

Enterprise M3 Programme Management Group

15th October 2020

**Gaming and Digital Hub –
Alton College part of the Havant and South Downs Campus (HSDC) – Item 6b**

Programme Management Group members are asked to:

AGREE that the LEP enter into a legal agreement with HSDC to deliver the Gaming and Digital Hub project and allocate £829,845 from the Local Growth Fund for this project.

1 Summary

- 1.1 The LEP has established a process whereby promoters of schemes that have been provisionally allocated Local Growth Fund (LGF) should submit completed full business cases to the Programme Management Group (PMG) for further consideration. For schemes seeking less than £3m LGF, PMG has delegated authority to approve the allocation of this funding directly to projects.
- 1.2 HSDC submitted an Expression of Interest for the Gaming and Digital Hub scheme in April 2020 where it was allocated pipeline status. In July 2020 PMG agreed that it should be progressed to the due diligence stage. The total cost of the scheme is £1,185.493 with Enterprise M3 funding of up to £829,845 sought.
- 1.3 HSDC merged with Alton College in April 2019 and undertook responsibility for a very dated site which requires extensive investment. This project will transform the Stevens building at this Campus to deliver an open plan teaching environment with digital studios to give 885m² of refurbished learning space, accessed by approximately 862 new learners across a 5-year period. There will be 42 jobs created as a result of this project. This project will reflect the vision to create a new identity for the College attracting students and Adult learners.

2 Gaming and Digital Hub

- 2.1 This project is focussed on developing skills in one of our key sectors – digital capacity. HSDC has a goal to develop a bespoke and industry reflective space and to be the first choice for young people wishing to launch themselves in exciting careers in the creative and digital sectors. The College already teaches a successful extended diploma in digital games and design development at its main campus in Havant. This course has had specialist input to ensure sector readiness of Students from EM3's Sector Specialist Sam Read. This course will be extended to Alton Campus when the new teaching and learning space is opened next year.
- 2.2 Consultation with local businesses has shown that what businesses want are students that are work ready when they leave College. The College through this project will integrate digital skills across the curriculum by providing dedicated teaching space that will reflect the modern workspace. The facilities will include open space to teach Scrum and Agile project management methodologies in addition to immersive technology and half of the building will be dedicated to motion-capture and sound production, media, and marketing suites. The College is working with employers to develop a new employer led curriculum that impacts on these subjects and enables the College to be responsive to an employer's market. Students will have access to the latest VR, AR, and simulation-based learning techniques. There are plans to extend the facilities to Adult learners outside of the core College timetable hours.

- 2.3 There is opportunity here to develop a local centre of excellence to meet the needs of local companies. This is an area of economic growth both locally and nationally.
- 2.4 The EM3 LEP has received confirmation from the Principal that the match funding for this project is ringfenced to allow for quick release should this project application be successful

3 Gaming and Digital Hub – Due Diligence

- 3.1 AECOM reviewed the Expression of Interest and raised comments and questions with the scheme promoter who responded to some of these, both in writing and through e-meetings with the project team at AECOM and HSDC.
- 3.2 AECOM have reviewed the build programme and consider this to be robust. They have recommended the development of a procurement strategy. In the interim I have asked for a statement that supports the build timetable and that takes into account the effect of Covid – 19. This has been received with the College citing a significant track record in delivering capital refurbishment work. They have given an example of providing segregating access for Contractors onsite to protect them within the C-19 guidance. They intend to appoint a single contractor following a comprehensive tendering process.
- 3.3 AECOM have recommended that HSDC demonstrate how the governance of the project will be set up. I have received a comprehensive organogram detailing the capital project governance and delivery framework.
- 3.4 AECOM have recommended that HSDC produce an up to date state aid statement. This has been received from Blake Morgan Solicitors
- 3.5 AECOM felt that more work was required around working with local businesses to ensure that the qualifications are relevant to industry. The EM3 has received a detailed answer to this question and work is underway to develop an employer steering group. In addition, the College is working with the EM3 Sector Specialist and the Head of Careers and Enterprise to ensure that this facility meets industry requirements.
- 3.6 HSDC have identified the following outputs for this project. The curriculum will be expanded to support the development of skills needed by industry. This project will create learning space for the application of digital skills. 862 learners will benefit from this project over a five-year period and 42 jobs will be created. The College has been chosen as a pilot for the new T level vocational qualification.
- 3.7 Due to the tight timescales relating to the LGF. HSDC have revised their plans and have committed to delivering this project by 31st March 2021.

4 Funding

- 4.1 The total cost of the scheme identified in the business case is £1,185,493 with LGF of up to £829,845 being sought. I have worked with the College to develop a plan that maximises both the investment of the EM3 LEP and also that of HSDC without compromising quality. The original plans submitted have been reduced in cost and this money has been redirected to other areas of the Campus e.g. a new reception area. Under the terms of the merger HSDC are unable to take out loans for remodelling and redevelopment of the campus. The match funding of £355,648 is the maximum that the College can allocate to this project.

£m	2020-21	Total
Funded Scheme	1,185,493	1,185,493
EM3 LEP Funding	829,845	829,845
HSDC Match Funding	355,648	355,648
Total		1,185,493

5 Conclusion and Recommendations

- 5.1 AECOM have concluded that once the recommended actions have been undertaken that this project is viable and that a grant should be approved.

Criteria	Assessment	Comments
Strategic Fit	Very Good	The Enterprise M3 plays a key part in the UK's successful digital economy. This project will provide a first class digital and gaming hub which will enable students to gain skills and experience in the latest technology thinking and teaching
Low Carbon	Good	The remodelling of this building will create an opportunity to ensure that heating, lighting and insulation are all supplied and fitted to be inline with energy saving strategies.
Digital	Very good	This project will bring the opportunity to create a centre of excellence within the college which enables access to upskilling and development within the immersive tech agenda
Impact of the Scheme	Very Good	The project will have a huge impact on both the Colleges curriculum and its ability to attract students to study at this college
Percentage of Match Funding	Fair	I have worked extensively with the College with this project and have reduced the costs considerably. HSDC merged with Alton College last year and is responsible for the updating and upgrading of the Campus. The campus has lacked investment for several years. HSDC cannot take out loans as outlined in the merger agreement. Therefore, they are offering the maximum amount available within their reserves for this project
Past Performance of Scheme Promoter	Good	This is the EM3's first investment with this College. However, the College has undertaken remodelling works in other areas of the HSDC and has a very good track record in this regard.

- 5.2 The Programme Management Group is asked to **AGREE** that the LEP enters into a legal agreement with HSDC and awards the College £829,845 from the Local Growth Fund for this project.

Jeannie Satchell
 Head of Careers and Enterprise
 6th October 2020