

# Strategic Business Case

All Strategic Business Cases must be received no later than 5pm Friday 21<sup>st</sup> Sept.

Please submit by email to [callsubmissions@sheffieldcityregion.org.uk](mailto:callsubmissions@sheffieldcityregion.org.uk)

## 1 - PROJECT DETAILS

### 1.1 - PROJECT & APPLICANT'S INFORMATION

Project Name:	Doncaster UTC
Project Location/ Address, including Post Code and Local Authority Area:	Keepmoat Stadium, Stadium Way, Doncaster DN4 5JW C/O Doncaster Chamber Doncaster MBC
Applicant Organisation, Size & Company Registration Number (if applicable):	Doncaster UTC Limited
Contact Name and Role:	Doncaster Chamber of Commerce
Address:	Keepmoat Stadium, Stadium Way, Doncaster DN4 5JW
Email:	
Telephone:	
Other Delivery Partners and Roles:	<p>We have a range of employer, education, and university partners who are supporting the UTC including:</p> <ul style="list-style-type: none"> <li>• Hungerhill School</li> <li>• Wabtec</li> <li>• Keepmoat</li> <li>• Hitachi Rail Europe</li> <li>• Volker Rail</li> <li>• Agemaspark</li> <li>• Doncaster &amp; Bassetlaw Hospitals NHS Foundation Trust</li> <li>• Polypipe Building Products</li> <li>• Frog Education</li> <li>• Pennine Stone</li> <li>• The University of Sheffield</li> <li>• Sheffield Hallam University</li> <li>• NCHSR</li> <li>• DMBC</li> </ul>

### 1.2 - FINANCIAL SUMMARY

A - Total Scheme Cost (£)	£1,000,000
B - Total Private Investment (£):	£100,000

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C - Total Other Public Sector Investment (Non-SCR Funding) (£):	£600,000 This is a maximum fund which has to be applied for through a Business Case to the Department for Education. Timelines for this have not yet been confirmed.
D - SCR Grant Funding Sought (£):	£300,000
E - SCR Loan Funding Sought (£):	N/A
F - Total SCR Funding Sought (£):	£300,000
G - SCR as % of Total Scheme Investment (G=F/A):	30%

**2 - PROJECT SUMMARY**

**2.1 – Please provide a summary description of your project, appending any supporting graphics where relevant. This section should be suitable for publishing on your own and the SCR website.**

*[A summary of the scheme – maximum 200 words]*

Opening September 2020, Doncaster UTC will specialise in Advanced Engineering and Digital Design for students aged 13-19. Students will receive an educational experience based on an innovative and engaging learning environment designed to equip young people with the education and qualifications required for a successful future in industry. Doncaster UTC will be a distinctive school led by employers. This will equip young people with the education and qualifications required for future success and will create pathways into university or higher levels of education and to the most significant areas of growth in employment, locally, nationally and internationally.

The UTC will deliver a core curriculum based around STEM (science, technology, engineering and mathematics) subjects, with an opportunity for learners to select units focused towards advanced engineering or digital design. In years 9-11 learners will access a range of employer projects and work experience across four pathways, rail, digital design, construction and infrastructure and advanced manufacturing. In years 12-13 students focus on either advanced engineering or digital design, in addition to the core offer, and will also have an opportunity to further specialise in one of the four industry sectors if they choose. Please see Appendix 1 for our UTC information guide.

**2.2 - Please provide details of what activities SCR funds will be specifically used to pay for.**

*[Set out exactly what SCR funds will be used for (e.g. site remediation). Bullet point will suffice – maximum 200 words]*

We are seeking funding for specialist kit and equipment; a fundamental element of the UTC. Specialist kit and equipment for UTCs is funded through a pot of ring-fenced money provided by the ESFA (Education Skills Funding Agency). In previous UTC projects the maximum available funding was set at £1,000,000 but this has since been reduced. The range of items the fund will be used to purchase include:

- Engineering equipment and machines
- IT licences/software packages to accompany engineering/digital equipment and machines

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- Installation and training/support packages for kit/equipment
- Procuring specialist advice and support in order to design specialist kit spaces, negotiate and procure equipment, and co-ordinate delivery and installation

Discussions with opened UTCs have provided guidance regarding the critical nature of ensuring the right kit and equipment is purchased to be able to deliver the curriculum, that it is purchased and installed in a co-ordinated manner to ensure the UTCs opening isn't compromised, and that it responds to the needs of the UTC and is future-proofed. Many UTCs have previously struggled to afford support packages and provide consumables which are required for some elements of equipment.

**2.3 - We appreciate that this project is likely to be at an early stage of development. Please complete Appendices 1, 2, 3, 4, 5, 7 and 9 with the best information you have currently. If this project progresses further there will be opportunities to update this information.**

**If you think any of these Appendices are not relevant to your project, please explain why below.**

*Please confirm you have completed the relevant Appendices.*

Appendices complete where relevant and attached to this document.

### 3 - STRATEGIC DIMENSION

#### SHEFFIELD CITY REGION STRATEGIC VISION

**Our vision is to create: *A City Region with a stronger and bigger private sector that can compete in national and global markets.***

***To achieve this, we are acting in six areas:***

- 1. Ensuring new businesses receive the support they need to flourish***
- 2. Facilitating and proactively supporting growth amongst existing firms***
- 3. Attracting investment from other parts of the UK and overseas, and improving our brand***
- 4. Increasing sales of SCR's goods and services to other parts of the UK and abroad***
- 5. Developing the SCR skills base, labour mobility and education performance***
- 6. Securing investment in infrastructure where it will do most to support growth***

**3.1 - How will your project contribute to the achievement of the City Region's strategic objectives and to delivering the outcomes of the SCR Strategic Economic Plan?**

For details of Sheffield City Region's Strategic Economic Plan (SEP)

<https://sheffieldcityregion.org.uk/economic-strategy/growthplan/>

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*[SCR's Strategic Economic Plan identifies many economic growths ambitions. We are keen to understand if this project supports our economic ambitions with regards to the skills and employment, and any other related thematic areas. – approximately 150 words]*

Doncaster UTC will meet Strategic Objectives 1 and 3 and, in turn, Thematic Priorities 2 and 5 through the ability to create and develop a pipeline of new employees coming in to the industries who have been exposed to a curriculum and learning experience which has been mapped against industry requirements. The UTC will continually partner with employers to ensure we respond and adapt to new opportunities and learning methods to remain aligned to their recruitment needs.

Our state of the art facilities and purpose-built building will ensure we can deliver the skills, qualifications, and programmes require to ensure Doncaster's young people develop and remain in the surrounding area. Our focus is on destinations for our young people to choose to build a career in Doncaster and the surrounding areas in advanced engineering and digital design. Our governance and project steering group features representatives from some of Doncaster's biggest employers as well as The University of Sheffield, Sheffield Hallam University, Doncaster Chamber, and Sheffield City Region.

## 3.2 – How does your project meet the objectives of this commission?

*[Please identify how this project aligns with the aims and objectives of the SCR Local Growth Fund (LGF) Skills Capital Commissioning Call- max 500 words]*

The purchasing of specialist kit and equipment for Doncaster UTC will directly provide **clear progression pathways for learners, with a rationale as to where learners progress and clear pathways into either the next level of learning, higher education or employment.** Our curriculum delivers a split of 50% at Level 2 and 50% at Level 3.

UTCs have a clear focus in terms of destinations. In 2017, **97% of students** leaving UTCs have stayed in education, begun an apprenticeship, or started a job.<sup>1</sup> From October 2018, the Department for Education will focus on destinations data as opposed to Progress 8 in the performance league tables as they have recognised this is the real benefit UTCs are delivering and at the core of their visions and ethos. In addition, **37% of apprenticeships** undertaken by UTC students are Higher Degree level compared with 6% nationally (footnote link).

UTC work hard to personalise pathways for students. Due to the smaller cohorts, curriculum pathways are often aligned to the needs of the students joining in a particular year (within a range of employer-led requirements). This personalisation allows the UTC to work with employers to identify pathways for young people in a way that cannot be achieved elsewhere.

We also believe the UTC will **proactively push the boundaries of the current skills/education system to test our new, bold ways of working that embed employer input and innovation through co-design whilst responding to the economic need in the Region.**

Although UTCs in England are not a new concept; they are for Doncaster. The UTC is truly born out of the need for a pipeline of talent for our employer partners. Employer support is an intrinsic part of a UTCs delivery. UTC partners:

- Sit at the core of its governance
- Help to create and deliver the curriculum
- Support the delivery of work-related programmes and skills building
- Provide work experience opportunities and careers advice
- Work with teaching staff to build industry knowledge and curriculum relevance
- Provide access to their working environments and kits not available in the UTC

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Without the investment to purchase the necessary specialist kit and equipment the UTC will fail in its vision to be a place of academic and technical learning where the curriculum is aligned to the needs of local industry. Some elements of specialist kit and equipment will be accessed through employer sites, but these items will be highly specialist that cannot be recreated in a learning environment. To ensure the curriculum truly delivers on its promises, the availability of specialist kit and equipment has to be constant and built in to every day delivery.

### 3.3 – What is the rationale for public sector, and in particular, SCR investment in this project?

*[Please specify the market failure or equity objective (see HM Treasury’s Green Book, Chapter 4 (p13 onwards). Detail the opportunities/barriers to economic growth that have been identified, supported by sufficient evidence. Please note that the primary objective of the Local Growth Fund (LGF), is to create jobs and grow the SCR economy. – maximum 200 words]*

Doncaster continues to experience a significant shortage in skills in engineering, advanced manufacturing, construction and digital design to fill existing and new jobs in the future. Between 2014 and 2024 alone there is a predicted net growth in jobs of 12.5% in construction and 31% in advanced manufacturing as well as 21% in low-carbon industries which will require skills in engineering<sup>2</sup>. Of these jobs, 650 will be at Level 4 plus and 425 at Level 6. The net additional jobs growth figure across all sectors is 12,000 by 2024. This UTC has been specifically designed to address the significant skills gap in the region with links to current and future jobs with our industry partners.

In January 2017, Doncaster was added to the list of 12 Opportunity Areas across the UK. Improving education and economic outcomes for young people has been a priority for Doncaster for some time. We remain resolute in tackling the issues that young people across Doncaster face. By providing a unique offer, encouraging young people in to industry, and career options with proven growth and capacity, we believe we can support future growth for Doncaster and the wider city region.

### STRATEGIC DIMENSION ASSESSMENT (TO BE COMPLETED BY THE ASSESSOR)

*Does the project have a clear strategic rationale and align to SCR Growth Plan objectives and the SEP?*

*Will the project, as proposed, meet the requirements of the LGF (create private sector employment and grow the economy) and deliver the objectives of this commission?*

*Are there any adverse consequences if the project goes ahead / does not go ahead?*

<sup>2</sup> Source: Doncaster Business Growth Data

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*Is there a sufficient case for this project to be admitted into the call*

## 4 - COMMERCIAL DIMENSION

**4.1 - Please detail any market testing which has been undertaken to evidence demand/need and provide evidence that demonstrates that the private sector will respond to this opportunity.**

*[How do you know there is sufficient market demand to support this project as proposed? – approximately 300 words]*

Doncaster UTC has received approval through an application process led by the DfE. Our application commenced in May 2015 and has been through several approval gateways. Doncaster UTC have responded to a number of areas of concern flagged by the DfE which have been identified through lessons learned at other, opened UTCs. Our project team have completed actions to address such concerns including:

- Develop and agree a Multi-Academy Trust model with a local group of schools in which the UTC will sit as well as partnerships with local schools with pre- and post-16 expertise
- Address recruitment concerns through pupil-place demand data and a rationale for the needs for a specific offer such as the UTC
- Identification of a site with accessible links to public transport

In addition, our application included a consultation and evidence of demand section which looked at how a UTC would be accepted in the Doncaster area and whether there is sufficient demand. This work (at such an early stage in the project in January 2016 identified a demand for 60% of the maximum number of places available at the UTC in year 1 (300 places). In addition to this our partnering with Hungerhill School and Hall Cross Academy has resulted in the agreement for a total of 60 students being identified to join the UTC each academic year.

In summary, the ability to recruit the required number of students ensures the UTC is viable and therefore able to deliver the needs of local industry. This ensures the UTC can engage with employers and have meaningful outcomes for both industry and its students.

## COMMERCIAL DIMENSION ASSESSMENT (TO BE COMPLETED BY THE ASSESSOR)

*Assessors comments:*

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5 - ECONOMIC DIMENSION		
5.1 – Please complete the following table as a summary of outputs and outcomes to be created by the project.		
Table 5.1 Outputs and Outcomes		
<i>[Please detail the expected high level outputs and outcomes created with (preferred way forward) and without (business as usual) SCR funding.]</i>		
Outputs/Outcomes	Business as usual	Preferred way forward
Outputs:	Three specialist kit labs.	Four specialist kit labs.
	150 learners completing studies without the additionality of applied learning skills using industry standard kit and equipment.	150 highly skilled engineering students per annum ready for the world of work.
Outcomes:	Reduced level of specialist kit which limits curriculum skills delivery capacity.	Enhanced specialist kit to support curriculum delivery and ensure learners are ready for work.
	Reduced curriculum offer.	Ability to align skills and curriculum to industry need using industry quality kit.
	Reduced ability to tailor curriculum directly to industry need enhanced through additional specialist kit and equipment.	Ability to tailor curriculum directly to industry need enhanced through additional specialist kit and equipment.
ECONOMIC DIMENSION ASSESSMENT (TO BE COMPLETED BY THE ASSESSOR)		
<i>Assessors comments:</i>		

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6 - FINANCIAL DIMENSION						
Spend / Funding Profile	18/19	19/20	20/21	21/22 onwards	Total	Funding Status
(A) Total Private Investment (£)	£50,000	£50,000			£100,000	In progress
(B) Total Other Public Sector Investment (non-SCR funding) (£)		£600,000			£600,000	To be claimed through a Business Case process with the DfE
(C) Total SCR Funding Sought (£)		£100,000	£200,000		£300,000	
(D) Total Project Investment (£) (A+B+C=D)			£1,000,000		£1,000,000	
(E) SCR as % of Total Project Investment ((C/D)*100 = E)			30%		30%	
<b>Degree of certainty of cost estimates</b>	<p><i>Choose one of the following:</i></p> <ul style="list-style-type: none"> <li><b>30% (early estimate based on projects of a similar nature)</b></li> </ul>					
FINANCIAL DIMENSION ASSESSMENT (TO BE COMPLETED BY THE ASSESSOR)						
<i>Assessors comments:</i>						

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## 7 - MANAGEMENT DIMENSION

### 7.1 What resources do you require to deliver this project?

*[Please summarise the resources required to deliver the project – maximum 200 words]*

The UTC will utilise expertise across its group of partners to ensure the procurement and delivery of specialist kit and equipment meets the needs of the curriculum. This expertise will span across education (pre- and post-16) and industry to ensure we meet the critical balance between delivering education and meeting employer need. Where there is an identified gap in expertise required we will seek to procure a specialist consultant to assist in this delivery. By doing so this resource may be cost-neutral due to the potential saving through an expert in the field negotiating and advising of our behalf.

In addition, we will involve UTC members of staff as they are recruited. The first will be the UTC Principal who will commence working by September 2019. They will have an integral part to play in the delivery of specialist kit and equipment. We will also utilise, where applicable, the services of our building contractor and technical advisors who have experience in delivering other UTCs and education projects.

### 7.2 Do you have full internal approval for this project to commence works?

**If no, when is this expected?**

*[Specify the process required to secure approval for this project in your organisation and indicate whether this has been completed. Alternatively, state where you are in this process and when you intend to gain full approval – maximum 200 words]*

As detailed within this business case, Doncaster UTC has completed a lengthy application process to gain approval from the Department for Education to open a UTC in September 2020. We are currently completing 5 approval conditions (2 of which have already been completed and accepted by the DfE). A meeting has been organised with the DfE and our project team for November 2018 to review those conditions.

The final approval process is for the Secretary of State to approve our Funding Agreement. We have been advised that this will be early 2020 which is the standard timeline for a UTC. This is to ensure the DfE retain some involvement and control in the project until it is nearing opening.

## MANAGEMENT DIMENSION ASSESSMENT (TO BE COMPLETED BY THE ASSESSOR)

*Assessors comments:*

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## Document Sign Off

### 8 – DECLARATION AND SIGN OFF

*On signing the Strategic Business Case (SBC) the applicant agrees to the following:*

- 1. The Sheffield City Region (SCR) Mayoral Combined Authority (MCA) is a public body and is therefore subject to information/transparency laws and the Local Government Transparency Code 2015. This SBC will be shared with the appropriate SCR Boards including the MCA and Local Enterprise Partnership (LEP). In line with legislation, papers to the MCA and LEP meetings are published in advance and made publicly available. These papers will detail the applicant and summarise the SBC in sufficient detail to allow the members to take an informed decision. At this point, under Local Government access to information provisions, the SBC may have to be made available for inspection to any member of the public who requests it.*

*Once a scheme is admitted onto our programme, in line with SCR’s Assurance and Accountability Framework and Freedom of Information Act (FOI) Publication Scheme, the SBC must be published on the applicant’s and the SCR website.*

*For this purpose, you may wish to also send a redacted copy stating any exemption or exception applied under FOI or Environmental Information Regulations. We will consider any requested redaction. Any comments received after publication are required to be reflected in the OBC and FBC if the scheme progresses further. SCR will require evidence of this through the assurance process.*

- 2. LGF support is not allocated unless and until a Full Business Case has been approved and a Grant Funding Agreement has been executed by both parties. Acceptance of this SBC does not in any way signify that LGF support has been approved towards it.*
- 3. To the best of your knowledge all the information provided in this SBC is true and correct. You acknowledge that the information provided will inform any future contract should a decision be made to support the scheme.*
- 4. You will comply with due diligence requirements appropriate to this scheme. This will be conducted by the SCR Executive Team and further details will be provided if the scheme is approved.*

**Person responsible for the application (Chief Executive or relevant Executive Director in your organisation)**

Name:

Role:

Chairman

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Date:	21/09/18
<b>Counter signatory – Director of Finance</b>	
Name:	
Role:	Head of Finance
Date:	21/09/18

<b>For SCR Use Only</b>	
Scheme Reference Number:	
Date Received/ Accepted:	
Version Number:	
Summary of Amendments: (if applicable)	