

From: Section 40(2)
To: Section 40(2)
Subject: FW: GEMS Governance Arrangements
Date: 06 July 2021 18:27:13

Cris,

Sorry for the delay we are pushing the business area.

I have been able to confirm that the resource budget is needed this year and next as 70 students are expected to start in September.

And I am still waiting a profile for the capital costs.

Section 40(2)

From: Farmer, Cris
Sent: 06 July 2021 09:24
To: Section 40(2) Section 40(2)
Cc: Hetherington, Sharon Section 40(2) Section 40(2)
Section 40(2)
Subject: RE: GEMS Governance Arrangements

Section 40(2)

Any sign of the business case yet?

Cris

From: Section 40(2)
Sent: 05 July 2021 16:30
To: Farmer, Cris Section 40(2)
Cc: Hetherington, Sharon Section 40(2) Section 40(2)
Section 40(2)
Subject: RE: GEMS Governance Arrangements

Cris,

The university advises that from a capital perspective, its needs will be met in 2021-22, in order to facilitate the students undertaking medicine in September. It advises that the 'phase 2' case could be 18 months in gestation so it may well be that there is no capital required in 2022-23. Beyond that again, the £26m was assumed on the proposal submitted to DoH in 2019, however, the University is clear that price inflation particularly in regard to steel and other construction costs will mean that this figure will be higher leading to amended overall projected costs, which will be explored in the proposal which will be brought forward.

Section 40(2)

From: Farmer, Cris

Sent: 30 June 2021 18:04

To: Section 40(2) Section 40(2) [REDACTED]

Cc: Hetherington, Sharon [REDACTED] Section 40(2)
[REDACTED]

Subject: RE: GEMS Governance Arrangements

Can they not give any indication of what will be needed in 2022-23 and future years? Can they say when they will know as HMT need to know how much is being asked of them for 2022-23.

Do they not have current estimates we can share with the caveat that 'phase 2', will likely have inflated from the originally assumed £26m needed due to the surge in material costs, as well as potential changes to the original building.

We need to have something to give if we want them to agree to allow us to carry over funds to next year.

Cris

From: Section 40(2)

Sent: 30 June 2021 17:43

To: Farmer, Cris [REDACTED]

Cc: Hetherington, Sharon [REDACTED] Section 40(2)
[REDACTED]

Subject: RE: GEMS Governance Arrangements

Cris,

HE provided the following

As it stands we know with a degree of certainty about the £2.8m needed in 21-22, and what is being regarded as 'phase 1'.

Beyond that for 'phase 2', should it be determined there is a need to inflate the number of students from 70 to 100, the University and DoH through the Trusts will need to consider the capital requirement in more detail in terms of overall cost, which will likely have inflated from the originally assumed £26m needed due to the surge in material costs, as well as potential changes to the original building imagined at the University site, should it be determined that it includes the Derry& Strabane City deal project.

In relation to profile, as noted, that'll be dependent on any agreed growth and construction project determined but unlikely to be commenced this financial year.

Section 40(2)

From: Farmer, Cris

Sent: 30 June 2021 17:39

To: [REDACTED] Section 40(2)

Cc: Hetherington, Sharon **Section 40(2)** **Section 40(2)**
Section 40(2)
Subject: RE: GEMS Governance Arrangements

Section 40(2)

CED have emailed me to ask if we have the re-profile yet for GEMS as HMT have been in touch.

Would you mind chasing HE? We need both the capital and resource re - profiled if both are to be needed in 2022-23 instead of 2021-22.

Thanks,
Cris

From: Farmer, Cris
Sent: 21 June 2021 17:48
To: **Section 40(2)** **Section 40(2)**
Cc: Hetherington, Sharon **Section 40(2)** **Section 40(2)**
Section 40(2)
Subject: RE: GEMS Governance Arrangements

Section 40(2)

CED have asked for a new profile of the total capital spend we need for GEMS, including the refurb, so that CED can approach NIO to see what we can get from them. DfE will be getting the £2.8m CDEL in June Monitoring but we will wait and see what NIO's response is.

Can you ask HE to provide?

Thanks,
Cris

From: **Section 40(2)**
Sent: 17 June 2021 14:24
To: Farmer, Cris **Section 40(2)**
Cc: Hetherington, Sharon **Section 40(2)** **Section 40(2)**
Section 40(2)
Subject: GEMS Governance Arrangements

Cris,

Thanks for this. You are correct, HE are looking at proposals to maximise the IFF funding for the major capital element of the expansion (increase to 100 students) rather than use it for the initial upfront outlay for 70 students. Can you confirm if DfE did not draw down the £2.8m in year 1 (2021/22) of the project would this be available for future allocation as part of the longer-term project? Also what is the total amount available for this project?

In summary it is HEs intention to utilise the total amount of IFF funding albeit through a

different profile with the initial outlay being met from within the DfE allocation. Please note this is part of scenario planning/information gathering by officials there has been no engagement with the Minister on this issue.

Section 40(2)

From: Farmer, Cris
Sent: 17 June 2021 12:40
To: Section 40(2) Section 40(2)
Subject: FW: GEMS Governance Arrangements

Section 40(2)

This is the last correspondence Jillian had with Section 40(2) re GEMS.

So it is City Deals project but handled slightly differently to other City Deals projects due to funding coming from IFF. Letter attached from UKG to cover this point.

I don't see any issue with getting the OBC done including the £2.8m which is what I thought was the case.

Cris

From: Gilmore, Jillian
Sent: 11 May 2021 14:00
To: Section 40(2) Section 40(2)
Cc: McBurney, Joanne Section 40(2) Cooper, Trevor
Section 40(2); DFE City Deal PMO Section 40(2);
Armstrong, Barry Section 40(2) uk>; Section 40(2)
Section 40(2); Farmer, Cris Section 40(2)
Subject: GEMS Governance Arrangements

Section 40(2)

IFF is indeed a different funding pot from City Deals. However the governance arrangements will be largely mirrored, which basically follows normal procedure in any case.

We will not tie the IFF funding into the City Deal's Deal Document and Financial Agreement, which means **the council will not need to wait for approval of OBCs for all projects before releasing funding for IFF projects**. This will ensure we can meet the earlier delivery requirements of these IFF projects. You are also probably aware that there is an element of resource funding coming from NDNA for GEMS.

The attached letter from NIO explores arrangements in more detail (I believe this was shared with Mike in November). It addresses the fact that it is the Secretary of State who will decide on whether the projects deliver against the policy intent of the IFF and that it is the Executive, through the accountable department, that approves the VFM - a UKG fund using transferred powers to deliver projects.

I suppose one of the first questions is which department should receive the business case.

Happy to chat through if helpful.

Jillian

From: Section 40(2)
Sent: 07 May 2021 11:25
To: Gilmore, Jillian Section 40(2)
Cc: Cooper, Trevor Section 40(2)
Subject: RE: GEMS

Hi Jillian

Hope you are keeping well.

In relation to IFF, given this is a different source of funding, can you advise what its parameters and governance arrangements are? For example, are there different expected approval mechanisms, oversight arrangements?

Thanks

Section 40(2)

From: Gilmore, Jillian
Sent: 06 May 2021 13:02
To: Section 40(2); McGarrity, Ciaran
Section 40(2) >; Section 40(2)
Robinson, Ryan (DfE) Section 40(2)
Cc: McBurney, Joanne Section 40(2) Section 40(2)
Section 40(2) Armstrong, Barry Section 40(2)
Farmer, Cris Section 40(2)
Subject: GEMS

DfE Colleagues,

We had our fortnightly call with City Deals officers from DSCDC this morning and GEMS was raised.

Council is trying to arrange an imminent meeting with Mike to explore approvals etc for the GEMS business case. According to council UU has drafted an OBC for the capital work and keen to know who will sign off. I did mention the Working Group and that it hadn't yet met (advice from Heather a few weeks back), and that it was a cross-departmental issue.

FYI I understand there was also a business case around MaSN. Our interest is in the capital IFF funded work. Spend is required this year and I believe this is over the summer months in preparation for students in September.

Please keep us posted on developments.

Jillian