

From:
Sent: 04 April 2016 10:51
To:
Cc:
Subject: RE: Info for Brecon SOC

Hi,

Hope that you had a lovely time whilst on leave.

The main points raised in the meeting were as follows:

The Capital Panel were generally supportive of the proposal, however, there were a number of issues that required clarification and as a result of that, the Panel felt that the Case needed further development.

At present, the Business Case is presented as an OBC, however, it reads more as a SOC. The reason for this is that at OBC, you are typically providing an economic assessment of the shortlisted options; have a detailed procurement plan; affordability and match funding is clarified; and you are seeking approval to go to tender. At the moment, the case is not at this stage and needs further development.

There were also a number of questions raised around finance:

The Matrix, identifies that Powys has c£19 million allocated in principle for Brecon. The Business Case is for £45 million. The shortfall of c£25 million relates to the FE element of the build. At the time that the Business Case was submitted, it did not make clear that the FE college would be seeking half of this sum. This means an additional £12.5 million from the Programme. This needs to be clarified in the Business Case.

In addition, as this increased sum relates to an expansion of your Programme envelope, a revised SOP will need to be submitted to seek this additional funding.

Both Powys LA and NPTC need to clarify sources of match funding. NPTC in particular makes reference to a number of sources of funding, including Prudential Borrowing (this is available to the authority, but as far as I know, not to the FE sector. If this is the case, is there an agreement in place?), ERDF (we have been told previously that this is not directly available to the FE sector) and pensions / loans. It would be useful to understand where the match funding will actually come from, and whether the college can afford the loan payments. For example: if the college was to borrow £12.5 million, the repayments are likely to be £x pa. This will be funded by xxx.

Happy to discuss further.

Best regards

Yr Uned Seilwaith / Infrastructure Unit
Education and Public Services Group/ Grwp Addysg a Gwasanaethau Cyhoeddus

From:
Sent: 04 April 2016 10:13

To:
Cc:
Subject: Info for Brecon SOC

Hi ,

Hope you are well?

Following our telephone meeting two weeks ago I was wondering if you were able to confirm the points that were raised around the detail required for us to complete the SOC for the beacons campus.

Apologies if you have sent them through and I have missed them - I have been on Easter leave.

Many Thanks

Schools Transformation and Post 16 Commissioning Programme Manager
Cyngor Sir Powys / Powys County Council