

# OUTLINE STRATEGIC BUSINESS CASE

Directorate	Corporate Services
Scheme Name	Wye Valley Trust – Education Centre Investment
Budget Holder	Andrew Lovegrove - Director of Resources and Assurance

## Project aims and objectives:

*Scheme description and demonstration of links to corporate priorities and savings plans.*

To form an investment partnership between Herefordshire Council and Wye Valley Trust to enable the development of an Education Centre at Hereford County Hospital. This project presents opportunities to close the gap of a lack of education providers who offer higher level training, especially in the health and social care sector. By having the opportunity to create an education centre on the premises of the hospital, this is creating a local skills improvement plan, providing a much needed opportunity to train and upskill staff and attract new people to Herefordshire.

## Strategic alignment:

- **Strengthen communities** - We are committed to supporting our NHS partners across Herefordshire to deliver their long-term ambitions within our communities. There is substantial positive community impact that will arise from this initiative. By investing in an education centre, Wye Valley Trust will be able to offer advanced staff training, which in turn will retain staff at the hospital with higher skills. This will reduce the need for patients to travel out of the County to specialist hospitals for treatment.
- **Support the economy** - We will continue to support the significant growth of education opportunities within the county to provide new opportunities for younger people to live and learn locally. The council will promote a culture of lifelong learning and enable access to tools and resources to support upskilling, reskilling and employability by providing routes to training opportunities, apprenticeships and hands-on experience.
- **Herefordshire County Plan 2020-24** - We will continue to serve the people of Herefordshire, by investing prudently to continue to deliver the services that our residents need and to invest in the education and skills needed by employers.
- **Herefordshire Big Economic Plan 2050**
  - **People** – Herefordshire will be a great place to grow up and to grow old, with a growing, highly skilled population, attracting young people and families who move here and stay. A thriving University City and strong offer across our colleges and training organisations.
  - **Investment** - Increased investment in infrastructure, alongside growing inward and business investment, throughout the county.

## Estimated costs and funding sources:

	2024/25	2025/26	2026/27	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
<b>Capital cost of project</b>					
Construction costs	6,000				6,000
<b>TOTAL</b>	6,000				6,000
<b>Funding sources</b>					
Return on investment	6,000				6,000
<b>TOTAL</b>	6,000				6,000
<b>Revenue budget implications</b>					
<b>TOTAL</b>					

**Benefits and risks:**

*The anticipated benefits and risks of the proposed project plus risks of not going ahead with the scheme.*

The development of an integrated education centre for the Trust and local community will provide:

- Multi-professional education.
- Equitable and life-long learning for all staff.
- An exemplar education facility available to a wide range of local community groups, serving the public, patients and service users.
- An education facility that is shared with partners and supports learning far beyond traditional healthcare education.
- If staff can be retained and developed at the hospital more treatments will be available to local residents, resulting in a more efficient offer to patients.
- If staff are retained at the hospital then the long term viability of the service is maintained.
- The community will be able to use the centre with training and development on offer to Herefordshire residents, helping retain higher level skills within the County thus growing the economy.
- The community hub model will strengthen the partnership working across the county resulting in more efficient services being provided to residents.

Risks associated with not proceeding have been identified as:

- Loss of opportunity to establish an investment partnership with Wye Valley Trust, thus delaying the opportunity for the Education Centre to be built.
- Residents will continue to travel outside of Herefordshire to access training and education opportunities.
- Loss of opportunity to grow and develop a highly skilled population.
- Limiting the attraction for young people and families to move to Herefordshire.

The indicative figures are based on the outline strategic proposal, however costs are subject to the final business case provided by Wye Valley Trust once build costs have been confirmed.

# OUTLINE STRATEGIC BUSINESS CASE

<b>Directorate</b>	<b>Corporate Services</b>
<b>Scheme Name</b>	<b>Herefordshire and Worcestershire Group Training Association (HWGTA) - Development of Vocational Work Based Skills Investment</b>
<b>Budget Holder</b>	<b>Andrew Lovegrove - Director of Resources and Assurance</b>

## Project aims and objectives:

The aim of the project is to form an investment partnership with HWGTA to support the organisation to establish a new Centre of Excellence on Plot 7, Skylon Park to enable further development of vocational work based skills across the county.

### County Plan 2020 - 2024

“Skill-up – Encourage continuous investment in our local workforce and a culture of lifelong learning in our community.”

“Strengthen the use of our assets– Work with our anchor organisations to be more creative in how we use and share our collective assets, increase our local investment, encourage the development of new businesses and explore new methods of financial support.”

### 2050 Economic Plan

“Herefordshire has a strong and growing educational and skills ecosystem and offer, including Herefordshire and Ludlow College, Hereford Sixth Form, Hereford College of Arts, the Royal National College for the Blind, Herefordshire and Worcestershire Group Training Association and NMITE. Developing our education and learning offer at all levels, including schools, higher and further education, is essential to attract more people to live and work in the county.”

“The county will be an attractive place for young people, professionals and families to move to with access to education and training, quality housing (set out in detail in the Infrastructure outcomes and actions), competitively paid job opportunities, high quality services, and an arts, heritage, food and drink and leisure scene. Overall wage levels will have risen in real terms, with more people working in high quality and higher skilled jobs. Older people living here will age healthily and be economically active for as long as they want to be, with Herefordshire making the most of their talents and experience and with reskilling opportunities easily access.”

“All residents will have access to training and development at all stages of their working life in skills that will enable them to access opportunities locally, with a specific focus on green economy, low carbon transition, digital and technology skills.”

## Estimated costs and funding sources:

	2024/25	2025/26	2026/27	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
<b>Capital cost of project</b>					
Construction Costs	2,000				2,000
<b>TOTAL</b>	<b>2,000</b>				<b>2,000</b>
<b>Funding sources</b>					
Return on Investment	2,000				2,000
<b>TOTAL</b>	<b>2,000</b>				<b>2,000</b>
<b>Revenue budget implications</b>					

<b>TOTAL</b>					

**Benefits and risks:**

**Benefits: -**

Positive contribution towards helping local people to become more adaptable and highly skilled, boosting their employability and earning potential, thus creating local economic opportunities and attracting investment.

The project aligns with the county plan, addresses the skills shortage and it would bring better paid jobs to Herefordshire.

**Estimated growth outputs: -**

<b>HWGTA Outputs for New Centre of Excellence</b>	<b>Existing annual Enrolments Aug 22- Jul 23</b>	<b>Annual Enrolments in new CoE</b>	<b>Change in numbers</b>	<b>% Growth</b>
Level 2 Apprenticeships (Intermediate)	30	38	8	21%
Level 3 Apprenticeships (Advanced)	84	105	21	20%
Level 4 & 5 Apprenticeships (Higher)	10	15	5	33%
Other FE learners (adult short courses)	953	1325	372	28%
Additional companies engaged in apprenticeship delivery	89	105	16	15%
Hereford based staff	30	32	2	6%
Sustainability during construction and occupation	Exceed the sustainability requirements set by Herefordshire Enterprise Zone's Local Development Order, as pre-assessed and audited by Ecoteric Ltd			

**Risks: -**

- Potential for increasing building costs in the current economic climate and delays during construction.
- The national intention is to grow the offer to our residents in terms of skills development and by not doing this we are limiting opportunity in Herefordshire.

The indicative figures are based on the outline strategic proposal, however costs are subject to the final business case