



Appendix 14 Executive Summary

A one page executive summary of the proposal for use in reporting to the board Appendix

This project is to build on the success of the current BEMA Training Centre creating additional places for members companies (in particular SMEs) to send their Apprentices. Further investment by local employers with WELEP support to expand the Group Training Association (GTA) proven model to meet employers exacting needs. Increase the number of Advanced Engineering Apprentices and expand the range of training available in line with new Apprenticeship (Trailblazer) Standards. This very closely supports the local growth priorities of the West of England LEP regarding Advanced Engineering provision.

BEMA is an established Trade Association currently representing nearly 100 Members companies. The BEMA Training Centre has been operational now for 3 years and successfully provides the essential foundation phase of the Level 3 Advanced Apprenticeships for its members – Typically this is a full time period of 9 months “off the job” training needed in industry for safety and efficiency reasons.

Learner and employer demand has led to the current facility being over- capacity. Currently the Training Centre is designed for 16 Apprentices. This additional investment will allow for an additional 13 Apprentices places allowing for 29 new starts in September 2017. In years 2 and 3 further investment will enable 11 more places in strategically important skill areas thus enabling a vibrant Engineering GTA of ongoing 40 Apprentices a year capacity.

Year 1- Expansion of existing Machine Shop and creating three new training departments:

- CNC Advanced Machining – Becoming the local “Centre of Excellence”
- Grinding
- CAD capacity

Year 2- Creation of two new training departments:

- Production Engineering CAD/CAM
- Quality Engineering, Metrology including CMM

The above will enable the Training Centre to mirror the equipment found inside a typical SME supply chain Engineering Company. Employers value this approach and the GTA model creates the ownership and drive necessary for the high Quality required in the sector and achieved thus far. These companies now wish to see BEMA evolving into a firmly established Engineering GTA for the Bristol area. For further information on GTA’s see www.gta-england.co.uk.

Changes in project since Expression of Interest submission:	The project has NOT been subject to any material changes since submission of the Expression of Interest
Options Appraisal	We believe the employer ownership of this project in the context of an Group Training Association (GTA) cannot be achieved any other way. The funding gives BEMA and its employers a quick focus linked directly to an WELEP priority area to engage more engineering SMEs. We are not applying for other funding for this project it is all BEMA Member cash/liabilities match otherwise. We are not aware of any alternative Skills Capital Funding so we did not explore or discount any as this route meets both WELEP & BEMA requirement exactly. If we did 'do nothing' – we would simply NOT be able to accommodate the growing number of SMEs and their apprentices in the training centre. If we did "a minimum" we risk not meeting the requirements of the NEW apprenticeship standards in the sector quickly enough and numbers will go down .GTA England is our overarching trade body and are aware of BEMA success and capability to expand provision in the Bristol Area (see gtaengland.co.uk)
Engagement and Consultation <i>Please note: Partners and stakeholders may include local authorities, employers, industry bodies, learners, schools, other providers (FE, Independent, and HE etc.)</i>	Partners for BEMA and key stakeholders are principally its Member Company Employers. Members are SME Employers who are predominantly Engineering Precision Machining companies. We currently have 89 Member Companies who in effect own BEMA. A number of Members sit on the "BEMA Council", they in turn advise the Chief Executive of their exacting NEEDS which this project is a major component of the organisations success going forward. The BEMA council meets monthly and is 100% behind this project. Engineering companies currently on the council are as follows ; Ravenscourt Engineering Ltd ,DS Machining Ltd, McBraida Plc, Broadway Engineering Ltd. Many Local schools have visited us and are engaged. BEMA is central to any students wishing to progress an engineering apprenticeship, this project will increase such stakeholder involvement
Project Assurance	Due to the nature of this project we believe BEMA has all the necessary competencies to complete this project successfully.
Has the project previously been considered by the Skills Funding Agency or other funding bodies?	No
Relationship to other facilities/organisations:	BEMA is an employer owned and led Group Training Association (GTA) so it is unique. Bristol needs a good GTA competing in the market alongside colleges to increase quality and engage successfully with SMEs. However we are in great need to have good relationship with colleges locally to allow progression onto HNC. Also a limited number of Apprentices would go onto degree level (10%) upon completion. We have commenced good links with these organisations and will grow these as the project evolves We have been asked to provide an industrial Governor to one local UTC and are considering this formally. We would be the only organisation with all 3 "industry standard" CNC machining software facilities (XYZ, Fanuc and Siemens). We are opening discussions with GTA England and other parties in relation to becoming part of a future "Institute of Technology". We have no firm plans with this but will consider all positive contributions with related partners WEAFF, EEF etc. as this evolves. For now the focus is 110% on this project

Section 2: Estate Need

Estate Need:

Our strategy is to as close as possible replicate the work and equipment found in a typical Engineering SME in a sheltered training environment – Run to industry standards – We currently have this building on a long term lease and do not envisage major “estate” works.

WE LEP priority sector of Advanced Engineering matches the majority of BEMA members who are in Aerospace, Oil, Nuclear and Automotive supply chains. We have detailed in the Capital Equipment List within this application our requirements.

One key driver is to grow steadily and create a modern, clean, light engineering facility therefore the Estate Need is only to meet this strategic objective.

College Gross Internal Area (GIA) m²:

Due to the nature of the business we have no college eMandate return, however the table below shows increased area for the Project

GIA (m ²) before project	GIA (m ²) affected by project		GIA (m ²) after project
2015 [207]m ² + 43m ² 2016 [250]m ²	New area acquired for project	2017: [127]m ² + 2018[174]m ² = Total [301]m ²	[551]m ² (=207+43+127+174)
	Area to be refurbished:	[301]m ²	
	Vacated/ demolished GIA:	[0]m ²	

Floor Area Improved/Rationalised by Project:

NOTE : This section was not required to be filled in. Re: email from Henry Lawes WE LEP Tuesday , Feb 21, 2017 16:21

Complete Table 2 below to show the area of estate in eMandate condition A, B, C and D before and after the project **Table 2: Impact of Project on Condition of Estate**

Condition of Estate BEFORE project (m ² and %)			Condition of Estate AFTER project (m ² and %)			Change in condition (m ² and %) of estate as a result of the project		
	m ² [1]	%		m ² [2]	%		m ² [2-1]	%
A:			A:			A:		
B:			B:			B:		
C:			C:			C:		
D:			D:			D:		
Total:			Total:			Total:		

{Gross Internal Area (GIA)}

In cases where the data supplied above differs from that reported in eMandate, the LEP requires clarification and an explanation of potential floor space anomalies. Complete Table 3 below to confirm how the ‘before project’ areas and condition categories are derived for this application.

Table 3: Building Condition Variations

Information Source	Condition Category GIA (m ²)				
	A	B	C	D	Total
eMandate reported position [1]	{m ² }	{m ² }	{m ² }	{m ² }	{m ² }
Pre-project figures reported for proposed project [2]	{m ² }	{m ² }	{m ² }	{m ² }	{m ² }
Variance [1-2]	{m ² }	{m ² }	{m ² }	{m ² }	{m ² }

Please explain and justify all variations in the current and historically reported areas and associated condition categories.

Inoperable/Category D Building Condition:

maximum 100 words

Project Costs:

We have Completed the cost breakdown pro forma with reference to the Skills Funding Agency's cost model. See Appendix 1 Simplified Financial Plan Template for non-college provider. There are no project variances or financial spread sheets that need to be further justified or explained e.g. for example any variances from the Agency's cost model.
 Note - £225,492 is the total project cost over 3 of our financial years – 2 years on your profile. The table over provides a detailed breakdown of these costs over the project period.

See NEXT PAGE for Capital equipment list for this project

Skill Area/ Item type (Number of new Additional Workstations created)	Number of Items	Item Description	Amount to be spent by BEMA year one	Amount to be spent by BEMA year two
Year 1 - Subject to change of supplier or exact machine specification – Number of workstations & overall project price in our expansion plans will remain unchanged though				
Turning (2)	2	XYZ/MACH Trainer Lathe (incl digital readout)	£ 5,350.00	
Milling (2)	2	XYZ Manual Mill	£ 4,464.00	
CNC (1)	1	XYZ SMX 250 CNC Mill	£ 5,468.00	
Grinding (1)	1	JONES & SHIPMAN 540 Surface grinder	£ 6,200.00	
Tooling (0)	3	Roller Cabinets & associated tooling for above	£ 2,000.00	
Metrology Section (1)	1	Tensile Testing Machine	£ 2,000.00	
Fitting /Assembly (Sheet metal section tbc) (4)	4	Fitting / Sheet metal Benches & associated tooling	£ 3,000.00	
CAD / CAM Section (5)	5	CAD CAM workstations (incl software/desks)	£ 10,000.00	
Common room & Locker room (0)	2	Improvements to welfare facilities	£ 2,500.00	
Metrology Section (1)	1	Co-ordinate Measuring Machine QTC Quantum 4S CMM	£ 2,370.00	
(Total New Work Stations 17)		Total Investment Cost Yr1	£ 43,352.00	
Year 2 - Subject to change of supplier or exact machine specification – Number of workstations & overall project price in our expansion plans will remain unchanged though				
Turning (2)	2	XYZ/MACH Trainer Lathe (incl digital readout)		£ 3,852.00
Milling (2)	2	XYZ Manual Mill		£ 3,216.00
CNC (1)	1	XYZ SMX 250 CNC Mill		£ 3,936.00
Metrology Section (1)	1	Co-ordiate Measuring Machine QTC Quantum 4S CMM		£ 2,940.00
Advanced CNC (2)	2	XYZ 560 VMC CNC Mill - Siemens controller		£ 16,591.00
Quality Control (0)	2	Granite Inspection table (Metrology direct)		£ 1,600.00
Tooling (0)	3	Roller Cabinets & associated tooling		£ 2,000.00
CAD / CAM Section (0)	5	Upgrade to 3D+ CMM/CAD Software		£ 2,000.00
Metrology Section (0)	1	Mitutoyo Digital Height Gauge		£ 1,200.00
Additional space released for machines required below for September 2019 starts – NOTE - All project purchases complete by end of March 2019				
Turning (1)	1	XYZ/MACH Trainer Lathe (incl digital readout)		£ 10,700.00
Milling (1)	1	XYZ Manual Mill		£ 8,920.00
CNC (1)	1	XYZ SMX 250 CNC Mill		£ 21,875.00
Turning (1)	1	XYZ Trainer Lathe (incl digital readout)		£ 10,700.00
Milling (1)	1	XYZ Manual Mill		£ 8,920.00
CNC (1)	1	XYZ SMX 250 CNC Mill		£ 4,484.00
Tooling (0)	6	Roller Cabinets & associated tooling		£ 4,000.00
(Overall 31 New work Stations)		Total Year 2		£ 106,934.00

BREEAM:	Efficient new lighting and heating will be included at Landlords cost where practical. This is not a new build but a higher than average “very good” will be aimed for within the current property constraints
Sustainability:	BEMA endeavours to create a sustainable environment within the Training Centre. This is achieved through reducing reliance on main source of power (Electricity) through the installation of movement sensing light switches and consideration of Solar Panels onto the new office roof in the next phase of expansion. All waste materials are recycled and Apprentices (and staff) are encouraged to use public transport or cycle to work
Acquisition details (if applicable, freehold/ long leasehold only):	<p>Following discussions with WE LEP we have now acquired an extra-long leasehold of 3 years for the property relating to this project. Our Landlord and his Solicitors have prepared a 3 year lease on our property as reassurance that the project will continue successfully throughout and beyond the grant period. For your information our Landlord (Mr Henry Smart) is also BEMA President and MD of Ravenscourt Engineering. We believe this to be a robust long term arrangement and has been made for all parties concerned.</p> <p>The lease will renew/review annually. Therefore in April 2018 we will sign for a further 3 years and the following April sign for a further 3 year etc. In effect this is a rolling lease of 3 years ahead at any one time.</p> <p>At each review we will increase space made available up to a maximum predicted area required 6 years from now. The document is included in Appendix 2 May 2017 3 Year Lease. This approach will safeguard all our investments. Our business operating income easily covers the costs of this lease and it is built into our 12 month cash flow no problem.</p>
Design/Specification Information:	2 separate floor plans are included in Appendix 3 and 4. This show current 2017/18 and future 2018/19 floor plans over the project period. There are no external works.
Procurement	<p>As this is a small capital machinery ONLY project BEMA has internal “design team” capability. Suppliers are chosen carefully to have “industry standard” equipment. Real Engineering company Managing Directors with a vast amount of factory development experience have been consulted on all the plans for this project. BEMA staff have proven project management in setting up successful training centres.</p> <p>We have a wide network of “installing and commissioning” Engineers who have volunteered to assist in this project already for the greater good of the industry and a testimony to the Employer Engagement available.</p>

Section 3: Supporting Local Economic Growth, , Employers, Local Community - how the project meets the key priorities set out in Section 5 of the LEP's Strategic Economic Plan www.westofenglandlep.co.uk/about-us/strategicplan and specifically the Skills Capital Priorities stated at Expression of Interest Stage

2. Impact on Benefits to Learners and Supporting Economic Growth

<p>Responding to current and future skills needs/priorities:</p>	<p>This project will have a positive and measurable impact on skills , including: Responding to the needs of the WE LEP priority sector of Advanced Engineering in particular. The majority of BEMA members are in Aerospace, Oil, Nuclear and Automotive supply chains. The learner number table shows quantifiable targets. We will be completely responsive and meeting West of England employer AND learner demand through our specialist facilities. Easily creating addition further employer engagement particularly SMEs. And finally we will be working closely with STEM teachers</p> <p>MORE importantly as a valued part of the GTA England Network BEMA as a GTA itself meets the following criteria (this covers the remaining suggested guidance points) :</p> <p>Group Training Association (GTA) Organisational Framework:</p> <ul style="list-style-type: none"> • Not for profit – Any surplus reinvested (no shareholders) • Employer-led Board of Trustees/Directors, including SME representation drawn from local employers who have ownership of the GTA • Members/employers provide strategic direction for training quality and content • Ethical code of conduct • Provides an holistic workforce development service • Expertise and capacity in meeting advanced/technician and higher level of skills needs of Engineering in local LEP context • Mediates between and balances the needs of employers and learners • Has physical premises including Training Centre • Engages in “peer review” and shares good practice/expertise with other GTAs • Engages with schools, colleges, higher education institutions, specialist training providers, and the wider community
<p>Improving the quality of teaching and learner success:</p>	<p>The Quality of Teaching With more machines there will be greater opportunities for apprentices to be able to practice and use machines. Being able to employ more staff with specialised INDUSTRY skills and improve the ratio of apprentice to tutor. Expansion of Training Centre into set areas (CNC, Turning, and Milling) would benefit apprentices by having staff members SPECIFIC to each appropriate area on hand to be able to teach on a one to one basis.</p> <p>Learner Success Greater machine availability to apprentices on a more regular basis (instead of rota) will enable them to be move from one area to another to finish a task</p>

	<p>instead of waiting for a machine to become available.</p> <p>By being able to teach more subjects such as grinding, CAD/CAM it will give the apprentices a greater understanding of industry and practical ability in a wider range of subjects. A more skill diverse Training Centre replicates an engineering environment to prepare them for returning to company and turning quickly into a skilled member of staff.</p> <p>We have NO “inadequate” teaching , will not accept this , WE ARE AIMING FOR GRADE ONE OFSTED in our specialist area</p>
<p>Working With Employers:</p>	<p>The BEMA Council is drawn from its member companies, predominantly local engineering SMEs. They invest their own monies into the organisation. The BEMA Council (Directors) have agreed that up to £50,000 per annum of BEMA reserves be invested in furthering the aims of the Training Centre being :</p> <p><i>“BEMA Bristol Advanced Manufacturing Training Centre – The Centre of Excellence for Advanced Machinist Training in the region – exceeding the NEW Advanced Machinist Apprenticeship Standard requirements</i></p> <ul style="list-style-type: none"> • <i>Manual Machinist Centre of Excellence</i> • <i>CNC Machinist Centre of Excellence</i> • <i>Related Roles : Quality Inspector, CNC Programmers, CAD/CAM Designers, Technical Support, Metrology, Production and Planning Engineering, Project Engineers ”</i> <p>With the introduction of the Levy in 2017 employers are increasingly asking BEMA to support their needs in line with the new standards. It is expected that BEMA membership will grow to engage fully in the new arrangements</p> <p>Due to its success in delivering exactly what employers in the sector want the number of Apprentices has grown from 11 (2014/15) to 16 (2015/16) and now up to 19 (2016/17). The existing training centre is already over capacity with 19 Apprentices starting in Sept 2016. In order to accommodate this over capacity currently two employers have had to send 4 Apprentices on week on/off blocks.</p> <p>BEMA members using the existing training centre have already invested £6,000 -£25,000 each in creating the existing facility and are fully bought into the GTA concept to further invest in its success.</p> <p>Employers consulted which are based within the WE LEP area are as follows:</p> <p>The majority of BEMA members are in Aerospace, Oil, Nuclear and Automotive supply chains in the WE LEP area. The primes are now demanding more evidence of future skills shortages being satisfied through the approved training programs we will be investing in. Exactly what is said in the 2016 WE LEP Local Sector statement.</p> <p>Partners for BEMA and key stakeholders are its Member Companies Employers. Members are SME Employers who are predominantly Engineering Precision Machining companies. We currently have 89 Member Companies who in effect own BEMA.</p> <p>A number of Members sit on the “BEMA Council”, they in turn advise the Chief Executive of their exacting NEEDS which this project is a major component of the organisation success going forward. The BEMA council meets monthly and is 100% behind this project. Engineering companies currently on the council are as follows ; Ravenscourt Engineering Ltd ,DS Machining Ltd McBraid Plc, Broadway Engineering Ltd.</p>

	As already stated current being overcapacity and inability to deliver to employer demand and continue to grow is the main driver for this investment and is fully supported by member companies.																							
Expanding and growing Apprenticeships:	<p>This project will support the expansion and growth of Apprenticeships and employer engagement, with particular reference to: Supporting the growth of apprenticeship delivery at Levels 3 and above. The “primes” are now demanding more evidence of future skills shortages being satisfied through the approved training programs we will be investing in this. Being completely responsive and meeting West of England employer AND learner demand through our specialist facilities. Creating addition further employer engagement particularly SMEs In 2016 our “waiting list” of suitable young people (mainly 16-18) ready to start apprenticeship exceeded 50 – Current capacity only allowed 19 of these to start with us. Currently we have in excess of 100 applicants on our “waiting list” eager to start an Engineering Apprenticeship</p>																							
Learner Numbers:	<p>The table below shows the number of learners that will be benefit from the project over the first three years of operation.</p> <table border="1"> <thead> <tr> <th>Learner “Type”</th> <th>Learner numbers before project [1]</th> <th>Learner numbers after project [2]</th> <th>Change in learner numbers = [2-1]</th> </tr> </thead> <tbody> <tr> <td>14 – 16</td> <td>Nil</td> <td>(No learners but STEM Teacher visits)</td> <td>Impact on numbers below</td> </tr> <tr> <td>16-18 Apprenticeship</td> <td>(11 in Sept 2014) (16 in Sept 2015) 16 is currently a FULL Training Centre of 1st year Apprentices. We have 55 Apprentices in learning, 2nd, 3rd, 4th years. Sept 2016 we took 19 Apprentices on due to demand and provided temporary capacity (19 is 3 over capacity right now!)</td> <td>New Starts: 29 in Sept 2017 35 in Sept 2018 40 in Sept 2019 Plus 2nd, 3rd, 4th years: 88 in Sept 2017 98 in Sept 2018 105 in Sept 2019</td> <td>+ 13 Sept 2017 + 19 Sept 2018 + 24 Sept 2019 = 56 Total 56 High Value Level 3 (4) Advanced Engineering Apprenticeship</td> </tr> <tr> <td>Adult (19+) Apprenticeship</td> <td>5 Apprentices in learning, 2nd, 3rd, 4th years.</td> <td>As the changes to apprenticeship Standards kick in employers are expecting the 16-8 numbers to reduce but be transferred to the 19+ Category</td> <td>Will increase by 33% approx. over 3 years</td> </tr> <tr> <td>Total</td> <td>16 new starts per Annum 60 2nd, 3rd, 4th years Total 79</td> <td>29 increasing to 40 new starts per annum 2nd, 3rd, 4th years: 88 in Sept 2017 98 in Sept 2018 105 in Sept 2019</td> <td>56 Extra New starts over 3 years plus (2019 we will have 105 in learning + 24 New Starts = Occupancy of 129 Apprentices)</td> </tr> </tbody> </table> <p>Note Reference Learner Numbers Table – NEETS or Adult or Unemployed or Disabled could well be included in the numbers above if selection criteria is met. We have an open equality policy to any persons applying. At this stage we could not split the categories down any further</p>				Learner “Type”	Learner numbers before project [1]	Learner numbers after project [2]	Change in learner numbers = [2-1]	14 – 16	Nil	(No learners but STEM Teacher visits)	Impact on numbers below	16-18 Apprenticeship	(11 in Sept 2014) (16 in Sept 2015) 16 is currently a FULL Training Centre of 1st year Apprentices. We have 55 Apprentices in learning, 2nd, 3rd, 4th years. Sept 2016 we took 19 Apprentices on due to demand and provided temporary capacity (19 is 3 over capacity right now!)	New Starts: 29 in Sept 2017 35 in Sept 2018 40 in Sept 2019 Plus 2nd, 3rd, 4th years: 88 in Sept 2017 98 in Sept 2018 105 in Sept 2019	+ 13 Sept 2017 + 19 Sept 2018 + 24 Sept 2019 = 56 Total 56 High Value Level 3 (4) Advanced Engineering Apprenticeship	Adult (19+) Apprenticeship	5 Apprentices in learning, 2nd, 3rd, 4th years.	As the changes to apprenticeship Standards kick in employers are expecting the 16-8 numbers to reduce but be transferred to the 19+ Category	Will increase by 33% approx. over 3 years	Total	16 new starts per Annum 60 2nd, 3rd, 4th years Total 79	29 increasing to 40 new starts per annum 2nd, 3rd, 4th years: 88 in Sept 2017 98 in Sept 2018 105 in Sept 2019	56 Extra New starts over 3 years plus (2019 we will have 105 in learning + 24 New Starts = Occupancy of 129 Apprentices)
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	<p>The table below shows the number of learners that will benefit from the facility originating from within and outside the boundary of the WE LEP area over the first three years of operation</p> <table border="1" data-bbox="456 159 1508 421"> <tr> <td>Number of learners drawn from within the WE LEP area</td> <td>90% plus</td> </tr> <tr> <td>Number of learners drawn from outside the WE LEP area</td> <td>10% maximum</td> </tr> <tr> <td>TOTAL:</td> <td>100% Most learners and companies would travel to work/learning within a 30(45) minute radius of our North Bristol/Yate Location</td> </tr> </table> <p>The table below to provide a breakdown of the learners that will benefit from the facility by NVQ level of study they are undertaking over the first three years of operation</p> <table border="1" data-bbox="456 524 1508 728"> <thead> <tr> <th>NVQ Level</th> <th>Number of Learners</th> </tr> </thead> <tbody> <tr> <td>Level 5</td> <td></td> </tr> <tr> <td>Level 4</td> <td>6</td> </tr> <tr> <td>Level 3</td> <td>50</td> </tr> <tr> <td>Level 2</td> <td></td> </tr> <tr> <td>Level 1</td> <td></td> </tr> </tbody> </table>	Number of learners drawn from within the WE LEP area	90% plus	Number of learners drawn from outside the WE LEP area	10% maximum	TOTAL:	100% Most learners and companies would travel to work/learning within a 30(45) minute radius of our North Bristol/Yate Location	NVQ Level	Number of Learners	Level 5		Level 4	6	Level 3	50	Level 2		Level 1	
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Curriculum Areas:	The curriculum area is to cover the Foundation training elements of all the newly emerging Apprenticeship Standards. In particularly that of Advanced Machinist and Manufacturing Technician at Level 3. Increasing capacity by 56 apprentices over 3 year project period.																		
Social Inclusion, Equality & Diversity and Protected Characteristics:	We endeavour to have a fair project in line with our equality and diversity policy. We will proactively aim to address any identified equality and diversity issues during this project and aim to improve under represented areas typical to the industry. We will measure and review this as one of our project KPIs																		
Working with those who are disadvantaged and/or disengaged:	<p>We will develop a plan to reach and have impact on the following groups:</p> <ul style="list-style-type: none"> • Those aged 17-24 who are unemployed • Those aged 25-49 who are unemployed • Those aged 50+ who are unemployed • NEETs aged 16-24 • Individuals who experience a disability (both physical disability and/or mental disability) • Individuals who live in areas experiencing high levels of deprivation • Individuals who are experiencing addiction • Individuals who are impacted by the Government's Fuller Working Lives policy • Other groups who are socially disadvantaged and/or disengaged 																		
Learner Progression:	We would expect approx. 10% of Apprentices commencing at Level 3 to progress to Level 4 with partner college or universities																		
Employment	<p>The table completed below provides a breakdown of the number of direct jobs that will be created and/or safeguarded for the first year of operation of the facility</p> <table border="1" data-bbox="456 1693 1508 1798"> <thead> <tr> <th></th> <th>Aggregate salaries</th> </tr> </thead> <tbody> <tr> <td>Created</td> <td>£70,000</td> </tr> <tr> <td>Safeguarded</td> <td>£271,000</td> </tr> </tbody> </table> <p>The table below provides details of aggregate salaries relating to the created jobs and safeguarded jobs shown above for the first year of operation of the facility</p> <table border="1" data-bbox="456 1899 1508 2002"> <thead> <tr> <th></th> <th>Number of jobs</th> </tr> </thead> <tbody> <tr> <td>Created</td> <td>2</td> </tr> <tr> <td>Safeguarded</td> <td>8</td> </tr> </tbody> </table>		Aggregate salaries	Created	£70,000	Safeguarded	£271,000		Number of jobs	Created	2	Safeguarded	8						
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Section 4: Financial Value for Money and Affordability

Investment Appraisal and Running Costs:	<p>The table below shows the cost and Net Present Value (NPV) of this project. As this is a small capital only project we have made the assumption it is with all the other documents provide sufficient investment appraisal information. We are 100% confident that NPV would always exceed costs.</p> <table border="1"> <thead> <tr> <th>Option</th> <th>Cost (£000)</th> <th>NPV (£000)</th> </tr> </thead> <tbody> <tr> <td>Proposed project</td> <td>£225,429</td> <td>TBC - Much greater than cost Relating to turnover & profit in Appendix 1</td> </tr> </tbody> </table>	Option	Cost (£000)	NPV (£000)	Proposed project	£225,429	TBC - Much greater than cost Relating to turnover & profit in Appendix 1												
Option	Cost (£000)	NPV (£000)																	
Proposed project	£225,429	TBC - Much greater than cost Relating to turnover & profit in Appendix 1																	
Project Funding/ Finance:	<p>BEMA is financially viable after taking into account our contribution to this project. Project costs do not exceed £10 million or 25 per cent of turnover and we have “Good” financial health currently, improving to “outstanding” over the project period. The table completed below shows how the project is to be funded / financed:</p> <table border="1"> <thead> <tr> <th>Project funding/financing</th> <th>Capital cost (£000)</th> </tr> </thead> <tbody> <tr> <td>Private sector</td> <td>£ 114</td> </tr> <tr> <td>LEP Skills Capital funding</td> <td>£ 75</td> </tr> <tr> <td>College contribution (cash reserves)</td> <td>£ 0</td> </tr> <tr> <td>Loan finance</td> <td>£ 36</td> </tr> <tr> <td>Disposal proceeds</td> <td>£ 0</td> </tr> <tr> <td>Other public sector grants</td> <td>£ 0</td> </tr> <tr> <td>Other</td> <td>£ 0</td> </tr> <tr> <td>Total</td> <td>£ 225</td> </tr> </tbody> </table>	Project funding/financing	Capital cost (£000)	Private sector	£ 114	LEP Skills Capital funding	£ 75	College contribution (cash reserves)	£ 0	Loan finance	£ 36	Disposal proceeds	£ 0	Other public sector grants	£ 0	Other	£ 0	Total	£ 225
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Other	£ 0																		
Total	£ 225																		
Expenditure Profile:	<p>We have completed the detailed monthly expenditure template and understand when successful this will be used to determine grant payment profiles. See Appendix 5 WE Skills Capital Eligible Spend Profile BEMA and Appendix 6 Skills Capital Project Profile SFA BEMA April17 March19</p>																		
Post-Project Reviews:	<p>We confirm that a Post-Occupancy Review (POR) will be submitted in the LEP's agreed format within 12 months of the completion of the project : YES</p>																		
Governing Body Minutes:	<p>Minutes to confirm approval of project details, expenditure and loan requirements can be found in Appendix 7 Minutes of the March 2017 BEMA Council meeting</p>																		
Post Build	<p>BEMA is a going concern it's no additional sources of funding are required to sustain the ongoing operation of the capital asset once the capital equipment purchases has been completed.</p>																		
Letter from Bank / Accountant/ Chief Financial Officer	<p>See Appendix 8 Letter from our accountants confirming BEMA financial capability. Against the suggested points required for this project In addition BEMA Chief Executive has drafted an additional letter acting in the capacity of Chief Financial Officer this can be found in Appendix 15</p>																		

Section 5: Programme

Programme for Completion:	<p>The project is ready to commence and will be completed in 3 phases but complete by March 2019. The project will be focused around the 2017, 2018 and 2019 September Apprenticeship starts. Therefore the investment activity will primarily take place in June, July and August of 2017 & 2018. Some activity will be carried over in first quarter of 2019 in order to be included in three BEMA financial year (equals two of yours)</p>
Anticipated start date:	April 2017
Anticipated practical	March 2019

completion date:	
Planning Consents:	Not required for this project , only minor interior modifications required
Land Acquisition and other consents	Not required for this project, (but 3 year lease is now in existence and covered separately. See Appendix 2 May 2017 3 Year Lease
Project Management and Governance:	<p>Current key performance indicators – to be used by BEMA council during and ongoing for this project</p> <ul style="list-style-type: none"> • Members/Employers still paying for a quality training service • Satisfaction survey results (every 12/6 months) • Repeat business • Apprentices leaving (completions & non-completions) • Apprentices on Traffic Light (Red Concern AND positives Greens) • Classroom and workshop “weekly review” Apprentices • Timely Completions • Internal Quality Assurance Policy implementation and External Verifier reports • Self-Assessment and Ofsted - Aiming for grade 1 (as we grow grade 2 is more realistic) • Social Inclusion, Equality & Diversity and Protected Characteristics • Working with those who are disadvantaged and/or disengaged • GTA England Award Winners • EEF National Apprentice Awards Winners
Internal and External Project Team Appointments:	Project Manager: Ian Mynett, BEMA Chief Executive, supported completely by the BEMA Council and employees. A competed Electrical Engineer is available within BEMA Membership for all installation & commissioning works

Section 6: Risk

Risk and Mitigation:	See Appendix 9 Risk Register .This highlights the potentials major risks to the project, lack of take up, non-delivery of expected outcomes, relating to funding).We have identify the likelihood and impact of each risk and identified risk mitigation measures. We have a business continuity plan .Furthermore at the next BEMA Council meeting it has been agreed to do a full PEST & SWOT analysis of the business to enable more detail going forward as we continue to grow. This will be shared with the WE LEP however we do not envisage any great major risk that cannot be counteracted upon. In the future ongoing council meetings will monitor the project to ensure it is successful.
Risk Register	See table Appendix 9 Risk Register .Our risk register covers this second stage application in the suggested format below and using your suggestions. We do not foresee any further risk only minor item that may be further focused when carrying out the PEST & SWOT analysis above .(e.g. lack of take up, non-delivery of expected outcomes, relating to funding)

Section 7: Past return on Investment

Lessons learned and past return on investment	Has the applicant completed a major capital project in excess of £500,000 in the last five years? NO (Although we had a successful growth fund in 2014/15)
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Section 8: Measurable Project Objectives

Measurable Project Outputs

Measurable Project Objectives – We have identify xx specific outputs :

- This project with further expand Advanced Engineering provision by a total of 56 new extra Apprentice starts over the project period.
- At least 36 new employers will be engaged as a result. The target audience would be small (less 50 employees) engineering companies typically in the Aerospace, Oil, Nuclear and Automotive supply chains.
- Successfully adopting the new apprenticeship standards and engaging in the digital apprenticeship / levy arrangements will be a further change driver during the project period
- An increasing number of STEM teachers will be able to attend the Training Centre to discover more accurately what an Engineering Apprenticeship involves – Initially we have targeted 10 per year
- A Monitoring and Evaluation Plan setting out how achievement of the project outcomes will be produced for your assessment in the first three years of operation.

Section 9: Declaration

Declaration:

We certify that the information provided in this Detailed Application is complete and correct.

This project has not been the subject to any other successful College Capital Investment Fund (CCIF) application to the Skills Funding Agency or received any other public capital funds.

We confirmation that there is either no state aid position, or a compliant position has been established.

Signature
(Chief Executive) :

Print Name: Ian Mynett

Date: 5 April 2017

Notes

- One hard copy of the application form, signed and dated was Posted as requested 1st Class Signed for on 5/4/17
- One electronic copy of the application form, signed and dated – email to Henry Lawes from Clare Brownsey BEMA 05/04/17
- Completed sheet detailing capital equipment costs using the format detailed in section 2 – This can be found on page 6 , section 2
- Evidence that planning permission has been sought and gained – Not Applicable to this project
- The project programme is easily planned and phased with necessary milestones made by BEMA internally we can do our own e.g. design work, procurement etc. for a project of this scale – No building works and we are located in a establish industrial factory unit
- Our employer engagement strategy is central to what we do at BEMA as an employer owned Engineering Group Training Association (BEMA Council will monitor and has approved all project stages pre, during & post). This guarantees that the kit and equipment purchased meets industry standards and that the teaching techniques used prepare learners to a standard employers require for the NEW Apprenticeship Standards
- Completed building cost breakdown analysis form
- A Monitoring and Evaluation Plan will be developed for you to assessed the first three years of the project operation

Appendices referred to in the report document:

1. Simplified financial plan template (SFA)
2. New premises lease from May 2017 for 3 Years
3. BEMA Office and Training Centre Floor Plan 2017/18 (no external work)
4. BEMA Office and Training Centre Floor Plan 2018/19 (no external work)
5. WE LEP Planned expenditure profile encompassing both grant and match funds
6. SFA Monthly expenditure template
7. Minutes confirming governing body approval for the project - Minutes of the BEMA Council Meeting No:2783 held Tuesday 28th February 2017
8. Letter from BEMA Accountants/ Chief Financial Officer supporting plans (see section 4)
9. BEMA risk-register and risk management plan for the project (as per section 6)

Other Information relating to this project (as requested) :

10. Copy of BEMA latest audited accounts
11. Evidence and confirmation of the organisation's cash reserves – Cambridge & Counties cash reserves statement – Note this has not be touched by BEMA for 3 years now but has been agreed in minutes that it can be used to aid cash flow in the project period. We also have a current account in the black in terms of cash flow for 12month and a further deposit account of approx. £60,000 reserve
12. Sample of previous Lombard Lease Purchase Agreement with purchase option included
13. Sample of previous Lombard Lease Purchase Agreement with purchase option included
14. A one page executive summary of the proposal for use in reporting to the board Appendix
15. Letter from BEMA Chief Financial Officer

BEMA RISK REGISTER

Risk	Consequence	Probability (Low / Medium / High)	Impact (L / M / H)	Red / Amber / Green Rating	Actions to mitigate risk	Residual Probability After Mitigation (L / M / H)	Residual Impact After Mitigation (L / M / H)	Residual Risk Rating After Mitigation (RAG)	Risk Owner
lack of take up,	Machinery underused	Low	High	Amber	We do not believe this will happen , we will divert resources to ensure the centre is full to over capacity at all times	Low	Low	Green	BEMA
non- delivery of expected outcomes	Unhappy BEMA/WE LEP	Low	High	Amber	Will not happen , we will divert resources to ensure the centre is full to over capacity at all times	Low	Low	Green	BEMA
relating to funding	Lack of funding	Low	High	Amber	It will take us a lot longer to reach our goals but we will "find another way"	Low	Low	Green	BEMA

Risk Rating

Probability

Impact

	Low	Medium	High
Low	Green	Green	Amber
Medium	Green	Amber	Red
High	Amber	Red	Red

The British Engineering
Manufacturers' Association
Limited



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Appendix 15

5th April 2017

Mr H Lawes
Skills Capital
West of England LEP
Engine Shed
Temple Meads
Bristol
BS1 6QH

Dear Henry

Letter from Chief Executive acting in the capacity of Chief Financial Officer

We have accounted for bank reserves and projected cash flow up to three years after the completion of the project and we are currently in sound financial state and will not be put into financial difficulties as a result of this project and any other financial commitments made by the organisation

All relevant financial approvals are in place within BEMA to deliver the project as set out in the second stage application. Sources of match funding are confirmed and in place.

All appropriate financial due diligence has been undertaken by BEMA in respect of the second stage application

All the staff and other resources have been identified and committed for the project by BEMA for this project to be successful

Yours sincerely

I.D.Mynett

Ian Mynett
Chief Executive