum) part time students and employees with enhanced skills base in horticulture or in woodland and tree management science through attending professional updating courses
- k) 24 (per annum) new apprenticeships created
- l) 70 (per annum) employers/ businesses developing enhanced skills and management capabilities through coaching and support programmes
- m) Providing an environment to foster coaching and mentoring support for proprietors of new business start ups and those looking to scale up

The College is currently capacity restricted and is therefore not able to increase the support for business and training of new and advanced skills to support the continued success of the sector and without LGF.

The market is not in a position to create this development for itself because the land based industries are:

- Relatively small scale and geographically dispersed and often isolated
- Do not have the financial resources to establish such a proposal for themselves either singularly or in combination
- The current Brexit stance on European labour is placing overriding constraints on the operation of key fruit and vegetable growers, moving towards a significant reduction in scale of UK operation and concomitant increase in imports from either Europe or non European countries

The counterfactual argument is that without intervention, the College would be restricted to the status quo or to a modest development, piecemeal over 5 years. A smaller scale development would fail to realise the economies of scale to warrant development.

Without LGF funding, the College would not be in a position to borrow the financing needed because the limit on borrowing is set at 30% of turnover to ensure prudence in observing the AoC recommended borrowing level maximum of 40% gearing.

Doing nothing is not an option for the College. The College remains independent and focussed on the specialist land based sector so that it can increase the flow of skills into the sector to improve business performance and productivity. Whilst the College has provided education, training and business support to the sector for many years, the ever-changing needs in industry means that there is an ongoing need to ensure that the College has adequate facilities to deliver its services. Whilst the college will continue to pursue its investment strategy, currently available income sources mean that this would likely result in piecemeal development to maintain the current offer.

1.4) Expected Total Project Cost and source of funding. Please also complete the funding breakdown tab on the supporting spreadsheet. A Matched funding contribution of at least 50% is required (percentage of the total project costs). (Please name the source of match funding). **(Please name the source of match funding).**

	Amount	% of Total Cost
Total Project Cost	£1,852,180	100
Applicant own funds (Cash)	£331,763	17.9
Other public funds (College In kind)	£300,900	16.3
Heritage Lottery	£267,378	14.4
Private sector funds	£120,875	6.5
Funding requested from Coast to Capital LEP*	£831,265	44.9

*Funding requested from Coast to Capital must be more than £500,000 but cannot exceed £2,000,000.

The project is modest in cost and has a broad contribution base drawing in funding from a range of industry sectors to support horticulture and woodland and tree management science training.

The intervention rate is good at 44.9%, slightly better than the maximum but without this contribution, the project would not be able to proceed.

The costs have been calculated for each of the components as set out in detail in **Annex 1** showing the relative contributions from LGF, college and industry match. The split of costs between financial years is shown and the college is able to guarantee that all the C2C LGF spend will be allocated and used before September 2020, well before the call deadline of December 2020. The key to achieving this spend is that planning permission for the new buildings has already been secured and all site reclamation and preparation works will be complete by 26th September 2019.

All costs are calculated using industry norms for site preparation and construction costs based on area values to ensure BREEAM standards.

Plumpton College will lead and manage the procurement for this project and will use its existing Procurement Policy to make appointments for all contractors. This is compliant with EU procurement rules and will demonstrate best value for the private and public sector investment.

The College has a successful record of managing capital builds over a 20 year period circa £40m, including C2C, SELEP and LSC funded developments, including the current horticultural development at the College's site at Stanmer Park.

The industry contributions from JAS Wilsons and Stihl are confirmed (£58,775) and other contributions are within the discussion and clarification phase. If, for some reason, an industry partner declines to be involved in the programme, Plumpton College will guarantee to replace the lost contribution from its own resources, thus guaranteeing the total match funding.

Project costs include non-recoverable VAT and professional services

The match funding from the College has been agreed by the College Corporation. Match funding for this project

would be by bank loan. The College, in discussion with Lloyds Bank, have identified a number of residential properties owned by the College against which the bank would be willing to secure a loan. The College currently has a low level of borrowing and sufficient income to service a new loan to fund the development; with 2018 EBITDA at 4% and borrowing as a percentage of income at 17%. The College has prudent financial processes and given the external pressures on College funding generally and rising costs, the College has judged this level of risk around this level of loan to be manageable.

The College is in receipt of an award funding from the Lottery Heritage Fund which is being co-managed by Brighton City Council and so this advanced training centre development would be managed by Plumpton College but in liaison with the ongoing work jointly with Brighton City Council under the terms of the existing MOU.

1.5) Expected tangible core outputs/outcomes:

Please also complete the outputs tab of the supporting spreadsheet – add or delete where appropriate. *Applicants should add in outputs that link directly with the SEP priority they are applying for.

Output/outcome	Metric	Number to be delivered
Employment - created and/or safeguarded	No.	16.5
Employment unlocked	No.	105
Businesses assisted - financial and non- financial	No.	145
Skills- new apprentices	No.	24
Skills – Training for high value skills	No.	400
New housing unit completions	Units	0
New housing unlocked	Units	0
New floor space constructed/Refurbished -	Sqm	540 m ² training space
Commercial floor space unlocked	Sqm	0
Carbon reduction	Tonnes of CO2	0
Unengaged and community learners per annum	575	Unengaged and community learners per annum
Community engaged learners	Units	350
Unemployed engaged in training	Units	200
Sector employees retrained and upskilled	Units	600
Number of additional learners	Units	200

Please see Annex 1 for breakdown of outputs and outcomes per component part of the project

1.6) Main risks and issues the project will need to manage? Explain contingency plans to ensure full draw down of funding if ultimately awarded. **Please also submit a full risk register as an annex to this document**

Planning permissions are all in place for this development and the reclaimed site has been made safe within the previous investment to develop the horticulture centre and exhibition walled garden.

Should this project be funded through LGF, approximately £706,575 will be spent before 31 March 2020 and the balance of funds (£124,693) spent before September 2020, well before the deadline of 31 March 2021.

There are no major risks with this project. A risk register sets out those which could present and the appropriate mitigation approaches the college would use to maintain delivery timescales and dates.

Planning permissions are already fully in place and ideal site works have already been conducted to ensure there are no unforeseen barriers (eg contamination, architectural relics, human remains)

As taken from the risk register:

- Contractor availability and suitability (early procurement and robust contracting)
- Cash flow (project financial management is controlled through Finance Director, reporting to SMT)
- Potential future educational funding changes (future income will be dependent upon qualification funding and this changes from time to time but is exceptionally unlikely to reduce significantly (eg apprenticeship and 16-18 funding is cornerstone of the Government's educational policy)
- Changes in key delivery staff (continuity through project team and overall SMT oversight reduces

dependency on single individual(s)

- Brexit-related price inflation (contingency and regional variation included within the budget)

The main strategic risk is the failure to attract the additional funding from C2C to provide the developments described in this project. Mitigation - project would proceed but on a piecemeal and over a significantly extended timeframe which would fail to react to key Brexit milestones. The scale and scope of the project would also reduce putting the College more at risk of failing to reach the standards for advanced and technical training.

Once funded the risks will be minimal, as strategic discussions have been held with planners and the South Downs National Park Authority to agree a development plan for the future development of the campus at Plumpton. Should there be unforeseen delays, the themes of the project would be realigned but it is not envisaged that any activity would be delayed later than the planned project end. Architects and contractors and workers are known and outline work plans are in place.

The College has a very successful track record of bringing developments to completion on time and within cost. The project team would comprise the SMT and co-opted members. See Annex 3 for full risk register

2. Strategic Case

2.1) Describe the compelling case for change.

The strategic case for proposal is strong, clear and compelling:

- Food security, import substitution and export expansion are clear elements of the Governments Industrial Strategy (for example, the UK imports over half its salad crops and 80% of its fruit. Current research suggests that the UK could only sustain its own population in any one growing year for 7 months.)
- The College current activity does not meet the skills needs of the land based industries preparing for Brexit and the post Brexit period of transition
- The land based industries need a further 650,000 skilled jobs to meet the rising demand for increased technology
- The College is currently restricted in its ability to respond because of space (physical resources) to support business interventions and deliver the skills updating training or new entrants and existing unskilled employees

Business support for commercial growers, the wider horticulture and woodland sector will need to be more focussed, faster delivered, more impactful and play a more central role not just in the formulation and delivery of training but gathering market information and sector changes to predict future development needs and inform government agencies on training required to support progress to 2030, a scanning horizon identified as the most critical window in UK rurally based business.

This window is critical because of recent/pending changes to the business environment, including:

- a) The level and scale of technological change and opportunity for both rural businesses is rapidly increasing because the technology is more cost effective and increasingly reliable. For example, robotic pickers for horticultural produce, GPS applications for estate management, accurate and judicious fertiliser applications, delivery mapping, driverless cars, social media and promotion of 'market share'
- b) The need for all businesses to be evidence based to demonstrate probity in production and sourcing to an increasing ethically inclined customer
- c) Brexit related trade change to export markets and imports, including opportunities for import substitution, For example, impacts on food miles, costs, availability, novel food sources and grappling with potentially reduced supply and a transition to 'more seasonality'
- d) The challenge of losing a significant proportion of the migrant European workforce spanning, operator, supervisor and manager levels. This is likely to phase over time as supply gradually decreases with the cessation of new migrants but the established migrant workforce remains through residency eligibility. This creates the potential for over confidence because the full impact will not be experienced until sometime after Brexit has completed, creating a 'hidden cliff edge' in recruitment potential.
- e) Replacing lost migrant workforce with UK residents will require both upskilling and the cultural change concerning rates of pay. It is not inconceivable that to secure well trained, qualified and experienced UK residents, rates of pay would need to increase with the need to deal with the impact on business turnover, probably offset through increased prices of commodity, especially food.
- f) Upskilling of basic skills and the fostering of the 'soft' (but hard to achieve) employment skills remains significant for both new entrants and the existing workforce. Use of the apprenticeship levy will be critical but will only have the required impact if business realise the benefits from integrated training supply from providers (working with HR teams) rather than grasping at *ad hoc* piecemeal, remedial training.
- g) Timeframes for change will become much shorter which will challenge all business but especially land-

based businesses, which have seen extended periods of 'grace' to accommodate change slow pace for example, environmental subsidy changes. Preparation is being laid to foster faster rates of change, eg the forthcoming Agriculture Bill where the expectation is being created that change will be very rapid, possibly akin to that experienced in New Zealand.

For clarification, in simplistic terms, the need for this project is compelling as Plumpton College is the only South East specialist land based college with resources of a commercial scale, range and quality to provide the co-located training resources to underpin the additional training and education facilitated through the Advanced Training centre.

Sector representative bodies, for example The Agriculture and Horticulture Development Board and WineGB, are constituted to collect and administer product-based levy income to support research, innovation and knowledge transfer. **They do not have a mandate for capital investment.** Indeed, much of their current knowledge transfer activity is restricted through shortage of existing appropriate delivery rooms and facilities, especially in the South East. A further indicator of need is that the fastest growing wine economy in the world is that found in the UK and within the UK the south east represents the focus of this industry. A natural progression of L3 hortic students could be into the management and maintenance of vineyards (viticulture).

For clarity, the preferred option is articulated as a package of mutually synergistic components. Plumpton College will then have these resources established on a site at Stanmer park

The thematic areas that will be supported are:

- Improving the quality and relevance of Careers Information Advice and Guidance for people of all ages
- Helping young people become ready for the world of employment
- Addressing gender imbalance in employment and study in key industries/sectors
- Making sure that the curriculum is shaped by employers wherever there is scope for this to be done
- Helping to stimulate the uptake of Apprenticeships
- Attracting more new entrants to the sector who are more innovative and entrepreneurial with very high technical and business skills
- Aligning these new entrants with appropriate businesses to create a more sustainable and effective skills pipeline, directly connecting through the college the new student and the employer.
- Continually developing the existing workforce to foster better progression of skills development so businesses can better prosper from keeping staff, but supporting them to progress to higher levels leading to greater business impact

2.2) Investment Objectives- detail the specific objectives to achieve the anticipated outcomes.

The investment objectives of this project are to

Outputs

- a) Redevelop a reclaimed site (1500m²) to create generic training space (540 m²) for delivery of training related to business improvements and skills resilience by December 2020
- b) Develop specialist horticulture training resources by December 2020
- c) Develop specialist woodland and tree management science training resources by December 2020
- d) Begin delivery of training from the new facilities by September 2020 in sufficient volume to achieve the outcomes of the project

See **Annex 1** for detail of the component parts to these developments

Outcomes from the three objective outputs

Jobs directly connected to the intervention	11.5
Safeguarded Jobs	5
Indirect Jobs/ Unlocked Jobs	105
Amount of indirect Private Sector Leverage (additional to the match funding)	£180,375
Amount of indirect Public Sector Leverage (additional to the match funding)	£206,875
In-kind resources	£115,663
Area of site reclaimed, (re)developed or assembled	1,500
Utilities installed	20
Number of new enterprises supported	145
New build training/learning floor space	540
Refurbished training/learning facilities	38
Floor space rationalised	0
Number of additional learners	200
Number of additional apprentices	24
Training for high value skills provided	400

Community engaged learners	350
Unemployed engaged in training	200
Sector employees retrained and upskilled	600
Number of additional learners	200

2.3) Stakeholder Engagement carried out.

At this stage of application, the following stakeholder engagement has taken place broadly across a range of industry stakeholders.

More specifically, the following consultation has taken place

- Farming and Rural Issue Group South East (endorsement attached)
- Agricultural and Horticultural Development Board (endorsement attached)
- Stihl horticulture and woodland machinery manufacturers (Industry support confirmed)
- JAS Wilsons woodland processing machinery importers and retailers (Industry support confirmed)
- Brighton and Hove city Council (supporting through ongoing joint development of Stanmer Park)
- Kings College London (in principle supporting the investment in robotics demonstration and training equipment) (support confirmed)
- Simulator trainer supply business (in principle supporting the investment in use of simulators for training and testing of competency)
- Royal Horticultural Society (supporting the ongoing horticultural work at Stanmer Park)
- East Sussex county Council (forward planning for skills development)
- C2C LEP through development and acceptance of the Eol for this project
- College corporation (endorsing college borrowing to support the match funding for this project)

2.4) List the key stakeholders and their interest areas.

Stakeholders	Interest area
Farming and Rural Issue Groups South East	Part of the Rural Farming network reporting directly to Government (DEFRA)
Stihl horticulture and woodland machinery manufacturers	Producers, developers of horticultural and tree management science equipment, especially new technology battery powered equipment
Agricultural and Horticultural Development Board	National Levy Board for the industry. Consults with stakeholder businesses, lobbies government and delivers research and development including market intelligence to support productivity increase (£60m per annum turnover)
JAS Wilsons	woodland processing machinery importers and retailers
Royal Horticultural Society	National Body promoting horticulture business, education and recreation
Independent rural businesses as related to staff training and employee upskilling	Range of businesses active in the sectors of horticulture, and woodland and tree management science
Brighton and Hove City Council	Partner in the initial stage of Stanmer park development, especially the development of the walled garden project
Heritage Lottery Fund	Sponsors of the ongoing development at Stanmer Park
College Corporation	Oversight of the College strategy and probity of function
Kings College London	Research led organisation exploring and testing robotics arms for applications across industry, including horticulture
Simulator trainer supply business	Provider of simulator training resources for land based training organisations
C2C LEP	Co funder and partner of ongoing development at Stanmer park and evaluator of the Eol for this project proposal



2.5) What are the strategic issues, risks and constraints that may impact successful delivery of the project?

The main strategic risk is the failure to attract the additional funding from C2C to provide the developments described in this project. Mitigation - project would proceed but on a piecemeal and over a significantly extended timeframe which would fail to react to key Brexit milestones. The scale and scope of the project would also reduce putting the College more at risk of failing to reach the standards for advanced and technical training.

Once funded the risks will be minimal, as strategic discussions have been held with planners and the South Downs National Park Authority to agree a development plan for the future development of the campus at Plumpton. Should there be unforeseen delays, the themes of the project would be realigned but it is not envisaged that any activity would be delayed later than the planned project end. Architects and contractors and workers are known and outline work plans are in place.

The College has a very successful track record of bringing developments to completion on time and within cost. The project team would comprise the SMT and co-opted members.

See Annex 3 for full risk register

2.6) Project Dependencies

This project is not dependant on any other projects. The initial project at Stanmer Park has progressed to a stage where the development of this project (Campus Zone) is a self-contained project.

There are no planning constraints with the project. All permissions are in place and the sites has undergone initial clearing and preparation works since April 2019.

2.7) Project disruption

The risk that this project presents to the delivery body is the interruption and displacement of existing students whose learning experience may be affected by onsite delivery works. This work has been sequenced to eliminate disruption for the learning environment, eg through the timing of infrastructure works during holiday periods.

The provision of new facilities through the development of a reclaimed site means that normal activity can continue undisturbed at the current site of delivery (separate skills training area at Stanmer Park which will be partially removed once activity has been relocated to the development).

3. The Economic Case

3.1) Please describe the options that have been considered in selecting the project proposal, completing both box 1 and 2.

The College has considered **four** potential options, including the preferred option

Option 1 - do nothing

Doing nothing is not an option for the College. The College remains independent and focussed on the specialist land based sector so that it can increase the flow of skills into the sector to improve business performance and productivity. Whilst the College has provided education, training and business support to the sector for many years, the ever-changing needs in industry needs means that there is an ongoing need to ensure that the college has adequate facilities to deliver its services. Whilst the college will continue to pursue its investment strategy, currently available income sources means that this would likely result in piecemeal development to maintain the current offer.

In the absence of investment from the C2C LGF, it is likely that over time this would lead to an erosion of the overall College offer and decline in its overall ability to support the land based sector. The impact of non-intervention is therefore that the College may see some downgrades in its existing offer as well as potentially resulting in some operational FTE job losses at the College. This reduced service would inevitably affect the ability of the College to provide a much-needed service to support the continued success of the horticulture and woodland related sectors across the C2C area.

This option will not lever any industry support and will not deliver the outcomes identified in **Annexes 1 and 2**

Option 2 – Develop the generic classroom area but without the specialist industry facilities.

Whilst this is a cheaper alternative and would increase the space available for generic skills training, it would only partially meet the needs of business and would not lever in any industry match / support. Whilst additional classroom space would allow us to expand our training offer at levels 1 and 2 this is not what the sector needs and nor does it provide the progression for students necessary to meet workforce development demands. Consequently, the development of the generic teaching space although important delivers a poorer return per pound invested than when combined with the specialist facilities.

Option 3 – Develop the generic classroom area and include the horticulture specialist industry facilities

This option provides a realistic cost option to consider. The development of the specialist horticultural facilities will lever in industry match and start to impact on the generation of larger volumes of outcomes for the training (**See Annex 1 tab 2**). However, this option still does not give the best return on investment.

Option 4 – Develop the generic classroom area and include the horticulture and woodland and tree management science specialist industry facilities (whole project)

Please refer to 3.2.

Option 4 is the **preferred option**. It exploits the synergistic relationship between the training available in horticulture and in woodland and tree management science to bring learning experience to the widest range of individuals. The return on investment is very strong and the best to be achieved from the combinations. Note, it is not possible to just invest in the specialist facilities without the generic classrooms and teaching space because there would be inadequate space for delivery of associated theory and assessment.

The table below is a summary of the costs and outcomes for the three potential options

Costs, contributions and training outcomes per project component	Option 2	Option 3	Option 4	Option 4 (total project)
	Skills delivery centre (teaching classrooms and toilets)	Specialist horticulture workspace	Specialist woodland and tree management facilities	Total project
Total cost per component	£660,750	£800,880	£390,550	£1,852,180
C2C LGF Grant	£388,875	£316,990	£125,400	£831,265
College Cash Match	£192,875	£127,500	£11,388	£331,763
Heritage Lottery Fund	£0	£172,490	£94,888	£267,378
College match in kind	£79,000	£137,900	£84,000	£300,900
Industry match	£0	£46,000	£74,875	£120,875
Intervention rate	58.9%	39.6%	32.1%	44.9%
Industry match rate	0.0%	5.7%	19.2%	6.5%
Jobs directly connected to the intervention (project costs)	0.6	2.9	1.5	5
Jobs directly additional to the intervention	1	3.5	2	6.5
Total jobs connected to the intervention	1.6	6.4	3.5	11.5
Safeguarded Jobs	0.5	2	2	4.5
Indirect Jobs/ Unlocked Jobs	20	55	30	105
Amount of indirect Private Sector Leverage (additional to the match funding)	£49,500	£104,500	£49,750	£180,375
Amount of indirect Public Sector Leverage (additional to the match funding)	£70,500	£72,000	£75,000	£206,875
In-kind resources	£0	£40,788	£74,875	£115,663
Area of site reclaimed, (re)developed or assembled				1500
Utilities installed	20			20
Number of new enterprises supported	60	55	30	145
New build training/learning floor space	200	240	100	540
Refurbished training/learning facilities		38		38
Teaching related Income generated from the investment over 20 year life period (Lines 31 to 51)	£1,200,000	£1,765,000	£1,247,500	£4,212,500
Buildings value of the investment over 20 year life span	£660,750	£800,880	£390,550	£1,852,180
Value to economy from Jobs created / safeguarded @ £25k per FTE over 20 years - assumes 50% displacement	£5,525,000	£15,850,000	£8,875,000	£30,250,000
Value of jobs unlocked assuming 75% replacement of lower skills for higher skills over 20 years, assumes £68,467 per Job (ONS) and 50% deadweight	£1,711,900	£4,707,725	£2,567,850	£8,987,475
Value of move to more productive jobs - National evidence (Demonstrating the Value of HCG, 2013) over 20 year period - lines 64 to 77 for estimation	£43,558	£104,405	£72,516	£220,478
Value of new enterprises supported (increase in turnover) (lines 82 to 87)	£805,970	£7,388,059	£4,029,851	£19,477,611
Total return on investment over 20 years	£9,947,178	£30,616,069	£17,183,266	£65,000,244
Conservative estimate for deadweight at 50%	£4,973,589	£15,308,034	£8,591,633	£32,500,122
Return on investment per £1 of LGF	£12.8	£48.3	£68.5	£39.1
Return on investment per £1 of total project cost	£7.5	£19.1	£22.0	£17.5

Box 1: (see Annex 1 tab 2 for detailed breakdown of outcomes)

Option Name:	Description:	Total cost:	Amount requested:	Core outputs (see 1.6) – Return on investment
Option 1	Do nothing	Nil	Nil	None
Option 2	Generic classrooms	£660,750	£388,875	7.5:1
Option 3	Generic and horticulture	£1,461,630	£705,865	13.8:1
Option 4 Proposed option	Generic, horticulture and woodland and tree management science	£1,852,180	£831,265	17.5:1

Box 2: (see also text above)

Option Name:	Advantages:	Disadvantages:
Option 1	None	No training takes place
Option 2	Cheaper	No specialist training takes place
Option 3	Achieves synergy between specialist hort training and generic classroom	Losses the synergy between horticulture and Woodland and Tree management science resources
Option 4	Achieves synergy between specialist training facilities and maximises the achievement of outcomes and financial return	Increased cost but proportionally the cheapest option per outcome / economic impact

3.2) The preferred option

Option 4 is the **preferred option**. It exploits the synergistic relationship between the training available in horticulture and in woodland and tree management science to bring learning experience to the widest range of individuals. The return on investment is very strong and the best to be achieved from the combinations. Note, it is not possible to just invest in the specialist facilities without the generic classrooms and teaching space because there would be inadequate space for delivery of associated theory and assessment.

The preferred option best positions the College to provide significant business support both within the project period and, significantly, for the post Brexit period. Businesses across the region need a consistent supply of well-trained and educated new entrants. An indicator of the strength of the college's outcome for students is represented in our 98% positive destination rate; as such we are highly confident of the sector impact of this option.

Works within this option represent excellent value for money both at a per square metre development appraisal and unit output appraisal. Activity within this option supports facilities improvement and in turn allow best practice modelling and skills development so that students enter the workplace equipped with both knowledge and appropriate professional expectations.

Careful planning has ensured that project phases and parts bear strong relations rather than dependencies on each other. Whilst this measure has been employed to reduce project delivery risks it should be noted that the withdrawal of individual themes impacts upon the collective benefit to students and employers.

We have already addressed the key delivery issue of project cash flow by structuring an agreement with our long-term bank – Lloyds.

The preferred option directly underpins the Agriculture and Horticulture Development Board - Skills Strategy 2016 – 2021. The overarching objective of the AHDB is to work with industry and relevant stakeholders to develop a framework which will recognise and secure a professional, confident workforce for the agricultural and horticultural industry which is constantly learning and adapting, acquiring new skills, taking up new technologies and innovating. This is underpinned through five corporate objectives:

- I. Deliver value for money for levy payers
- II. Improve efficiency and productivity in the industry to help levy payers have thriving businesses
- III. Improve marketing in the industry to help profitability and customer awareness
- IV. Improve services that the industry provides to the community
- V. Improve ways in which the industry contributes to sustainable development.

This project will directly support all the above, and provide a mechanism to enhance and increase the interaction between the levy body and the rural businesses across the southeast.

We have conducted and committed to on-going extensive staff and stakeholder consultation on our whole estate strategy to ensure that investment is focused on fully informed design and access schemes. These consultations support the preferred option.

3.3) Issues with preferred option.

There are no issues to be resolved with the preferred option at strategic level.

A number of discussion with industry partners / supported is continuing but should any of these fail, the college has guaranteed to the match funding for the preferred option (4).

3.4) What are the top 5 risks of this option?

This is a low risk project. The main risks are set out in the risk register (Annex 3)

- Cash flow implications caused by project expenditure
- Project slippage / time delay
- Failure to attract suitable contractor (s)
- Potential future educational funding changes by government may further impact upon cashflow and/or the unit value of student outcomes
- Brexit-related price inflation

There are no considerable risks because

- The programme for this project has been structured to reduce the interdependencies between individual elements.
- There are no planning restrictions with this project – all permissions are in place and the site is ready for development.
- As such, whilst each element faces the normal delivery risks of implementation timescales, contractor availabilities and price maintenance, these have been overcome because existing contractors can be used to effect rapid installation.
- To counter against unforeseen increases in build costs and further delays, the College has identified within project costs a £45,000 contingency to cover this.
- The control over build costs will be through the use of formal and detailed contracts (NEC3 contracts). The tendering process allows for ensuring that all elements are cost clarified.
- Brexit or not, the impact of political uncertainty is impacting current business performance and future planning.
- The delivery timescale required for the spend of the LGF means that inflation rises over the very short project period represent little to risk of unaffordability being reached.
- The price base for this project is Spring 2019, and accommodates the price structure up to a late autumn 2019 start.
- The phasing of the LGF spend has been specifically tailored to support the objectives of C2C to distribute funding in a timely manner before September 2020. This has been achieved by allocating the majority of the LGF grant spend within the first half of the project timeframe, with the majority of the College match in the final half of the project timeframe.
- One of the common characteristics of failing colleges are those which significantly exceed 40% gearing. This project has been developed to ensure that college borrowing does not exceed 40%
- The College has a long-term relationship with Lloyds Bank and this represents the level of security of the loan. A Deed separation exercise for loan purposes has been conducted to identify 12 college properties with a combined security value of circa £3 to 3.5m
- Delivery of the scheme will be coordinated by the College's Deputy Principal who has over 15 years' experience in the sector of developing, managing and delivering complex property and construction schemes in the private, higher and further education sectors. He is supported by an internal head of projects together with external advisors led by the College's appointed external project management company.

Please complete the boxes below, answering only those relevant for the theme of your project, referring to the guidance available. **Please also complete the outputs tab of the supporting excel spreadsheet.**

3.5) Economic impact

The economic impact of this project will be significant.

Option 4 (whole project and the preferred option provides the largest impact and return per pound invested)

The estimates of economic impact have been derived in terms of impacts and the principles of monetising these impacts are based on those established through the HM Treasury Green Book (2018). The approach to quantifying gross welfare impacts is based on assumptions developed regarding the impacts of upskilling on labour supply and improved wage rates, expressed in Gross Domestic Product (GDP) terms.

The project returns have been estimated over a 20 year period. It is important to note that we have a minimum of 25 years security of tenure on this site through an existing lease.

The components of economic impact and overall return on investment are derived from the following (See Annex 1 tab 2 for detail):

Element of economic return	Assumptions
Teaching related Income generated from the investment over 20 year life period	The delivery of additional teaching and learning creates an additional income stream for the college. This is through government funding for qualification delivery and from fees paid by private individuals, employees and employers accessing training programmes. The assessment is based on average durations of courses and the average cost paid for comparable provision
Buildings value of the investment over 20 year life span	This is based on the capital value of the investment, averaged over 20 year life expectancy (it reflects the ongoing value of the facility)
Value to economy from Jobs created / safeguarded @ £25k per FTE over 20 years - assumes 50% displacement	The value from the jobs created /safeguarded are estimated using ONS data and assuming 50% impact results from some displacement. Life span is 20 years
Value of jobs unlocked assuming 75% replacement of lower skills for higher skills over 20 years, assumes £68,467 per Job (ONS) and 50% deadweight	The value of jobs unlocked is determined from values sourced by external consultants (Jenicon) and assuming 50% deadweight
Value of move to more productive jobs - National evidence (Demonstrating the Value of HCG, 2013) over 20 year period	This is estimated from assumptions that more qualified individuals will be more productive using the methodology set out in Annex 1 tab2
Value of new enterprises supported (increase in turnover)	The estimate of business impact is based on assumptions that the businesses will increase turnover by 0.5% as a consequence of training but the turnover value for rural businesses generally is scaled back to 25% to allow for the high proportion of microbusinesses in horticulture and woodland and tree management science

The returns from the project are substantial reflecting the broad contributions to economic impact. Given the assumptions above, the overall economic impact have been scaled back overall by 50% to allow for deadweight and hence provide conservative estimates of impact.

Costs, contributions and training outcomes per project component	Option 4 Total project
Total cost per component	£1,852,180
C2C LGF Grant	£831,265
College Cash Match	£331,763
Heritage Lottery Fund	£267,378
College match in kind	£300,900
Industry match	£120,875
Industry match rate	6.5%
Teaching related Income generated from the investment over 20 year life period (Lines 31 to 51)	£4,212,500
Buildings value of the investment over 20 year life span	£1,852,180
Value to economy from Jobs created / safeguarded @ £25k per FTE over 20 years - assumes 50% displacement	£30,250,000
Value of jobs unlocked assuming 75% replacement of lower skills for higher skills over 20 years, assumes £68,467 per Job (ONS) and 50% deadweight	£8,987,475
Value of move to more productive jobs - National evidence (Demonstrating the Value of HCG, 2013) over 20 year period - lines 64 to 77 for estimation	£220,478
Value of new enterprises supported (increase in turnover) (lines 82 to 87)	£19,477,611
Total return on investment over 20 years	£65,000,244
Conservative estimate for deadweight at 50%	£32,500,122
Return on investment per £1 of LGF	£39.1
Return on investment per £1 of total project cost	£17.5

The economic impact of the preferred option over 20 years creates a 39-fold return on the C2C investments and a 75.5 fold return on total project investment.

3.6) Environmental Impact

Environmental impacts will be positive:

- The new classroom building will be manufactured using sustainable timber and recycled composite materials. It will have a sedum roof and has been designed to be naturally ventilated to negate the use of air-conditioning.
- New buildings will be built to meet the required building regulations, reducing use of renewables
- The training delivered will improve the new entrant awareness of environmental impacts and hence influence future business practice. The classroom and greenhouse building will be working examples of best practice.
- All work will be managed to minimise ground and noise impact
- All surface areas will be reinstated to create a pleasant and attractive surrounding, further enhancing our Stanmer campus.
- The development of higher level woodland management skills will position the college to advise and deliver the management of the wider woodland around the campus area – enhancing its productivity and leisure usage.
- Enhancement of the park environment and therefore making it attractive for the general public
- Procurement and waste disposal will be through environmentally positive routes to minimise disposal to landfill. Sequencing of activity to reduce whole scale disruptions and assist in compartmentalising capital works
- The project itself represents a live showcase example of sustainable technologies. Planned learning and outreach work by the college from December 2019 onwards will allow this to be visibly interpreted and provide hands-on opportunities for students and the general public to embed such knowledge and understanding.

3.7) Social Impact

All benefits will be relevant to a C2C-wide catchment as well as at local level. The Preferred Option for the Project will not only generate additional activities on the College estate, but it will also help to ensure the future of Plumpton College, thereby generating 11.5 new FTE jobs and safeguarding a further 13 existing FTE jobs already located at the College within the LEP priority areas – totalling 20 gross FTE jobs.

Plumpton College is an Ofsted rated “Good” College (skills and learning, Feb 2018) and “Outstanding” (welfare, Sep 2018) and the wider social value aspects of College activity are well reported on. The project constitutes a major step in the future development of the College and has the potential to significantly enhance and further widen our contribution towards social value through:

- Increased success of business ventures with consequent positive impact on proprietors
- Enhancement of the student population
- Strengthening employability resilience and progression through more advanced training
- Enhancement to working populations through better trained and more resilient new entrants
- Improved understanding of the value of the positive use of digital media
- Improved social awareness of the value of health and wellbeing through earning outdoors

In general, the students, employees and business principals will have better learning facilities, more up to date technology and an improved environment. The project will support skills development and enhance the technical level of skills thus enabling progression either in education or in finding employment. The project will raise aspiration in young people to engage more fully in their education with clear sightlines into well-paid and productive jobs. It will enhance the link with local employers improving the network through which students develop higher-level skills and can secure employment. We do not anticipate that there will be any negative social effects of the project.

The College Equality and Diversity policy is imbedded within all areas of College life, from marketing/promotional material through to every lesson plan - being ever mindful of minority groups within specific subject specialisms/faculties.

This project will consult with its Steering Group partners on understanding bias and influencing factors within the specific sectors; building on best practice, and consequently be proactive in carrying out equality impact assessments between groups of service users/delegates in terms of:

- Referral source i.e. promotional material, referral organisation etc.
- Student achievement rates by demographic groups
- Delegate/student feedback forms - at both the registration & post training stages
- The outcome of this assessment will assist the project in addressing any short-comings and positively attracting minority groups into the sectors.

The ongoing development of the Student Union at our Stanmer campus will support students with social difficulties and will ensure that students learn in a safe and secure environment which will improve confidence and resilience for the workplace. The Student Union will be self-sustaining which is unique in the area and all students engage with to support personal social development and therefore enhance advancement into employability.

The improved networking and use of digital media will enhance the management and communication through our alumni so that students can continue to receive support and guidance when they progress from college to employment.

3.8) The number of people and businesses positively impacted by the intervention?

The main businesses supported will be engaged in Horticulture and in Woodland and Tree management science. However the wider skills training and the business improvement techniques will attract individuals from wider sector of the land based industry.

In addition, the project will support unemployed individuals to gain skills to enter the workplace with confidence.

Costs, contributions and training outcomes per project component	Option 4 Total project
Number of new enterprises supported	145
Additional student learning	
Number of additional learners (Part time)	200
Number of additional apprentices	48
Training for high value skills provided	400
Community engaged learners	350
Unemployed engaged in training	200
Sector employees retrained and upskilled	600

The table sets out the numbers of individuals the project will engage, some of these will be from micro and larger businesses and also accessing training separately from the workplace requirements.

3.9) Follow on Investment

Additional incomes will be accrued, the primary sources of future additional college incomes will be through course fee leverage and business support activities and modelling of unit costs / financial returns across these activities suggests that the College could accrue an additional sustainable £0.21m in income returns annually (Annex 1) when the new facilities are fully operational.

Over an assumed minimum twenty-year operational lifecycle of the new facilities the additional income generated through the increased capacity creates a sustainable income source to maintain investment in the delivery staff and the specialist delivery resources.

This annual income from ongoing training delivery of £210k means the advanced skills centre will be sustainable for the outset.

We have a 25 year lease on this site with B&HCC. The first 17 years are rent-free ensuring that a maximum return for the ongoing investment onsite maintenance and staffing capacity.

3.10) Skills projects only- Impact on Skills Provision

The project will improve the employability of students by:

- Improving access and engagement with education and training in land based subjects
- Producing more students with higher levels of skills and qualifications
- Improving student resilience and general capability to engage with the work environment
- Developing specific skills in amenity horticulture (greenspace management)
- Training existing employees to develop higher skills levels through locally delivered CPD
- Providing important business start-up and development support to young proprietors
- Intensive modular programmes with residential provision will significantly impact on employers' willingness to release staff: block release aids planning of staff cover and business continuity
- Raising aspiration levels through provision of a progression route for young people and new entrants to become more qualified and experienced in the use of technology for their sector in interest

3.11) Business and enterprise projects only- Impact on business growth

Not Applicable to this project

3.12) Infrastructure and Regeneration and Housing projects only- Physical and aesthetical impact- Does the project make a positive and lasting contribution to the physical, human and cultural environment?

Not Applicable to this project

3.13) If your project results in service and other improvements then please provide baseline data below.

Metric	Baseline		What the intervention will achieve	
	Figure	Year	Figure	By when

Not Applicable to this project

4. The Commercial Case

4.1) Please provide details of your envisaged procurement route.

Plumpton College will lead and manage the procurement for this project and will use its existing Procurement Policy to make appointments for all contractors. This is compliant with EU procurement rules and will demonstrate best value for the private and public sector investment.

The College has a successful record of managing capital builds over a 20 year period c£40m, including C2C, C2C and LSC funded developments, including a £4m educational development at the College’s site at Stanmer Park, just outside Brighton

The bid runs over three financial years. Some of the expenditure has already been incurred within the current project year 1 and all C2C LGF funding will be utilised by Sept 2020.

Forecasted costs have been benchmarked against national QS data published in January 2019. We have applied a regional variance factor of 1.05 and have a clear value engineering strategy

The College has significant experience of procurement – in addition to the capital projects referenced in 4.1 above, the College procures goods and services to the value annually of £9m (half its current turnover. Policies are in place to monitor and guide procurement practices and Senior Management Team have sign off on all purchases exceeding £5000.

Recent experience of tendering and awarding similar contract values for a project commensurate in scope and complexity would indicate that we would expect to attract at least 7 contractors within the region who would be in a position to mobilise within a 9 week period.

The existing layout of our site allows multiple options for phasing which would further allow the project to manage time constraints associated with supply chain capacity

We have also begun to consider the various options for building insulation, which at present is a major factor in building completion dates due to a low supply across the EU. We expect to utilise products such as ‘Tri-Iso 10’ as an alternative to more traditional forms of insulation in order to ensure that fit out stages are not delayed.

4.2) Involvement of private development partners.

There are no private development partners within this project. The development is solely the responsibility of the College and private input is through provision of match funding (cash, in kind and donations / discounts)

4.3) Procurement plan and timescales.

Our preference would be to adopt the NEC3 contract template to set out the relationship between the contractor and the college. Whilst there is a plethora of contract templates in existence we believe that the NEC3 provides clarity, simplicity and flexibility of use. It is clearly written and generally avoids the use of subjective terminology such as “reasonable” and “fair”. This subsequently allows greater confidence in the delivery of outputs.

We recognise that such a contract template requires much more proactive project management from all those involved, which in turn leads to greater site administration. We have factored in the required capacity to administrate the contract.

We do not yet have experience of working within a NEC4 framework and do not have a local partner from whom we can observe the benefits. As such, we would elect to remain with NEC3.

With planning permissions in place, procurement can proceed without delay and all elements should be procured by September 2020. There are a number of small components which do not reach OJEU limits and requirements. Some aspects of ground works are in place since April 2019 and arrangements with suitable contractors can easily be extended.

4.4) How will the project contribute towards social value?

Our response to 3.7 and 3.10 refers.

The College ensures the requirements of relevant legislation related to age, disability, race, gender, religion or belief, sexual orientation, gender reassignment, pregnancy and maternity, marriage and civil partnership are fully complied with.

The College actively advances a culture of celebrating diversity and will maintain an inclusive learning environment of mutual tolerance for all. This includes raising the awareness of what is expected of learners, employees and users of the College whilst they study or work at the College and also provides the opportunity for learners to discuss issues and concerns if they feel that their expectations are not being fully met.

The project will contribute significantly to social value through:

- Increased success of business ventures with consequent positive impact on proprietors
- Challenging stereotypes in specific sectors across the agrifood industry, for example males in agriculture and females in horticultural protected crops
- Enhancement of the student population
- Strengthening employability resilience and progression through more advanced training
- Enhancement to working populations through better trained and more resilient new entrants
- Improved understanding of the value of entrepreneurial approaches
- Improved social awareness of the value of health and wellbeing through earning outdoors
- Enhancement of the student population.
- Engagement at both sites, especially Stanmer of hard to reach people, including NEETS
- Improved understanding of the value of the positive use of digital media

4.5) State Aid Compliance.

This statement of state aid compliance has been accepted previously by C2C and also by SELEP for LGF funded projects. Simply, this project does not create any competitive advantage through economic activity as it will be an integral part of college facility and management.

Economic activity: Plumpton College does engage in economic activity and such activity is minor in relation to our turnover and the sector which we serve. Our economic activities provide a training facility for students and employees and the improvements are designed to create exemplar teaching facilities and not create profit. The College is an exempt charity for the purposes of Part 3 of Charities Act 2011 and we are guided by the Further and Higher Education Act (1992).

Market advantage: No market advantage is gained through this project. A key output of this project is to equip and prime the land based sector with empowering and effective knowledge and appropriately skilled workforces. In doing so we expect to constrain our own economic activity to allow our stakeholders exposure to advice, support, best practice and skills development. Our offer to students and employers is unique and, as such, we are not competing with other local Colleges for students.

Impact on member states: The notion of trading across member states does not apply to the outputs of this project. We currently attract students from across the EU and will continue to do so.

In light of the above, State Aid does not apply to this project.

Plumpton College **has not received De Minimis aid nor does it expect to receive De Minimis aid.** This statement covers the previous 3 financial years (this being the current financial year and the previous two financial years), or over the next 3 financial years. This project does not breach State Aid Regulations.

The only economic advantages conveyed by the project relate to the impact upon beneficiary businesses and individuals. Plumpton College will ensure an equality of approach across the rural sector to allow beneficiaries from across the region to access support.

5. The Financial Case

5.1) what is the estimated total project cost and the amount of LGF being applied for? **Please complete the funding breakdown tab in the supporting excel spreadsheet.**

LGF financial year starts from 1st April – 31st March (Q1 would therefore be April-June). **No rounding up.**

Quarter	Matched Funding Contribution	LGF
19/20 – Q1		
19/20 – Q2		
19/20 – Q3	244,503	353,287
19/20 – Q4	244,503	353,287
20/21 – Q1	132,977	62,345
20/21 – Q2	132,977	62,345
20/21 – Q3	132,977	
	132,977	
Total	1,020,915	831,265

See Annex 1 and Annex 4 for more details

5.2) Please set out the project expenditure items – No rounding up.

The estimates of cost were prepared in July 2019 at the time of the EoI was produced. There is no reason for any change between then and the time of writing (15 August 2019)

Component	Total cost (£) (LGF plus Matched funding)	LGF (£) Capital items only.	Match funding (£)
Skills delivery centre			
Architect fees for campus area	£15,000	£7,500	£7,500
Planning permission fees for campus area	£15,000	£7,500	£7,500
Site clearance, levelling - surface preparation	£7,500	£3,750	£3,750
Drainage installation and channelling	£2,000	£1,000	£1,000
Membrane	£3,000	£1,500	£1,500
Type 1 or 2 sub base (10cm deep)	£15,000	£7,500	£7,500
Tarmac surfacing	£45,000	£22,500	£22,500
Site security fencing and gates	£4,250	£2,125	£2,125
Contingency	£15,000	£7,500	£7,500
Training suite structure	£440,000	£308,000	£132,000
Fit out of training suite	£20,000	£20,000	£0
Toilet block and services	£30,000	£0	£30,000
Project Manager	£32,000	£0	£32,000
SMT Oversight	£17,000	£0	£17,000
Sub Total	£660,750	£388,875	£271,875
Specialist horticulture workspace			£0
Refurbishment of existing traditional glasshouse	£94,980	£47,490	£47,490
Refurbishment & rebuild of perimeter walling	£70,000	£35,000	£35,000
Specialist training glasshouse installation	£85,000	£51,000	£34,000
Fitting out of glasshouse	£100,000	£50,000	£50,000
Glasshouse temperature control	£35,000	£17,500	£17,500
Contingency	£80,000	£40,000	£40,000
Robotic seed planter	£30,000	£12,000	£18,000
Robotic arm for materials movement	£50,000	£20,000	£30,000
Robotic arm developed for fruit picking	£75,000	£30,000	£45,000
Electronic monitoring devices and associated telemetry	£35,000	£14,000	£21,000
Centre Coordinator	£34,400		£34,400
Domestic assistant	£19,500		£19,500
Technician	£24,000	£0	£24,000
Lecturer	£34,000	£0	£34,000
Instructor	£26,000	£0	£26,000
Industry time in kind for consultation	£8,000	£0	£8,000
Sub Total	£800,880	£316,990	£483,890
Specialist woodland and tree management facilities			£0
Workshop space for equipment storage and maintenance	£45,000	£22,500	£22,500
Workshop space for skills training delivery	£140,000	£70,000	£70,000
Amenity management equipment (petrol versions)			£0
1 chainsaws	£250	£0	£250
1 mowers	£600	£0	£600
1 strimmers	£250	£0	£250
1 lawn scarifier	£600	£0	£600
1 hedge trimmers	£300	£0	£300
1 blower	£200	£0	£200
1 pole pruner	£200	£0	£200
1 mist blower	£800	£0	£800
1 stone cutter	£1,100	£0	£1,100
Cordless amenity management equipment (battery versions)			£0
2 chainsaws	£900	£0	£900
1 mowers	£500	£0	£500
1 lawn scarifier	£550	£0	£550
1 hedge trimmers	£450	£0	£450
1 strimmers	£400	£0	£400
1 blower	£350	£0	£350
1 pole pruner	£500	£0	£500
1 stone cutter	£950	£0	£950
1 cordless sweepers	£650	£0	£650
Gator / ATV	£13,000	£10,400	£2,600
Simulator for machinery and plant operation	£45,000	£22,500	£22,500
Timber processing and vegetation management (Wilson's)			£0
1 Firewood processor	£18,000	£0	£18,000

1 Heavy duty log splitter	£8,000	£0	£8,000
1 Tractor mounted winch	£5,000	£0	£5,000
1 Timber handling table	£3,000	£0	£3,000
1 Kindler	£13,000	£0	£13,000
1 Fencing stake conditioner	£7,000	£0	£7,000
Technician	£24,000	£0	£24,000
Lecturer	£34,000	£0	£34,000
Instructor	£26,000	£0	£26,000
Sub Total	£390,550	£125,400	£265,150
Grand Total	£1,852,180	£831,265	£1,020,915
		44.88%	55.12%

5.3) Net Present Value cash flow analysis.

Options	NPV / C2C spend	NPV / Total spend
Option 1 Do nothing, minimum or status quo		
Option 2 (classrooms)	£372	£219
Option 3 Classrooms + hortic specialist facilities	£1406	£556
Option 4 – preferred option - whole proposal	£1995	£640

All details are included in the attached **Annex 4** which sets out the calculations and assumptions for the calculation of NPV, cashflow and return on investment.

Conservatively, the estimates allow for delayed payment from C2C to accommodate any delays in payment on invoice

5.4) Value for money

This project will deliver very good value for money.

As evidenced above the return per pound invested in the project from the diverse sources is 17.5:1

5.5) VAT status

The College is an exempt charity and whilst registered for VAT, input VAT is not totally recoverable. This is because the provision of education is exempt. We operate a partial exemption basis but the amount recoverable is negligible.

Project costs include non-recoverable VAT and professional services

5.6) Financial Sustainability

Our response to 3.9 refers.

This project has good financial sustainability.

The provision of the specialist facilities and teaching space will attract individuals (both young people and adults)

The follow on investment creates additional income through course fee leverage and business support activities and modelling of unit costs / financial returns across these activities suggests that the College could accrue an additional sustainable £0.21m in income returns annually (Annex 1) when the new facilities are fully operational.

Over an assumed minimum twenty-year operational lifecycle of the new facilities the additional income generated through the increased capacity creates a sustainable income source to maintain investment in the delivery staff and the specialist delivery resources.

This annual income from ongoing training delivery of £210k means the advanced skills centre will be sustainable for the outset.

6. The Management Case

6.1) In which financial year do you expect your project to commence? 2019-20 (1 Oct)

6.2) In which financial year do you expect your project to complete? 2021-22 (31 Dec)

6.3) Please set out the key milestones related to the project. Please include planning permissions, funding secured, PR and events.

Milestone	Start date	Completion date
Project approved	Sept 2019	
Planning permission	Already approved	
Contractor procured	Sept 2019	Oct 2019
Site prep works start	June 2019	Dec 2019
Skills centre	Jan 2020	March 2020
Horticultural glasshouse	Nov 2019	July 2020
Workshop for tree management	March 2020	Sept 2020
Student beneficiaries using new facilities	Sept 2020	Ongoing
Hortic/Forestry curriculum advisory panel run through new facilities	Feb 2020	Annually afterwards
Final project evaluation and snagging completed	Oct 2020	Dec 2020

Please note that the funding profile is advanced for the LGF component which **guarantees completion of the LGF spend by September 2020 at the latest**. The subsequent spend and final project completion and ongoing output monitoring will run through to 31 Dec 2022 and will utilise the larger proportion of the college investment and match funding.

6.4) Project management arrangements

The College is successfully delivering on a large C2C funded project which has been the subject of a successful audit and monitoring visit with a resulting rating of 'green'.

We have experience of formal tendering for major construction works and within the last 12 months have supported the tendering process for a £4.7m project, part of which has led to the initial development of our new Stanmer campus.

We are used to managing such workflows alongside normal business and have apportioned time in our management calendar to take this forward

Plumpton College therefore has extensive experience in managing complex capital projects alongside the maintenance of core activities during the academic year. We have a clear and tested management structure for the programme and confidence that our stated match funding is in place.

Our aim is to recruit an Estates Officer to supplement our Estates Team and position our Estates Manager to act as client for the main architect and in doing so to follow the main principles set out by the RIBA report in 2015. The Estates Manager reports directly to the college Senior Management Team who possess experience of delivering other projects of a similar scope and complexity.

The College operates a 7 year strategic plan and over the last three years we have built the capacity of our College Management Team to enable such projects to have direct reports on either a part time or full time basis. Should we be unsuccessful in recruiting an Estates Officer within the right timeframe then our Deputy Principal, James Hibbert (15 years current experience) will assume extended estate management duties at our Lewes site to ensure the capacity of our Estates Manager.

Our strategic plan also ensures the focus by all staff of major priorities to avoid mission drift. We are clear in our investment planning and have tailored our support staff structure to handle this by ensuring that human resources are not pulled elsewhere.

The college Senior Management Team will form the internal steering group for this project and due to the contract management process that will be adopted we are able to overcome problems normally associated with staff absence.

Project update reports will be circulated to key stakeholders on a quarterly basis. This will provide the opportunity for

further individual or group consultation directly with SMT if required. The management and buy-in of stakeholder groups is set as clear project milestones

Stakeholder group	Communications method	Involvement with project	Attitude towards the project
Board of Governors	Quarterly Status report to include top activities, risks and dependencies.	Accountable, decision making, reporting	Champions
Steering group	Monthly status report.	Accountable, decision making, reporting	Champions / evaluators
Plumpton employees	Update bulletin monthly	Interest group	Consultation
Local employer groups	Update bulletin 6 monthly	Interest group	Consultation

Plumpton College has extensive experience in managing complex capital projects alongside the maintenance of core activities during the academic year. We have a clear management structure for the programme and confidence that all stated match funding is in place.

Capital developments at the college, including those funding from own resources, C2C, C2C and LSC have totalled £40m over the last 20 years. All projects have met expectations.

6.5) Key project roles and responsibilities

An experienced Project Management Team of staff within the College, led by the Deputy Principal, supported by project management consultants and representatives from all partners will undertake by day-to-day project management responsibility for all aspects of the site survey, design, planning, procurement, construction and cost management and project implementation. This project team will be responsible for the contract management and for monitoring progress against key milestones.

Financial monitoring and management will be undertaken by the Plumpton College Director of Finance and his team of accountancy staff.

All change requests will be presented to SMT through a fortnightly reporting schedule.

The project team will be:

Estate Manager	Overall responsibility for project delivery
Estates Officer	Day to day project delivery and tracking. Reports to the Estate Manager.
Accounts assistant	support with procurement, expenditure tracking and claim consolidation
Director of Finance	signs of all claims and monitors project cashflow.
The Project Board	SMT (members of which are PRINCE2 trained).
Key delivery staff	Head of Faculty, Grounds & Gardens Manager, Head of Marketing & Customer Experience, Learning Outreach Officer.

6.6) Governance, oversight and accountability

This project will be managed within a PRINCE2 framework.

The project sponsor is Plumpton College. The Deputy Principal of Plumpton College will be the Senior Responsible Officer for delivering this scheme. Plumpton College will be the recipient of the grant funding and the Deputy Principal and Principal will, on behalf of the Board of Governors, be ultimately responsible for the project, for securing its delivery, for managing all partners within this project and for achieving outputs. Project governance will be provided through the Corporation's Finance and General Purposes Committee and be subject to external audit through Masars.

The strategies will be used to monitor the progress of your programme of work will include:

- The Project Board will be the SMT (members of which are PRINCE2 trained).
- This support project will be managed within a PRINCE2 framework.
- A project manager (Estate Manager) will be appointed as an integral part of the project team.
- The interdependencies between elements of the programme are minimal so that each element can proceed within the relevant timeframes.
- All change requests will be requested through the Senior Management Team through a monthly reporting schedule.

- The College has successfully managed numerous multi-strand projects of multi-aspect nature and is familiar with the C2C delivery expectations

6.7) Communications and stakeholder management

Project update reports will be circulated to key stakeholders as set out in 6.4. This will provide the opportunity for further individual or group consultation directly with SMT if required.

6.8) Benefits management

This template has been externally validated and used nationally to evaluate operational effectiveness, sector impact and business case possibilities for colleges nationally.

Benefits will be tracked on a variety of platforms base on the nature of the activity funded:

1. Skills and employment transition outputs will be recorded and tracked on the ILR.
2. Refurbishment and construction work, waste management, site efficiencies and building category changes will be recorded and tracked on our E-Mandate.
3. Project expenditure and receipt of match funding will be recorded on ABW.

We have employed a SEQUEL script writer capable of further modifying each system to produce bespoke reports for this project.

The College Director of Finance and his staff will undertake financial monitoring and management. This will be reported to the funding partners, along with the achievement of key milestones, in line with contractual agreements, to the Board of Governors of the College, and through the College's annual accounts to the Department of Business, Industry and Skills.

Learner enrolments and achievements will be monitored by the College in line with its Learning and Teaching Strategy which will set rigorous key performance indicators to monitor and evaluate the quality of learning, learner recruitment, retention and success.

Early in the project initiation, a benefits management plan will be produced to identify for each outputs and the outcomes, the risk of not being achieved, the individuals responsible for the outcome(s) and actions to mitigate risks.

6.9) Project evaluation – This will be a requirement at the completion of a project.

Due to the elements within this project, our evaluation will take a holistic approach which extends beyond the reporting and analysis of project benefits. This project has the ability to modify the College's business plan and land based sector provision within the area. As such, the post project evaluation will take place in March 2021 using the Area Based Review questionnaire template.

The evaluation will be independently commissioned in three stages:

1. Completion of the questionnaire as at March 2021.
2. Analysis and apportionment of impact and benefit arising for the LGF. This will be achieved by comparison on multiple fronts with the questionnaire as submitted during the ABR process which closed this year.
3. A statement of post-project sustainability achieved and forecasted outputs for the 2020/21 academic year.

The Evaluation Plan will comprise two elements:

- The achievement of the key objectives and key milestones of the project. The project will be evaluated against the stated aim, objectives and outputs will be the key performance indicators for the scheme. Progress against key milestones will be reported to the partners funding the scheme in accordance with Funding Agreements and quarterly claim requirements. Evaluation will involve partners and stakeholders
- A continuous self-assessment of the teaching, learning and assessment carried out in the centre. All learner outcomes, quantitative and qualitative will be reported annually in the College Self- Assessment Report, which is shared with funding bodies and Ofsted.

Recommendation & Declaration

Recommendation- please state clearly the recommended action this business case supports.

The business case supports the action to recommend the preferred project proposal for funding through the LGF

Declaration: I certify that the information provided in this Business Case is complete and correct at the time of submission.

Signature:



Print Name:

Mr James Hibbert

Title:

Deputy Principal

Date:

15 August 2019

Before submitting your Business Case ensure you have all the required supporting documentation:

- One electronic copy of the business case template, signed and dated
- Excel Spreadsheet (both tabs completed)
- Full risk register
- Any other Supporting documents and evidence required (e.g. letter of support from Area Partnership)
- Written evidence to the satisfaction of the Coast to Capital Accountable Body from a practicing solicitor / Counsel that the project is compliant with the EU state aid rules.
- VAT external advice if applicable.