



Skills Committee Action Log

Purpose: The action log records actions recorded in the minutes of Skills Committee meetings and provides an update on officer responses.

Minutes of the meeting on 13 September 2021					
Minute	Report title	Lead officer	Action	Response	Status
19.	Growth Works Management Review – September 2021	Alan Downton	A Member queried which companies had been unsuccessful in relation to Inward Investment Bids so that Members were aware of which companies had already applied. Officers explained that they would provide the Committee with this information.	<p>A short update was sent to Skills Committee Members and Economic Development Officers to update them on the current unsuccessful inward investment opportunities.</p> <p>Going forward members of the Skills Committee and the respective Economic Development Officers will be informed when this materialises</p>	Completed

Minutes of the meeting on 10 November 2021

Minute	Report title	Lead officer	Action	Response	Status
33.	Community Renewal Fund Update	Fliss Miller	Members requested that the information on both projects be circulated quickly to Members. The Director of Business and Skills stated that the briefing would be circulated to the Committee straight after the meeting.	Information on both CRF projects have been distributed.	Completed
33.	Community Renewal Fund Update	Fliss Miller	The Director of Business and Skills stated that the mobilisation plans for both projects would be circulated after the meeting.	Information on both CRF projects have been distributed.	Completed
34.	Employment and Skills Strategy	Parminder Singh Garcha /Fliss Miller	Members discussed the lack of destination data on a residency level and the need for funding to promote collaboration rather than competition. The Chair asked the Director of Business and Skills to review how this could be communicated with government.	<p>Officers have escalated the lack of robust destination data to Department of Education officials and (at the time of writing) are awaiting a response, which will be shared with Members once received.</p> <p>Funding to promote collaboration is being provided by the Combined Authority through the Innovation Fund 2021/22 and the Collaboration Fund, which is providing grants from a £250,000 allocation for collaborative bids.</p>	In progress

Minutes of the meeting on 13 September 2021

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43.	Peterborough University – Phase Three Business Case	Mahmood Foroughi	Officers explained that they would follow up on the details of the benefits cost ratio and feed back to Members.	<p>The question was about the reason BCR for Phase 1 fell from 10 to 6.7 when combined with Phase 3. The short answer is the 6.7 BCR score is effectively a combined average of Phase 1 stand alone and Phase 3 stand alone ratios.</p> <ol style="list-style-type: none"> 1. The economic appraisal in the Full Business Case (FBC), reviewed three options: <ol style="list-style-type: none"> a) Phase 1 stand alone: The first phase of the project to establish the new University Campus in Peterborough with capacity for 3,010 students by September 2022. b) Phase 3 stand alone: this option considers Phase 3 on its own (i.e. completely separately from costs and student numbers in Phase 1) costing £25m to deliver 2,347 students by September 2030). c) Phase 1 and 3 combined: this option reviews the cost and benefits of Phase 1 and 3 added together - the 'Recommended Option'. 2. The table below is an extract from the FBC containing the key numbers used to produce the Benefit Cost Ration (BCR) scores on the three options considered 	Completed

43.	Peterborough University – Phase Three Business Case	Mahmood Foroughi	Officers explained that they would follow up on the details of the benefits cost ratio and feed back to Members.	<table border="1" data-bbox="967 92 1989 544"> <thead> <tr> <th data-bbox="967 92 1245 277">Appraisal Outputs</th> <th data-bbox="1245 92 1489 277">Phase 1 maximum 3,010 students per annum reached in 2023/24</th> <th data-bbox="1489 92 1762 277">Phase 3 – maximum of 2,347 students reached in 2029/30</th> <th data-bbox="1762 92 1989 277">Phase 1 + 3 combined</th> </tr> </thead> <tbody> <tr> <td data-bbox="967 277 1245 365">Total Net Present Benefits (10-year)</td> <td data-bbox="1245 277 1489 365">£294,504,261</td> <td data-bbox="1489 277 1762 365">£68,919,214</td> <td data-bbox="1762 277 1989 365">£363,423,475</td> </tr> <tr> <td data-bbox="967 365 1245 453">Total Net Present Costs (10-year)</td> <td data-bbox="1245 365 1489 453">£29,020,967</td> <td data-bbox="1489 365 1762 453">£25,374,505</td> <td data-bbox="1762 365 1989 453">£54,395,472</td> </tr> <tr> <td data-bbox="967 453 1245 544">Benefit Cost Ratio (10-year)</td> <td data-bbox="1245 453 1489 544">10.1</td> <td data-bbox="1489 453 1762 544">2.7</td> <td data-bbox="1762 453 1989 544">6.7</td> </tr> </tbody> </table> <p data-bbox="1014 611 1989 762">3. The Benefits as per Treasury Green Book guidance for Major Regeneration projects of this scale, are typically calculated over a 10-year period in this case 2020 to 2030, starting from the point when public monies are invested in the project.</p> <p data-bbox="1014 807 1989 1038">4. The economic benefits in this project, stem mainly from an estimate of the teaching jobs and number of graduates created by the project to 2030. The figures used for both projections were provided by ARU on the 6th December 2021. We then calculated the net present worth of the GVA impact of ARU's numbers to produce the BCR calculation.</p> <p data-bbox="1014 1083 1989 1353">5. Jobs and graduates are assumed to deliver GVA benefits annually. So clearly those delivered earliest (say 2020 to 2023), will have more of an impact than those delivered towards the end of the evaluation period when assessed to 2030. The timing of when impacts occur accounts for the main difference between the Benefits tally of Phase 1 stand alone and Phase 3 stand alone.</p> <p data-bbox="1014 1398 1989 1511">6. According to ARUs student numbers, Phase 1 delivers a large and relatively quick impact reaching a capacity of 3,010 by 2023/24. Phase 3 by comparison delivers an initial burst of just</p>	Appraisal Outputs	Phase 1 maximum 3,010 students per annum reached in 2023/24	Phase 3 – maximum of 2,347 students reached in 2029/30	Phase 1 + 3 combined	Total Net Present Benefits (10-year)	£294,504,261	£68,919,214	£363,423,475	Total Net Present Costs (10-year)	£29,020,967	£25,374,505	£54,395,472	Benefit Cost Ratio (10-year)	10.1	2.7	6.7
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over 1,000 students in 2024/25 but then grows incrementally to reach a figure of 2,347 students by 2029/30.

7. Nonetheless with a BCR score of 2.7, **Phase 3 stand alone** does demonstrate High Value for Money according to government guidance. The benchmarks use to assess VfM categories are as follows:

- Poor VfM if the BCR is less than 1.0;
- Low VfM if the BCR is between 1.0 and 1.5;
- Medium VfM if the BCR is between 1.5 and 2.0;
- High VfM if the BCR is between 2.0 and 4.0; or
- Very high VfM if the BCR is greater than 4.0

8. When combined together, the **Phase 3 stand alone** BCR score of 2.7 and **Phase 1 stand alone** BCR score of 10.1 effectively results in a combined average of 6.7.

9. As shown above a BCR score of 6.7 for represents an exceptional return and well above the normal threshold required for public investment.

43.	Peterborough University – Phase Three Business Case	Mahmood Foroughi	The Chair brought the debate to a close by highlighting the rapid progress that was being made on the University and requested that the Committee visit the University in the Autumn. She requested that the Committee be kept up to date with progress on applications and on broader discussions in relation to transport links.	<ol style="list-style-type: none"> 1. A visit to the university will be planned in the Autumn as requested but I would also like to offer the committee a guided site visit in May 2022, if acceptable. 2. Please see the briefing paper which provides an update on the ARU Peterborough outreach activities and engagements towards students' enrolments as well as the initiatives on transport options. 	Completed
44.	Health and Care Sector Work Academy	Fliss Miller	The Chair requested an update report at the next meeting and asked that Pat Carrington attend to update the Committee and answer any questions.	This is on the agenda for the Skills Committee in March	Completed

44.	Health and Care Sector Work Academy	Fliss Miller	She also requested an update in the report to next Committee on feedback on why participants were starting the courses and not carrying on to completion as reflected in the table in the report.	This is on the agenda for the Skills Committee in March	Completed
49.	Digital Skills Bootcamps Update	Fliss Miller	Queried whether the unemployed were able to attend an adult education course without losing their benefits. Officers to update members following the meeting.	The rules have been changed for Bootcamps, allowing learners to study for 16 weeks without losing their benefits.	Completed

50.	Budget & Performance Report	Parminder Singh Garcha	The Director of Business and Skills explained that officers were tasked with undertaking a deep dive review with an action plan to address the underspends and what would be done this and the in next financial year and also what could be transferred across and this would be presented to Committee in March	A 'Deep Dive' has been convened to explore the issue of underspend in the AEB programme. At the time of writing, the findings from the Deep Dive and recommendations to mitigate under-spend have not concluded. An Action Plan is under development.	In progress
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