



Delivering prosperity through innovation

Programme Management Group

12 September 2019

Innovation South Virtual Campus (ISVC) Sparsholt College – Item 6b

Programme Management Group members are asked to:

CONSIDER the details of the ISVC Project, the issues raised by the AECOM due diligence report and the response to these

AGREE that expenditure from the Local Growth Fund (LGF) of £490k is approved for this project

1. Background

- 1.1. A funding call was issued in December 2018 by Enterprise M3 for new projects, deliverable in 2018/19, that will help secure economic growth using the recycled funding from projects supported in the past through the Growing Enterprise Fund and some of the unallocated Local Growth Fund.
- 1.2. The Innovation South Virtual Campus project was marked as an A category project and was discussed by the Programme Management Group on 17th January 2019. The group felt that the project offered significant benefits, however, it was unusual for the Enterprise M3 to fund a project without any match funding. The group agreed that projects such as this would be wholly funded in exceptional circumstances and it was approved to progress to due diligence
- 1.3. The original lead for this project was Brooklands College. However, following the resignation in March of the Principal, the Partners agreed that the project should be led by Sparsholt College.
- 1.4. An update paper was brought to Programme Management Group on 16th August 2019 to seek guidance due to changes with the scheme promoter and the withdrawal of Brooklands College from the project. Programme Management Group agreed that a paper could be presented for consideration by PMG on 12th September 2019.
- 1.5. Due diligence has been undertaken by Steve White of Aecom and a report received.

2. Details of the project

- 2.1. The Project comprises of an alliance between the FE and HE Partners (Basingstoke College of Technology, Royal Holloway, University of London and Sparsholt College – scheme promoter) to design an online learning platform for modular online training, initially with modular units on cyber security and digital & communications skills at Level's 3 & 4. Previously supported by EM3 was the Pathway to the Virtual Campus project that has supported the development of Digital Innovation Centres in 2018/19. This new platform will use those centres in each of the colleges for the face to face delivery for employees who opt for that support
- 2.2. The target student is employees who need to re-skill and upskill their knowledge base. Research with employers has suggested that skills and not necessarily formal qualifications are required within the workplace. This project will develop a short range

of training programmes that will support employees needing a range of skills at different levels. This project will use digital technology to increase the specialist skills of the workforce in response to the needs of employers' and the aims set out the EM3 strategic plan. It will enable rapid upskilling of the existing workforce with specialist skills and enable those retraining or returning to learn industry standard specialist skills with low cost and flexibility.

- 2.3. The plan will be to develop an offer in other areas of need once the platform is established.
- 2.4. All organisations involved in this project are giving time and resources in kind. Following proof of concept, it is planned that the further development of the platform and materials will be supported by business investment in particular from businesses that have benefitted from this project. This will be monitored throughout the project by the steering group. Jeannie Satchell, Head of Skills is the EM3 LEP Strategic Partner on this group.
- 2.5. Project Management support has been given throughout the summer to assist the new Scheme Promoter to review the Student numbers and to focus on the higher training units that will support the regions businesses. The Level 2 units have been withdrawn from the project as these are Education Skills Funding Agency funded. The costs for the project have also been reviewed to ensure that the project is managed within budget.
- 2.6. The College is seeking a grant of £490,000. The grant will support the following:
 - Creation of a virtual digital platform where individual course modules are offered online
 - Provide modules to students at different educational levels
 - Provide flexibility to students to complete modules at various levels that they, or their company requires them to complete (there is no final overarching qualification)
 - Provide a bespoke training package available for every student where they can amass a portfolio of relevant skills
 - Provide tutoring online with the option to also have occasional face-to-face classes
- 2.7. ISVC have identified skills shortages restricting growth and resulting in businesses looking to re-skill existing workers. The needs of businesses change rapidly, and employees are required to possess digital skills at many levels and in many areas
- 2.8. The current model for skills development is considered too slow and expensive as well as not offering enough flexibility to adapt to changing needs. The ISVC proposal is to provide online targeted skills modules, initially at levels 3 and 4 with supporting units in level 5 developed for 2021. The targets are outlined below and will be achieved by the Partners working together to develop these units for delivery within these timescales.

	Level 3 Units	Level 4 Units	Level 5 Units
2019/20	50	30	0
2020/21	250	80	30
2021/22	400	150	40
2022/23	500	300	50
2024/25	600	400	60

3. Independent scrutiny and recommendations

- 3.1. AECOM has carried out due diligence to consider the efficacy of the project and to review its outputs. This work has concluded that the project should be supported, subject to a number of recommendations and risks being considered by Enterprise M3.
- 3.2. AECOM have recommended that EM3 LEP seek confirmation that the project will be delivered within the timeframe stated. Written assurance has been received and a revised work programme put in place that has taken account of the delays to this project. We now expect that this project will start in September with the design stage and a pre-launch between September and December. The project will be formally launched in January 2020. Enterprise M3's funding will be drawn down in full in 2019/20.
- 3.3. AECOM have recommended that that a Memorandum of Understanding be signed by all Partners and shared with the EM3 LEP. This is being addressed and has been sent to the Partners for signature.
- 3.4. AECOM have recommended that the EM3 LEP seek more clarity on costs. This has been addressed. Sparsholt have undertaken a review of the costs to ensure that this budget is viable. All Partners will be clear about the contractual requirements and these are contained within each of the Partner agreements.

4. Summary and recommendation

- 4.1. On the basis of the due diligence report, approval is sought from the PMG to release the funding, subject to the recommendations being implemented and a legal contract.

Jeannie Satchell

29th August 2019