



## Birmingham City Council

### Business Case (Strategic Outline/Outline/Full) *Please delete as appropriate*

<b>Project Name</b>	Higher Level Skills Match (HLSM) <i>Plus</i>
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About the Applicant			
<b>Name of the lead organisation (applicant)</b>	Birmingham City University	<b>Type of Organisation</b>	Higher Education Institution
<b>Project manager (PM)/ main contact</b>	Lucia Puricelli, Senior Programme Manager, Birmingham City University	<b>Contact number</b>	07826939451
<b>Email</b>	lucia.puricelli@bcu.ac.uk	<b>Senior Responsible Owner (SRO)</b>	Joanna Birch, Director of Innovation, Enterprise and Employability (IEE)

About the Project			
<b>Project Location</b>	University House, Bartholomew Row, City Centre Campus Birmingham City University	<b>Postcode</b>	B5 5JU
<b>Constituencies in which the project resides &amp; MP</b>	Constituency: Ladywood Birmingham MP: Shabana Mahmood (Labour)		
<b>Project start date</b>	01/01/2024	<b>Project completion date</b>	31/12/2025
<b>Total loan funding requested</b>	N/A	<b>Total grant funding requested</b>	
<b>Total project capital or revenue cost</b>	£1,188,404.12 (£949,614.58 Grant Revenue Funding and £238,789.54 Match-in-kind)		
<b>Are you applying for Full Business Case development costs?</b>	No	<b>If yes, please state the value</b>	N/A



**\* The application form must be signed (Section C) before submission.**  
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## A. Introduction

This document provides a template for a Strategic Outline Business Case (SOBC), an Outline Business Case (OBC) and a Full Business Case (FBC) in support of Birmingham City Council's (BCC) for investment in a project continuing on from the Expression of Interest.

The main purpose of the document is to understand the proposed project sufficiently and understand any risks associated with it in order to assess and make an informed investment decision on whether the BCC should provide funding or not, and any conditions that this decision may require. The Business Case should provide assurance to the BCC that the project:

- provides strategic fit and is supported by a compelling case for change; and
- will maximise public value to society through the selection of the optimal combination of components, products and related activities; and
- is commercially viable and attractive to the supply side; and
- is affordable and is fundable over time; and
- can be delivered successfully by the organisation and its partners.

This template should be completed following the principles laid out in HM Treasury's Green Book: Appraisal and Evaluation in Central Government, Business Case Guidance for Projects and supplementary guidance. Links to these documents and further guidance is included in Appendix B – Resources, at the end of this document.

The amount of work and detail put into the Business Case should be **proportionate** to the scale of the project or programme and the expenditure involved.

Once completed the business case will be reviewed by the BCC Programme Team and will be assessed by an Independent Technical Evaluator. Please submit completed the Business Case template in Microsoft Word format and include a scan of the **signed** original in PDF format.

The applicant is responsible for costs and charges incurred as a result of preparing the SOBC and OBC. Eligible costs for preparation of the FBC may be claimed as part of the development funding should the OBC application be successful (NB *eligibility criteria and application are outlined in Section D*).

## B. Project Overview

### B.1 Summary of the Project (300 words max)

*Provide details about the project objectives and potential impact/ benefits.*

**Plus** supports the goals of the Enterprise Zone (EZ) Investment Plan creating jobs, promoting inclusive economic growth and productivity by:

- Identifying the higher-level skills needs of EZ businesses, and matching these with the skills of local graduates;
- Broadening the diversity of the graduate talent accessed by EZ businesses, and enhancing the diversity of the EZ workforce;
- Securing graduate level jobs for a minimum of 170 local graduates, with 70% coming from disadvantaged backgrounds;
- Demonstrating the socio-economic impact of placing local unemployed graduates into sustainable jobs;
- Delivering a compelling, evidence-based business case for scaling up **Plus** delivery from January 2026.

**Plus** builds on two of the most successful skills programmes delivered in Birmingham over the last 7 years - HLSM, delivering skills solutions for 707 local businesses, and Graduate Re-Tune (GR), placing 892 unemployed graduates into work<sup>1</sup>.

Using a 'hub and spoke' model, **Plus**:

- Provides a single point of access, to over 38,000 final year undergraduates, recent graduates, masters and postgraduate students, and the circa 540<sup>2</sup> graduates currently claiming benefits in Birmingham and Solihull - a latent talent pool constituting a serious waste of human capital.
- Offers a proven Account Management service to large companies, new inward-investors and Small and Medium Enterprises (SMEs) within the EZ.
- Delivers a unique skills 'offer' co-designed **with** and **for** local businesses, by:
  - Enhancing their graduate recruitment and retention processes;
  - Deploying the proven employability and skills wrap-around support developed for BCU's Kickstart Scheme **Graduate Opportunities** Gateway;
  - Focussing on the soft, technical, and analytical skills companies expect their graduate hires to have<sup>3</sup>;
  - Complementing other EZ-focused skills provision;
  - Providing signposting to other business skills support available locally.

Word count: 478

<sup>1</sup> HLSM and GR performance outputs as of 30/10/2023.

<sup>2</sup> In November 2019, DWP established a 'baseline' of 1,001 unemployed and underemployed graduates receiving welfare benefits in the Birmingham and Solihull area. During the three years to 31/07/2022, in which the OfS funded the GR Project; Aston, BCU and DWP secured positive outcomes for 630 unemployed graduates, which was 63% of the baseline: with 361 securing graduate level jobs and Kickstart opportunities; 215 securing non-graduate level jobs and Kickstart opportunities; and 54 taking up courses of Further Study. The current active GR Caseload stands at 354. Between 01/08.2022 and 31/10/2023, GR has secured an additional 328 positive outcomes for unemployed graduates, with 181 securing graduate level jobs or placements; 125 securing non-graduate level jobs and 22 taking up courses of Further Study. DWP are currently undertaking a review of the baseline but, based on a current caseload of 354, we forecast a revised, minimum, baseline count of 540. We expect to be able to confirm the revised baseline shortly after we formally submit this Full Business Case.

<sup>3</sup> Including for example, Personal Resilience, Business Communications, Data Analytics, Digital Marketing, Introduction to AI, Analytical and Problem-solving Skills, Planning for Growth, STEM skills and STEAM Thinking.



**B.2 Is the project expected to be going through another assurance process (by another LEP or funding body)?**

No

**B.3 What is the current position of the project and what has changed between this submission and the previous (Expression of Interest/ SOBC/ OBC or FBC)?**

*Provide a summary of any changes to objectives, scope, funding sources and financial costs, expected outputs and outcomes, timescales, risks and stakeholder relations.*

Please see Section B5 for the one substantive change from the formal Expression of Interest submitted. This relates to the total costs of the Project; the Grant Revenue Funding sought and the Higher Education Institute (HEI) Consortium's Match Funding-in-kind commitment.

**Please note that Section B5 should be numbered as Section B6**

**B.4 What evidence is there, or research undertaken to demonstrate the need, demand for or impact of this project?**

The EZ was established to accelerate economic growth by unlocking development sites and attracting private sector investment<sup>4</sup>. However, in the decade leading up to the pandemic, investors in the Birmingham Urban Area saw a lower rate of return than those in any other major UK city region.<sup>5</sup>

By 2035 more than 11 million extra graduates (in addition to the 15.3 million graduates currently in the UK workforce) will be needed to fill jobs in industries such as computing and engineering, teaching and education, health and digital, and 88% of new jobs will be at graduate level<sup>6</sup>.

In the West Midlands alone it is estimated that there will be a need for 841,275 **additional** graduates, and that **82% of all new jobs will be at graduate level**. However, graduate premium is low in the Birmingham Urban Area, indicating that action is needed to drive up both the demand for and supply of graduates. The city region is not able to make effective use of the graduates it has<sup>7</sup>.

In addition to that, in the Birmingham Urban Area the productivity levels (output per job) are 14 per cent, and employment rates a full 5 percentage points, below the national average.<sup>8</sup>

Yet, currently, and despite the immense success of GR there are circa 540 unemployed graduates in the Birmingham and Solihull Area.

**Plus** has therefore been designed to;

- Increase graduate retention in Birmingham and Solihull and significantly reduce graduate unemployment;
- Boost productivity in Birmingham by moving more graduates from unemployment into employment, and freeing up entry and intermediate level roles by moving underemployed graduates in to graduate level roles;

<sup>4</sup> Enterprise Zone Investment Plan, page 8

<sup>5</sup> A tale of two cities (part 1), page 9

<sup>6</sup> UK Universities Report: Jobs of the Future (August 2023)

<sup>7</sup> A tale of two cities (part 1), page 10

<sup>8</sup> A tale of two cities (part 1), page 6

- Support Birmingham to become more attractive to invest in as employers will have more access to more graduates to support their skills needs.
- Address the challenge presented by the ever-increasing business demand for higher/graduate level skills (NVQ Levels 5 to 9).

**Plus** will deliver this through a unique collaboration and delivery partnership between Aston University (AU), Birmingham City University (BCU), University College Birmingham (UCB), and the University of Birmingham (UoB), with full endorsement from our GR Delivery Partners within the Department for Work and Pensions' (DWP) Birmingham and Solihull Jobcentre **Plus** District.

**Plus** will provide companies located within, or relocating to, the Birmingham City EZ, particularly those operating in priority growth sectors, with:

- A single point of access to a local talent pool of over 38,000 graduates, and to the circa 540 unemployed graduates currently registered for welfare benefits with the 19 JCP offices located within the Birmingham and Solihull Area, all of whom have the potential to contribute significantly to economic growth and the success of the EZ;
- An Account Management Service, which will, using a tried and tested Business Skills Needs Analysis (BSNA), help them identify and meet their current and future higher level skills and business support needs;
- The opportunity to engage in the co-design of employability and skills provision, which will ensure the local Graduate Talent Pool possesses the soft, technical, and analytical and problem-solving skills companies expect their graduate hires to demonstrate;
- The means to enhance the diversity of their graduate workforce and improve their graduate attraction, recruitment, retention, and progression strategies;
- Signposting to the wider range of business advice and support offered by HE 'anchor' institutions and the wider employment and skills local eco-system, which can help them meet their entry-level and intermediate-level recruitment needs;
- An opportunity to engage in mutually beneficial, long-term relationships with HE 'Anchor' Institutions and their Delivery Partners;
- Access to a two-way referral system, for Apprenticeship, Bootcamp, or Higher Technical Qualification (HTQ) completers, to access higher level job placements or jobs.

**Plus** will;

- Engage with a minimum of 250 EZ businesses;
- Address the serious waste of human capital that the current level of local graduate unemployment presents;
- Secure graduate level jobs for a minimum of 170 local graduates, **including 119 Graduates (70% of total graduate hires) from disadvantaged backgrounds.**

These provisional business engagement and job outcome targets are underpinned by robust caseload evidence data drawn from the HLSM and GR projects.

The provisional **Plus** skills offer to EZ companies is underpinned by:

- The priority business skills' needs identified in over 700 HLSM BSNA's conducted over the last seven years;



- Key findings drawn from regular HLSM Soft and Technical Skills Surveys and quarterly PM reports to the HLSM Project Board (PB);
- Recent skills' needs findings that underpin the Fin-Tech Skills Framework.

**Plus** business engagement and job outcomes targets, and the **Plus** skills offer, will be finalised at the end of Quarter 1 2024, following completion of the Project's initial business consultation, market research, and delivery Phase. The revised targets will be subject to formal agreement between Delivery Partners and BCC's EZ Team.

#### B.5 List any other organisations involved in project delivery and their roles (add lines if required)

Partner Name	Role
Aston University (AU)	Delivery Partner
University College Birmingham (UCB)	Delivery Partner
University of Birmingham (UoB)	Delivery Partner
National Careers Service (NCS)	Associate Delivery Partner, offering unemployed graduates Careers and CV writing advice and access to NCS skills support.
Department for Work and Pensions	Associate Delivery Partner, offering a DWP Work Coach referral service.

#### B.5 Revision History

Version Number	File Name	Date submitted	Summary of changes made compared to previous draft version <i>(please refer to previously received feedback and how issues have been addressed)</i>
CV 1	Draft Full Business Case	13/11	Project costs:
			There are some last minute changes in how individual HEIs calculate their staff costs. Therefore, until the final submission, we will not be able to confirm total costs. For the moment, costs have moved as follows:
			From: <b>£1,181,878</b> (£926,583 Grant Revenue Funding and £255,295 Match-in-kind)  To: <b>£1,204,273.62</b> (£946,848.88 Grant Revenue Funding and £257,424 Match-in-kind).
			From: a 'notional' average Grant Revenue Funding unit cost of £3,706.33 per company (£4,727.50 per company against total project funding).  To: a 'notional' average Grant Revenue Funding unit cost of £3,787.40 per company (£4,817.09 per company against total project funding).
CV 1	Appendix 3	13/11	Cost Benefit Analysis Table now embedded on FBC Sections 2.3.1 and 2.4.2

			Costs and Benefits of Option 2: Graduate Advantage (GA) have been revised to reflect the final programme costs (£4.6M) and job outcomes (260) over 52 months from 2011 to 2015, confirmed in the Executive Summary of the GA Evaluation Report, and baselined for 24 months.
			Costs and Benefits of Option 4: <b>Plus</b> Pilot have been revised in line with changes to the funding total above
CV 1.60	Draft Full Business Case Section B3	21/11	Now drafted
	Section B6	21/11	Now drafted
	Section 1.2.3 Policy Context	21/11	Now drafted
CV 3.0	Draft Full Business Case	18/12	Project costs:
			Due to SCUC's decision to no longer be a delivery partner on the project, there have been some slight changes in how individual HEIs calculate their staff costs. Therefore, until the final submission, we will not be able to confirm total costs. For the moment, costs have moved as follows:
	Sections 1.2.2 & 2.4.5	18/12	From: <b>£1,204,273.62</b> (£946,848.88 Grant Revenue Funding and £257,424 Match-in-kind)  To: <b>£1,188,404.12</b> (£949,614.58 Grant Revenue Funding and £238,799.54 Match-in-kind)
	Sections 1.2.2 & 2.4.5	18/12	From: a 'notional' average Grant Revenue Funding unit cost of £3,787.40 per company (£4,817.09 per company against total project funding).  To: a 'notional' average Grant Revenue Funding unit cost of £3,798.46 per company (£4,753.62 per company against total project funding).
CV 3.0	Formal Full Business Case Section 1.2.2	18/12	Redrafted to specifically link the narrative to BCU Strategy Documents attached as Appendix 11.
CV 3.0	Section 1.3.1 Logic Model	15/12	Now completed
CV 3.0	Section 2.2.2	18/12	Revised to confirm that, initially, AU, BCU, Newman Birmingham University (NBU), UCB and UoB agreed to further develop the <b>Plus</b> project, but that NBU withdrew from the HEI Consortium in April 2023, prior to the submission of the EZ Pipeline Summary Document
CV 3.0	Section 2.3.1 & 2.4.5	18/12	Updated the cost-benefit analyses calculations.
CV 3.0	Section 3.3.2	18/12	As with Section 5.1.2 below: the insertion of a key footnote emphasising that, from 18/12/2023 onwards, all proposed project delivery plan dates and project





			milestones are subject to slippage, as a direct consequence of the Commissioner's moratorium on BCC's prudential spending, and the resultant delay in the bid assessment process
CV 3.0	Section 5.1.1	18/12	Re-draft and footnote to clarify that SCUC had confirmed on November 29 <sup>th</sup> 2023 that they could no longer commit to becoming a <b>Plus</b> Delivery Partner, due to imminent organisational and staff changes. Nonetheless, the HEI Consortium will invite SCUC to join the <b>Plus</b> PB as a Strategic Stakeholder.
CV 3.0	Section 5.1.2	18/12	A substantial re-write of the Go/No-Go Gateway risks and the insertion of a key footnote emphasising that, from 18/12/2023 onwards, all proposed project delivery plan dates and project milestones are subject to slippage, as a direct consequence of the Commissioner's moratorium on BCC's prudential spending, and the resultant delay in the bid assessment process
CV 3.0	Section 2.3.3 Appendix 19	18/12	Now appended: Social Impact Analysis spreadsheet
CV 3.0	Appendix 5	18/12	Updated funding profile to reflect the update Delivery Partners financial commitment to project delivery
CV 3.0	Appendix 7	18/12	Updated the finances to reflect the updated project costings
CV 3.0	Appendix 10	18/12	Updated the finances to reflect the updated project costings
CV 3.0	Appendix 11	18/12	Now appended: BCU Strategy Documents
CV 3.0	Appendix 12; Match Funding	18/12	Now appended: 4 Match Funding Letters
CV 3.0	Appendix 13 Financial Statements	18/12	Now appended: BCU statements
CV 3.0	Appendix 15 Communications and Marketing Plan	18/12	Now appended: Draft Plan
CV 3.0	Appendix 16	18/12	Updated wording to reflect changes to finances and the delegation of the individual carrying out the project Evaluations
CV 3.0	Appendix 18i & 18ii	18/12	Now appended: Letters of support from DWP and Prospects

## 1. Strategic Case

The Strategic Case for the project should present a robust case for intervention, setting out the problem, challenge faced or opportunity, fit with local, regional and national policy, including the WMCA Strategic Economic Plan to provide the 'case for change'. The Strategic Case is typically almost complete at OBC



stage for the project, demonstrating a clear and evidenced narrative for proceeding with the development of the project. This should be updated at FBC.

## 1.1 Aims and Objectives

### 1.1.1 Project aim

*Describe the identified current situation, existing problem or opportunity and the aim of the proposed project in relation to it.*

*In doing so, consider the following context - Where we are now? - Where we want to be? - How we will get there.*

Nationally, over the last thirty years, there has been a significant fall in the proportion of graduates in higher level skilled employment (from 75% to 68%)<sup>9</sup>. However, by 2035 more than 11 million extra graduates (in addition to the 15.3 million graduates currently in the UK workforce) will be needed to fill jobs in industries such as computing and engineering, teaching and education, health and digital, and 88% of new jobs will be at graduate level. In the West Midlands alone it is estimated that there will be a need for 841,275 additional graduates, and that **82% of all new jobs will be at graduate level**<sup>10</sup>.

Despite the current and projected demand for graduates, and the local and regional goal of facilitating a more inclusive form of economic growth:

- There are circa 540 unemployed graduates in the Birmingham and Solihull area, which constitutes a serious waste of human capital; and,
- According to Graduate Outcomes Survey data, compared to many parts of the UK Birmingham performs relatively poorly for the proportion of graduates in highly skilled jobs<sup>11</sup>.

**Plus** has therefore been designed to:

- Address the challenge presented by the ever-increasing business demand for higher/graduate level skills;
- Increase graduate retention in Birmingham and Solihull and significantly reduce graduate unemployment; and,
- Facilitate local, inclusive economic growth and inward investment by offering businesses a unique, single point of access to the City's Graduate Talent Pipeline.

The **Plus** Pilot has been co-designed through a unique collaboration and delivery partnership between AU, BCU, UCB, and UoB, with full endorsement from our GR Delivery Partners within the DWP's Birmingham and Solihull Jobcentre **Plus** District and the support of Prospects (West Midlands Careers Service contract holder).

**Plus** will provide companies located within, or relocating to, the Birmingham City EZ, particularly those operating in priority growth sectors, with:

<sup>9</sup> Page 7, CIPD Report: What is the scale of Graduate overqualification in the UK? November 2022

[https://www.cipd.org/contentassets/3b163ee99bd746f5abe87e5dcd49fd6d/graduate-overqualification-uk\\_tcm18-112169.pdf](https://www.cipd.org/contentassets/3b163ee99bd746f5abe87e5dcd49fd6d/graduate-overqualification-uk_tcm18-112169.pdf)

<sup>10</sup> UK Universities Report: Jobs of the Future (August 2023)

<sup>11</sup> <https://www.officeforstudents.org.uk/data-and-analysis/a-geography-of-employment/>

- A single point of access to a local talent pool of over 38,000 graduates, and to the circa 540 unemployed and underemployed graduates currently registered for welfare benefits with the 19 Jobcentres located within the Birmingham and Solihull area, all of whom have the potential to contribute significantly to economic growth and the success of the EZ;
- An Account Management Service, which will, using a tried and tested BSNA, help them identify and meet their current and future higher level skills and business support needs;
- The opportunity to engage in the co-design of employability and skills provision, which will ensure the local Graduate Talent Pool possesses the soft, technical, and analytical and problem-solving skills companies expect their graduates hires to demonstrate;
- The means to enhance the diversity of their graduate workforce and improve their graduate attraction, recruitment, retention, and progression strategies;
- Access to the broader range of business advice and support offered by HE 'anchor' institutions, and the wider employment and skills local eco-system which can help them meet their entry-level and intermediate-level recruitment needs;
- An opportunity to address the serious waste of human capital that the current level of local graduate unemployment presents;
- The opportunity to engage in mutually beneficial, long-term relationships with HE 'Anchor' Institutions and their Delivery Partners;
- A two-way referral system for Apprentices, Bootcamp, or HTQ completers, to access higher level job placements or jobs.

At a 'notional' average Grant Revenue Funding unit cost of £3,798.46 per company (£4,753.62 per company against total project funding) - a cost commensurate with the average unit cost of a 2014-2020 European Social Fund (ESF) Programme HLSM SME skills intervention project, which had an average ESF unit cost of £7,483.95 and a total unit cost of £14,732.19, **Plus** will;

- Engage with a minimum of 250 EZ businesses; and
- Upskill and secure graduate level jobs for a minimum of 170 local graduates, **including 119 Graduates (70% of total graduate hires) from disadvantaged backgrounds**

The Pilot phase of the Project (01/01/24 to 31/12/25) will provide a compelling evidence base for establishing **Plus** as a key enabler of a more agile, responsive, and inclusive local graduate labour market, which meets the current and future higher level skills needs of the EZ, and the wider Birmingham and Solihull and West Midlands economy on an ongoing basis.

### 1.1.2 Investment objectives

*Provide details on the project's objectives, ensuring they fit the 'SMART' criteria (Specific, Measurable, Achievable, Relevant and Time-constrained). Add lines as required.*

Objective	Quantity / Scope	By when	Strategic Goal
1. To work with EZ businesses, to identify their higher level skills needs, and match these with the skills of the local Graduate Talent Pool.	250 EZ companies engaged in the <b>Plus</b> Pilot.  A minimum of 188 (75%) companies completing a BSNA, with the support of	By 31/10/25	Facilitating sustainable and inclusive economic growth and the EZ's Business and Skills Strategy.



	<p>their Account Manager.</p> <p>A minimum of 179 (90%) of companies completing a BSNA to sign the <b>Plus</b> Graduate Talent Charter.</p>		
<p>2. To broaden the diversity of the Graduate Talent Pool accessed by EZ businesses, and enhance the diversity of the EZ workforce.</p>	<p>Providing a single point of access to a combined HEI Graduate Talent Pool of over 38,000 graduates, including circa 540 unemployed and underemployed graduates in receipt of Welfare Benefits.</p>	<p>From 01/01/24 to 31/12/25</p>	<p>Facilitating an inclusive local labour market.</p>
<p>3. To secure graduate level jobs for local graduates, particularly those from disadvantaged backgrounds.</p>	<p>Securing graduate level jobs for local 170 graduates, with a minimum of:</p> <ul style="list-style-type: none"> <li>• 128 (75% of) resultant graduate hires retained beyond their probationary period or for a minimum of 6 months (where no probationary period applies);</li> <li>• 119 (70% of) resultant graduate hires coming from disadvantaged backgrounds (BME, PWDs, Single</li> </ul>	<p>From 01/01/24 to 31/12/25</p>	<p>Meeting the demand for higher level skills.</p> <p>Improving the diversity of the graduate workforce.</p>

	<p>Waged Household etc.);</p> <ul style="list-style-type: none"> <li>• 111 (65% of) resultant graduate hires, previously registered as unemployed or underemployed;</li> <li>• 60 (35% of) resultant graduate hires progressing in work within 12 months.</li> </ul>		
<p>4. To demonstrate the socio-economic impact of the <b>Plus</b> Pilot.</p>	<p>Enhancing the skills of a minimum of 170 residents.</p> <p>Placing 170 local unemployed graduates into sustainable, graduate level jobs.</p>	<p>From 01/01/24 to 31/12/25</p>	<p>Enhancing the local skills base.</p> <p>Meeting the demand for higher level skills.</p> <p>Improving the diversity of the graduate workforce.</p>
<p>5. To deliver a proven Account Management service to EZ companies, particularly those operating in priority growth sectors, such as Business, Professional and Financial Services, ICT, Finance and Technology, and the Creative Industries and Digital Media</p>	<p>Offering skills and graduate recruitment support to 250 EZ companies, including:</p> <ul style="list-style-type: none"> <li>• Large companies, and their supply chains;</li> <li>• Newly inward-investing companies;</li> <li>• SMEs within the EZ.</li> </ul>	<p>From 01/01/24 to 31/12/25</p>	<p>Meeting the demand for higher level skills.</p> <p>Facilitating sustainable and inclusive economic growth.</p>



6. To deliver a compelling, evidence-based business case for scaling up <b>Plus</b> delivery from January 2026.	<b>Plus</b> Extension Business Case (for 2026 onwards).	To be submitted to the BCC EZ Programme Board by 30/11/25.	Facilitating sustainable and inclusive economic growth.  Meeting the demand for higher level skills.
7. To work directly with EZ companies, including new investors, to co-design employability and skills provision.	A minimum of 85 (50% of) Graduate Talent Charter signatories engaging in the co-design of Job Preparation and Upskilling Workshops.	From 01/04/24 to 31/10/25	Enhancing the local skills base.  Meeting the demand for higher level skills.
8. For <b>Plus</b> to be recognised as a key component of a wider package of support for EZ businesses and new investors.	<b>Plus</b> PM invited to contribute to the work of EZ teams leading on attracting inward investors, and access to the <b>Plus</b> Graduate Talent Pipeline forming part of the offer to companies looking to relocate to the EZ.	From 01/04/24 to 31/10/25	Facilitating sustainable and inclusive economic growth.  Meeting the demand for higher level skills.  Supporting the EZ's 'Occupier Proposition'.
9. For <b>Plus</b> to be embedded as a core HE / FE delivery mechanism, and contributing to the retention of City Centre investment in local communities and the broader Birmingham and West Midlands economy.	The <b>Plus</b> service delivery model to be offered to companies in all priority growth sectors in the Birmingham and Solihull and West Midlands Combined Authority areas.	Plus Extension from 01/01/26	Facilitating sustainable and inclusive economic growth.  Meeting the demand for higher level skills.

### 1.1.3 Alignment with Enterprise Zone Investment Plan strategic objectives

*If the Project is applying for EZ Funding or is on an EZ site, describe how the project supports the delivery of the [Birmingham City Centre Enterprise Zone Investment Plan | Birmingham City Council](#), including sector-specific investment criteria.*

The Investment Plan emphasises that the EZ will drive economic growth and ensure residents and businesses share in the benefits generated.

Funding **Plus** will support the delivery of the EZ's Business and Skills Strategy by unlocking the opportunity for job creation<sup>12</sup> and supporting a key area for investment by providing business support<sup>13</sup>.

<sup>12</sup> Enterprise Zone Investment Plan, May 2019, page 8

<sup>13</sup> Enterprise Zone Investment Plan, May 2019, page 8

This will be done by deploying proven business Account Management and skills interventions that offer existing and new inward investing companies a unique, single point of access to the Graduate Talent Pools of 4 HEIs, and to the higher level skills essential for business growth. This takes place by assessing a company's skills needs, identifying skills gaps and then upskilling local unemployed/underemployed graduates to help fill those gaps. **Plus** will therefore help to deliver the Big City Plan's vision and the GBSLEP priorities for creating jobs and, in turn, growing the economy<sup>14</sup>.

The **Plus** project will support the EZ Investment Plan's objective to retain and attract businesses and for the EZ to be seen as a premier business location<sup>15</sup>. **Plus** will help to attract investor occupiers, grow existing businesses, and accelerate the scale up of high growth start-ups across all 39 EZ sites, by helping to meet the demand for specific higher level skills and attracting highly qualified job applicants. By doing so, **Plus** will help to deliver important social and economic benefits for the Birmingham and Solihull area, by increasing job opportunities for local people<sup>16</sup>.

Working directly with the EZ's Sector Sales and Relocation teams, **Plus** will also add value to the EZ's 'Occupier Proposition' programme, by:

- Preparing graduates to meet the skills requirements of businesses considering moving into Birmingham;
- Developing graduate talent pipelines and skills provision that meet the needs of specific sectors and businesses, early in the business relocation process, and thereby helping to generate an uplift in business rates.

**Plus** has the potential to add value to the EZ Business Support offer by helping existing companies to secure the skills and talent they need to grow and compete, and by enhancing the attractiveness of the EZ as a premium relocation choice for potential inward investors operating in the following target sectors<sup>17</sup>:

- Business, Professional and Financial Services;
- Finance Technology;
- Creative and Digital Industries.

Finally, **Plus** will increase access to graduate level job opportunities for local graduates, which will, in turn, help to improve productivity, particularly in the following priority growth sectors:

- Business, Professional and Financial Services;
- Finance Technology;
- Creative and Digital Industries.

#### 1.1.4 Alignment with West Midlands Combined Authority (WMCA) strategic objectives

*Describe how the project supports the delivery of [WMCA Strategic Economic Plan](#) including the eight priority actions, SMART objectives and how to tackle challenges in the WMCA area.*

**Plus** will directly support two of the Strategic Economic Plan's (SEP) priority actions: namely, Priority Action 2. (Creative and Digital) and Priority Action 6 (Skills for growth and employment for all)<sup>18</sup>.

To support Priority Action 2. **Plus** will continue the work which was started by the HLSM project in supporting businesses from the Creative and Digital sector. Through 7 years of HLSM delivery, 256 (37% of) participating businesses stated that they worked in the 'Digital and Creative Industries'. This

<sup>14</sup> Enterprise Zone Investment Plan, May 2019, page 6

<sup>15</sup> Enterprise Zone Investment Plan, May 2019, page 11

<sup>16</sup> Enterprise Zone Investment Plan, May 2019, page 10

<sup>17</sup> Enterprise Zone Investment Plan, May 2019, page 11

<sup>18</sup> West Midlands Combined Authority: Strategic Action Plan, page 8

gives the Consortium a strong base of understanding of the needs of businesses operating within the Digital Sector.

To support Priority Action 6, during its EZ Market research, business consultation and initial delivery Phase, **Plus** will prepare a baseline of the skills needs of EZ businesses. This will inform the content and focus of the of the BSNA that each participating business will, with the support of an Account Manager, complete. The BSNA will identify the company's priority higher level skills needs and define the support to be provided to EZ businesses, and the upskilling and job search support which will ensure graduate hires possess the skills required to drive economic growth. As part of this package of support, Account Managers will encourage companies to engage in the co-design of skills provision, to ensure current and future skills needs are met, and that as many local people as possible benefit from the new, higher value jobs created. This will enhance business access to the local Graduate Talent Pool, and tailor higher level skills provision to meet local demand, thus reducing recruitment costs.

**Plus** will directly support two of the SEP's SMART objectives: Employment and Skills and Economic Growth<sup>19</sup>.

To support Employment and Skills, **Plus** will refresh the skills of unemployed graduates registered currently for welfare benefits in Birmingham and Solihull; and help them to re-engage with the graduate jobs market, thereby significantly increasing the percentage of local people with access to jobs. This will support the SEP's aspiration to improve the quality of life for everyone who lives and works in the West Midlands, by upskilling a significant number of unemployed and underemployed graduates currently facing multiple labour market disadvantages, and improving resident access to the skills and training businesses demand. In doing so, **Plus** will work to ensure that the skills local people develop matches, and then exceeds, the national average.

To support Economic Growth, **Plus** will work in partnership engage with DWP Work Coaches to identify unemployed and underemployed graduates working in non-graduate level jobs whilst claiming Universal Credit, thereby freeing up entry or intermediate level jobs which could be filled by other jobseekers with a lower attainment of skills. Upon identification, **Plus** will provide support to the individual, to match their skills with the needs of EZ companies, refresh and further develop their skills and help them secure employment. In doing so, **Plus** will contribute to the increase in GVA and productivity required for the West Midlands to become a net contributor to UK growth.

In addition to meeting specific aims of the SEP, **Plus** will:

- Pilot new ways of working between HEIs and EZ businesses, which are effective and can be scaled up across the WMCA area;
- Help strengthen local supply chain SMEs that support larger businesses operating in EZ priority / transformational growth sectors;
- Develop an evidence-based business case for extending the Pilot programme to support many more companies **within** and **beyond** the EZ (from January 2026).

### 1.1.5 Alignment with Birmingham City Council's Our Future City Plan (if applicable)

<sup>19</sup> West Midlands Combined Authority: Strategic Action Plan, page 13



Briefly describe how the project delivers against the [Our Future City Plan \(OFCP\) - Central Birmingham 2040 | Birmingham City Council](#)- vision for Central Birmingham 2040, and the key principles it will contribute to.

(A separate template is provided for a detailed response)

Our Future City Plan 2040 aspires to “build inclusive growth principles into the very foundation of all plans to ensure that every citizen in Birmingham benefits from development”.

**Plus** will prove to be an enabler of the City Plan ‘Principle’ of creating an ‘Equitable City’, where no first-generation scholar from a disadvantaged background or community, and no unemployed graduate, is left behind.

**Plus** will do so by:

- Enhancing access to graduate level jobs available within the EZ, for all local graduates, and by re-engaging unemployed graduates with the graduate level jobs market;
- Identifying and meeting the higher level skills needs of SMEs and large companies;
- Encouraging new start-ups and attracting inward investment by offering a unique, single point of access to a talent pool of more than 38,000 graduates.

The **Plus** offer to EZ businesses will also support the realisation of several City Plan ‘Themes’, primarily:

**A City of Growth for All<sup>20</sup>**, by delivering an agile and responsive skills offer that:

- Helps to create the conditions to attract further inward investment;
- Improves business access to the human capital and skills that will help home-grown businesses to start-up, thrive and grow;
- Ensures graduate level jobs are accessible to a more diverse talent pool and that many more of the circa 540 unemployed graduates in Birmingham and Solihull can benefit from, and contribute to, local economic growth and thus ensure that the social, environmental and economic benefits of development and growth make a positive difference for everyone;
- Strengthens Birmingham’s global position as an attractive place for inward investment and first-choice location for a range of companies to be based here.

**A City of Connections<sup>21</sup>**, by:

- Better connecting inward investing companies with effective jobs and skills programmes for young people and older graduates;
- Demonstrating how an integrated HEI skills offer can ensure local people acquire the necessary higher level skills to take up new employment opportunities;
- Helping to address the digital skills challenge by facilitating digital access for local businesses.

<sup>20</sup> Our Future City Plan, page 31

<sup>21</sup> Our Future City Plan, page 32

**City of Knowledge and Innovation<sup>22</sup> by:**

- Supporting growth of key sectors, by helping to grow a skilled population capable of thriving in an evolving jobs market;
- Improving the retention of graduate talent in the City, and nurturing the right conditions for them to “grow and flourish and join the long list of Birmingham’s great pioneers”;
- Improving collaborations between universities and industry.

**Plus** will support the Plan’s vision to embrace diversity, prosperity shared by all, healthy, just and affordable communities, underpinned in the Inclusive<sup>23</sup> strand. Specifically:

- *A city where no one is left behind, with access to jobs, training, housing, and healthcare being available to all in the community* – by enabling unemployed and underemployed graduates to improve their employability skills, and to match them to graduate level job opportunities with EZ businesses. Where **Plus** helps underemployed graduates to secure graduate level jobs, this may in addition open-up entry and intermediate level job opportunities for other jobseekers to fill.
- *Communities will feel the full benefit that arises through Birmingham’s growth and rejuvenation* – through increasing the links between new and existing EZ-based businesses and the circa 540 unemployed and underemployed graduates registered with Jobcentre **Plus**. By working with DWP Work Coaches **Plus** will enable unemployed individuals from all communities across the city to access EZ job opportunities.
- *A place that is a hub that brings together small, medium, and large enterprises* – using a proven Account Management service, developed over 7 years of HLSM delivery, **Plus** will accurately assess the current and future higher level skills needs of EZ businesses and meet those needs by offering a unique, single point of access to the City’s Graduate Talent Pool.

### 1.1.6 Alignment with Build Back Better: our plan for growth

Briefly describe how the project delivers against the [West Midlands Plan for Growth \(wmca.org.uk\)](https://www.wmca.org.uk) – to create prosperity right across the region by generating wealth that can be shared across our communities

To deliver a Future Skills Pathway, the WMCA’s Plan for Growth states that it will be: ‘*Developing higher skills offers with universities and colleges through modular training. This training, aligned to clusters to support growth, will develop knowledge, skills and behaviours in both upskilling and retraining of the current workforce*’.

**Plus** will deliver directly to this agenda by:

- Bringing together four, local, ‘anchor’ HEIs to develop and deliver higher level skills support;
- Increasing access to graduate level job opportunities for unemployed graduates, by offering job preparation and up-skilling support, co-designed with EZ companies;
- Focusing a unique higher level skills offer on EZ business clusters deemed critical to regional growth – specifically, the Creative Industries and the Business, Professional and Financial Services sector, *and their supply chains*;
- Offering potential inward investing companies a unique opportunity to access the local Graduate Talent Pipeline at the earliest possible stage in their decision-making process;

<sup>22</sup> Our Future City Plan, page 33

<sup>23</sup> Our Future City Plan, page 26

- Better connecting business demand with the supply of higher level skills, to help companies undertake more complex, higher value-added work in Plan for Growth clusters;
- Demonstrating the value of innovative business support and skills provision, co-designed by local universities in partnership with a central Government Department (DWP), and predating by several years the WMCA Trailblazer Devolution Deal's emphasis on facilitating regionally commissioned and locally designed and delivered solutions to local skills challenges, to create well paid, high quality jobs and deliver differential growth in particular business clusters;
- Ensuring **Plus** Account Managers signpost SMEs with high growth potential to the support available, for example from the West Midland Equity Co-Investment Fund;
- Working alongside skills programmes developed by Create Central and the Creative Content Hub, to maximise access to skills opportunities for **Plus** participants and contribute to the creation of new skills pathways for the Creative Industries;
- Ensuring relevant business cluster labour market data is shared with the West Midlands Growth Company, and working in conjunction with SuperTech - now located alongside **Plus** within BCU;
- Extending the scope of HE 'anchor institutions' already significant contributions to creating the conditions for lean and inclusive growth. Look to expand the Consortium, bringing on board other HEI's and Further Education Colleges (FECs), as part of the proposed Extension Phase of the Project in 2026.

### 1.1.7 Alignment with Build Back Better: our plan for growth

Describe how the project supports the delivery of The [UK's Build Back Better Policy](#)

Over the last 4 years, AU and BCU, working in close partnership with DWP Service Leaders, have delivered the highly successful, award-winning GR Project and the only Government approved Kickstart Scheme '**Graduate Opportunities**' Gateway in the UK.

Both initiatives have contributed directly to the Jobs Plan, which is at the core of the Government's Build Back Better (BBB) Growth Plan, and have resulted in:

- More than 750 local unemployed and disadvantaged graduates securing employment;
- Over 70% of GR job outcomes, alone, secured by unemployed graduates from a BME background;
- 74 Graduate level Kickstart Job Placements, including 34 with West Midlands Police and 40 other graduate level Kickstart Job Placements with other Government Gateways;
- DWP continuing to:
  - Commit Work Coach resources to support the delivery of GR;
  - Contribute to the design of HLSM **Plus**;
  - Explore the potential for DWP Employer and Partnership Teams to work jointly with the HEI Consortium on local employer engagement initiatives.

**Plus** will build on the success of **GR** and the '**Graduate Opportunities**' Gateway, by upskilling local unemployed graduates and helping them to secure well paid, high quality graduate level jobs. As Rishi Sunak states in the Foreword to BBB, "The best way to improve people's lives is to give them the skills to succeed." GR and the Kickstart Gateway have done precisely this.

Build Back Better states: *The contribution of skills to productivity growth, however, can largely be attributed to higher skilled cohorts.*<sup>24</sup> **Plus** presents EZ companies with a unique, single point of access to such 'cohorts' and the higher level skills required to drive economic growth and productivity. It will thereby help create the conditions for growth and more high quality job opportunities.

<sup>24</sup> Build Back Better, page 45

The Government's aim is to "make the UK the best ecosystem in the world for starting and growing a business. That means having the best access to capital, skills, and ideas" (BBB). **Plus** will deliver on two of the three 'pillars' of BBB: Skills and Innovation (by providing access to problem-solving and Science, Technology, Engineering, Arts and Maths (STEAM) Thinking techniques, but will also signpost local businesses to opportunities to secure capital).

Consistent with the emphasis BBB places on the need to ensure "people have the support they need to improve their skills over the long term, as a key enabler of productivity growth," **Plus** will work with businesses in the Creative Industries and the Business, Professional and Financial Services sector. By co-designing provision, **Plus** will create "new skills training opportunities" that better meet current and future business demand, and prepare graduate job applicants who can demonstrate the higher level analytical, problem-solving, and decision-making skills required to underpin and sustain growth. Working directly with the Sector Sales and Relocation Teams **Plus** will add value to the EZ's 'Occupier Proposition' programme, and nurture company and/or sector-specific talent pipelines for potential inward-investing companies, at the earliest possible point in the relocation decision-making process.

The Project will therefore help to deliver against the BBB aim of making the UK's 'regional cities' leading destinations for global investment.

### 1.1.8 Alignment with the Levelling up agenda

*Describe the regional inequalities in the area the project will support and how the project challenges said inequalities.*

The Levelling Up White Paper states, "*Levelling up will require us to boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging.*"<sup>25</sup>

**Plus** responds directly to this, by engaging with businesses - mostly private sector businesses - in the EZ, identifying their skills needs and matching those needs to graduate talent that can help the business to grow. **Plus** will therefore help to boost productivity and pay, as graduate participants move from unemployment and the receipt of welfare benefits to graduate level employment, with associated pay rates. It will also have a knock-on effect on available graduate level jobs, as more businesses are likely to be attracted to an area where there is a large talent pool of work-ready graduates.

As well as being good for the country overall, boosting productivity in the Birmingham Urban Area would contribute to narrowing regional gaps<sup>26</sup>. Even if we hold the city's share of the region's workforce constant, we estimate that a hypothetically more-productive Birmingham Urban Area would increase the West Midlands' GVA per worker by 5 per cent. This would lower the productivity gap between the West Midlands and UK average by a third (from 13 per cent to 9 per cent).<sup>27</sup> This directly supports the aims of the Levelling Up White Paper, which states that it is critical that we improve productivity, boost economic growth, encourage innovation, and create good jobs<sup>28</sup>. The Birmingham Urban Area needs more high-value firms and highly-skilled workers, and these and existing resources need to be brought together in a much more effective way<sup>29</sup>. **Plus** will contribute to Birmingham's increased prosperity by:

<sup>25</sup> Levelling Up, page xiv

<sup>26</sup> A tale of two cities (part 1), page 23

<sup>27</sup> A tale of two cities (part 1), page 23

<sup>28</sup> Levelling Up, page xii

<sup>29</sup> A tale of two cities (part 1), page 25

- Addressing the needs of a specific group of disadvantaged residents - all too often overlooked - who, provided with the right skills support, can contribute significantly to improved productivity and sustained local economic growth;
- Supporting a minimum of 170 graduates into graduate level employment with businesses in the EZ, with:
  - A minimum of 119 (70%) of these graduate hires coming from a disadvantaged background;
  - A minimum of 111 (65%) having been unemployed or underemployed previously.

Moving graduates from unemployment to employment will immediately increase productivity and GVA in the city. Moving those from underemployment to full employment will also open-entry and intermediate level job roles to jobseekers who do not hold higher level qualifications, further improving local productivity and GVA.

**Plus** contributes to the WMCA's drive to not just "turn around a failing skills system" but to create one which responds with agility to the demands of business and acts as a key driver of economic growth.

The **Plus** Pilot will help to:

- Address the region's advanced and higher level skills challenge, where around 1 in 4 vacancies are classed as 'hard to fill', particularly in roles that require advanced and/or higher skills;
- Identify and meet the higher level skills needs of key business in growth sectors such as the Business, Professional and Financial Services and Creative and Digital sectors;
- Enhance the City's inward investment 'offer' and present a compelling argument for extending the reach and scope of the Pilot from January 2026, at a time when the completion of the London to Birmingham High Speed Rail network will create further economic growth opportunities for the City-region.
- Tackle the serious waste of human capital that an unemployment count of circa 540 graduates constitutes.

By doing so, **Plus** will:

- Complement the WMCA's focus on Bootcamps, by delivering short, sharp, job-focused skills provision, co-designed with EZ companies, which meets current and future skills demand, including access to STEAM Thinking.
- Deliver directly on the Government's Levelling Up commitment to "step up efforts to give all students the skills employers need...put local employers at the heart of skills provision... and offer new opportunities to access high quality work."

### 1.1.9 Alignment with Net Zero Commitments

*Describe how the project aligns with Net Zero Commitments in its geographical area*

From the Executive Summary contained in the Route to Zero Action Plan – Call to Action – December 2020, the key priority actions focus on 'New build housing', 'Housing retrofit', 'Transport', 'EV Charging', 'Waste', 'Energy' and 'Natural Environment'.

From the Executive Summary contained in the Route to Zero Action Plan – Call to Action – December 2020, the key priority actions focus on 'New build housing', 'Housing retrofit', 'Transport', 'EV

Charging', 'Waste', 'Energy' and 'Natural Environment'. The FBC for the **Plus** project does not focus on any of the above actions.

The aim of **Plus** is to:

- Address the challenge presented by the ever-increasing business demand for higher/graduate level skills;
- Increase graduate retention in the local Birmingham and Solihull economy and significantly reduce graduate unemployment.

Whilst **Plus** does not align directly with Net Zero Commitments, the **Plus** PB will commission and regularly review a Project-specific Sustainable Development Implementation Plan. This will utilise learning and best practice from ESF Delivery. The Plan will be shared with the Project Delivery Team, so that they are aware of their responsibilities and formal escalation routes should they have any concerns at any point. The Plan will be subject to annual review by BCU's Compliance Team.

The Plan will highlight the following actions to take place through all project delivery:

- Promote the use of sustainable travel and thereby minimise the Project's travel-related carbon emissions;
- Apply HLSM and GR working practices, developed during and post-Covid-19, when most project meetings and interventions took place remotely on Microsoft Teams. Where travel is necessary, the primary project delivery sites of BCU, AU, UoB & UCB are ideally located within a network of public transport hubs and local bus services;
- Promote the importance of environmental sustainability through project activities;
- Ensure all project staff members, partners and participants are aware of the importance of environmental sustainability, and encouraged where possible to use digital equipment rather than paper;
- Build on best practice developments in projects such as HLSM, which in 2022 received the Association of Graduate Careers Advisory Services (ACGAS) Award for Sustainability Impact.

## 1.2 Project Context

### 1.2.1 PESTLE analysis

*Outline the current situation in terms of relevant Political, Economic, Social, Technological, Legal and Environmental factors; confirm what the drivers for change are, and why the change needs to happen now.*

The draft PESTLE Analysis at **Appendix 8** highlights the key factors and drivers for change, and focuses solely on the period from 01/01/24 to 31/12/25, which is the timeline for the delivery of the **Plus** Pilot.

It will be:

- Expanded during the **Plus** Pre-Implementation Planning (PIP) Phase - 01/11/23 to 31/12/23;
- Submitted for approval by the **Plus** PB by 31/01/24;
- Regularly reviewed by the PM and PB, alongside the Project Risk and Issue register;

- Supplemented with data from the BSNA completed by participating EZ companies<sup>30</sup>
- Used as part of an ongoing process for monitoring external changes impacting Project delivery and for updating the Risk and Issue register at **Appendix 6**.

Key drivers for change addressed in the attached PESTLE Analysis include:

- **Political:** Where the WMCA's Trailblazer Devolution Deal affords the opportunity for HEIs to respond flexibly to the predicted and ever-increasing demand for higher level skills, at a time when national and regional strategies currently focus overwhelmingly on Intermediate level and Technical skills and qualifications, almost to the exclusion of higher level skills.
- **Economic:** Where **Plus** can provide a compelling, evidence-based case for broadening the scope of the Regional Skills Strategy, to focus also on the higher level skills needs of businesses, and to opportunity to roll out a **national** GR Programme, delivered by the HE Sector in partnership with the DWP, to tackle graduate unemployment.
- **Sociological:** Where the diversity of the City's Graduate Talent Pools offers EZ companies the opportunity to significantly enhance the diversity of their workforce and facilitate inclusive, sustainable economic growth. **Plus** will be a key enabler of these goals.
- **Technological:** Where (a) the unprecedented speed of AI development and other 'disruptive' technologies will undoubtedly increase the current demand for graduates (b) Annual Population Survey data shows that in 2022, the number of people working in graduate-level employment in the UK rose by 469,800 - effectively an entire graduating cohort, while jobs below degree level fell by 165,400<sup>31,32</sup> and (c) it is estimated that by 2035 more than 11 million extra graduates (in addition to the 15.3 million graduates currently in the UK workforce) will be needed to fill jobs in industries such as computing and engineering, teaching and education, health and digital, and 88% of new jobs will be at graduate level. In the West Midlands alone it is estimated that there will be a need for 841,275 additional graduates, and that 82% of all new jobs will be at graduate level.<sup>33</sup>

### 1.2.2 Organisational context

*Outline the applicant organisation's strategic objectives and how the project aligns with these. Reference how the project relates to any organisational strategic documents here and if required provide a link or append the document.*

**Plus** aligns fully with the following BCU strategic objectives and goals.

- To be "the university for Birmingham," delivering and growing high-quality education that meets the needs of the city and enables students to transform their lives through practice-based and industry-relevant education (Access and Participation Plan), **by identifying the current and**

<sup>30</sup> Please note that the **Plus** BSNA requires participating businesses to complete a SWOT Analysis to inform discussions between the company and their Account Manager, concerning the priority higher level skills the business requires their graduate hires to have or quickly develop. Please also note that the **Plus** PESTLE Analysis is predicated on the same SWOT framework.

<sup>31</sup> Prospects Luminate: What Do Graduates Do? Published October, 2023

<sup>32</sup> UK Universities Report: Jobs of the Future (August 2023)

<sup>33</sup> UK Universities Report: Jobs of the Future (August 2023)

*future higher level skills need of business and using this rich vein of data to inform the design and content of undergraduate and graduate programmes.*

- To prepare its students to meet the challenges of the 21st century, such as the significantly shifting labour market driven by emerging technologies and environmental crises related to climate change (Access and Participation Plan), **by implementing customised employability and skills provision with and for local businesses.**
- To ensure that all students have access to high quality, impactful integrated careers support and skills development; delivering effective and targeted employer engagement activities; and support for students to engage with enterprise and entrepreneurship (Innovation and Enterprise Strategy), **by extending the reach of the Account Management service that has underpinned the delivery of the highly successful HLSM project.**
- To facilitate business growth, innovation and productivity, by working in partnership with local and regional political, commercial and civic stakeholders and local communities, to understand and respond to socio-economic needs (Innovation and Enterprise Strategy); **by extending the membership of the HEI Consortium and extending the reach of tried and tested skills data collection tools, such as the HLSM BSNA and the GR Personal Skills Needs Analysis (PSNA).**
- To support large companies and SMEs to access new talent, expertise, facilities and enhanced networks, using our expertise and assets to create robust cases of success, and a clear roadmap of impact with a specific focus on supporting economic productivity in a range of priority growth sectors (Goal 5, 2025 Strategy), **all of which underpins the design and delivery of the Plus Pilot.**

Please find the BCU strategy documents (referenced above in parenthesis) at **Appendix 11.**

Please also note that each HE member of the Consortium has published a similar range of strategies, copies of which can be provided on request.

We would, however, refer you to the shared HEI goal of delivering Graduate Job Outcomes.

Since 2017-2018, the Graduate Outcomes Survey has tracked HEI's success rates in helping graduates secure graduate level jobs, within 15 months of graduation. Graduate Job Outcomes are tracked by an independent regulator and results are published annually by the Office for Students (OfS) in the form of League Tables.

Each HEI is free to determine its own range and duration of support for graduate jobseekers, with most offering substantial support for 15 months after graduation and many continuing to offer some form of labour market advice for up to three years. None are obliged, or expected, to support local graduates from other universities.

However, the HEI consortium has designed **Plus** to go one significant step further, by offering support, not only to their recent graduate cohorts, but to extend that support to:

- Former graduates, who have fell through the net of HEI support and are at risk of, or have already become, long term unemployed;
- Unemployed, locally resident graduates who did not study at any of the four HEIs that have formed the Consortium.



**Plus** has therefore been designed to ensure that as many local graduates as possible have the higher level skills that local companies expect of their graduate hires, and can benefit from and contribute to local, inclusive economic growth. EZ Grant Revenue Funding will not only ensure access to this support for UCB graduates, but for **all** unemployed graduates across Birmingham and Solihull - regardless of where they studied<sup>34</sup>. By helping to optimise local graduate job outcomes, **Plus** will support economic growth and productivity, and ensure that local businesses have direct access to the higher level skills they require to support their current and future sustainability and growth.

### 1.2.3 Policy context

*Outline how the project fits with other national, sub-regional and local policy, and investment plans and strategies not previously mentioned for e.g., The Ten Point Plan for a Green Industrial Revolution, neighbouring LEP's Strategic Economic Plans, Midlands Engine, Midlands Connect or WMCA related companies like West Midlands 5G & West Midlands Growth Company. Provide a referenced excerpt or link to the key relevant sections in such document.*

How **Plus** aligns with relevant national, regional, sub-regional and local policies, investment plans and strategies has been covered in detail in the following sections of this FBC:

#### **National**

Section 1.1.7 The UK Government's Build Back Better Policy

Section 1.1.8 Alignment with The Government's Levelling Up agenda

#### **Regional**

Section 1.1.4 Alignment with the WMCA's Strategic Economic Plan

Section 1.1.6 Alignment with the WMCA's Plan for Growth ('Build Back Better')

Section 1.2.1 The WMCA's Trailblazer Devolution Deal

#### **Sub Regional**

Sections B1 and 2.21 The GBSLEP's Strategic Economic Plan

#### **Local**

Section 1.1.3 BCC's Enterprise Zone Investment Plan

Section 1.1.5 BCC's Our Future City Plan

In addition, **Plus** aligns with 4 of the 5 Aims set out in the WMCA's Regional Skills Plan<sup>35</sup> by:

- Moving more people into employment;
- Moving people into higher skilled jobs;
- Improving the supply of skilled employees available to support business growth and productivity;
- Helping to create an agile and responsive skills system that is more aligned to the needs of business and individuals.

**Plus** will also reach out to:

The West Midlands Growth Company, to:

<sup>34</sup> Between 2019 and 2022, only BCU and AU graduates were eligible for GR support from AU and BCU respectively, with UoB joining the Consortium last year.

<sup>35</sup> WMCA Regional Skills Plan, Page 4

- Share data and information on the priority higher level skills gaps identified by EZ businesses operating in key growth sectors;
- To provide inward investing companies looking to relocate to the EZ area with unique access to the local Graduate Talent Pool;
- To ensure local graduates have an opportunity to contribute to, and benefit from, local economic growth and the job opportunities that will flow from the latest economic developments such as the establishment of the Digital Loc. Studios in Digbeth.

The Midlands Engine (ME) to:

- Share data and information on the priority higher level skills gaps identified by EZ businesses operating in key growth sectors, to feed into MEs Intelligence Hub publications.

West Midlands 5G to:

- Promote local graduate talent and enhance the diversity of the 5G workforce; Contribute to the United Kingdom's Telecoms Innovation Network (UKTIN) Consortium's Talent strategy, which recognises that one of the significant challenges in driving innovation within the telecoms sector is **the ability to attract and retain skilled talent**, within the context of a diverse workforce. "The industry faces stiff competition from other digital sectors both in the UK and abroad, which has created a highly competitive job market, exacerbating the existing skills shortage. As part of the UKTIN consortium, West Midlands 5G will be leading on skills and talent, convening employers and skills providers, promoting careers and training opportunities, and attracting talent to the industry and ensuring the sector has access."

#### 1.2.4 Links to other projects

*Does the project link with other BCC, WMCA or Local Authority supported projects? If so, how?*

**Plus** will benefit from the considerable expertise consortium partners have developed over the last 7 years in delivering major ESF projects, such as HLSM, STEM-Up & Early Years Career Progression Pathways (EYCPP), as well as OfS-funded projects such as GR. These projects alone have drawn down a total funding envelope of £12,372,549.70.

All these successful projects have, at their core, a focus on identifying and effectively addressing the skills needs of local people and local businesses. **Plus** draws directly and specifically on the lean and efficient service delivery models developed by BCU for the HLSM and GR projects and, at the same time, grows the original delivery partnership to welcome UCB and UoB, thereby ensuring that tried and tested skills and businesses support packages can be accessed by all local unemployed graduates and many more local businesses.

**Plus** will:

- Work with WMCA Bootcamps currently being delivered by 4 Consortium members (including BCU), to establish a two-way referral process so that companies registered with **Plus** may access skills support from Bootcamps, and unemployed graduates completing Bootcamps may access **Plus** skills support;

- Engage directly with, and complement, BCU's flagship STEAMhouse project. STEAMhouse delivers a range of key business challenges faced by companies. A two-way referral process will enable EZ businesses and unemployed graduates the opportunity to work in multi-disciplinary teams, supported by expert facilitators to help address 'live' business challenges;
- The SuperTech cluster organisation of professional Tech companies, which recently migrated from the GBSLEP to BCU, and which can connect students and graduates to Tech companies in the EZ, and inform **Plus** of these companies' talent requirements.

**Plus** will utilise findings from the project's Market research, business consultation and initial delivery Phase (Jan-Mar 2024), along with lessons learned in project delivery, to continuously develop and fine tune the higher level skills offer to business, and share these findings with the Skills for Growth Hub - just as HLSM has done over the last 7 year - and with the EZ Partnership. By continuing to share the Consortium's research and delivery findings in this way, **Plus** will help to enrich the data and information gathered by the Skills for Growth Hub and the City Council, and provide local businesses with a better understanding of the higher level skills challenges they face, and how to address those challenges.

During the PIP Phase (Oct-Dec 2023), **Plus** will reach out to the following external stakeholders, to secure Memoranda of Understanding (MoU), encourage greater collaboration and connectivity across the employment and skills eco-system, and improve the service offer to local business and unemployed graduates:

- Jobcentre Plus Youth Hubs;
- BCC's Employment Access Team;
- DWP's Skills Academies;
- FECs;
- Providers of Higher Technical Qualifications.

In addition to this, the PM will engage with Skills and Growth hubs, to ensure that an MoU is in place and that the Advisers within those teams are aware of the **Plus** project and understand who to refer to the project. Should the **Plus** Consortium engage with an individual or business requiring skills support which the project is unable to provide, they will be referred to the Skills and Growth Hub teams.

It is anticipated that throughout the two-year delivery of **Plus**, additional skills projects will continue to come 'on stream', delivered by HEI Consortium members and by other skills providers across the Birmingham and Solihull and WMCA areas. It will be the responsibility of the PM – supported by PB members – to ensure that connections are made with such s projects and, where possible, agree an MoU for cross-project referrals. This may extend to – as has taken place previously – inviting other PMs to join the **Plus** PB, with the **Plus** PM offering to contribute reciprocally. This approach will help to enhance connectivity across the local employability and skills eco-system and share best practice and lessons learned.

## 1.3 Project Benefits

### 1.3.1 Logic model

*Provide a logic model for how the desired change will be achieved through the outcomes and impacts of the project. A separate appendix including the model can be referred to.*

The **Plus** Logic Model, attached at **Appendix 9** demonstrates how, by the end of the Pilot, **Plus** will have:

- Successfully deployed a unique, account managed business support and graduate talent service;
- Engaged with a minimum of 250 EZ companies, to identify their priority higher level skills needs and address those needs by ensuring local graduate job applicants possess the specific soft, technical and problem-solving skills that businesses demand of their graduate hires;
- Helped a minimum of 170 – primarily underemployed and disadvantaged – local graduates secure graduate level jobs with EZ companies;
- Upskilled up to 500 local graduates;
- Produced a compelling, evidence-based case for extending the reach of **Plus** across (and potentially beyond) the EZ area and for embedding **Plus** as a core component of the EZ and City-wide offer to inward investing companies.

In the initial Business consultation, market research and delivery Phase of the **Plus** Pilot, which will run from 01/01 to 31/03/2024, the HEI Consortium will address the following 'unknowns':

- The number of businesses operating within the EZ;
- The breakdown of those businesses, by size, sector and industry;
- The current and future demand for graduates and higher level skills, identified via online and face-to-face consultations with a representative sample of EZ companies (targeted by size, sector and industry);
- The business view of the proposed **Plus** skills 'offer';
- The business appetite for co-designing skills provision.

The data harvested during Phase 1 will inform discussions with BCC on any required changes to the scale and breadth of the **Plus** service delivery model, skills offer and proposed Outputs and Outcomes specified in this FBC.

Once Phase 1 has been completed and Outputs and Outcomes have been finalised with BCC, the **Plus** Logic Model will be updated.

The **Plus** Business Account Management, Graduate Support and Project Management resources; Hub and Spoke service delivery model; emphasis on the co-design of higher level skills provision; stated Outputs and Outcomes, and expected impact of the Pilot, which form the key components of the Logic Model, are all grounded in the lessons learned, best practice identified and robust evidence base provided by the HLSM and GR projects.

### 1.3.2 Evidence of what works

*Confirm how the project draws on what has worked in the past or in other similar contexts.*

**Plus** draws directly and specifically on the lean and efficient service delivery models developed by BCU for the HLSM and GR projects and, at the same time, extends the original delivery partnership to welcome UCB and UoB. This will ensure that tried and tested skills and businesses support packages can be accessed by all local unemployed graduates, and many more local businesses.

The HLSM BSNA has evolved over the past 7 years to reflect the changing needs of local businesses. It remains an effective and efficient tool for identifying priority skills needs and determining what further support the business can be signposted towards. The current BSNA will be revised to ensure due emphasis is placed on the specific higher level skills needs of EZ companies, particularly operating in priority growth sectors. This re-design will be undertaken in November to December 2023. The revised BSNA will be 'road tested' at Business Consultation Workshops during Quarter 1, 2024, and adjusted as necessary

The PSNA and Personal Skills Development Action Plan (PSDAP), both developed by the GR project, have also been continuously improved over 5 years of delivery, and will be reviewed again prior to deployment for the **Plus** Pilot. **Plus** will also draw on the successful BCU-led Kickstart Scheme Graduate Opportunities Gateway project, delivered in partnership with AU and West Midlands Police. The project increased the job readiness of graduate job applicants, by developing and deploying a comprehensive package of employability and skills wrap-around support. Lessons learned from the Graduate Opportunities Gateway will inform the enhanced wrap-around support that **Plus** will offer to all local unemployed graduates.

Over the past 7 years, BCU has piloted, rolled out and further developed its Financial, Operational and Performance Management Framework (FOPMF). The FOPMF underpins the compliance and governance arrangements for the delivery of all BCU-led externally funded skills projects and will be deployed on **Plus**. Please see Section 5.3.2 for information on the rigorous audit, compliance and governance checks required by the FOPMF.

### 1.3.3 Equality impact

*Outline how the project would affect the social well-being of the relevant area and how it could be modified to further improve this. Explain how the project will comply with the Public Sector Equality Duty as set out in the Equality Act 2010, with due regard given to the impact on individuals with protected characteristics.*

**Plus** will build on BCU's excellent track record in leading employment and skills projects that have had a significantly positive Impact on individuals with protected characteristics.

This is evidenced through the delivery of three ESF projects (HLSME, STEM-Up and EYCPP) and the GR project, originally funded by the OfS.

STEM-Up and EYCPP in particular have supported a diverse range of participants, as can be seen in **Table 1** below.

Participants characteristics	STEM-Up	Early Years Career Progression Pathways		Cum Totals
		Eligible	Ineligible <sup>36</sup>	
BME	892	863	229	1,984
Single Parent Household	322	307	79	708
Disability	179	110	36	325

<sup>36</sup> In terms of Social Impact, and in addition to jobseekers and members of the current workforce who are eligible for support, the EYCPP PB agreed an 'inclusive' policy which allowed **all** who sought access to the EYCPP skills offer to benefit from the project, even though these 344 participants could not be claimed as ESF Outputs.



Total	1,393	1,280	244	3,017
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That the above projects have successfully engaged with the communities that make Birmingham a 'super-diverse' City is a huge success story, and **Plus** will draw on the best practice they have developed to ensure that **Plus** benefits individuals from a similar range of backgrounds.

**Plus** will contribute directly to the goals of the Equality Act, by taking positive action to meet the objectives of the Public Sector Equality Policy Statement, to:

- *Eliminate discrimination, harassment, victimisation, and any other conduct prohibited by or under the Equality Act 2010;*
- *Advance equality of opportunity and good relations between persons who share a relevant protected characteristic and persons who do not share it.*
- *Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*

**Plus** is committed to:

- Removing or minimising disadvantages suffered by staff and participants, due to their personal characteristics;
- Providing and promoting an environment which eliminates discrimination, harassment, victimisation, and any other conduct that is prohibited by or under the Equality Act 2010 for all participants;
- Identifying any needs and access requirements of different groups of participants;
- Providing reasonable adjustments for people with disabilities, caring responsibilities, and cultural differences;
- Ensuring premises used for project delivery are accessible to all, and that all project documentation can be modified to meet the needs of participants;
- Working with BCU's Disability Support Team to ensure that all project documents created can be modified to meet the needs of all participants;
- Advancing equality of opportunity between staff, participants and businesses engaged;
- Fostering/promoting good relations between all participants and members of the **Plus** Consortium;
- Recognising the diversity of backgrounds, skills and talents of project staff and participants;
- Collecting and monitoring data to assist in the identification and removal of barriers to equality of opportunity;
- Communicating to all participants and staff the project's commitment to promote equal opportunities in the labour market and increase the percentage of graduates from disadvantaged backgrounds securing jobs with EZ businesses;
- Dealing with breaches of policies and procedures in accordance with the appropriate HEI student or staff disciplinary process.

**Plus** will implement an Equality, Diversity and Inclusion Policy and Implementation Plan, which will be approved by the PB. Progress against this Plan will be assessed at all PB meetings. All staff will be made aware of escalation routes to the Project Management Team (PMT) should any concerns arise. The Policy will be underpinned by the following statement that **Plus** will seek to prevent any form of unlawful or unfair discrimination, and will be concerned with the prevention of direct and indirect, associative and perceptive discrimination on the grounds of age, sex (gender), disability, race, sexual orientation, transgender status, family circumstances, marital or civil partnership status, religion or belief, citizenship, colour or ethnicity, social and economic status, or other irrelevant personal characteristic.

### 1.3.4 Impacts on families and children

*Outline how the project would affect the social well-being of families and children in line with the Government's 'family test' introduced in 2014.*

The test consists of 5 Questions

1. What kinds of impact might the policy have on family formation?
2. What kind of impact will the policy have on families going through key transitions such as becoming parents, getting married, fostering or adopting, bereavement, redundancy, new caring responsibilities or the onset of a long-term health condition?
3. What impacts will the policy have on all family members' ability to play a full role in family life, including with respect to parenting and other caring responsibilities?
4. How does the policy impact families before, during and after couple separation?
5. How does the policy impact those families most at risk of deterioration of relationship quality and breakdown?

The HEI Consortium's assessment decision is that **Plus** does not directly impact on family formation, family relationships or family functioning, except in the broadest sense that:

- (a) Work is the best form of welfare;
- (b) Helping unemployed graduates to secure graduate level jobs may alleviate a range of socio-economic pressures associated with unemployment, which impact negatively on family relationships
- (c) Adjusting to the world of work can, in the short term, exacerbate certain pressures and strains on family relationships, due for example to the need to find alternative means to address child care or care for an elderly or sick relative.

We do not envisage any changes to **Plus** which would require revisiting this assessment.

### 1.3.5 Environmental impact

*Describe how the project will address each element (if applicable) below in each of the Design, Build, Funding and Operation (DBFO) phases:*

All **Plus** Delivery Partners are fully committed to ensuring the Project minimises its carbon footprint. Alongside the commitments made in section 1.1.9, the Project will ensure that the Sustainable Development Policy and Implementation Plan – which has its roots in the delivery of ESF provision over the last 7 years, being agreed to at multiple DWP Project Inception Visits and being successfully audited throughout the delivery of each ESF project – will be clearly communicated to all project staff, project participants and businesses, so that they are aware of their responsibilities under that policy.

The above policy and plan will be uploaded to each Delivery Partner's website. All Pilot participants will be provided with the appropriate link when they complete their PSNA and PSDAP. Businesses will also be provided with this link when they complete their BSNA. Together, these documents constitute the gateway to **Plus** skills provision.

As part of their induction, all new project staff will be provided with the links to both documents and it will be their responsibility to ensure that they are familiar with the contents.

Upon project initiation, the PM will undertake a simple 'baseline' estimate of the Project's environmental impact, in terms of: waste minimisation; recycling; and energy consumption, and establish a simple monitoring plan and means of measuring the Project's impact. This will enable an annual review to take place, led by BCU's Compliance Team (to ensure impartiality within the review). The PM will

communicate outcomes of formal reviews of the Implementation Plan to all project participants, staff and, where appropriate, any other service users, alongside the funder, if required.

Addressing two applicable elements:

***Energy Use – building and transport:***

The majority of energy use will come from the **Plus** project teams' usage of laptops and mobile phones, either at home, in the office or at a meeting with a business or graduate. The impact of the change of working practices following on from the Covid-19 pandemic has meant that staff work in a hybrid manner, with part of the week spent at home and part of the week spent in the office. This will contribute to reduced energy usage levels within offices, and whilst this may increase an individuals' home energy usage, there is likely to be a net reduction overall.

As stated in in section 1.1.9, the primary project delivery sites of BCU, AU, UCB and UoB are ideally located within a network of public transport and local bus services. Three of the four partners sites are located within the EZ, and there should therefore be minimal personal transport usage when attending meetings with EZ businesses.

***Waste/Circular Economy:***

Aside from marketing collateral, it is not envisaged that the project will produce much physical paperwork. All Skills Needs Assessments (business or personal) will be carried out on a secure online form, which will be stored on an online system, with soft copies sent to participating companies and graduates via email. In line with the delivery of ESF projects and GR, 'physical' marketing materials will be made using, where possible, re-cycled or sustainable products, for example, cork bound notepads which contain recycled paper. Any events which take place will do so in central locations with easy access via public transport. Venues will only be selected if they are able to offer a high degree of sustainable options in their food and beverage servings (e.g. no single use plastic to be used when serving food or drinks).

***Whole Life Carbon:*** Describe the ways in which embodied carbon will be maintained and increased and whole operational carbon will be reduced. – N/A

***Biodiversity and Nature Recovery:*** Describe how you will demonstrate that the project increases biodiversity and supports nature recovery. – N/A

***Water:*** Analysing the predicted use of water, describe how you will demonstrate that water use is minimised and how rain water will be captured and stored and how waste water is treated and/or removed off site. Flooding and drought measures – resilience - evidence the future predictions for flooding and drought in the area and describe how they could impact the projects and how you would seek to mitigate them. – N/A

***Carbon Offsetting:*** Outline the plans for offsetting any carbon used in the construction or ongoing processes in the project. \*this should ideally be local offsetting and accredited with VERRA or one of the UK Codes) – N/A

### 1.3.6 Environmental indicators



*Which environmental, quality control, monitoring indicators, processes and targets been identified as part of the project?*

The HEI Consortium envisages that substantial social and economic benefits will flow from the successful delivery of this project and is confident that there are no associated, significant, negative environmental impacts.

**Plus** may however involve some *minor* negative impacts, due to the extent of staff and participant travel and the need to conduct company visits and run marketing events.

Work to establish the Project's 'baseline' environmental impact will take place during Pilot Phase 1: January to March 2024. Building on lessons learned delivering similar business support and skills provision, this baseline will focus on marketing and travel activities.

#### **Quality control:**

- It is intended that most of the project's marketing collateral will be produced only in digital formats. However, there will be some physical collateral which will be produced, for example 'pop-up' banners to support visibility at any events, and leaflets and posters which will be especially useful to support interest in the project at Jobcentre Plus offices. To minimise waste and avoid surpluses, all requests for marketing tools will be directed to the PM,
- Travel will be kept to a minimum. Monthly Operational Management Group (OMG) meetings will take place virtually. Using data from the EZ Market research, business consultation and initial delivery Phase, the PMT will build a baseline estimate of the volume of travel which will be needed to undertake the project, and set a policy for minimising personal vehicle usage and optimising the use of public transport, by **Plus** staff and all graduate participants. The fact that the **Plus** service delivery model will operate from a central hub and four local HEI locations will also help to minimise participant travel. This baseline will be shared with HEI project leads.

Delivery Partners will be signatories to the **Plus** FOPMF, which will explicitly address the requirement to apply and adhere to environmental and sustainable development best practice at all stages of the project lifecycle.

#### **Monitoring indicators:**

- **Marketing collateral:** Following the EZ Market research, business consultation and initial delivery Phase, planning assumptions of how many businesses **Plus** will need to reach to achieve the forecasted Outputs will be revised and finalised. This will enable the PMT to gauge the amount of marketing collateral required throughout the project lifecycle.
- **Travel:** HEI project leads will be responsible for reporting monthly on the forms of transport used. Staff travel will be calculated using staff expense claims submitted. Modes of participant travel will also be monitored and the use of public transport encouraged by DWP Work Coaches and **Plus** Graduate support staff.

## **1.4 Constraints and Dependencies**

### **1.4.1 Constraints and barriers to change**

*Provide details of the external conditions and parameters (policy decisions, ethical and legal considerations, rules and regulations, timescales, spend limits) that constrain project delivery and mitigating strategies to minimise their impact.*

**Policy constraints:** The HEI Consortium does not identify any substantive policy constraints. **Plus** aligns fully with central, regional and local policies, developed to facilitate inclusive economic growth, reduce the skills gap, tackle unemployment, drive innovation, attract inward investment and collaborate with universities as 'anchor' institutions.

Despite the possibility of a change in Government in 2024-2025, we do not envisage any radical shift in these policy areas, or any substantial changes in local or regional policy or 'architecture'. A Labour Government would be highly likely to adhere to the approaches set out in the Report of the Commission on the UK's Future<sup>37</sup>. <https://labour.org.uk/wp-content/uploads/2022/12/Commission-on-the-UKs-Future.pdf>, chaired by former Prime Minister, Gordon Brown. Although this does not constitute 'official' Labour Party policy it does provide a strong indication of the likely approach of a 'centrist-style' Labour Government. The emphasis is therefore more likely to be on the creation of more Regional Mayors and more Devolution deals, with extended devolved powers over everything from Transport and Infrastructure, to Employment and Skills and EZ.

**Ethical and legal:** As the lead partner, BCU will ensure **Plus** is reviewed by the University's Ethics Committee. However, due to the enabling nature of this business support and graduate skills project, and the 'universal' offer to be made to all EZ businesses, we do not foresee any ethical or legal constraints arising.

**Timescales:** A delayed Funding Agreement would result in a delay in the project staff recruitment process. To mitigate this risk, BCU will work closely with BCC to understand the timeline for producing the Funding Agreement, and work with Delivery Partners to assuage any concerns they have. If there are delays in issuing the Funding Agreement, BCU will not be able to issue final Service Level Agreements (SLA's) for partners to sign and signal their formal agreement to project delivery. To mitigate this, draft SLA's will be shared with Delivery Partners shortly after submission of the FBC, so that each partner's legal team is able to clear the draft agreement. This will enable the process to be completed as soon as the Funding Agreement has been signed off.

**Rules & regulations:** A detailed response to the UK Subsidy Control regulations, and how these may impact the delivery of **Plus**, is included in section 4.4.2 and Appendices 7 of the FBC. However, these are not seen as a constraint or barrier to successful delivery of the project.

**Timescales:** The HEI Consortium has determined that a Pilot project is the most effective method of initial delivery, as it will enable all three, new HE Delivery Partners to join the Consortium and develop a thorough working knowledge of the resources and expertise required for a full roll out of **Plus** from 2026. The **Plus** Pilot will start on January 1<sup>st</sup> 2024 and complete on December 31<sup>st</sup> 2025. Should there be any slippage in the approval process and/or the proposed start date, project partners will be at serious risk of losing key project management and delivery expertise, as ESF project funding ceases on 31/12/23.

Funding must also start on January 1<sup>st</sup> 2024 to ensure that recruitment exercises to be deployed by new Delivery Partners can be completed by the end of Q1, 2024 and full roll out of the Pilot can begin. To

<sup>37</sup> <https://labour.org.uk/wp-content/uploads/2022/12/Commission-on-the-UKs-Future.pdf>.

mitigate this risk, BCU, as lead partner, will work closely with BCC's EZ Team to ensure that any potential delays in the approval process can be identified and steps put in place to minimise the impact.

**Spend limits:** All project spend relates to staff salaries and staff time spent working on the project, with the exception of funding deployed to cover a small marketing budget. Therefore, the risk that project spend will exceed the proposed budget is extremely low. There is, however, a risk of a project underspend, arising from potential delays in project staff recruitment. To mitigate this, the BCU PMT will, within the project's PIP Phase, work with Delivery Partners, to prepare job descriptions and associated recruitment paperwork, to ensure that partners are able to begin their recruitment as soon as EZ approval is received. The BCU PMT will also put in place an interim staffing contingency plan utilising the skills of existing staff, by reassigning them on a temporary basis, to ensure that the project can start on 01/01/2024.

### 1.4.2 Dependencies

*Confirm how the project's success depends on factors outside its control, be that internal to the organisation, across implementing partners or in the external environment.*

As the Consortium's lead partner, BCU has an impressive track record of successfully delivering multi-million-pound, multi-partner, externally funded projects, notwithstanding unpredicted external factors beyond the University's control.

This can be demonstrated through the delivery of three ESF projects (HLSME, STEM-Up and EYCPP) and the GR project, originally funded by the OfS.

During and after the Covid-19 pandemic, whilst many other ESF projects, both locally and nationally, were submitting Project Change Requests to reduce their performance and financial targets, all three BCU-led ESF projects requested increased finances and performance targets, due to their successful delivery throughout the two national lockdowns and the many other restrictions in place throughout 2020, 2021 and 2022.

Throughout the same period, the GR Project was able to significantly exceed its agreed Outputs; achieve all the Critical Success Factors (CSFs) set by the OfS; and, due to its success, secure funding and resources from BCU, AU and DWP, to sustain the project beyond the end of the OfS funding period in July 2022.

The above track record demonstrates the stringent controls which are in place within BCU and its project governance regime to identify, monitor, assess and mitigate risk. It also demonstrates the ability of project partners to effectively transition, and adapt, project delivery without impacting on quality. Throughout the delivery of **Plus**, the following management systems will be deployed:

Project partner monitoring:

- Monthly OMG Meetings – these meetings will provide effective day-to-day management control of Pilot delivery, and will comprise of the operational leads for each Delivery Partner, working closely with the PM and PMT to ensure the successful delivery of provision, Outputs and CSFs. A Risk and Issue register will be created, added to, assessed, and monitored at these meetings, where each partner will have a representative who works on delivery of the project present. Any immediate issues which present themselves will be escalated to the SRO;

- Quarterly PB Meetings – the project’s decision-making body - will provide oversight and direction; consider the outcomes from, and approve recommendations of, formal performance reviews; commission, consider and sign off the interim and final project evaluations and the project’s sustainability strategy. The PB will consist of senior representatives from each of the Delivery Partners, alongside representatives from BCC, DWP, and the NCS. The Risk and Issue register will be assessed at a more strategic level during this meeting, to ensure that all risks and issues are being correctly managed and providing the forum to escalate for the project’s SRO to make decisions.

Internal BCU monitoring (in line with BCU’s Externally Funded Projects Policy):

- Monthly Compliance Reviews – this meeting includes the PM, Finance Officer, and Innovation Support Officer. The Risk and Issue register is assessed independently and brings in any financial risks. Any immediate institutional issues are escalated to BCU’s Director of IEE to make decisions. This meeting will also act as a checkpoint to ensure that the Project is still meeting its initial aims and is not subject to ‘mission creep’. This will ensure longevity of the project, especially after the initial funding period;
- Quarterly Compliance Reviews – lead by BCU’s Director of IEE. The Risk and Issue register is rigorously assessed, with any ‘amber’ or ‘red’ risks being spoken through to ensure that they are being correctly managed. Any immediate institutional issues are escalated to BCU’s Deputy Vice-Chancellor to make decisions. This meeting will also act as a checkpoint to ensure that the Project is still meeting its aims, feeding into the Departments annual business plan. This will ensure longevity of the project, especially after the initial funding period. The meeting will also be used to identify any departmental risks which may be arising, which could impact the delivery of the project, so that mitigations can be implemented at the earliest possible stage;
- Bi-annual Vice-Chancellors Office Review – the most senior office within BCU - will take place twice a year, to assess project performance and risk. This ensures that all risks and issues are being identified and monitored correctly and anything which requires an immediate decision can be made in that meeting. This meeting will also act as a checkpoint to ensure that the Project is still meeting its aims, feeding into the University’s annual business plan. This will ensure longevity of the project, especially after the initial funding period. The meeting will also be used to identify any Institutional risks which may be arising, which could impact the delivery of the project, so that mitigations can be implemented at the earliest possible stage;

Partners will be encouraged to implement similar levels of internal governance checking, in line with their own versions of an ‘Externally Funded Projects Policy’. This will ensure that any unforeseen risks or issues, which may arise for Delivery Partners, are minimised.

This rigorous level of monitoring will enable the project to identify all factors out of its control, assess the impact that such risks may have, and put steps in place to mitigate their impact at the earliest possible opportunity: such as, a partner’s performance/ability to delivery, staff departures or a future global pandemic.

#### 1.4.3 If there are specific constraints on the project’s start / end dates, please state these below

	Date	Details
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Project cannot start before	01/01/2024	In line with the Project Delivery Plan in section 5.1.2, 01/01/2024 is the earliest feasible start date and all HEI partners have agreed that they are willing to deliver 'at risk' ahead of receiving approval from the BCC Cabinet on 13/02/2024 and subsequent receipt of the Funding Agreement. To ensure that this date is met, this FBC will be submitted in time for it to be assessed by the EZ Programme Board on 18/12/2023. Upon submission of the FBC, PIP planning will commence, enabling the EZ Market research, business consultation and initial delivery Phases to begin on 01/01/2024. Following on from approval from the EZ Partnership Board on 18/01/2024, all partners will begin their recruitment activities which will allow adequate time for the full project team to be recruited by 31/03/2024. This will enable the main delivery phase to commence on 01/04/2024.
Project must be completed by	31/12/2025	<b>This is the earliest feasible completion date.</b> To ensure that sufficient time is given to achieve all agreed project Outputs and CSF, we would expect the Pilot to run for the full period available under EZ Funding Rules. We would also expect to submit a proposal to extend the Project beyond 2025 - accompanied by a full evaluation of the Pilot's success - by 30/11/2025. If the Start Date were to slip (due to a prolonged Assessment Period) the Completion Date would need to be revised accordingly.

## 2. Economic Case

The economic case determines whether the scheme demonstrates value for money and assesses options considered to identify all their potential impacts – both beneficial and adverse – and summarises the resulting value for money. The level of appraisal included will be determined based on the project type. This Case considers impacts on the economy, environment and society using monetised information, qualitative and quantitative assessment. At SOBC it is expected that the Economic Case will be approximately 50% complete and 75% complete at OBC. The FBC will therefore revisit and update the Economic Case in relation to the shortlisted options and based on finalised scope and target costs of the preferred option to be delivered subject to approval of the business case.

### 2.1 Critical Success Factors

*Explain what criteria have been used for selecting the option that would achieve the project objectives. A sample list of critical success factors is included in **Appendix 1**; add more project-specific factors as required.*

The following criteria have been used for selecting the option that would best achieve the project's objectives.

See also the 9 **Plus** Investment Objectives out in Section 1.1.2.

Key Critical Success Factors	Description
<b>CSF1: Strategic fit and meets business needs</b>	How well the option: <ul style="list-style-type: none"> <li>• <b>achieves the identified objectives to maximise an opportunity or resolve an issue:</b> Will the project reach the targeted number of EZ companies and disadvantaged graduates, as well as achieve the other stated Outputs and Outcomes in Section 2.4.5?</li> <li>• <b>meets the agreed spending objectives, related business needs and service requirements:</b> Will the project fully deliver the range of business support and upskilling that businesses and graduates will need to meet agreed Outputs and Outcomes in Section 2.4.5?</li> <li>• <b>provides holistic fit and synergy with other strategies, programmes and projects:</b> Does the programme fit with the current policy context as outlined in Section 1.1.13 to 1.1.9?</li> </ul>
<b>CSF2: Potential Value for Money</b>	How well the option: <ul style="list-style-type: none"> <li>• <b>optimises value (social, economic and environmental), in terms of the potential costs, benefits and risks:</b> Does the programme demonstrate the best value for money of the various options assessed? How does this stand up to sensitivity analysis?</li> </ul>
<b>CSF3: Supplier capacity and capability</b>	How well the option: <ul style="list-style-type: none"> <li>• <b>matches the ability of potential suppliers to deliver the required services:</b> Does the project match the capabilities of HE Delivery Partners?</li> <li>• <b>appeals to the supply side:</b> How receptive and willing to contribute are HE collaborators on the project (AU, BCU, UCB and UoB)?</li> </ul>
<b>CSF4: Potential affordability</b>	How well the option:



	<ul style="list-style-type: none"> <li>• <b>can be financed from available funds:</b> Will the partners be able to contribute the requisite match funding to ensure the project's success?</li> <li>• <b>aligns with sourcing constraints:</b> Does the projects meet the funding constraints as set out by BCC's EZ Team and the EZ Investment Plan?</li> </ul>
<b>CSF5: Potential achievability</b>	<p>How well the option:</p> <ul style="list-style-type: none"> <li>• <b>is likely to be delivered given an organisation's ability to respond to the changes required:</b> Will BCU, as the lead organisation, be able to accommodate the project effectively and will Delivery Partners be able to engage with the project alongside ongoing projects and programmes?</li> <li>• <b>matches the level of available skills required for successful delivery:</b> Will the PMT and PB be able to accommodate and effectively run the project, and will project management staff to be hired have the capacity to run the project effectively?</li> </ul>

## 2.2 Options Appraisal – Longlist

### 2.2.1 Longlist of options

Use **Appendix 2** to list a wide range of possible ways (options) that have been considered for delivering project objectives (an alternative template can be used providing it satisfies this as minimum criteria). The longlist should reflect a range of solutions in terms of size, scope, location, costs, outputs and outcomes, and include the “do nothing / do minimum” and “do maximum” options. Describe each option's advantages and disadvantages in terms of project's critical success factors.

**Plus** has been developed over a long period of time following the iteration, development, and roll out of various graduate employment and training schemes. **Plus** pulls together lessons learnt from numerous skills and employment projects aimed at students and graduates, which have been delivered by BCU and various partner universities in the past. Delivered by 4 Birmingham-based HEIs, **Plus** combines key components of two of the most successful employment and skills programmes delivered in Birmingham over the last 7 years – HLSM, which has to date delivered skills solutions for 707 local businesses and GR, which placed over 892 unemployed graduates into work (70% from a BME background). Therefore, this Pilot is largely building on previous successful projects which BCU has led on. This project will build on the lessons learned in the project management and delivery of GA, HLSM and GR.

<b>Reference Case / Option 1 (Do nothing/Business As Usual case)</b> <i>(the position in terms of required outcomes and benefits that would occur if the project did not proceed)</i>	<b>Description</b> This is the counterfactual or 'do nothing' option. This option considers the impact of continuing with 'business as usual'. This means that there would be no <b>Plus</b> Pilot run and that the HLSM Project will cease, will no further development of the success of HLSM and GR.
	<b>Main Advantages</b> <ul style="list-style-type: none"> <li>• Does not require additional investment</li> </ul>
	<b>Main disadvantages</b> <ul style="list-style-type: none"> <li>• Will not address market failures</li> <li>• Will not offer necessary Outputs or Outcomes</li> </ul>

	<ul style="list-style-type: none"> <li>Does not meet the required CSFs.</li> </ul>
	<p><b>Main risks</b></p> <ul style="list-style-type: none"> <li>AU and BCU would cease to deliver HLSM Account Management-led business support and higher level skills services to SMEs across the Birmingham and Solihull GBSLEP Area on 31/12/2023, when ESF Programme funding ceases;</li> <li>AU and BCU would cease to fund GR from core revenue on 31/12/23 and 31/07/24 respectively and, during this limited period, would only be able to offer PSNAs, PSDAPs, skills refreshes and jobs matching services to unemployed graduates - referred by DWP Work Coaches - who had attended their respective HEIs;</li> <li>There would be no specific targeting of EZ SME higher level skills needs by either project - as this would spread the existing HLSM and GR resources too thinly across the GBSLEP area - and no <b>Plus</b>-style services whatsoever to large companies within the EZ, or to potential inward investing companies;</li> <li>UCB and UoB, who have committed to <b>Plus</b>, would continue to deliver their own local business support services in isolation, and in competition, and limit their existing employability and jobs advice support to their own former graduates;</li> <li>The circa 540 unemployed and underemployed graduates currently claiming Universal Credit in the Birmingham and Solihull Area would find it far more difficult to access meaningful employment with the wide range of businesses within the EZ, as the range of higher level job and sector-specific upskilling provision available to them would be severely curtailed. This would exacerbate the waste of human capital which already presents itself in the city.</li> </ul>
	<p><b>Conclusions</b></p> <ul style="list-style-type: none"> <li>Local HEIs would continue to offer competing business skills and graduate recruitment services in isolation, instead of developing a unique, collaborative, and cost-effective offer that would prove to be an enabler of inclusive, local economic growth.</li> <li>The opportunity for <b>Plus</b> to complement current EZ-focussed intermediate level skills provision and enhance the EZ inward investment 'offer' would both be lost, as the local Graduate Talent Pool would only be accessible on a piecemeal and fragmented basis.</li> </ul>
<p><b>Option 2 – Alternative Service Delivery Model</b></p>	<p><b>Description</b></p> <p>Option 2 would require the re-configuration and re-launch of GA. From 2003 to 2014, GA promoted graduates to businesses throughout the West Midlands region, by offering free recruitment support for paid internships, lasting between 4 weeks and 12 months, and voluntary internships, for up to 30 hours per week and a maximum of 4 months duration.</p> <p>GA was initially supported by all West Midlands Universities and therefore provided SMEs with access to final year students and graduates from a wide range of degree disciplines, and helped SMEs develop their internship vacancies, advertise and promote them, identify suitable candidates, and create a suitable shortlist.</p> <p><b>Main Advantages</b></p> <ul style="list-style-type: none"> <li>Would support continuation of an internship programme that has already proved successful.</li> <li>Could lead to the potential employment of some unemployed or underemployed graduates.</li> </ul>



	<ul style="list-style-type: none"> <li>• Would enable other graduates to develop key workplace experience, improving their skills and capabilities and increasing their likelihood of future employment.</li> </ul> <p><b>Main disadvantages</b></p> <ul style="list-style-type: none"> <li>• Would be less effective than the preferred option in supporting businesses in finding students and graduates that meet their higher skills needs, and would therefore be less effective at closing the higher level skills gaps faced by EZ companies, as applicants for internship would have far more limited access to pre-entry skills support.</li> <li>• Many of the placements would be unpaid, as was the case with the original GA programme, and therefore this option would not have a direct impact on the employment or underemployment status of local graduates.</li> </ul> <p><b>Main risks</b></p> <ul style="list-style-type: none"> <li>• This project may lead to lower participation from businesses, as the support offered would be limited and the ability to target high growth potential and struggling businesses would also be reduced.</li> <li>• Graduates may be less likely to engage with a placement programme, particularly if they need paid employment.</li> </ul> <p><b>Conclusions</b></p> <ul style="list-style-type: none"> <li>• Skills gaps would continue to go unresolved and businesses would continue to struggle to find graduates with the appropriate skills to meet their needs.</li> <li>• Graduates would be less likely to find paid sustainable employment and the required reduction in unemployment and underemployment would not be realised.</li> </ul>
<b>Option 3- 'Go Small'</b>	<p><b>Description</b></p> <p>This would be a downscaled version of the <b>Plus</b> Pilot. It would see the Plus Consortium reduced again to BCU and AU only. It would <b>only</b> achieve reduced outputs, compared to the preferred option, due to the reduced capacity that a lower award of EZ funding would provide. A downscaled <b>Plus</b> would aim to achieve around 40% to 50% of the anticipate benefits that would be generated by the full Pilot.</p> <p><b>Main Advantages</b></p> <ul style="list-style-type: none"> <li>• This option would meet all affordability requirements set out by BCC, as well as participating partners.</li> <li>• The project would lead to some reduction in the underemployment or unemployment of disadvantage graduates.</li> <li>• Would lead to some increase in the number of EZ businesses accessing the local Graduate Talent Pool.</li> <li>• There would be some intelligence gathering of the current higher level skills gaps impacting EZ business growth and sustainability.</li> </ul> <p><b>Main disadvantages</b></p> <ul style="list-style-type: none"> <li>• <b>Plus</b> would not be able to secure the staff resources and expertise required from UCB, and UoB.</li> <li>• The further development of existing HLMS and GR services would not be possible, which would result in minimal benefits to EZ businesses and a missed opportunity.</li> <li>• BCU and AU would continue to engage only with their own unemployed graduates, which would mean that fewer unemployed graduates would benefit from the project and, in turn, fewer EZ businesses would have their higher level skills needs assessed and addressed.</li> </ul>

	<ul style="list-style-type: none"> <li>• HLSM and GR resources would be spread thinly across the whole of the Birmingham and Solihull area, which would impact both the quantity and quality of proposed <b>Plus</b> project Outcomes and risk the loss of Account Management and GR Consultant expertise in December 2023 and July 2024 respectively.</li> <li>• The associated EZ Outcomes, CSFs and lessons learned from the proposed Phase 1 Market research business consultation and initial delivery Phase would be considerably less impactful, which would have a negative effect on the potential to secure future funding to extend <b>Plus</b>.</li> </ul> <p><b>Main Risks</b></p> <ul style="list-style-type: none"> <li>• The BCU PMT may struggle to facilitate this plan without the capacity offered by HEI Consortium partners that would not be able to participate in this option.</li> <li>• A fuller picture of the current skills needs of EZ businesses might be lost, as far fewer companies could be targeted and engaged.</li> <li>• There would very likely be capacity issues in trying to develop a future full-scale delivery plan.</li> </ul> <p><b>Conclusions</b></p> <p>Whilst this option would likely be successful, the full benefits of option 4 would not be attained. The loss of staff resources, as UCB and UoB would be unable to participate, would reduce capacity and result in far fewer graduates and EZ businesses being targeted. This would reduce potential gains from finding sustainable employment for graduates and closing higher level skills gaps for EZ businesses.</p>
<p><b>Option 4- Plus Pilot (Preferred Option)</b></p>	<p><b>Description</b></p> <p><b>Plus</b> supports the goals of the EZ Investment Plan and the GBSLEP's SEP, creating jobs for local people, promoting inclusive, sustainable economic growth, and improving productivity by:</p> <ul style="list-style-type: none"> <li>• Identifying the higher-level skills needs of at least 250 EZ businesses, and matching these with the skills of the local Graduate Talent Pool;</li> <li>• Broadening the diversity of the Graduate Talent Pool accessed by EZ businesses, and enhancing the diversity of the EZ workforce;</li> <li>• Securing graduate level jobs for a minimum of 170 local graduates, with 70% coming from disadvantaged backgrounds;</li> <li>• Demonstrating the socio-economic impact of placing local unemployed graduates into sustainable jobs;</li> <li>• Delivering a compelling, evidence-based business case for scaling up <b>Plus</b> delivery from January 2026.</li> </ul> <p><b>Main Advantages</b></p> <p>The <b>Plus</b> project would create the opportunity for 3 new HE partners to be brought into the HEI consortium, which would lead to:</p> <ul style="list-style-type: none"> <li>• More unemployed graduates being supported;</li> <li>• Better EZ business access to the Graduate Talent Pool of 4 HEIs;</li> <li>• More EZ businesses engaged and in-depth skills needs analyses conducted;</li> <li>• A wider range of skills gaps being identified and filled;</li> <li>• A deeper understanding of the skills needs requirements of EZ businesses;</li> <li>• Unemployed graduates being supported, regardless of the university which they graduated from;</li> </ul>

	<ul style="list-style-type: none"> <li>• Thorough Market Research and Evaluation of the project, which would put the consortium in a position to develop a proposal for full-scale delivery from 2026, just as the economic benefits of HS2 start to flow into the City.</li> </ul> <p><b>Main disadvantages</b></p> <ul style="list-style-type: none"> <li>• Demand for the project amongst businesses, given the ongoing labour market issues and skills mismatch in the market, could be too great for the HEI partners and opportunities could be missed</li> </ul> <p><b>Main Risks</b></p> <ul style="list-style-type: none"> <li>• Economic downturn could lead to a reduction in the number of businesses willing to participate in the project, as they may no longer be willing to hire a graduate.</li> </ul> <p><b>Conclusions</b></p> <p>Overall, this option would be most likely to meet the CSFs which have been set out in section 2.1. It would engage the 4 main Birmingham-based HEIs within the locality of the EZ area. It would build on projects which BCU, with Delivery Partners, has already run successfully, and draw on the lessons learned from these projects, to improve the effectiveness of Account Management and skills matching.</p>
<p><b>Option 5- Launch of full scale programme in 2024</b></p>	<p><b>Description</b></p> <p>Launch of a full scale <b>Plus</b> programme in 2024, with a commensurate increase in Grant Revenue Funding, at an estimated annual cost of between 2 and 2.5 times the annual cost of the <b>Plus</b> Pilot.</p> <p><b>Main Advantages</b></p> <ul style="list-style-type: none"> <li>• Would enable for benefits to be realised over a longer period of time, with higher levels of employment achieved, alongside a higher level of businesses approached and skills matched.</li> <li>• Likely to achieve a high value for money result.</li> </ul> <p><b>Main disadvantages</b></p> <ul style="list-style-type: none"> <li>• Would not meet affordability restrictions.</li> <li>• Without the Pilot there will not be sufficient understanding of the resources and expertise required to effectively deliver the supply and demand from both EZ businesses and the local Graduate Talent Pool, including circa 540 local unemployed graduates.</li> <li>• Without the Pilot, it will be difficult to fine tune the <b>Plus</b> ‘hub and spoke’ delivery model to ensure it delivers the quality of service that can enable EZ businesses to reap the skills and growth benefits that the local Graduate Talent Pool can help to deliver.</li> <li>• Without the Pilot it will be difficult to demonstrate and establish the case for incorporating <b>Plus</b> as a key enabler of the strategic aims of the EZ strategy, across the lifetime of the EZ programme.</li> <li>• Starting a full-scale programme in January 2024 may lead to issues with employment of staff to run <b>Plus</b>, as the time scale would make it difficult to find the appropriate number of correctly skilled staff needed to run the project.</li> </ul> <p><b>Main Risks</b></p> <ul style="list-style-type: none"> <li>• There would be no lessons learned from the Pilot, which could reduce the effectiveness of the full-scale programme.</li> <li>• Without the pilot, it may be more difficult to develop a compelling case for engaging with and persuading other HEI’s and FECs in Birmingham to become project Delivery Partners in 2026</li> </ul>

- There will be a less time to establish the precise nature and scale of current (2024-2025) and future (post-2025) higher level skills demand within the EZ and the wider Birmingham and Solihull economy;

### Conclusions

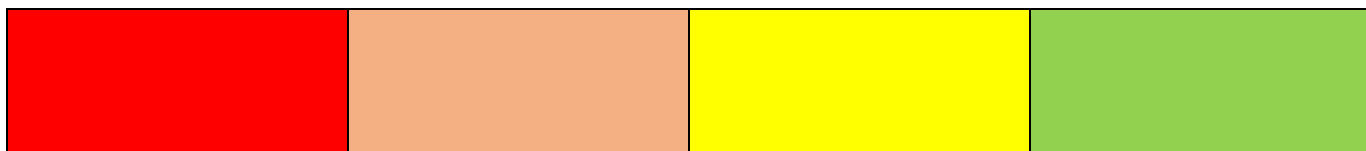
Overall, the Pilot will be needed before the full-scale programme, and to develop lesson learned, which can be built into any full-scale programme before enacting. For instance, the Pilot will be used to capture the skills gaps that businesses are facing, and without the Pilot, a full scaled programme will be too large to roll out without the evidence capturing needed from the Pilot. Without deployment of the Pilot before the full-scale programme, the opportunity to embed **Plus** into future skills strategies in the region may be missed, as, without evidence of the impact of the Pilot, policy makers, such as EZ, BCC, the WMCA and DWP, may be unable to justify embedding the full-scale programme into their strategies. This option will currently be unviable without a Pilot to evidence the need for spend on a full-scale programme.

## 2.2.2 Options shortlisting

*Describe the process and methodology of shortlisting the options, providing a clear justification for why the discarded options were ruled out. Include who was involved in this process and how the decision was endorsed.*

During the summer of 2022, BCU deployed its standard methodology - Open Design Workshops - for devising skills projects, which has seen the successful design prior to the delivery of ESF and OfS-funded projects. This series of workshops initially enable potential partners to share and build on each other's ideas, and openly state what they can and cannot commit to deliver, in a forum that engenders trust and inclusivity: one in which any participating HEI may decide not to commit to delivery, safe in the knowledge that they will still be invited to the next series of workshops. Initially, AU, BCU, NBU<sup>38</sup>, UCB and UoB agreed to develop a project model which would respond to the needs of businesses in the EZ, and the merits and opportunities of the 4 options were discussed and agreed.

The options were appraised primarily against their ability to deliver the Outputs and Outcomes that would address the challenges and market failures identified in the Strategic case, and articulated within the CSFs. This process resulted in an assessment of each option against each of the CSFs. Each option was assessed as either:



Please see Table 2 below for the RAG matrix which summarises the HEI Consortium's shortlisting process, highlighting the key areas of development which partners agreed were key to delivery, and which led to the decision for the **Plus** Pilot to follow Option 4:

<sup>38</sup> NBU subsequently withdrew from the HEI Consortium, prior to the submission of the EZ Pipeline Summary Document on 29/05/2023

**Table 2:** RAG Assessment of Options 1 to 5

Critical Success Factors	Option 1	Option 2	Option 3	Option 4	Option 5
CSF 1	Red	Orange	Yellow	Green	Orange
CSF 2	Red	Yellow	Yellow	Green	Orange
CSF 3	Orange	Orange	Orange	Green	Orange
CSF 4	Green	Green	Green	Green	Red
CSF 5	Green	Green	Yellow	Green	Red

As can be seen in the above matrix, Option 4 strongly meets both the Investment Objectives and each of the CSF's. All Delivery Partners agreed that Option 4 was the preferred option.

## 2.3 Options Appraisal – Short list

### 2.3.1 Cost-benefit analysis

Provide a cost-benefit analysis for each shortlisted option, ensuring that:

- both capital and operating costs are included;
- these costs cover the entire benefit realisation period;
- appropriate discounting techniques are applied;
- optimism bias is shown in the calculation of both costs and benefits.
- how changes in the climate can impact on the cost and benefit (on the long term too) of each option; and
- benefits are clearly aligned with specific strategic objectives.

**Appendix 3** provides a template to detail the cost-benefit analysis (CBA) of shortlisted options. Alternative templates that satisfy this as minimum criteria can be used.

The analysis must follow the standard appraisal practice for the type of intervention, such as DfT, DfE or MHCLG.

**Table 3** below applies the format and content of **Appendix 3** to assess shortlisted options 2 to 4.

**Table 3:** Cost Benefit Analysis of shortlisted options 2 to 4

	Option 2: Alternative Service Delivery Model	Option 3: Reduced <i>Plus</i> Pilot Scale- 'Go Small'	Option 4: <i>Plus</i> Pilot- Preferred Way Forward
<b>Costs (£000)</b>			
Capital costs (excluding VAT)	£0	£0	£0
Revenue costs	£2,123,077	£776,968	£1,188,404
Total costs	£2,123,077	£776,968	£1,188,404
Total Discounted costs (Present Value of Costs) (1)	£2,123,077	£932,362	£1,426,085
Significant unmonetisable costs	£0	£0	£0
<b>Benefits (£000)</b>			
Benefit A	£87,120	£163,350	£294,031
Benefit B	£2,850,334	£1,530,735	£3,525,051



Total benefits	£2,937,454	£1,694,085	£3,819,081
Discounted benefits (Present Value of Benefits) (2)	£2,219,689	£1,280,629.17	£2,886,678.35
Significant unmonetisable benefits	See section 2.2.4	See section 2.2.4	See section 2.2.4
<b>Cost benefit analysis</b>			

Please note that:

- All **Plus** costs used are operating costs. Costs cover the entire benefit realisation period;
- The wider work which took place covered a period of two years, **Plus** will be delivered over two years, with benefits being tracked for 6 months following on from the end of delivery, therefore the entire benefit realisation period is fully covered. No capital costs have been included, as capital expenditure is not required in the delivery of **Plus**;
- Appropriate discounting techniques have been applied to the GVA generated, resulting from graduates entering employment. Please see **Table 4** in Section 2.3.2 This is based on HMT Geen Book guidance provided (p123);
- All benefits and costs have been calculated over a period of two years, which is the anticipated length of the Pilot that will be running.

It should be also be noted that 20.1% (£238,789.54) of the total costs is match funding on option 4, with the other 79.9% (£949,614.58) being the grant funding that is being requested.

Benefit A	New FTE staff	This benefit calculates the additional GVA generated by the employment of new FTE staff. This was calculated by multiplying the number of new FTE staff by the GVA per employee, using the GVA per employee for the Birmingham and Solihull area. Assumptions around GVA per employee can be seen in the assumptions section below.
Benefit B	Number of Graduates helped into employment	This benefit calculates the additional GVA generated by helping unemployed or underemployed graduates into employment over the 2 year period. It was calculated by multiplying the average graduate salary by the number of graduates expected to be helped into employment.

### 2.3.2 Assumptions

*List and describe assumptions underpinning the above analysis, including the rationale for the proposed benefit realisation period, optimism bias and any contingency. Assumptions should consider Leakage, Substitution and Displacement.*

*Leakage: To what extent with the economic benefits/outputs from the proposed intervention leak out of the projects area into other geographical areas.*

*Substitution: will the proposed intervention lead to a change from one type of labour/business activity to another without an overall increase in outputs or economic activity.*

*Displacement: will the proposed intervention lead to a reduction in economic activity or duplication of skills provision elsewhere in Greater Birmingham?*

#### **Additionality and Optimism basis**



Option 1- Do nothing/ Business as Usual	No calculations were made for option 1, as the business as usual case will generate limited benefits. Without <b>Plus</b> to tackle the market failures highlighted in Section 1: The Strategic Business Case, the only benefit which might be generated is the potential for graduates to find their own employment within firms struggling to find graduates with relevant skills. However, the success of this will likely be low, given they have not been successful so far. Therefore, to calculate the business as usual (or deadweight) against the other options, a deadweight of 20% has been applied, as the benefits without <b>Plus</b> are expected to be limited to nil. This deadweight is based on advice from <a href="#">HM Treasury Additionality Guidance</a> . Please see page 20 Table 3.1 within the guidance.						
Option 2	<table border="1"> <tr> <td data-bbox="300 618 499 786">Substitution</td> <td data-bbox="499 618 1498 786">As there is no public sector assistance involved in this option, a substitution rate of 0% has been applied. Additionally, this will only involve businesses already in search of graduate hires. This substitution is based on advice from <a href="#">HM Treasury Additionality Guidance</a>. Please see page 32 Table 4.4.5 within the guidance.</td> </tr> <tr> <td data-bbox="300 786 499 1021">Displacement</td> <td data-bbox="499 786 1498 1021">A displacement figure of 17.9% has been applied to the benefits generated for this option. As businesses and/or graduate job outcomes may not be captured by this option, it would deliver reduced Outputs and Outcomes. As there will be less HEI capacity to reach target businesses, it is anticipated that there will be a higher displacement level for this option. This displacement is based on advice from <a href="#">HM Treasury Additionality Guidance</a>. Please see page 30 Table 4.7 within the guidance.</td> </tr> <tr> <td data-bbox="300 1021 499 1178">Leakages</td> <td data-bbox="499 1021 1498 1178">A leakage of 0% has been applied, as this option will still be highly targeted at graduates within the region, through HEI contacts with former students and therefore, there should be no leakages of benefits. This leakage was based on advice from <a href="#">HM Treasury Additionality Guidance</a>. Please see page 27 Table 4.2.6.</td> </tr> </table>	Substitution	As there is no public sector assistance involved in this option, a substitution rate of 0% has been applied. Additionally, this will only involve businesses already in search of graduate hires. This substitution is based on advice from <a href="#">HM Treasury Additionality Guidance</a> . Please see page 32 Table 4.4.5 within the guidance.	Displacement	A displacement figure of 17.9% has been applied to the benefits generated for this option. As businesses and/or graduate job outcomes may not be captured by this option, it would deliver reduced Outputs and Outcomes. As there will be less HEI capacity to reach target businesses, it is anticipated that there will be a higher displacement level for this option. This displacement is based on advice from <a href="#">HM Treasury Additionality Guidance</a> . Please see page 30 Table 4.7 within the guidance.	Leakages	A leakage of 0% has been applied, as this option will still be highly targeted at graduates within the region, through HEI contacts with former students and therefore, there should be no leakages of benefits. This leakage was based on advice from <a href="#">HM Treasury Additionality Guidance</a> . Please see page 27 Table 4.2.6.
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		on advice from <a href="#">HM Treasury Additionality Guidance</a> . Please see page 32 Table 4.4.5 within the guidance.
	Displacement	A displacement figure of 8% has been applied to the benefits in this option. It is anticipated that some businesses and graduate job outcomes may not be captured within this project and therefore there will be some displacement. However, given the greater capacity of this option, alongside the greater level of access to businesses and graduates connected to partner universities, the level of displacement should be lower. This displacement was based on advice from <a href="#">HM Treasury Additionality Guidance</a> . Please see page 30 Table 4.6 within the guidance.
	Leakages	A leakage of 0% has been applied, as this option will still be highly targeted at those within the region, through HEI contacts with former students and therefore, there should be no leakages of benefits. This leakage was based on advice from <a href="#">HM Treasury Additionality Guidance</a> . Please see page 27 Table 4.2.6.

**Discount Factor:** Please see **Table 4** below which confirms the discount factor that has been applied to GVA generated, resulting from graduates entering employment. This is based on HMT Green Book guidance provided (Please see Page 123).

**Table 4**

Year	Deflator		Discount Factor
		100	
Year 1	1.035	103.500	0.966
Year 2	1.035	107.123	0.934
Year 3	1.035	110.872	0.902
Year 4	1.035	114.752	0.871
Year 5	1.035	118.769	0.842
Year 6	1.035	122.926	0.814
Year 7	1.035	127.228	0.786
Year 8	1.035	131.681	0.759
Year 9	1.035	136.290	0.734
Year 10	1.035	141.060	0.709
Year 11	1.035	145.997	0.685
Year 12	1.035	151.107	0.662
Year 13	1.035	156.396	0.639
Year 14	1.035	161.869	0.618
Year 15	1.035	167.535	0.597
Year 16	1.035	173.399	0.577
Year 17	1.035	179.468	0.557
Year 18	1.035	185.749	0.538
Year 19	1.035	192.250	0.520
Year 20	1.035	198.979	0.503
Year 21	1.035	205.943	0.486
Year 22	1.035	213.151	0.469
Year 23	1.035	220.611	0.453
Year 24	1.035	228.333	0.438
Year 25	1.035	236.324	0.423
Year 26	1.035	244.596	0.409
Year 27	1.035	253.157	0.395
Year 28	1.035	262.017	0.382
Year 29	1.035	271.188	0.369
Year 30	1.035	280.679	0.356

Optimism Bias	The <a href="#">HM Treasury Green Book Guidance</a> states that optimism bias should be applied to operating costs. The <a href="#">Supplementary Optimism Bias guidance</a> states that: “Due to a lack of available data, Mott MacDonald was unable to recommend sound upper and lower bound optimism bias levels for operating expenditure (except for outsourcing projects) or benefits shortfall. Optimism bias should still be considered for these parameters. If there is no other evidence to support adjustments to operating costs or benefits, appraisers should use sensitivity analysis to check switching values.”
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Therefore, our main presumption is an optimism bias of 20%. However, within the sensitivity analysis, this has been adjusted to reflect the impact of higher operating costs and the impact of lower than anticipated benefits.

### GVA per job

Table 5 below shows the calculations for GVA per Job in the Birmingham area, which has been used to calculate the GVA for benefit A, with regards to the employment of FTE staff to manage the project. GVA per job was calculated by taking GVA for the local authority area and dividing by total number of jobs. The figure for GVA was taken from [ONS-Regional gross value added \(balanced\) by industry: local authorities by ITL1 region](#). Employment figures were taken from the [Business Register and Employment Survey on Nomis](#).

**Table 5: GVA**

GVA per Job Birmingham			
	GVA (2021)	Employment	GVA per Job
Birmingham	£28,913,000,000	531,000	£54,450

### GVA per graduate job

According, to the [Higher Education Statistics Agency \(HESA\)](#), the average graduate salary is between £24,000 and £26,999. The median of this is £25,499.50, This figure has been used to calculate the GVA of graduate employment benefits.

## 2.3.3 Qualitative benefits

*Describe qualitative benefits of each shortlisted option, including impact on social value. What evidence is available that these benefits will be realised?*

We identify qualitative benefits will arise only from preferred Option 4. These are as follows:

### 1. Other graduate level Job Outcomes

Job Outcome data from the GR Project indicates that the **Plus** skills offer will help the target participant audience secure graduate level jobs within **and beyond** the EZ, and that a minimum job outcome 'conversion rate' of 57% may be achieved.

If we assume that **Plus** will offer a minimum of 500 graduates, higher level skills and job preparation support, we would expect to achieve, as a minimum, the additional job outcomes and GVA specified in Table 6 below.

**Table 6:** GVA arising from Graduate beneficiaries securing graduate level jobs *beyond* the EZ.

Graduates Upskilled	Securing graduate level jobs		
	With EZ companies	With companies in the wider GBSLEP/WMCA Area	With other companies
500	170	80	40
<b>Additional GVA</b>	Quantified in the Cost Benefit Analysis	£4,356,000 (£54,450 x 80)	£2,178,000 (£54,450 x 40)

## 2. DWP resource commitments

DWP senior management have made a commitment to allocate sufficient DWP Work Coach resources across the 19 jobcentres in the Birmingham and Solihull area to identify, support unemployed Graduates, and to refer them to **Plus** GR Consultants. See the DWP Letter of Support at **Appendix 18**.

The level of DWP Work Coach resource to be allocated therefore depends on the current number of graduates registered for welfare benefits (the 'stock') and the number newly registering graduates (the 'flow'). Over the lifecycle of the GR Project Work Coach resource allocation has therefore varied from 1.5 to 3.5 to 2.5 FTEs.

We have therefore not sought to quantify the DWP contribution as part of the £238,789.54 HEI Match-in-kind specified at Section 4.1. Nonetheless the DWP Work Coach contributes significantly to the project's overall value for money.

## 3. Prospects: NCS resource commitments

As the contractor delivering the National Careers Advisory services for the West Midlands, Prospects has committed to provide unemployed and underemployed graduates, referred to NCS Advisors by DWP Work Coaches or Graduate Consultants, with CV-writing support and access to the wider range of NCS employability and skills support.

As it is difficult at this juncture to predict the flow and take-up of the Prospect's offer by local graduates, we have not sought to quantify Prospect's contribution as part of the £238,789.54 HEI Match-in-kind specified at Section 4.1. Nonetheless NCS (Level 6 qualified) Advisors may contribute significantly to the project's overall value for money. See the Prospects' Letter of Support at **Appendix 18i**.

## 4. Social Impact Analysis

Through reviewing the Birmingham Business Charter for Social Responsibility, the Social Action Plan which can be seen in **Appendix 19**, has been developed and features 5 specific commitments will be delivered to as part of **Plus**, these are:

- No. of local people FTE employed on contract for one year or the whole duration of the contract whichever is shorter;
- Percentage of local people employed on contract FTE that live within 30 miles of where the service is being delivered;
- How many opportunities will you advertise with BCC Jobs and Skills team;
- No. of local people FTE employed on contract for one year or the whole duration of the contract whichever is shorter;
- No. of employees FTE taken on who are not in employment education or training NEETs;
- No. of employees FTE taken on who are long term unemployed i.e. unemployed for a year or longer;
- Number of voluntary hours donated to support VCSEs excludes expert business advice.

The impact made on social value as part of those 5 specific commitments, totals £2,717,702.76.

### 2.3.4 Digital Infrastructure

*Demonstrate how you have evaluated the potential positive (or negative) impact of new technology (5G/digital) on the short, medium, and long-term benefits of the project. Include how the project could interact with local or regional digital projects if applicable.*

As part of the initial EZ Market research, business consultation and delivery Phase, specific emphasis will be placed on assessing the technological and digital infrastructure of targeted EZ businesses, alongside their appetite for adopting new technologies in their day-to-day business practices. This Phase will focus on identifying the digital skills challenges EZ businesses face now, and in the future, which will help to ensure the **Plus** skills offer aligns with, and effectively addresses, those challenges. This will build on the rich vein of data developed during 7 years of HLMS delivery, in which 256 (37% of) participating businesses confirmed that they work in 'Digital and Creative Industries'. The Consortium therefore already possesses a strong base of understanding of the needs of businesses operating within the Digital Sector. Over the same time-period 652 (96% of) HLMS registered businesses stated that they have technical skills needs related to digital skills, which gives the Consortium an understanding of both the challenges of the digital skills gaps for local businesses, but also how to respond to, and effectively support, businesses in this area.

New and emerging technologies are very likely to reduce the demand for entry and intermediate level skills and significantly increase the demand for graduate/higher level skills. **Plus** will aim to help underemployed<sup>39</sup> graduates transition from part-time, entry level and intermediate level jobs into higher level skills jobs, potentially opening-up a range of entry and intermediate level job opportunities for other jobseekers. Following on from the recent plans announced: [West Midlands set for 1,000 tech jobs boost \(wmca.org.uk\)](https://www.wmca.org.uk) the **Plus** project will, providing the businesses sit within the EZ, engage with those bringing new tech jobs to the City, and identify graduates on the **Plus** caseload who could fill those vacancies.

A key role which the PM will undertake will be engaging with other funded skills provision, which a strong focus on digital skills, to understand their offer as a potential referral point for businesses and graduates once they have completed their support from **Plus** and vice versa. In the first instance, the PM will identify digital skills projects which are offered by the Consortium. The PM will seek to put in place an MOU with each of these projects. This joined up approach will create a more robust skills offer in Birmingham and the wider West Midlands area.

For example, BCU, in partnership with the University of Wolverhampton and Coventry University, is currently bidding to deliver an innovative "Rock Up Ready" programme of tailored creative, media and digital production skills provision, funded via the WMCA and Create Central, which will:

- Offer unemployed and employed graduates the opportunity to develop the higher-level, sector-specific skills Creative Industry companies demand of their workforce and prospective hires;
- Enhance employer access to graduate talent.

### 2.3.5 Environmental Benefits

<sup>39</sup> It should be noted that underemployment is defined differently by the HE Sector and the DWP. For the HE Sector, underemployment relates specifically to graduates who are working part-time or full-time in a non-graduate level job. DWP defines underemployment as a Benefit Claimant who is working less than 35 hours per week. **Plus** will explore the upskilling and job needs of graduates who meet either definition.

*Describe how the environmental benefits of each option have been calculated. This could include carbon accounting, ecosystem services, co-benefit savings, etc to give a monetary value. Include the costs of any carbon offsetting planned.*

Due to the nature of the **Plus** project, defining a monetary value of the environmental benefits which the project will provide is difficult. As stated in sections 1.1.9 and 1.3.5, the level of negative environmental impact which the project has will be limited, as the primary project delivery sites of BCU, AU, UCB and UoB are ideally located within a network of public transport hubs and local bus services. Three of the four partners are located within the EZ, and most EZ businesses are within walking distance, so there should be very limited staff personal transport usage when attending meetings with EZ businesses.

Whilst the usage of virtual meetings will be common during project delivery, it is important that **Plus** Account Managers build trust with EZ businesses, which can be done more effectively on a face-to-face basis. Staff will therefore be encouraged to use public transport/walk to visit businesses and only in exceptional circumstances will the use of a personal vehicle be approved.

Aside from the above, we do not identify any significant environmental benefits, although there may be a reduction in travel to work, as more local graduates are hired by EZ companies and fewer graduates travel from beyond Birmingham and the West Midlands.

### 2.3.6 Unquantified Cost and Benefits

*Explain any unquantified benefits that your projects may have, why they are unquantified, which strategic objective they align to, and who benefits.*

#### 1. Benefits Savings

It is anticipated that there will be a level of benefit savings once graduates become employed. As a high percentage (70%) of **Plus** graduate hires are likely be claiming welfare benefits, it is anticipated that the move into employment will reduce Exchequer welfare benefit costs, thus creating Net Benefit savings for the Government, DWP and the local authority. However, given that it is difficult to estimate the level of benefits being claimed by the unemployed or unemployed, as benefits are calculated on a case by case basis, these cost savings have not been calculated within the benefits of options 1 to 5.

#### 2. Reduced Costs

It is expected that, if businesses engage with this project, there will be reduced costs for firms as they may no longer have to spend money advertising and recruiting for graduate hires. For instance, the Undercover Recruiter estimates the average cost of recruitment is around [£3,000 for one job](#). This project would save engaged businesses much of this expense, which could be greater than the average, given the project is aimed at firms struggle to fill graduate level jobs, as a result of higher level skills gaps.

#### 3. Levelling Up

Birmingham has the [highest unemployment rate](#) of any local authority in the UK. With regards to levelling up, local area employment and unemployment is extremely important. As labour supply and earned income underpin the [standard of living](#) of individuals and their families, improving employment levels will help to improve a number of key levelling up factors that Birmingham falls behind on, not only in terms of the employment rate, but also productivity, gross value added and gross domestic household income, as highlighted [here](#). Supporting unemployed and underemployed graduates into employment is therefore an important Levelling Up 'enabler'.

### 2.4 Options Appraisal – Preferred Option (OBC and FBC stage only)

### 2.4.1 Scope of work

*Provide a description of the preferred option in terms of what it will deliver, over what time period, and what the output acceptance criteria will be.*

This FBC is seeking approval of funding for Option 4 in Section 2.2.1

If full Revenue Grant Funding is provided to deploy Options 4, the following benefits will flow:

- The **Plus** project will enable the opportunity for 3 new HE partners to be brought into the consortium, which will lead to:
  - More unemployed graduates being supported;
  - Better EZ business access to the Graduate Talent Pool of 4 HEIs;
  - More EZ businesses being engaged with an in-depth skills needs analysis;
  - A wider range of skills gaps being identified and filled;
- A deeper understanding of the skills requirements of EZ businesses;
- Unemployed graduates being supported regardless of the university they attended;
- Thorough Market Research and a full Evaluation of the project will take place, which will put the Consortium in a position to develop a proposal for full-scale delivery from 2026, just as the economic benefits of HS2 start to flow.

To achieve Option 4, **Plus** will, from 01/01/24 to 31/12/25:

- Implement a 'hub and spoke' model, which will provide a unique, single point of access, to over 38,000 final year undergraduates, recent graduates, masters and postgraduate students, and the circa 540 unemployed and underemployed graduates currently claiming benefits in the Birmingham and Solihull Area - a latent talent pool constituting a serious waste of human capital, many of whom have 'fallen through the net' of support offered by the University they attended - whether they have studied locally or outside of the area.
- Deliver a proven Account Management service to large companies (and their supply chains), newly inward-investing companies and SMEs located within the EZ, particularly those operating in priority growth sectors, such as Business, Professional and Financial Services, ICT, the Creative Industries and Digital Media.
- The Output acceptance criteria for this will be each HEI partner successfully engaging with an agreed target number of businesses, as set out in the SLA to be signed following on from the signing of the Funding Agreement.
- Engage 250 EZ businesses, with 188 completing a BSNA. This is a tried and tested tool, developed over 7 years of HLSM delivery, which identifies a businesses' higher level skills needs and will enable a deeper understanding of the priority skills needs of EZ businesses. Of the 188 businesses completing the BSNA, 179 will sign the **Plus** Graduate Talent Charter – the signing of this document constitutes the Output acceptance criteria. This will enable the skills needs of the businesses to be matched with the skills of the local Graduate Talent Pool.
- Engage and upskill up to 500 local, unemployed, underemployed, and recently qualified graduate jobseekers
- Engage with Jobcentres to assess the skills of graduates on DWP Work Coach caseloads, to match their skills to the skills needs of local businesses and provide them with upskilling opportunities. This will secure graduate level jobs within the EZ for a minimum of 170 local graduates between 01/04/2024

and 31/12/2025. A minimum of 119 of these graduate hires will be from disadvantaged backgrounds. The output acceptance criteria for this will be a completed PSNA. As part of the assessment, graduates will be asked to complete an Equal Opportunities monitoring questionnaire.

- A minimum of 128 of the 170 graduate hires will be retained following a formal probationary period, or for at least 6 months, if a probationary period does not apply. The Output acceptance criteria for this, and for the **Plus** progression in work target Output will be tracked by the PMT until 30/06/26, subject to EZ funding being awarded to extend the **Plus** Pilot from 01/01/2026;
- A minimum of 111 of these local graduate hires will have been unemployed or underemployed previously. The Output acceptance criteria for this will be drawn from their PSNAs which will record their unemployed or underemployed status on registering with the project.

The Market Research, business consultation and initial delivery Phase will set the baseline for the higher level skills and graduate recruitment needs of businesses operating in the EZ. This will take place during Q1 2024 and will provide the PMT with a deeper understanding of how the 'hub & spoke' model and the **Plus** skills offer respond to business needs. In addition, both a mid and full Project Evaluation will be conducted. This work will ensure that **Plus** meets the needs of EZ businesses and develops a compelling, evidence-based business case for scaling up **Plus** delivery from January 2026.

**Option 3:** If full Revenue Grant Funding is provided, the following benefits will flow:

- The **Plus** project will enable the opportunity for 3 new HE partners to be brought into the consortium, which will lead to:
  - More unemployed graduates being supported;
  - Better access to the Graduate Talent Pool of 4 HEIs;
  - More EZ businesses being engaged, with an in-depth skills needs analysis taking place;
  - A wider range of skills gaps being identified and filled;
- A deeper understanding of the skills needs requirements of EZ businesses;
- Unemployed graduates being supported regardless of the university which they graduated from;
- Thorough Market Research and Full Evaluations of the project will take place, which will put the consortium in a position to develop a proposal for full-scale delivery from 2026, just as the economic benefits of HS2 start to flow.

## 2.4.2 Value for money

*Explain how your preferred option represents value for money, referencing the Net Present Value (NPV) and Benefit Cost Ratio (BCR) measures. If the preferred option is not the one with highest BCR, explain how unquantified benefits and/or strategic alignment justify the cost.*

**Table 7** reflects the Cost Benefit Analysis set out in Table 3 at Section 2.3.1

	Option 2: Alternative Service Delivery Model	Option 3: Reduced <b>Plus</b> Pilot Scale- 'Go Small'	Option 4: <b>Plus</b> Pilot- Preferred Way Forward
<b>Costs (£000)</b>			
Capital costs (excluding VAT)	£0	£0	£0
Revenue costs	£2,123,077	£776,968	£1,188,404
Total costs	£2,123,077	£776,968	£1,188,404
Total Discounted costs (Present Value of Costs) (1)	£2,123,077	£932,362	£1,426,085

Significant unmonetisable costs	£0	£0	£0
<b>Benefits (£000)</b>			
<i>Benefit A</i>	£87,120	£163,350	£294,031
<i>Benefit B</i>	£2,850,334	£1,530,735	£3,525,051
Total benefits	£2,937,454	£1,694,085	£3,819,081
Discounted benefits (Present Value of Benefits) (2)	£2,219,689	£1,280,629.17	£2,886,678.35
Significant unmonetisable benefits	See section 2.2.4	See section 2.2.4	See section 2.2.4
<b>Cost benefit analysis</b>			
Net Present Value (=2-1)	£96.612	£348,268	£1,460,594
Benefit-cost ratio (=2/1)	1.05	1.37	2.02

Option 4 (**Plus** Pilot) would provide a NPV of £1,460,594 with a BCR of 2.02 based on the benefit and cost calculations that were conducted when appraising the value for money of this project. This would mean for every £1.00 inputted there would be a generated return of £2.02. Whilst the BCR is not very high on this project this is because, as a Pilot, the main goal is to develop a 'lessons learned' scheme to scale up from January 2026. Therefore, benefits and costs have only been calculated over the 2-year Pilot period, **it is likely that, scaled up over a longer period, the benefits would be much greater.** It should be noted that the benefits of the 128 graduates entering sustainable employment have been calculated over a longer period, as can be seen in the sensitivity analysis below.

### 2.4.3 Sensitivity analysis

Describe what sensitivity tests have been applied to the cost-benefit analysis and how they impacted the BCR.

#### 1. Sensitivity Test 1- Calculating the graduate employment benefits passed the 2-year Pilot

Once in employment graduates are likely to remain in their first role for around 4 years, according to the [Graduate Recruitment Bureau](#). As 128 graduates are expected to enter, and be retained in, employment, as a result of this project, the benefits in this test have been calculated over a longer period than the Pilot project's lifecycle. Therefore, this test calculates the assumption that, once employed, a graduate beneficiary will remain in this graduate job for 3 to 4 years. From a starting point of 64 graduates entering and sustaining employment in the first year of the Pilot, followed by 64 in the second year, and then calculating the benefits of these graduates remaining in their job roles for 3 to 4 years (including the two years of the Pilot).

<b>Option 4:</b>	
<b>Plus Pilot- Preferred Way Forward</b>	
<b>Cost benefit analysis</b>	
Net Present Value (=2-1)	£4,794,605
Benefit-cost ratio (=2/1)	4.36

Calculating the benefit that 128 graduates will remain in employment longer than the Pilot scheme, which would most certainly be the case, generates a much higher BCR and NPV. If the 128 students were to remain in their graduate job roles for up to two years after finding employment through the **Plus** Pilot, then the NPV of option 4 would be £4,794,605, and the BCR 4.36. For every £1.00 spent there would be £4.36 generated in GVA. This includes all the same optimism bias's, discounting and additionality factors that were applied in the original value for money testing. This test is a truer representation of the full value of benefits, as the employment benefits will not just last for the length of the **Plus** Pilot, but will last as long as the graduate remains in the job role secured with the Pilot's support.

## 2. Sensitivity Test 2- Adjusting the Optimism Bias

Based on advice within the [Supplementary Optimism Bias guidance](#) that states: “Due to a lack of available data, Mott MacDonald was unable to recommend sound upper and lower bound optimism bias levels for operating expenditure (except for outsourcing projects) or benefits shortfall. Optimism bias should still be considered for these parameters. If there is no other evidence to support adjustments to operating costs or benefits, appraisers should use sensitivity analysis to check switching values.”

Therefore, for this test we have changed the optimism bias for costs and benefits to understand the impact this has on the BCR. In this test the optimism bias for costs has firstly been reduced to 10%, the optimism bias on benefits was maintained at 20%. This is being tested as, as a largely revenue-based project, with no capital spend, there is likely to be little change in the forecasted costings, as there will be no unexpected increases in the cost of capital. For instance, inflation is likely to have little impact on costings and neither are supply-side shortages of inputs.

<b>Option 4:</b>	
<b>Plus Pilot- Preferred Way Forward</b>	
<b>Cost benefit analysis</b>	
Net Present Value (=2-1)	£1,460,594
Benefit-cost ratio (=2/1)	2.02

This would marginally increase the NPV to £1,460,594 and BCR to 2.02, resulting in little difference to the overall benefits felt over the 2 years period.

However, if we were to increase the optimism bias on costs to 30%, which is unlikely though worthwhile test, the NPV would reduce to £1,341,753 and BCR to 1.87 as seen in the table below.

<b>Option 4:</b>	
<b>Plus Pilot- Preferred Way Forward</b>	
<b>Cost benefit analysis</b>	
Net Present Value (=2-1)	£1,341,753
Benefit-cost ratio (=2/1)	1.87

## 3. Sensitivity Test 3 - Adjusting the number of graduates entering employment

If the current economic conditions in the economy worsen and the expected number of businesses are unable to employ the anticipated number of graduates, this would have a significant impact on the NPV and BCR. If only 32 graduates per year were to find employment on the Pilot scheme, so half of the anticipated number of students, then the BCR would drop to 1.09 and the NPV to £128,968.

<b>Option 4:</b>	
<b>Plus Pilot- Preferred Way Forward</b>	
<b>Cost benefit analysis</b>	
Net Present Value (=2-1)	£128,968
Benefit-cost ratio (=2/1)	1.09

This would likely make the project less viable. However, the likelihood of this scenario is slim, given businesses approached will be businesses known to be seeking a graduate to employ for a prolonged period to fill needed skills gaps. Therefore, there could be some reduction, but it is unlikely to be to this extent.



Potentially, in an economic downturn demand could increase, as businesses seek greater support to find the needed staff, with the aim of reducing recruitment costs in an economic downturn.

#### 2.4.4 Associated issues and risks

*Outline the key issues and risks to project delivery and benefit realisation, and mitigating strategies to minimise their impact.*

A fully assessed Risk and Issue register is included at **Appendix 6**, which responds to the requirements of this section and section 5.6. **Table 8** below highlights key risks from the Risk and Issue register, which, should they be realised, would have a significantly negative impact on project delivery and benefit realisation.

**Table 8:** Key Risks - on project delivery

Key Risk	Impact (H/M/L)	Probability (H/M/L)	Mitigation
Service risk – Unable to engage with the required number of businesses.	H	L	Utilise monthly OMG meetings to monitor the level of business engagement, BSNAs completed, and Talent Charters signed. Work closely with the BCU Marketing team to ensure that the project is visible and accessible for all EZ businesses.
Service risk – Unable to engage with the required number of suitable graduates	H	L	Utilise monthly OMG meetings to monitor the level of graduate engagement, PSNAs completed and programme registration. The PM will engage with local Jobcentres on a regular basis to assess the monthly throughput of DWP Work Coach referrals and work closely with BCU's Marketing team to ensure that the project is visible and accessible for all unemployed graduates.
Service risk – Inability to attract businesses to be a part of the 'EZ Sounding Board'.	H	M	Host a launch event in April 2024, with all EZ businesses invited, promote the opportunity to join the <b>Plus</b> Sounding Board, and present clear benefits of onboarding. Ensure Account Managers invite companies that sign the Plus Talent Charter are appraised of the opportunity to join the Sounding Board.
Service risk - Inability to match vacancies to skills of unemployed graduates.	H	L	The Hub and Spoke Model in place will enable an agile response to any challenges that this presents. Delivery Partners will work flexibly to ensure (a) their graduate talent pipelines are assessed against business requirements and (b) companies signing up to the <b>Plus</b> Talent Charter have an opportunity to shape the content of job preparation workshops which address vacancy requirements.
External risk – Delay in receiving funding decision.	H	L	Work closely with the BCC EZ Team to ensure that all bidding deadlines are met, to expedite the funding decision of the EZ Programme and Partnership Boards, and BCC's Cabinets. Ensure clear and transparent communication lines with the funder.
External risk – Resurgence of Covid-19 Pandemic	H	L	If the country was to return to the Lockdown position of periods of 2020 and 2021, this may cause businesses to pause any recruitment processes which they have and cease to accept external support from the <b>Plus</b> project. This would impact project Output performance.
Business risk – loss of current staffing expertise	H	M	Due to the current HLSM project finishing in December 2023 and the lack of funding for GR from July 2024, there is a significant risk of current staff finding new employment

			opportunities if their future cannot be secured. This loss of expertise will have a significant knock on affect to the Consortium's ability to deliver <b>Plus</b> .
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## 2.4.5 Proposed outputs and outcomes

*In the table below insert a summary of the proposed outputs and outcomes that are expected to be achieved as a result of the project. Add further rows to the tables as required.*

*Provide a detailed profile of forecast outputs and outcomes as an appendix. A template can be provided on request, to include definitions for a series of set outputs that the BCC monitors performance against.*

*Provide a clear description of the project Beneficiaries & Strategic Alignment linked to each outcome i.e. who will benefit from the outcome and which strategic case it supports.*

The HEI Consortium has a high degree of confidence in the indicative Outputs proposed.

They draw on an evidence base developed over the 7 years of delivering HLSM, the 707 BS NAs completed by HLSM businesses to date, and the regular 'Soft and Technical Skills Needs' surveys conducted with businesses currently receiving HLSM support and reported to every HLSM P B meeting.

The first iteration of the HLSM project (2016-2019) focussed primarily on working with Micro-businesses and 'smaller' SMEs (with up to 10 employees). The second iteration (2020-2022) and the final year extension (2023) have focussed more on working with 'larger' SMEs. As the project has benefitted 707 businesses to date, the HEI Consortium possesses a rich evidence base on which to develop an accurate 'unit cost' for assessing and supporting businesses through the proposed Account Management framework.

Furthermore, the level of support required to prepare an unemployed/underemployed graduate for work has been accurately forecasted through 4 years of delivering GR, and is bolstered by unit cost data from the delivery of the Government's Kickstart Scheme **Graduate Opportunities** Gateway for West Midlands Police in 2021.

**Plus** will blend the most effective components of these two highly successful projects to provide a streamlined 'supply and demand' service delivery model, at a reduced unit cost for business and graduate interventions, and an increase in value for money for the funding body and participating businesses. The average Grant Revenue Funded 'notional' unit cost for a business engaging with **Plus** will be £3,798.46, less than half of the average £7,483.95 ESF unit cost of HLSM. The total 'notional' unit cost will be £4,753.62 - less than a third of the £14,732.19 total HLSM Project average unit cost.

BCU and AU have been 'anchor' partners in both projects, stretching back over 7 years and, alongside Solihull College and University Centre (SCUC), have respectively led and delivered the ESF-funded STEM-Up project (which is now in its final ESF extension phase). UoB began partnering on the new phase of GR in 2022. Whilst the consortium has not previously partnered with UCB, it has a high degree of confidence in the added value UCB will bring to the **Plus** project.

Please see **Appendix 4** which provides performance profiles over 2 years for proposed Outputs 1 to 9 and Outcomes 1 to 3.

**Key points to note on Output profiling are as follows:**

**Outputs 1 to 4: Engagement, Skills Analyses, Charters signed, and companies recruiting graduates:** Q1, 2024 has no engagement, and Q2, 2024 profiles are low. Profiles then ramp up over Q4, 2024 to Q2, 2025 and then reduce again for Q3, 2025. No Outputs have been profiled for Q4, 2025, which allows for capturing final outputs and addressing any underperformance.

**Output 5: Graduate Recruitment:** This has been staggered slightly to reflect the fact that there will be a lag between a company signing the **Plus** Graduate Talent Charter, a recruitment processes being undertaken and a graduate starting work.

**Output 6: Graduate Retention:** The profile commences in Q4, 2024 and continues until Q2, 2026, although profile tracking beyond Q4 2025 will only be undertaken if funding is secured for the proposed **Plus** Expansion from January 2026.

**Outputs 7 to 8: Disadvantaged Graduates, and Unemployed/Underemployed Graduates Recruited:** These profiles are sub-sets of Output 5 and are therefore pro-rata.

**Output 9: Progression in work:** The profile commences in Q2,2025 and continues until Q4, 2026, although profile tracking beyond Q4 2025 will only be undertaken if funding is secured for the proposed **Plus** Expansion from January 2026.

**Key points to note on Outcome profiling are as follows:**

**Outcome 1: Companies engaged in co-design:** This is profiled in the same way as Outputs 1-3.

**Outcome 2: Unemployed graduates upskilled and securing jobs:** The profile commences in Q2, 2024, ramps up in Q4, 2024 and reduces from in Q3,2025.

**Outcomes 3 & 4: Plus Expanded and embedded within the EZ Inward Investment attraction strategy:** These Outcomes have not been profiled, as they would be delivered in the longer term, if additional EZ Grand Revenue Funding is allocated to the project in 2026.

### Proposed outputs

Output	Output description	Output quantity	Beneficiaries	Strategic Alignment	Method of independent verification	Delivered by date
1	EZ Companies engaged by the <b>Plus</b> Pilot programme	250	EZ Companies	Investment Plan Business & Skills Support Offer	Company and Account Manager verification	31/12/2025
2	EZ Companies completing a BS NA	188	EZ Companies	Investment Plan Business & Skills Support Offer	All signed BSNA's retained on file for audit & verification	31/12/2025
3	EZ Companies completing a BSNA that sign up to the <b>Plus</b> Graduate Talent Charter	179	EZ Companies	Investment Plan Business & Skills Support Offer	All signed Charters retained on file for audit & verification	31/12/2025
4	EZ Companies signing the <b>Plus</b> Graduate Talent	170	Local graduates and EZ Companies	Investment Plan - Business &	Company verification and	31/12/2025



	Charter <b>and</b> recruiting at least 1 graduate over the 2 years			Skills Support Offer	/or HMRC records	
5	Minimum number of local Graduates (including Unemployed Graduates, those with a First, Masters or Postgraduate Degree) securing graduate level jobs	170	Local graduates and EZ Companies	Investment Plan - Business & Skills Support Offer	Company verification and Graduate PSNA data	31/12/2025
6	Minimum number of local Graduates recruited via <b>Plus</b> to be retained following a formal probationary period, or after 6 months, where a probationary period does not apply	128	Local graduates and EZ Companies	Investment Plan - Business & Skills Support Offer	Company verification and Graduate follow-up	31/12/2026
7	Minimum number of local graduates securing graduate level jobs who are from disadvantaged backgrounds (BME, PWDs, Single Waged Household etc.)	119	Disadvantaged Graduates and EZ Companies	Investment Plan - Business & Skills Support Offer	<b>Plus</b> registration and data from PSNA	31/12/2025
8	Minimum number of local graduates securing jobs who were previously unemployed or underemployed	111	Unemployed Graduates and EZ Companies	Investment Plan - Business & Skills Support Offer	Company verification, DWP Work Coach referrals and data from PSNA	31/12/2025
9	Minimum number of local graduates recruited via <b>Plus</b> progressing in work within 12 months	60	Local graduates and EZ Companies	Investment Plan - Business & Skills Support Offer	Company verification and Graduate follow-up	31/12/2026
<b>Proposed outcomes</b>						
Outcome	Outcome description	Outcome quantity	Beneficiaries	Strategic Alignment	Method of independent verification	Delivered by date
1	EZ companies, (including new inward investors) co-designing	Minimum of 85 (50% of Charter Signatories)	Local graduates and EZ Companies	Investment Plan - Business &	Signed B SNAs, and <b>Plus</b> Graduate Talent Charters	Short Term: 01/04/24 – 31/12/2025



	<p><b>Plus</b> skills and job preparation provision with the HEI Consortium, to supports local economic growth. <b>Plus</b> recognised as a key component of a wider package of support for EZ businesses and new investors.</p>	engaged in the co-design of <b>Plus</b> skills and job preparation workshops		Skills Support Offer		
2	<p>Removing a serious barrier to labour market participation, by offering skills and job preparation support to unemployed and underemployed graduates, including those who have attended universities outside of Birmingham, and thereby ensuring <b>all</b> local graduates have an opportunity to secure graduate level employment with a business in the EZ, and to progress in work.</p>	Minimum of 170 local graduates secure graduate level jobs	Unemployed Graduates	Investment Plan - Business & Skills Support Offer	<p>Graduate beneficiaries, signed, P SN As and P S D APs</p> <p><b>Plus</b> skills workshop attendance records.</p> <p>DWP's G R dashboard and confirmation of job entries.</p> <p>Employer confirmations of job entries.</p> <p>Plus Project Evaluation findings.</p>	Short Term: 01/04/24 – 31/12/2025
3	<p>Ongoing development and presentation of the <b>Plus</b> Account Management service delivery model to <b>all</b> businesses operating within the EZ and, potentially, the proposed Birmingham City Centre Digital Innovation Zone. <b>Plus</b> delivering</p>	To be agreed with BCC's EZ Team by 31/12/2025	Businesses throughout the Birmingham Urban Area, including inward investing companies	Investment Plan - Business & Skills Support Offer	Approval an agreed scope of the <b>Plus</b> Pilot Extension Businesses Case and proposed Outputs and Outcomes.	Medium Term (2026 - 2028)



	effectively not only to existing businesses, new investors, and their supply chains within the EZ, but also attracting new investment (over other potential locations) to the City Centre.					
4	<b>Plus</b> embedded as a core HE / FE delivery mechanism, offered to companies in all priority sectors of the Birmingham and Solihull and WMCA areas, and contributing to the retention of City Centre investment in local communities and the broader Birmingham and West Midlands economy.	All 11 Birmingham-based HEIs and FECs deploying <b>Plus</b> as a core higher level skills business and graduate support service	All local HEIs, Graduates and local companies	Investment Plan - Business & Skills Support Offer	Formal expansion of the HEI Consortium.  <b>Plus</b> referenced as a core delivery arm of HEI and FEC approved employability and skills strategies	Longer Term (from 2029 onwards)

### 3. Commercial Case

The Commercial Case provides evidence of the commercial viability of a project and the procurement strategy that will be used to engage the market – providers, developers and suppliers to deliver the project. The OBC should be based on pre-procurement discussions and the FBC should document the final outcome of the procurement process.

#### 3.1 Procurement

##### 3.1.1 Procurement scope

*Outline what procurement needs to be or has been. undertaken if private development partners or suppliers are required to deliver project outputs.*

**N/A:** All HEI skills provision will be ‘free at the point of sale.’ All resources for co-design, Account Management, the delivery of **Plus** skills provision and securing of Outputs and Outcomes have been included within the combined funding envelop of the required EZ Revenue Grant and the very substantial level of HEI ‘Match-in-kind’.

##### 3.1.2 Procurement strategy

*Describe the project procurement strategy, including: regulatory / mandatory / best practice standards incorporated; process to be undertaken; evaluation criteria; and the contractor selection timetable. Outline how procurement is supporting local growth and how carbon reduction considerations are accounted for in the procurement process.*

**N/A**

##### 3.1.3 Evidence of demand or market interest

*Describe any private sector negotiations or discussions undertaken as part of testing the development or supplier market.*

**N/A**

##### 3.1.4 Third party services

*Detail any third-party services that will be used to deliver the project (legal, finance, any other consultancies). Can you show commitment from third party to carbon reduction/offsetting/mitigation?*

**N/A:** Please see the full list of Delivery Partners and Associate Delivery Partners at Section B5 and the list of other employability and skills providers with each of whom we will establish an MoU.

#### 3.2 Contract Management and Risk Allocation (FBC stage only)

##### 3.2.1 Contract management arrangements

*Describe contract management, what type of contract is being entered into and why and assurance arrangements. Provide evidence of how the procured contractor/supplier provides value for money.*

The HEI Consortium that will deliver **Plus** is a collaborative partnership of HEI's and the **Plus** service deliver model does not, and will not, require any external contracting arrangements or service procurement. The FBC sets out the 'service' that will be provided by each delivery partner and demonstrates the 'value for money' which **Plus** will provide.

The arrangements that will be entered into for the **Plus** project will be as follows:

- BCU is the lead partner, and the Funding Agreement will be signed by the Deputy Vice-Chancellor of BCU. However, financial and Output liabilities will be shared across the Consortium;
- SLAs which all partners will sign, once the Funding Agreement is in place. These will specify the Delivery Partners' respective financial and output liabilities;
- These SLAs will be prepared by BCU's Legal Team and will be agreed by each delivery partner's Legal Team;
- The schedules which are included in the SLA will provide a detailed breakdown of payment and performance information, which covers the duration of the project;
- The SLA will be supported by the Project's FOPMF.
- The FOPMF will provide detailed information for all members of the project delivery team specifying how they will deliver the project in a compliant manner;
- Delivery Partner SLAs and the FOPMF will be covered thoroughly in the **Plus** Induction and Training Programme, which will be delivered on a rolling basis, for existing and new project staff between 01/02 and 30/04/24;
- The FOPMF will provide detailed information for all members of the project delivery team, specifying how they will deliver the project in a compliant manner;
- Delivery Partner SLAs and the FOPMF will be covered thoroughly in the **Plus** Induction and Training Programme, which will be delivered on a rolling basis, for existing and new project staff between 01/02 and 30/04/24.

### 3.2.2 Contract milestones

*Include contract milestones such as internal or external decisions and approvals and completion dates of project phases.*

Further details are included in Section 5.1.2. Please see below highlighted milestones at which internal/external decisions and approvals of the project will take place.

Task	Start Date	Completion Date
Develop and submit the <b>Plus</b> FBC	13/10/2023	18/12/2023 <sup>40</sup>
EZ Programme Board approval sought	18/12/2023	18/12/2023
<b>Plus</b> starts delivery		01/01/2024
Establish PB and first meeting held	01/01/2024	31/01/2024
EZ Market research, business consultation and initial delivery Phase	01/01/2024	31/03/2024
EZ Partnership Board approval sought	17/01/2024	17/01/2024
EZ Plus Funding Agreement developed	18/01/2024	12/02/2024
BCC Cabinet approval sought	13/02/2024	13/02/2024

<sup>40</sup> From 18/12/2023 onwards, all proposed project delivery plan dates and project milestones are subject to slippage, as a direct consequence of the Commissioner's moratorium on prudential spending and the resultant delay in the bid assessment process.



EZ Plus Funding Agreement signed and applied retrospectively to 01/01/2024		16/02/2024
SLA containing a GDPR-compliant Data Sharing Agreement, and the FOPMF, signed by all Delivery Partners	18/01/2024	12/02/2024
Output and Outcome Targets finalised with BCC's EZ Team	01/03/2024	31/03/2024
Formal launch events, and main delivery phase commences	01/04/2024	30/04/2024
FBC for <b>Plus</b> Expansion & Extension from 01/01/26 submitted to BCC		30/11/2025
Project operational end date		31/12/2025
Project closure activities complete		28/02/2026
End of Project Evaluation completed and shared with BCC and the WMCA		31/03/2026

### 3.2.3 Risk allocation

*Summarise key risks relating to the management of delivery contract(s) and who has been involved in identifying these risks. Include details on the transfer or sharing of risks with the contractor, risk owners, and mitigation / contingency arrangements (these should be fully detailed in the Risk Register in **Appendix 6**).*

As part of the preparation of this FBC, the risks below have been identified by BCU's Senior Programme Manager and have been subject to the approval of the HEI Consortium and SRO.

Each risk will be allocated a Risk Owner, whose responsibility it will be to mitigate the risk and follow up with any required actions. At the point of initial identification, the risk will be allocated a response category of 'accept, avoid, reduce, share or transfer'. It will be the responsibility of the Risk Owner to follow the response which has been agreed and this will be assessed at the relevant project forum (see table below) to ensure that it remains the appropriate response to the risk.

A fully assessed Risk and Issue register is included at **Appendix 6**, which responds to both this section, and sections 2.4.4 and 5.6. Below we highlight key risks from the Risk and Issue register which will have an impact on the management of the delivery contract.

**Table 9:** Key Risks - on the management of the delivery contract

Key Risk	Impact (H/M/L)	Probability (H/M/L)	Mitigation
Delay in BCU as lead partner receiving payments on the agreed dates.	H	L	Engage with BCC Finance Team to understand when payment will be received. If there are any delays presented, engage with HEI partners to ensure that this will not have a significant knock on effect.
A partner failing to deliver on Outputs and perform contractual obligations.	H	L	PM to assess performance of each partner, on a monthly basis, against agreed forecast. Where regular underperformance maintains, PM to meet with partner to understand performance issues and agree a forward plan. If underperformance continues escalate to PB.



A UK wide recession.	H	L	Work closely with businesses to create a pipeline of vacancies which could be recession proof. Ensure the project is able to 'flex' its response to any changing needs. In the event of graduate recruitment being impacted, work with BCC to identify how the Consortium will utilise funds to best support graduates. Utilise EZ Sounding Board to understand the direct impact a recession would have for them and provide guidance and support.
Staff departure near the end of the project.	H	M	Work with partners and funder to begin the process for 'follow-on' funding (from 01/01/2026) as early as possible to ensure that all project staff can be retained. Design the delivery of project Outputs to be mostly achieved by the end of Q3 2025.
Jobcentres not engaging with project.	H	L	A clear escalation process to be designed so that the impact can be minimised. Ensure that the DWP Service Leader for the Jobcentre Plus Birmingham and Solihull District, as the Plus PB Chair, manages this risk.

Further detail of the governance and monitoring processes are included in sections 1.4.2, 4.3.3, 5.2.1, 5.3.1 and 5.3.2, alongside a thoroughly assessed Risk and Issue Register which is contained in **Appendix 6**.

However, to highlight the process around risk:

- The Risk and Issue Register will be a standing agenda items at PB and OMG meetings;
- Risk and Issues will also be assessed during internal BCU compliance and governance meetings in line with BCU's External Funded Project Policy, including:
  - Monthly Compliance Reviews - Any immediate institutional issues are escalated to BCU's Director of IEE to make decisions;
  - Quarterly Compliance Reviews – The Risk and Issue register will be rigorously assessed, with any 'amber' or 'red' risks being spoken through to ensure that they are being correctly managed. Any immediate institutional issues are escalated to BCU's Deputy Vice-Chancellor to make decisions;
  - Bi-annual Vice-Chancellors Office Review – This ensures that all risks and issues are being identified and monitored correctly and anything which requires an immediate decision can be addressed in that meeting.

### 3.2.4 Insurance

*Describe the insurance policy / policies which will be entered into to cover any contractual risks which may be incurred arising out of the contractor's performance. Please detail if any non-standard cover is required eg. to cover third party losses, etc*

No new insurance policies will be entered in to.

Public Liability insurance is applicable to BCU and currently the University is insured for up to £25m per incident.



BCU also holds £5m of Professional Indemnity Insurance and will maintain this level of insurance throughout the duration of the **Plus** Funding Agreement.

### 3.3 Accountancy Treatment and Service Requirements (FBC stage only)

#### 3.3.1 Assets

*Describe the long-term future of assets, including approach to a change of circumstances (e.g. organisation / asset changes purpose or ceases trading).*

EZ Grant Revenue Funding received for the **Plus** project will be spent primarily on staff resources and time, with a small amount allocated to a marketing budget to support business and learner engagement.

No Grant Revenue Funding will be used to purchase assets.

All assets used by staff for the delivery of the **Plus** project will remain the property of the individual HEI Consortium members. This includes, but is not limited to: computers, mobile phones, HE buildings and Intellectual Property.

#### 3.3.2 Operational service considerations

*Outline any operational service considerations and their sustainability. If there are any personnel implications (including TUPE), then please describe how they will be addressed here.*

As **Plus** is a new project and is not taking over an existing contract, at the point of project award, TUPE will not apply. Staff recruited to the project to carry out delivery will be employed on 2-year fixed-term contracts. This means that, should **Plus** not be successful in bidding for an extension of EZ funds from 01/01/2026, then TUPE again will not apply.

This, however, presents both a recruitment and a retention risk, because

- Two-year fixed term contracts are not as appealing to potential job applicants;
- Project staff are likely to seek employment elsewhere, if extension funding is not confirmed prior to the Pilot end date.

All staff who have substantive posts will be part of the 'match-in-kind' offer of support to the project, and therefore these roles will not be subject to TUPE.

Should extension funding not be awarded, the time given to support the **Plus** project will free up time for those colleagues to undertake new responsibilities within their respective HEIs.

## 4. Financial Case

The purpose of the Financial Case is to demonstrate the affordability and funding of the preferred option, including the support of stakeholders and customers, as required. This should include the capital and revenue costs and the consequential costs of the project.

### 4.1 Project budget

*Insert additional future years into the table; name each contributing funder and add lines as required. BCC allocates funding to be drawn down by projects for specific financial years (April to March) against agreed, eligible and evidenced, defrayed costs.*

*Include a detailed breakdown of costs that relates to the below project budget as an appendix.*

*Loans are offered on commercial terms. The rate of interest charged, security and other conditions are determined independently in accordance with investment industry standards, taking into account that the BCC's funding programme's primary objective is to enable or accelerate development of priority projects. The maximum repayment term is normally three years.*

*Further information on and the application for development funding is included at Section D.*

*Provide a detailed proposed funding profile by populating **Appendix 5**. This will be indicative at SOBC, OBC stage and should be finalised at FBC stage.*

Please see the full funding profile attached at **Appendix 5**.

	Previous years	2022/23	2023/24	2024/25	2025/26	Future years	Total
<b>Capital funding (£000s)</b>							
Local Authority							
Other public sector							
Private sector							
Third sector (Debt Finance)							
BCC Loan funding requested							
BCC Grant funding requested			£114,984.99	£470,044.41	£364,585.19		£949,614.59
Delivery Partner match funding-in-kind			£28,885.24	£118,161.25	£91,743.04		£238,789.53
BCC Development funding requested ( <i>eligibility applies</i> )							
Funding source to be established							
<b>Total project cost</b>			£143,870.23	£588,205.66	£456,328.23		£1,188,404.12
<b>Revenue funding for project delivery (£000s)</b>							



Local Authority							
Other public sector							
Private sector							
Third sector							
Funding source to be established							
<b>Total revenue cost for delivery</b>							
<b>Revenue consequences for benefit realisation (£000s)</b>							
Local Authority							
Other public sector							
Private sector							
Third sector							
<b>Total revenue consequences for benefit realisation</b>							
<b>Total project cost</b>							

#### 4.1 BCC Funding

*What elements of the project costs will the BCC funding be used to fund?*

Grant Revenue Funding will be used to fund:

1. **A PMT** comprised of a:

- PM (1 FTE)
- Project Officer (0.5 FTE)
- Finance Officer (0.2 FTE)
- External Funding and Strategy Consultant (0.2 FTE)<sup>41</sup>

The PMT will:

- Ensure each company is allocated an AM from the HEI best placed to meet their business need;
- Identify and exploit synergies with other business support activities and service providers delivering within the EZ, through the development of SLAs and signposting arrangements;
- Co-ordinate **Plus** employer engagement, marketing initiatives and events and, where appropriate, align these with EZ Programme Team's marketing plans, and the employer engagement plans of other local business support and skills providers;
- Monitor and report on project performance and expenditure;

<sup>41</sup> This is the job title of BCU's **employed** Bid-writer and Project designer. It does not refer to a procured consultancy resource.



- Arrange, service and manage PB and OMG meetings to ensure rigorous governance and compliance.

In addition, BCU's External Funding and Strategy Consultant will lead on the PIP phase (Nov-Dec 2023), the Business Consultation phase (Jan-Mar 2024) and deliver the Interim and End-of-Project Evaluation.

## 2. A Business Account Manager post and Graduate Consultant post for each Delivery Partner.

### Account Managers will:

- Engage with EZ businesses, to assess and prioritise their higher level skills needs, using a formal BSNA;
- Work with companies, to co-design skills provision and job preparation programmes, and work closely with GR Consultants, to ensure work-ready unemployed graduates can meet the business need;
- Enhance business access to the talent pools of their respective HEIs.

### Graduate Consultants will:

- Run regular surgeries in local Jobcentres and conduct in-person handovers of unemployed graduates from DWP Work Coaches, to minimise drop-out rates;
- Conduct PSNAs and develop PSDAPs, and help prepare **Plus** participants for interviews/work;
- Work closely with Account Managers to enhance EZ business access to the talent pools of their respective HEIs.

## 3. A Marketing Budget, calculated using data on spend on various BCU-led business skills projects over the last 7 years.

### Match-in-kind

The **Plus** delivery team will be augmented by a range of HEI Student and Graduate Careers, Employability, Higher Level Skills, Employer Engagement and Programme Management and Evaluation experts, who will contribute fully to the design and delivery of the **Plus** skills offer. They will therefore constitute the Consortium's match-in-kind.

**Appendix 17** provides organograms confirming (a) **Plus** Pilot posts to be funded via EZ Grant Revenue Funding and (b) the range of HEI posts that will support the delivery of project Outputs and Outcomes via Match-in-kind.

## 4.2 Affordability

### 4.2.1 Options for financing the project

*Outline what other means of financing the project have been explored, including which funding sources have been considered / approached and why they were discarded.*

The following funding streams have been explored:

#### HE 'core' revenues

Following the end of GR's three-year pilot funding from the OfS (July 2022), AU and BCU committed to fully fund this successful GBSLEP-wide Project until June 2024. However, there is no additional funding available to resource a service delivery model that would specifically focus on the EZ, or to go beyond June 2024.

HLSM is in its seventh and final year of ESF Programme funding, which will end on 31/12/2023. Alternative sources of funding are still being explored, but there is no guarantee that funding will be available beyond 2023.

### **UK Shared Prosperity Fund (UKSPF)**

The total monies allocated to WMCA for UKSPF for 2022/23 until 2025/26 was £88,408,357, with £36,375,30<sup>42</sup> going to BCC, to be split over three 'Pillars' in line with the UKSPF Prospectus (Local Business Support, People and Skills and Communities and Place). 'Supporting local businesses' has a total of £4,623,291<sup>43</sup> and 'People and Skills' has a total of £7,103,296 both for the 2024/25 period. This funding envelope was lower than had been anticipated and is being stretched over a wide range of support.

The separation of the demand side (Business Support) and supply side (People and Skills) within the UKSPF Prospectus runs counter to the logic of **Plus**, which consciously integrates supply and demand.

Furthermore, the different timelines for allocating UKSPF monies for the aforementioned 'Themes' severely constrains the HEI Consortium's scope to bid. For example, BCC has recently announced that UKSPF Business Support funds will be allocated primarily via direct business grants, and not via skills intermediaries. In addition, BCC's UKSPF People and Skills funding will not come into play until April 2024, by which time HLSM Account Management expertise may well be lost to the local HE Sector, and there at that point be only three months remaining of GR delivery.

The factors discussed above make it highly unlikely that seeking funding from UKSPF for **Plus** would be successful.

### **WMCA Adult Education Budget and Higher Level Skills devolved funding.**

We understand that the WMCA's higher level skills strategy is still in development. For the moment, the WMCA emphasis appears to be on funding provision up to NVQ levels 3 and 4, and to extend the reach of Boot Camps.

Local HEIs have made their concerns about the content of current Bootcamp tenders known to the WMCA and continue to engage in a dialogue to find a way forward, which might instead play to the strengths of HEIs as 'anchor' institutions and key contributors to the skills agenda.

For the moment the innovative and proven approaches of HLSM and GR, which are at the core of the **Plus** design, do not align with WMCA tendering processes, and are unlikely to unless the Combined Authorities 'pipeline' higher level skills strategy recognises the contribution HEIs can make.

<sup>42</sup> [UKSPF allocations - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

<sup>43</sup> [UKSPF and Birmingham | UK Shared Prosperity Fund \(UKSPF\) | Birmingham City Council](#)

In the meantime, EZ funding presents the greatest opportunity for **Plus** to make a major contribution to local economic growth.

#### 4.2.2 Match funding

*Confirm which sources of match funding included in section 4.1 have been secured (attach evidence). For funding that is not yet secure, provide details on the strategy and timeline for securing it. It may be useful to include evidence of what alternative sources of funding have been explored.*

##### Match-in-kind

All Match-in-kind' funding from the 4 HEI Delivery Partners has been secured and Match-funding letters will be attached to the formal FBC submission **as Appendix 12**.

The **Plus** project delivery team will be augmented by a range of HEI Student and Graduate Careers, Employability, Higher Level Skills, Employer Engagement, Programme Management and Evaluation experts, who will contribute fully to the design and delivery of the **Plus** business support and graduate skills offer. They will therefore constitute the Consortium's match-in-kind.

Their involvement will begin prior to funding being awarded as members of:

- The PIP Group, and PIP Task and Finish Groups.
- The PB, responsible for:
  - Signing off' the findings from the EZ Market research, business consultation and initial delivery Phase;
  - Approving the commencement of the Main Delivery Phase;
  - Helping to develop project documentation for collecting business and participant data;
  - Approving business and learner engagement strategies, the FOPMF, the **Plus** Induction and Training programme, and project marketing collateral; and
  - Approving a further FBC for the expansion and extension of **Plus** from January 2026.
- Co-design teams, developing customised, sector-specific skills provision for EZ companies.

They will also ensure that the project staff recruitment process is approved in their respective institutions so that project delivery timelines are met, and will own any risks which are directly related to their Institute.

These colleagues will contribute fully to the design and delivery of the **Plus** skills offer and, as part of their responsibilities on the PB will monitor, support and challenge project performance. They will also provide support to their own delivery team within their HEI, utilising their expertise to provide continuous improvement and ensuring best practice throughout the delivery of **Plus**.

**Appendix 17** provides organograms of (a) **Plus** Pilot posts to be funded via EZ Grant Revenue Funding and (b) the range of other HEI posts that will support the delivery of project Outputs and Outcomes, funded via Match-in-kind.

#### 4.2.3 Grant versus loan

*If capital grant funding is applied for, explain why loan funding is deemed not suitable.*

**Plus** is neither a capital nor commercial proposal. It is a public sector 'skills offer', which will be an 'enabler' of the EZ's inward investment and growth strategy. Grant funding is the only funding avenue that the HEI Consortium can pursue.

#### 4.2.4 Loan arrangements



If loan funding is applied for, outline the proposed repayment arrangements and timescales.

N/A

#### 4.2.5 How would the project proceed if BCC funds are only available at a reduced level

If EZ funds were only available at a reduced rate then the consortium of 4 HEIs would not have the funding or resources available deliver the proposed **Plus** service to businesses within the EZ and unemployed graduates in Birmingham and Solihull. In short, the project would not proceed for the following reasons.

- **Plus** would not be able to secure staff resources and expertise from our proposed new HE Delivery Partners: UCB and UoB;
- The evolution of the existing services offered by HLSM and GR would not take place, which would result in minimal benefits to EZ businesses and a missed opportunity;
- BCU and AU would continue to engage only with their own unemployed graduates, which would mean that far fewer unemployed graduates would benefit from the project and, in turn, fewer EZ businesses would have their higher level skills needs addressed;
- HLSM and GR resources would be spread too thinly across the whole of the Birmingham and Solihull area, which would impact both the quantity and quality of proposed **Plus** project outcomes and risk the loss of Account Management and GR Consultant expertise in December 2023 and July 2024 respectively;
- The associated Outcomes, CSFs and lessons learned from both the Market Research and Pilot delivery Phases would not be realised and this would negate the potential to secure future funding to extend **Plus**.

#### 4.2.6 How would the project proceed if BCC funds are not available?

If EZ funds were not made available to fund the **Plus** Pilot, the consortium of 4 HEIs would not have the resources available to fund the proposed service to EZ businesses and all unemployed graduates in Birmingham and Solihull. As described in Section 4.2.1, there is no alternative funding available. In short, the project would not be able to proceed.

There would be nothing substantive to replace the existing HLSM service which will cease to be funded by the ESF Programme on 31/12/23, with the consequent loss of AU and BCU Business Account Management expertise, while GR support to unemployed graduates will be reduced, as AU will not be able to continue delivery beyond 31/12/23, and BCU can only fund its PMT and GR Consultant to 31/07/24.

Should the project not proceed, this would have the following knock-on effects:

- Far fewer businesses would have their current and future higher level business skills needs assessed;
- A tailored graduate talent recruitment service, which meets the needs of EZ businesses, would not be provided;
- Businesses would not have the unique access to the local graduate talent pipeline of more than 38,000 Final Year Undergraduates, recent Graduates, and Masters and Postgraduate students, which only **Plus** can provide;
- The four anchor institutions committed to delivering **Plus** will not deliver business engagement and skills support in partnership, which will be a missed opportunity;

- The circa 540 unemployed and underemployed graduates currently claiming Universal Credit in the Birmingham and Solihull Area would lose the opportunity to gain meaningful employment with a wide range of businesses within the EZ. This would exacerbate the waste of human capital which already presents itself in the City;
- Unemployed and underemployed graduates would find their skills base dissipating, as they would not have access to the skills refresh, job preparation and wrap-around support that **Plus** offers, and would therefore be far more likely to remain on welfare benefits than to secure employment;
- Underemployed graduates would continue to work in entry or intermediate level jobs, 'blocking' those jobs for other jobseekers, which will have a knock on effect for productivity and prosperity in the city;
- Businesses would not automatically be signposted to relevant skills provision on offer from other organisations within the local employment and skills eco-system;
- The opportunity to embed **Plus** as a core component of the EZ's inward investment and business attraction strategy would be missed, as access to the available Graduate Talent Pool would remain piecemeal and fragmented;
- EZ businesses would have fewer opportunities to feed their current and future skills needs into local universities as easily, meaning that these skills needs may not be met;
- A deep understanding of the skills needs and skills deficits of EZ businesses would not be developed;
- The knowledge and expertise which has been built up over 7 years of HLSM and 4 years of GR delivery will be lost from the Consortium and the city. This would take a significant amount of time to build back up and would have a significant knock-on effect in the meantime;
- The opportunity to expand and complement current EZ-focussed skills provision would be lost.

### 4.3 Due Diligence

#### 4.3.1 Applicant organisation's financial status *(please check with BCC to determine if required)*

*Provide full accounts for the last three financial years, as well as current financial forecasts.*

To be attached as **Appendix 13**

#### 4.3.2 Partners' financial status *(please check with BCC to determine if required)*

*Provide full accounts for the last three financial years, as well as current financial forecasts.*

To be attached as **Appendix 13**

#### 4.3.3 Independent assurance

*Outline any independent assurance that will be in place for the project, such as gateway or key stage reviews throughout delivery.*

BCU will apply the following compliance regime to HLSM **Plus**:

- Monthly Compliance Reviews – this meeting includes the PM, Finance Officer, and Innovation Support Officer. The risks and issues register will be assessed. Any immediate institutional issues are escalated to BCU's Director of IEE to make decisions;
- Quarterly Compliance Reviews – lead by BCU's Director of IEE. The Risk and Issue register will be assessed, with any 'amber' or 'red' risks being spoken through to ensure that they are being correctly managed. Any immediate institutional issues are escalated to BCU's Deputy Vice-Chancellor to make decisions;

- Bi-annual Vice-Chancellors Office Review – the most senior office within BCU – will take place twice a year, to assess project performance and risk. This ensures that all risks and issues are being identified and monitored correctly and anything which requires an immediate decision can be made in that meeting.

This rigorous level of monitoring will enable the project to identify all factors out of its control, assess the impact that such risks may have, and put steps in place to mitigate their impact at the earliest possible opportunity. Issues, such as: a partner's performance/ability to continue delivery, staff departures or a future global pandemic, will be taken into consideration.

**Plus** will apply the rigorous compliance and governance standards specified in BCU's FOPMF, which sets out the financial controls and reporting systems each Delivery Partner must deploy to verify that eligible expenditure has been defrayed in accordance with EZ Programme rules.

Within BCU:

- The Director of IEE is the SRO for the project;
- The PM will ensure effective delivery of all aspects of the project, including: performance & financial management and reporting; governance, risk assessment and compliance; audit and inspection; performance impact assessments; claim validation; annual project performance reviews; formal project evaluation (and dissemination of lessons learned) and project closure;
- The PMT, will offer advice, support and training to Delivery Partners and their staff, to ensure they deliver the required Outputs and CSFs, and comply with the requirements of the FOPMF;
- Project partner monitoring: Monthly OMG Meetings – these meetings will provide effective day-to-day management control of pilot delivery, and will comprise of the operational leads for each Delivery Partner, working closely with the PM and PMT to ensure the successful delivery of provision, Outputs and CSF. A Risk and Issue register will be created, added to, assessed, and monitored at these meetings, where each partner will have a representative who works on delivery of the project present. Any immediate issues which present themselves will be escalated to the SRO.

Beyond BCU:

- All partners will put in place the necessary administrative support to ensure compliance with the FOPMF; the robust identification and tracking of beneficiaries, Outputs and CSFs, and timely reporting to the PMT.

The FOPMF also specifies that:

- The PM and PMT will:
  - Undertake regular and ad-hoc Delivery Partner audit inspections to ensure compliance with the financial reporting requirements of the FOPMF;
  - Provide advice and training for project staff, to ensure a full understanding of, and compliance with, the requirements of the FOPMF.

- Each Delivery Partner will be responsible for any financial losses resulting from a failure to comply with agreed financial reporting procedures.

Please note that BCU's standard approach to project management was recognised as 'best practice' by UK Research and Innovation's Funding Assurance Report (2019).

## 4.4 Financial Risks

### 4.4.1 Cost overruns

*Outline the arrangements for any cost overruns in the project. Any grant approved by BCC will be a maximum capped amount and the applicant will be responsible for any expenditure above that amount.*

The HEI Consortium understands its responsibilities for cost overruns, but does not identify any circumstances in which overruns could occur. Should they do so, they will be subsumed by additional Match-in-kind. They will not result in a request for additional Grant Revenue Funding.

### 4.4.2 Subsidy Control

*State how the project complies with UK's international obligations on subsidy control i.e. World Trade Organisation (WTO) Agreement on Subsidies and Countervailing Measures and subsidy related commitments contained within the UK's Free Trade Agreements (FTAs). Outline what advice (e.g. legal advice) has been received to confirm that any grant funding approved does not amount to unlawful award of subsidies.*

*Any project activity BCC funds must meet public sector financial rules and comply with the rules governing subsidy control. Grants found to be in contravention of subsidy control rules must be repaid with interest, so it is in your interest to ensure that any project you bring forward for consideration complies with these regulations. UK Government guidance on subsidy control can be found [here](#).*

The following organisations may benefit from the funding of the project.

- Aston University (Delivery Partner)
- Birmingham City University (The Applicant and Delivery Partner)
- University College Birmingham (Delivery Partner)
- University of Birmingham (Delivery Partner)
- Companies located within the Birmingham City EZ that choose to register with the Project

	Delivery Partners	Individual Learners	EZ Companies
Is there financial assistance given directly or indirectly, from public resources, by a public authority?	Yes	Yes	Yes
Does the measure confer an economic advantage?	Yes	Yes	Yes
Is the advantage conferred on an enterprise?	No – analysis ends here	No – analysis ends here	Yes
Is the advantage specific?	N/A	N/A	Yes



Does the measure have, or is it capable of having, an effect on competition or investment within the United Kingdom?	N/A	N/A	Yes
Does the measure have, or is it capable of having, an effect on trade between the United Kingdom and country or territory outside the United Kingdom?	N/A	N/A	Yes
Does the measure constitute a subsidy under the UK Subsidy Act 2022.	No	No	Yes

### Delivery Partners

BCU and its Delivery Partners are exercising their non-economic functions of education to enhance the knowledge and skills of the local population, as well as knowledge transfer which is not classed as an economic activity, where any profits are reinvested in the primary purpose of education. This project does not create any revenue at all to BCU or the Delivery Partners.

### Graduate Participants

Individual Project beneficiaries – unemployed graduates, recently qualified graduate job seekers and final year students – are not 'enterprises' and are therefore outside the scope of UK Subsidy Rules.

### EZ Companies

EZ companies that elect to participate in the project by signing the **Plus** Graduate Talent Charter will be considered:

- Direct beneficiaries of the **Plus** Account Management Services they receive, including:
  - A BSNA;
  - The Business Challenge or STEAM Thinking workshops they elect to attend;
  - The specific Graduate recruitment services they commit to, when signing the Graduate Talent Charter;
  - Any sector-specific Job Preparation or Upskilling Workshops they help to co-design.
- Direct beneficiaries if they provide day release for multiple new, previously unemployed graduates, hired through **Plus**, to allow them to continue to benefit further from **Plus**, post-job entry, wrap-around provision), **and** mandate that those employees attend.
- Indirect beneficiaries of the broader range of job matching and higher level skills provision offered to unemployed graduates and recently graduated jobseekers who register with the **Plus** project, and subsequently apply for, and obtain, a graduate level job with an EZ **Plus** Charter 'signatory'.

For EZ companies that sign the **Plus** Graduate Talent Charter and are deemed to be beneficiaries in receipt of a subsidy, by accessing the services specified in the above paragraph, the following exemption will be rigorously applied so that the financial assistance is provided in accordance with UK subsidy rules:

Name of beneficiary or type of beneficiaries	Name of Exemption	Subsidy Control Act 2022: Statutory Guidance
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EZ companies that sign the <b>Plus</b> Graduate Talent Charter and access any of the skills services specified above	Minimum Financial Assistance– Threshold: €315,000 over 3 fiscal years	Chapter 7: Minimal Financial Assistance (MFA)	
<p><b>Plus</b> skills provision will look to respond to the skills needs of small, medium and large companies located within the EZ, including those operating in the Business, Professional and Financial Service sector and the Creative and Digital sector, to address skills gaps identified during the Pilot’s employer consultation phase, and to encourage more unemployed, recently qualified and recently hired graduates to develop these skills. However, it will also be a ‘universal service’ that can be accessed by any EZ-based company operating in any sector.</p>			
<p><b>*Systems in place for collecting and recording the required information for UK subsidy audits and returns</b></p>			
<p>Just as all requisite EU State Aid de-minimis monitoring and reporting requirements were embedded from 2016 in the HLSM BSNA, UK Subsidy MFA requirements and company MFA declarations will be specified within the <b>Plus</b> BSNA.</p>			
<p>We will administer MFA provisions in the following way:</p>			
<ol style="list-style-type: none"> <li>i. Requesting the beneficiary provides details of all UK subsidies, which must not exceed €315,000 over the applicable period. The applicable period will be the lapsed part of the current financial year in which the BSNA and the Graduate Talent Charter is signed, and the two financial years immediately preceding the current financial year.</li> <li>ii. Ensuring the beneficiary signs a formal MFA declaration, which will be included in the <b>Plus</b> BSNA.</li> <li>iii. Calculating the cost of Account Manager and other HE business support interventions, at a commercial rate (current HEI staff salary).</li> <li>iv. Communicating the above costs to the beneficiary by a formal letter (See recommended content of the letter specified in Statutory Guidance Chapter 7) following the completion of the <b>Plus</b> business and skills support package delivered for the business.</li> </ol>			
<p>All <b>Plus</b> Account Managers will be trained to work with their respective business customers to confirm MFA data and company declarations.</p>			
<p>All <b>Plus</b> Delivery Partners will:</p>			
<ul style="list-style-type: none"> <li>• Have access to ongoing, expert advice and guidance, which will help then ensure the project and its EZ company beneficiaries adhere fully to UK subsidy rules;</li> <li>• Be signatories to the <b>Plus</b> FOPMF, which will explicitly address UK Subsidy Rules and MFA reporting procedures where an EZ company benefits directly or indirectly from <b>Plus</b>.</li> </ul>			
<p>We note that very small subsidies given under MFA provisions are also not required to be published on the transparency database (below £100,000).</p>			
<p>Please note that the above assessment of the relevance of UK Subsidy Rules to the <b>Plus</b> Pilot Project has been cleared with external legal advisers.</p>			
<p>Please also see <b>Appendix 7</b>.</p>			



## 5. Management Case

The purpose of the Management Case is to demonstrate that the preferred option is capable of being delivered successfully, in accordance with recognised best practice. It tests project planning, the governance structure, risk management, communications and stakeholder management, benefits realisation and monitoring and evaluation. The Management Case should be over halfway complete at OBC stage; at FBC, in addition to updating all questions the Monitoring and Evaluation plan and processes need to be finalised.

### 5.1 Project Planning

#### 5.1.1 Project development and statutory requirements (SOBC and OBC stage only)

*List the key project development milestones, including local authority consents or statutory approvals needed for the project to proceed. Indicate which have been obtained and the timeline for obtaining the rest. Add / delete lines as appropriate. Confirm what LA/CA governance needs to be factored into the decision making.*

Description	Planned / actual date	Provide Details
Concept study	N/A	
Feasibility	N/A	
Preliminary design	May 2022	The first of three 'Open Design' Workshops bringing together HLSM and GR Delivery Partners with UoB, UCB and the GBSLEP.
Detailed design	May to September 2023	Following the third 'Open Design' Workshop and the expansion of the HEI Consortium.
Quantified risk assessment	November 2023	To be submitted alongside the FBC.
Environmental appraisal	N/A	
Planning application	N/A	
Statutory approvals / planning permission	N/A	
Consultations with key stakeholders	May 2022 / Ongoing	In July 2023 the HEI Consortium reached out to SCUC, and local FECs, to invite them to join the Consortium. SCUC joined the Consortium prior to the submission of the <b>Plus</b> EOI but withdrew, due to imminent organisational and staff changes, immediately prior to the submission of this FBC <sup>44</sup> . As Associate Delivery Partners, DWP and the NCS have provided formal letters of support to be submitted with the FBC. Work is in progress to agree formal MoUs between HLSM <b>Plus</b> and a variety of other local employability and skills providers.

<sup>44</sup> SCUC confirmed on November 29<sup>th</sup> 2023 that they could no longer commit to becoming a **Plus** Delivery Partner. Nonetheless, the HEI Consortium will invite SCUC to join the Plus PB as a Strategic Stakeholder.





Internal or external funder strategic / outline business case	N/A	We have considered the risks associated with moving directly to a FBC, and reached the conclusion that these are outweighed by the risks associated with any slippage in the proposed January 2024 start date for the <b>Plus</b> Pilot. These include the likely loss of AU and BCU HLSM Account Management expertise in January 2024; the loss of AU and BCU GR Consultant expertise by 31/07/24, at the very latest; the parallel loss of BCU project management expertise; and the risk of any delay to the staff recruitment processes to be expedited by UCB and UoB between 01/01 and 31/03/2024.
Internal or external funder full business case with benefit-cost ratio or established value for money case	December 2023	EZ FBC will be submitted on 18/12/2023
Quotes for work to be undertaken	N/A	
Compulsory Purchase Order powers	N/A	
Major statutory instruments (e.g. Transport and Works Act Orders, Side Road Orders, Development Consent Orders)	N/A	
Known environmental impacts (e.g. SSSIs, Heritage sites, Ancient Monuments)	N/A	
Equality Impact assessment	31/01/2024	If <b>Plus</b> is approved, the HEI Consortium will deploy a full Equality, Diversity and Inclusion Policy and Implementation Plan
Other – describe		

### 5.1.2 Project delivery plan

At SOBC and OBC, outline the project delivery plan; at FBC, append a detailed programme and summarise key milestones here (add lines as appropriate).  
Please see the Project Delivery Pan at **Appendix 10**.

Task	Start Date	Completion Date
Establish <b>Plus</b> PIP Group, and PIP Task and Finish Groups	12/10/2023	31/12/2023
Develop and submit the <b>Plus</b> FBC	13/10/2023	18/12/2023
Develop key project documentation specifications, drawing on BCU's comprehensive portfolio of project templates	12/12/2023 <sup>45</sup>	31/12/2023
EZ Programme Board approval sought	18/12/2023	18/12/2023
Establish PB and first meeting held	01/01/2024	31/01/2024
Establish OMG & first meeting held	01/01/2024	31/01/2024
HEIs deploy recruitment process for project staff	01/01/2024	31/03/2024

<sup>45</sup> From 12/12/2023 onwards, all proposed project delivery plan dates and project milestones are subject to slippage, as a direct consequence of the Commissioner's moratorium on prudential spending and the resultant delay in the bid assessment process.

EZ Market research, business consultation and initial delivery Phase	01/01/2024	31/03/2024
Rolling Induction and Training Programme for existing and newly recruited staff	01/02/2024	30/04/2024
EZ Partnership Board approval sought	17/01/2024	17/01/2024
EZ Plus Funding Agreement developed	18/01/2024	12/02/2024
FOPMF, including a GDPR-complaint Data Sharing Agreement signed by all Delivery Partners	18/01/2024	12/02/2024
BCC Cabinet approval sought	13/02/2024	13/02/2024
EZ <b>Plus</b> Funding Agreement signed and applied retrospectively to 01/01/2024		16/02/2024
Business & Learner Engagement strategies finalised & deployed	01/03/2024	31/03/2024
Output and Outcome Targets finalised with BCC's EZ Team	01/03/2024	31/03/2024
Formal launch events, and main delivery phase commences	01/04/2024	30/04/2024
Quarterly PBs and Performance Reviews undertaken	31/03/2024	31/12/2025
'One Year On' Celebration Events	01/12/2024	31/01/2025
Interim Project Evaluation undertaken, and recommendations submitted to the PB for approval and implementation.	07/10/2024	01/01/2025
Further testing of the <b>Plus</b> Pilot model, ahead of proposed Project Expansion and Extension work beginning	01/10/2025	31/10/2025
FBC for <b>Plus</b> Expansion & Extension from 01/01/26 submitted to Birmingham City Council		31/11/2025
Project operational end date		31/12/2025
Project closure activities complete		28/02/2026
End of Project Evaluation undertaken and shared with Birmingham City Council and West Midlands Combined Authority	06/10/2025	31/03/2026
Sustainable Jobs and Progression in Work monitoring continues, subject to funding being awarded for an Extension bid		30/06/2026

### 5.1.3 Critical path

*Outline the key review and go / no-go decision points and what would happen at each point.*

Stage gate	Date	Decision	Next steps
Initial 'Open Design' Workshops	May 2022	Go	From those attending there was agreement from AU, BCU, NBU, UCB and UoB. to continue to develop the <b>Plus</b> service delivery model.
Project Pipeline Registration Submission	31/05/2023	Go	The Project Pipeline Registration Submission document was submitted to BCC. This was approved and the project development moved to the Expression of Interest stage.
Expression of Interest Submission	29/08/2023	Go	The Expression of Interest was submitted to BCC on 29/08/23 and the EZ Programme Board's approval was received on approved on 28/09/23. In subsequent discussion with the BCC EZ Team,



			the HEI Consortium agreed to move straight to the Full Business Case.
FBC Submission	18/12/2023	Go/no-go	To meet the original timeline which the EZ Programme governance process set out for approval, the FBC was to be submitted by 04/12/2023. The withdrawal of SCUC from the HEI Consortium on 29/11/23 resulted in brief delay, to allow the remaining four Delivery Partners to consider what, if any, changes needed to be made to the <b>Plus</b> funding envelop or service delivery model. At the same time, the EZ Team confirmed that there would be some delay in the bid assessment process, until the Commissioner's moratorium on prudential borrowing by BCC is lifted. This delay is likely to result in the project start date slipping and could put the viability of project delivery at risk.
EZ Programme Board meets	18/12/2023	Go/no-go	As it now seems highly unlikely that the <b>Plus</b> project will be presented to the EZ Programme Board in December the project start date is also likely to slip, which presents a substantial risk to the Consortium's implementation planning process, which had been predicated on the EZ Programme Board's endorsement on 18/12/23, and the willingness of Delivery Partners to deliver the project 'at-risk' from 01/01/2024.
EZ Partnership Board meets	17/01/2024	Go/no-go	The second stage of approval. If the project is not presented at this point and the date for Partnership Board consideration were to move further into 2024, this would also present a substantial risk to the project's viability, as staff project recruitment would not be able to start and the willingness of Delivery Partners to deliver the project 'at-risk' from 01/01/2024 would have to be revisited.
EZ offer of funding sent to <b>Plus</b> partnership	18/01/2024	Go/no-go	Approval by the Partnership Board on this date, and the subsequent offer of a Funding Agreement, was to be the trigger which would enable Delivery Partners to begin their staff recruitment processes. Should the project not be formally considered by the Partnership Board on this date, there will inevitably be some slippage in the staff recruitment process which, in turn, would negatively impact the <b>Plus</b> Consortium's ability to achieve the Outputs and Outcomes specified in this FBC within the proposed Pilot lifecycle.
BCC Cabinet approval decision	13/02/2024	Go/no-go	The final stage of approval. If the project is not presented to Cabinet at this point, then there will inevitably be slippage in the staff recruitment process which, in turn, would negatively impact the



			<b>Plus</b> Consortium's ability to achieve the Outputs and Outcomes specified in this FBC within the proposed Pilot lifecycle. Furthermore, there would be slippage in the completion of the EZ Market research, business consultation and initial delivery Phase of the project. This could result in serious reputational damage for Delivery Partners who would, by this juncture, would have provisionally signed up EZ businesses to the project.
Funding Agreement to be signed	31 <sup>st</sup> March 2024	Go/no-go	Any delay in securing the BCC Cabinet's formal approval of <b>Plus</b> , would result in a delay in BCU's review and acceptance of the Funding Agreement, and therefore a delay in Delivery Partner sign-offs of their individual SLAs.

## 5.2 Organisation

### 5.2.1 Track record

*Outline your organisation's and the identified project team's track record of delivering similar projects. Include skills / experience of key staff involved in the project.*

BCU has a track record of successfully designing, implementing, leading, and delivering ambitious business support and skills projects to a high standard; meeting or exceeding required Outputs and Outcomes; and applying project management, financial reporting, compliance, and governance best practice.

BCU's standard methodology for devising such projects - Open Design Workshops - has been deployed in the development of the **Plus** EZ Pipeline Summary Document, the subsequent Expression of Interest, and this FBC.

These workshops have enabled potential partners to share and build on each other's ideas, and openly state what they can and cannot commit to deliver, in a forum that engenders trust and inclusivity: one in which any participating HEI may decide not to commit to delivery, safe in the knowledge that they will still be invited to the next series of workshops. This approach has delivered a range of high-performing partnerships that deliver meaningful and beneficial skills projects.

The **Plus** Project will be led by BCU's Programme Management Office (PMO), which possesses significant project management expertise in delivering externally funded, multi-partner skills and business engagement projects.

The PMO is led by the BCU Senior Programme Manager, Lucia Puricelli, who has been a key contributor to the successful delivery of the:

- HLSM Project from 2016-2019, and its formal extensions from 2019 to 2022 and most recently from 2022 to 31/12/2023;
- STEM-Up Project, from 2019 to 2022 and its recent extension to 31/12/2023;
- EYCPP Project, from 2021 to 31/12/2023.

The **Plus** PM and Project Officer will be newly created posts, and the successful candidates will be supported and mentored, not only by the BCU Senior Programme Manager and PMO, but also by:

- Sandeep Solanki, who has successfully led:
  - The award-winning GR Project, from 2019 to 31/07/2022, and the operationalisation of the Project by BCU from 01/08/2022 to 31/07/2024;
  - The only Kickstart Scheme Graduate Opportunities Gateway to be approved by DWP in the whole of the UK, delivered for West Midlands Police.
- John Lee, BCU's External Funding and Strategy Consultant, who has:
  - Vast experience of designing and leading the delivery of Government funded employment and skills programmes, during his 30 year career in the Civil Service;
  - Over the last 10 years, facilitated the design of each of the above BCU-led Projects and led the bid-writing and implementation planning stages for each.

This track record is complemented by the expertise in leading and/or contributing to the successful delivery of ESF and OfS-funded projects that AU, UCB and UoB bring to the Consortium. A comprehensive list of projects led and/or delivered by individual members of the Consortium can be provided on request.

In addition, **Plus** will apply the rigorous compliance and governance standards specified in BCU's FOPMF, which sets out the financial controls and reporting systems each Delivery Partner must deploy to verify that eligible expenditure has been defrayed in accordance with EZ Programme rules. **Please see Section 1.4.1 which describes the internal and external governance checks that will be put in place.**

### 5.2.2 Use of external consultants

Craig Walsh, One Fifteen Consulting: has a strong track record of designing, bidding for, implementing, project managing, evaluating, and reviewing successful employability and skills projects and programmes over the last 10 years, including:

- Successfully bidding for European Regional Development Funding for The Prince's Trust to deliver business start-up support in the South East Midlands Local Enterprise Partnership area;
- Managing and delivering National Citizen Service projects supporting 16-18 year olds in increasing a wide range of personal and social skills, and successfully bidding to the National Lottery Community Fund to deliver an Environmental Leadership Programme, all at UpRising Leadership.

During 6 years at BCU Craig:

- Programme managed the first HLSM project (2017-2019), which exceeded ESF Output targets, met all financial targets, and received external recognition from the Association of Graduate Careers Advisory Services (AGCAS);
- Played a key role in BCU's successful bids for the STEM-Up and EYCPP projects, and a three-year extension to the HLSM Project, and in the design and implementation of all three projects;
- Contributed significantly to the design and implementation of the GR Project;
- Successfully led the BCU bid to partner with Barnardo's in the provision of Mentoring support, funded by BCC's Early Help Team.

As a Trustee for West Smethwick Enterprise, Craig has supported bids for 'Suicide Prevention' and The National Lottery Community Funds 'Reaching Communities' programme, specifically providing a bid reviewing and editing role.

At Energy Systems Catapult, Craig currently supports the bid development and project initiation process for a range of environmental projects which look to build knowledge, infrastructure, and skills.

### 5.2.3 Succession arrangements

*Outline the arrangements in place to ensure continuity of resource and retention of organisational memory including project record management approach.*

#### **Corporate memory**

John Lee, BCU's 'External Funding and Strategy Consultant'<sup>46</sup> has successfully designed, bid for, and offered strategic oversight of the delivery of a range of uniquely innovative and successful BCU-led projects, that have secured total funding in the region of £14million; supported over 750 SMEs to enhance their skills base and sustain economic growth; and enhanced the job and career prospects of thousands of local graduates, particularly those from disadvantaged backgrounds and most at risk of not securing graduate level jobs, including:

- The ESF-funded HLSM Project (2017-2023), which received ***the 'Building Effective Partnerships' Award from the Association of Graduate Careers Advisory Services (AGCAS) in July 2020 and the AGCAS Sustainability Award in 2022.***
- The ESF-funded STEM-Up Project (2020-2023), delivered by BCU, in partnership with AU and SCUC, helping over 2000 local employees and unemployed residents (including students and graduates) to access 'taster' programmes in the STEM and STEAM Thinking skills that local businesses need to sustain economic growth.
- The ESF-funded EYCPP Project (2021-2023), delivered by BCU in partnership with NBU, Barnardo's and West Smethwick Enterprise, addressing the need for new Career Pathways and Attraction, Recruitment, Retention and Workforce Development strategies in the early years and childcare sector, and helping over 1,000 local employees and jobseekers (including students and graduates) to develop the skills required to secure work and/pr progress in work in the in the early years and childcare sector.

<sup>46</sup> Please note that John is a BCU Associate Employee (2013 to the present), not an independent consultant.



- The OfS-funded GR Project, delivered by a unique partnership between BCU, AU and Jobcentre Plus, which has so far helped 892 unemployed and under-employed graduates refresh their skills, secure quality, graduate level work placements and permanent job roles. The Project won the **2022 'Building Effective Partnerships' Award from the Association of Graduate Careers Advisory Services**.
- The UK Government-funded Kickstart Scheme **Graduate Opportunities** Gateway for West Midlands Police, and the only bespoke graduate Gateway approved by DWP.

John has facilitated the design and development of **Plus** since early 2022. His ongoing contribution to BCU's portfolio of skills projects complements BCU's 'corporate memory bank' of retained documentation and formal project evaluations.

### Document Retention

HEI Consortium Delivery Partners have significant experience of adherence to European Commission and UK Government document retention requirements, as set out in the "England ESF Operational Programme 2014-20, Guidance On Document Retention, including Electronic Data Exchange, for 2014-20 ESF Projects (April 2016).

We are therefore confident that the **Plus** Pilot PM and HEI operational leads will:

- Ensure full compliance with all document retention guidance set out in the EZ Funding Agreement;
- Cover document retention requirements in the Project's Induction and Training Programme; and,
- Include them within the **Plus** FOPMF.

Our planning assumption is that we will retain all key documents for a minimum of two years following project closure and/or make them available for inspection for the full period required by BCC, and/or any Audit Authority the Council engages to conduct project audits.

The full range of core project documents and records to be retained will be specified in an Annex to the **Plus** FOPMF. The project's document retention policy will also be fully consistent with:

- All relevant electronic data exchange legislative requirements governing data exchange between BCU, as the lead partner, and BCC as the Managing Authority;
- BCU's existing document retention policies and systems, as applied to ESF projects led by BCU.

The PM will be responsible for the document and records retention audit trail, for ensuring all Delivery Partners keep adequate records, and for ensuring systems are in place to verify the information provided and to support delivery partner compliance.

For further assurance, **Plus** Project documentation will be stored on BCU's online SharePoint filing system, as mandated by the Vice-Chancellor's Office approved 'Externally Funded Projects' Policy. **Plus** document retention will therefore benefit from:

- Secure storage, which is compliant with the requirements of the GDPR, and includes secure, role-based access and permission levels;
- Back-up systems, to ensure a robust audit trail;
- The SharePoint online filing system, which draws on good project management practice, including PRINCE2, **commended as 'best practice' by UK Research and Innovation**.

## 5.3 Governance

### 5.3.1 Project management

*Outline the proposed project management structure including roles and responsibilities.*

Within BCU:

- The Director of IEE is the SRO for the project;
- The PM will ensure effective delivery of all aspects of the project, including: performance & financial management and reporting; governance, risk assessment and compliance; audit and inspection; performance impact assessments; claim validation; annual project performance reviews; formal project evaluation (and dissemination of lessons learned) and project closure;
- The Project Officer will offer advice, support and training to Delivery Partners and their staff, to ensure they deliver the required Outputs, Outcomes and CSF, and comply with the requirements of the FOPMF;
- The IEE Marketing and Events Co-ordinator, will commission and oversee the production of digital marketing collateral and coordinate a two year programme of business consultation, project launch, business networking, and project celebration events, regularly review and refresh key project marketing messages, and manage the project's social media strategy.
- The External Funding and Strategy Consultant, who has facilitated the design of the project, will provide advice and guidance to BCU's SRO, PB, PMT, and Delivery Partners throughout the project's lifecycle, and undertake the Interim and End-of-Project evaluations.

Beyond BCU:

- All Delivery Partners will put in place the necessary administrative support to ensure compliance with the FOPMF; the robust identification and tracking of beneficiaries, Outputs and CSFs, and timely reporting to the PMT.
- As Associate Delivery Partners:
  - DWP will provide dedicated Work Coach resource to identify and refer unemployed and under-employed graduates to **Plus** GR Consultants; contribute to PB meetings, and explore the scope for joint DWP/HE business engagement initiatives with the **Plus** PMT and delivery partners
  - Prospects will provide dedicated (NVQ Level 6) Careers Advisor resource to help unemployed and underemployed graduates refresh their CVs, and access NCS employability and skills provision.

The FOPMF also specifies that:

- The PM and PMT will:
  - Undertake regular and ad-hoc Delivery Partner audit inspections to ensure compliance with the financial reporting requirements of the FOPMF;



- Provide advice and training for project staff, to ensure a full understanding of, and compliance with, the requirements of the FOPMF.
- Each Delivery Partner will be responsible for any financial losses resulting from a failure to comply with agreed financial reporting procedures.

Please note that BCU's standard approach to project management was recognised as 'best practice' by UK Research and Innovation's Funding Assurance Report (2019).

### 5.3.2 Project governance

*Provide details on the proposed project governance and assurance, including:*

- *decision levels;*
- *escalation arrangements;*
- *project board composition and terms of reference; and*
- *project board members' relevant experience (if not included at 5.2.1).*

#### **Please see**

- **Section 1.4.1** which describes the internal and external governance checks that will be put in place;
- **Appendix 14** which provides a draft Paper, setting out the PB's proposed composition, terms of reference, escalation, and broader governance arrangements.

In summary, within BCU:

- The Director of IEE will be the SRO for the project and will have the ultimate decision-making responsibility, with decisions informed and challenged by the PB.
- The PM will ensure effective delivery of all aspects of the project, including: performance & financial management and reporting; governance, risk assessment and compliance; audit and inspection; performance impact assessments; claim validation; annual project performance reviews; formal project evaluation (and dissemination of lessons learned) and project closure. The PM will have day-to-day decision-making responsibility for performance delivery. Where further guidance is needed, the PM will be able to request support from the Senior Programme Manager and, if required, the SRO. All key decisions will be recorded in the projects Decision Log.
- The PMT, will offer advice, support and training to Delivery Partners and their staff, to ensure they deliver the required Outputs and CSF, and comply with the requirements of the FOPMF.

The project will have two regular decision-making fora – the PB and the OMG.

The PB will be the key decision-making body. It will be chaired by the DWP Service Leader for the Birmingham and Solihull Jobcentre Plus District<sup>47</sup> – who has a thorough working knowledge of the HEI Consortium's ways of working, and the project's aims.

Board membership will consist of the following:

<sup>47</sup> To be confirmed

- A senior representative from each HEI delivery partner – each senior representative will have held similar positions previously, usually working closely with the Consortium, therefore they will understand the role and responsibilities;
- PM – this will be a new post, so the full range of their experience is currently unknown. However, as part of the recruitment process, BCU will ensure that the successful applicant has effectively managed externally funded, multi-partner projects previously;
- Project Officer – secretariat – this will be a new post, so the full range of their experience is currently unknown. However, as part of the recruitment process, BCU will ensure that the individual has effectively supported, and provided secretariat services to, externally funded, multi-partner projects previously;
- The Operations Manager for Prospects (West Midlands NCS contractor);
- A nominated business leader from the EZ Sounding Board – this will be an individual who understands the needs of businesses within the EZ and is able to represent their views and inform decisions on their behalf;
- If required: BCU Finance Officer & BCU Compliance Officer – These colleagues will have experience of working on externally funded projects and will be required only in circumstances where their specific input or guidance is required.

Escalations to the Board will come from the OMG, which will receive updates from project partners, monitor performance and resolve any immediate issues. It will be chaired by the PM and will comprise of the following representatives:

- Project Officer - Secretariat;
- Operational lead from each partner;
- If required: BCU Finance Officer & BCU Compliance Officer.

Decisions made at OMG meetings will include (non-exhaustive):

- Creation of new marketing materials;
- Event attendance;
- Wraparound support workshop subject areas and scheduling;
- Additional guidance and support documents required to address an identified delivery issue.

Escalations to OMG will come from the project delivery staff.

Project Governance will be underpinned by the FOPMF, which also specifies that:

- The PM and PMT will:
  - Undertake regular and ad-hoc Delivery Partner audit inspections to ensure compliance with the financial reporting requirements of the FOPMF;
  - Provide advice and training for project staff, to ensure a full understanding of, and compliance with, the requirements of the FOPMF.
- Each Delivery Partner will be responsible for any financial losses resulting from a failure to comply with agreed financial reporting procedures.

BCU will also apply its own standard governance process which will be in line with the University's Externally Funded Projects Policy - **See Section 1.4.1.**

### 5.3.3 Change management

*Outline the proposed change management strategy for the project, including escalation procedures and thresholds.*

It is not envisaged that during the two-year Pilot phase of the project there will be a need for any significant changes, which would require a Change Management Strategy to be implemented.

However, should a significant change be required, the following procedures will be followed.

1. Working alongside BCU's Change Management Team, the PM will complete a Change Impact Assessment (CIA). The CIA is a series of 20 questions against which the PM will assess the need for change against and allocate scores (1-5). The questions cover project components such as timeframes, scope, and impact.
2. Upon completion the CIA will be shared with the PB for their consideration of the allocated scores, approval of the Assessment and agreed next steps.

Please see below the scoring template with recommended action:

Score Range	Change Impact	Recommended Action
20-40	Low to medium change impact	Continue with project, paying close attention to changes in scope that may affect change impact as well as observing stakeholder attitudes to change.
40-60	Medium to high change impact	Your project has significant change impact. Managing that change will have a strong effect on project Outcomes. It is recommended that change management be assigned to a project team member, such as the PM. It is also recommended that you conduct further change management analysis and create a Change Management Plan, distinct from a Training or Communications Plan.  Please contact the University Change team.
60-100	High change impact	The social change brought about by the project is very high and is likely the most probable cause of project failure. Consider adding a full-time change management resource to the project, either out of the project budget or on assignment from the University Change Team.

Should the scoring be that of a medium or high level, then the PM will liaise with the allocated BCC EZ Contract Manager to identify whether a formal Project Change Request will be required.

## 5.4 Stakeholder Management

### 5.4.1 Stakeholder engagement

*Outline how the stakeholders will be involved and managed. Append a stakeholder management plan if available.*

The key stakeholders linked to the project and their roles are as follows:

- PB – the overarching decision-making authority and will be formed upon the commencement of the project. The PB will meet on a quarterly basis and will be chaired by the DWP Service Leader for

the Birmingham and Solihull Jobcentre Plus District<sup>48</sup> – who has a thorough working knowledge of the HEI Consortium’s ways of working, and the project’s aims. Meetings will follow a set agenda with actions being taken during the meeting and disseminated following on from the meeting.

- **OMG** – all members of the OMG are key stakeholders of the project as they will be able to feed live information into the decision-making process and provide updates and suggestions for improvements. The PM will chair meetings with the OMG on a monthly basis. Meetings will follow a set agenda with actions being taken during the meeting and disseminated following on from the meeting.
- **Plus** Charter signatories – all businesses who register with the **Plus** project will have an Account Manager as their first point of contact. Completed BSNAs will provide a rich vein of data on EZ companies’ priority skills needs;
- **EZ Sounding Board** – following on from the project’s Market research, business consultation and initial delivery Phase, a representative sample of businesses registering with the Project - particularly those who commit to co-designing **Plus** skills provision - will be encouraged to join the **Plus** Sounding Board. This will meet on a quarterly basis to offer real time business insights on EZ companies’ higher level skills needs and graduate recruitment trends. The PMT will offer secretariat and facilitation support.
- **Plus** Graduate beneficiaries – all graduates who register with the **Plus** project will have a Graduate Consultant as their first point of contact. Completed PSNAs will provide a rich vein of data on graduates’ soft, technical and leadership skills’ needs. The PMT will organise a series of participant focus groups to encourage graduates to provide feedback on their experience of registering with **Plus**, and the value of the skills and jobs matching support they receive. Stakeholder communications will be coordinated centrally by the PMT, with regular digital communications and updates being sent to each stakeholder group. For example:

Prior to PB meetings, the PM will complete a quarterly report informing all members of project progress against Outputs and financial targets, highlighting successes and challenges, and highlighting key discussion points for the upcoming meeting.

Prior to EZ Sounding Board meetings, the PM will complete a quarterly report informing all members of general performance, highlighting trends both in graduate and business engagement, and suggesting how Sounding Board members may further support the development of the project.

All Graduate Talent Charter signatories will receive a quarterly newsletter highlighting upcoming skills support sessions. This will be followed up by their respective Account Managers, who may be able to provide further signposting to additional business skills support sessions.

All participating graduates will receive regular digital bulletins informing them of upcoming skills support sessions and graduate job vacancies. This will be followed up by their respective GR Consultants to ensure provision meets their skills needs.

PB and Sounding Board members will be encouraged to become more involved in the delivery of the project. For example, a member of either Board may want to attend a ‘wraparound skills support session’

<sup>48</sup> To be confirmed

to understand the upskilling being provided to their potential graduate hires and to suggest how delivery may be continuously improved.

#### 5.4.2 Partnership arrangements

*Outline key roles and responsibilities of all partner organisations in the project, where not covered in commercial case or above.*

All **Plus** project Delivery Partners and Associate Deliver Partners have been named in previous sections of the FBC and their roles and responsibilities addressed in detail at Sections B5, 3.2.1, 4.1, 4.3.3, 5.3.1 and 5.3.2

At this stage it is not envisaged that the project will engage any other potential partners for the Pilot phase of delivery. For the avoidance of doubt, these partner organisations are:

Delivery Partners:

- Aston University;
- Birmingham City University
- University College Birmingham;
- University of Birmingham.

Associate Delivery Partners:

- DWP's Jobcentre Plus Birmingham and Solihull District;
- Prospects, West Midlands NCS contractor.

It is intended that, in preparing a bid for the Extension phase of the project (to run from January 2026 onwards), the HEI Consortium will reach out again to other HEI's and FEC's in Birmingham; invite them to contribute to a further series of Open Design Workshop, engage them in a review of lessons learned from the Pilot phase, and encourage them to join the Consortium.

#### 5.4.3 Communications and marketing plan

*At SOBC and OBC, outline your proposed approach to project communications and marketing. At FBC, append a full communications plan and summarise it here.*

The **Plus** Communications and Marketing Plan can be found at **Appendix 15**.

#### 5.5 Monitoring and evaluation

*At OBC and SOBC, outline the proposed approach to project monitoring and evaluation, **including carbon accounting/footprinting and ecosystem services**. At FBC, append a detailed plan for monitoring and evaluating project outputs and outcomes, including assigned responsibilities and budgeted costs. Note the BCC will be collecting monitoring information until at least March 2025.*

A detailed Monitoring and Evaluation Plan can be found at **Appendix 16**.

**Plus** will deploy the tried and tested approaches to project performance monitoring and evaluation contained within the appended Monitoring and Evaluation Plan, and BCU's FOPMF for Projects - covered in more detail at FBC Sections 1.4.1, 4.3.3, 5.2.1 and 5.3.1 - which specifies the financial controls and reporting systems each Delivery Partner must comply with.

In summary, throughout the Pilot phase the following management systems will be deployed:

Project partner monitoring:

- Monthly OMG meetings will provide effective day-to-day management control of project delivery and will comprise of the operational leads from each Delivery Partner, working closely with the PM and PMT to ensure the successful delivery of provision, Outputs, Outcomes and CSF's. The Risk and Issue register appended to the FBC will be assessed, and monitored at these meetings;
- Quarterly PB Meetings will provide oversight and direction; consider the outcomes from, and approve recommendations of, formal performance reviews; commission, consider and sign off the interim and final project evaluations, and the project's sustainability strategy. The PB will consist of senior representatives from each of the Delivery Partners, alongside representatives from BCC, DWP, and Prospects (NCS).

Internal BCU monitoring (in line with BCU's Externally Funded Projects Policy):

- Monthly Compliance Reviews: attended by the PM, Finance Officer and Innovation Support Officer. The Risk and Issue register will be independently assessed at these meetings and any financial or performance, or institutional risk will be escalated to BCU's Director of IEE;
- Quarterly Compliance Reviews: led by BCU's Director of IEE. The Risk and Issue register is rigorously assessed, with any 'amber' or 'red' risks formally considered and any institutional risks escalated to BCU's Deputy Vice-Chancellor.
- Vice-Chancellor's Office Reviews: these will take place twice a year, to assess project performance and risk. This ensures that all risks and issues are being identified and monitored correctly and anything which requires immediate decision identified.

BCU will also deploy a phased Interim and End-of-Project Evaluation methodology consisting of:

- **Phase 1: A Desk-based Review** of Project Governance, Financial and Performance Management.
- **Phase 2: A Qualitative Review**, involving face-to-face and online interviews with: PB members, Delivery Partner Operational leads, Account Managers and Graduate Consultants, a percentage of unemployed and recently employed graduate beneficiaries, and a representative sample of large, medium size and small enterprises engaged in **Plus**, using a tried and tested SWOT Analysis Framework.
- **Phase 3:** Write-up, PB Approval, Publication and Dissemination.

The above evaluations will be undertaken by BCU's External Funding and Strategy Consultant.

## 5.6 Risk management

*Append a fully assessed Risk Register to include RAG rating, risk owner, mitigation and contingency arrangements (minimum requirements in the template at in **Appendix 6**).*

*Further guidance on risk management is provided in the HMT Orange Book, available at <https://www.gov.uk/government/publications/orange-book>.*

A fully assessed Risk and Issue register is included at **Appendix 6** of the formal submission. It responds to this section and to section 2.4.4.



## C. Declarations

### C1. Document Confidentiality Statement

*Please confirm whether any information in this Business Case is commercially sensitive and considered exempt from release under Section 41 of the Freedom of Information Act 2000. If so, please provide details.*

### C2. Declarations

Has any director/partner ever been disqualified from being a company director under the Company Directors Disqualification Act (1986) or ever been the proprietor, partner or director of a business that has been subject to an investigation (completed, current or pending) undertaken under the Companies, Financial Services or Banking Acts?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has any director/partner ever been bankrupt or subject to an arrangement with creditors or ever been the proprietor, partner or director of a business subject to any formal insolvency procedure such as receivership, liquidation, or administration, or subject to an arrangement with its creditors	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has any director/partner ever been the proprietor, partner or director of a business that has been requested to repay a grant under any government scheme?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

If the answer is "yes" to any of these questions please give details on a separate document of the person(s) and business(es) and details of the circumstances. This does not necessarily affect your chances of being awarded BCC funding.

### C3. Senior Responsible Owner Declaration

As Senior Responsible Owner for Higher Level Skills Match Plus I hereby submit this request for a Revenue allocation on behalf of Birmingham City University and confirm that I have the necessary authority to do so.

In making this application, I agree that the information provided by me in this application is to the best of my knowledge correct. I understand that if I give information that is incorrect or incomplete, funding may be withheld or reclaimed, and action taken against me. Any expenditure defrayed in advance of project approval is at risk of not being reimbursed and all spend must be compliant with the Grant Conditions and State Aid/Subsidy Control requirements.

I understand that this application does not form or imply any agreement to provide funding.

I am content for information supplied here to be stored electronically, shared with the BCC Independent Technical Evaluator, and other parties who may be involved in considering the business case to allow enquiries on this application enabling the BCC to satisfy themselves of its completeness and accuracy.

I understand that a copy of the main Business Case document will be made available on the BCC website. The Business Case supporting appendices will not be uploaded onto the website. Redactions to the main Business Case document will only be acceptable where they fall within a category for exemption.

***Where scheme promoters consider information to fall within the categories for exemption (or***



**considered confidential/commercially sensitive), they should provide a separate version of the main Business Case document, which highlights the proposed Business Case redactions.**

I understand that any offer may be publicised by means of a press release giving brief details of the project and the grant amount.

**Name: Joanna Birch**

**Position: Director, Innovation, Enterprise and Employability**

**Date: 18/12/2023**

**Signed:**

#### C4. Section 151 Officer / Chief Financial Officer (or equivalent) Declaration

As Deputy Director of Finance for Birmingham City University I hereby agree that this request for a Revenue allocation on behalf of Birmingham City University is financially compliant and confirm that I have the necessary authority to do so.

I declare that the project cost estimates quoted in this application are accurate to the best of my knowledge and that Birmingham City University:

- has allocated sufficient budget to deliver this project on the basis of its proposed funding contribution;
- has undertaken a risk assessment which identifies all substantial project risks known at the time of Business Case submission and this is included within the cost estimate;
- accepts responsibility for meeting any costs over and above the BCC contribution requested, including potential cost overruns and the underwriting of any funding contributions expected from third parties;
- accepts responsibility for meeting any ongoing revenue requirements in relation to the project;
- accepts that no further increase in BCC funding will be considered beyond the maximum contribution requested;
- confirms that the authority has the necessary governance / assurance arrangements in place and the project has met our assurance guidelines; and
- funding is compliant with central government guidance; and
- confirms that the procurement strategy for the project is legally compliant and is likely to achieve the best value for money outcome.

**Name: Lee Bingham**

**Position: Deputy Director of Finance**

**Date: 18/12/2023**

**Signed:**

DocuSigned by:  
  
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## D. Development Costs

**Total Development Costs for this project** (*up to and including FBC submission*)

**BCC funds contribution sought towards the Total Development Costs**

*Typically, up to 10% of the total BCC funding requested*

**Please describe and provide a financial breakdown of the Development Work to be undertaken.**  
*Please include specifically what the BCC funds will be used for, key milestones towards the production of the FBC, and governance arrangements, including any local gateway processes, change control and risk management for the delivery of the FBC.*

**Full Business Case submission date**

By signing below, you certify that the above information is true and accurate.

Should your application for Development Costs be granted, you agree that the BCC grant funding will be defrayed to you on the following conditions:

- The BCC funds will be defrayed as an interest-free, repayable grant. The funding will be defrayed as capital and should only be used for expenditure that can be capitalised.
- The funding will be defrayed from your projected total capital allocation to your project.
- Upon full approval, the balance of the total capital allocation to your scheme will be defrayed in accordance with the processes described in the BCC EZ Assurance Framework, i.e. quarterly in arrears on production of actual expenditure.
- After your submission of the FBC, should approval for the project not be granted, you will return all previously received funding towards Development Costs to BCC in full.
- You will include BCC in the process for any decisions to be made regarding the scope, cost or timeframe for this project.



- You will provide regular update reports to BCC on progress with the development of the FBC for the project, commencing from the date you sign this letter and at a frequency to be agreed.

Sign:	Sign:
Name:	Name:
Position:	Position:
Date:	Date:
<b>Senior Responsible Owner</b>	<b>Chief Financial Officer (or equivalent)</b>

## E. Appendices

### List of Appendices

#### I. Reference

- A. Definitions and acronyms
- B. Additional resources

#### II. Templates Included with this Document

1. Options Appraisal – Critical Success Factors
2. Options Appraisal – Longlist of Options
3. Options Appraisal – Cost Benefit Analysis (CBA) of Shortlist Options

#### III. Templates Available on Request

4. Profile of Forecast Outputs and Outcomes
5. Proposed Funding Profile
6. Risk Register

#### IV. Further Appendices as applicable for the Business Case

- Logic Model
- Project map 1 (location)
- Project map 2 (site plan)
- Feasibility studies
- Relevant organisational strategic documents
- Industry-relevant stage reports and plans
- Environmental Impact Assessment
- Distributional impact appraisal
- Confirmation of match funding (conditional or full)
- Statement of financial viability
- Detailed cost plans
- Consultation reports
- Project programme
- Communications plan
- Monitoring & Evaluation plan
- Organisation organogram
- Project organogram
- Procurement contract (at FBC)
- Letters of support / Memoranda of Understanding from project stakeholders



## Appendix A – Definitions and acronyms

BCR	Benefit - Cost Ratio
BEIS	Department for Business, Energy and Industrial Strategy
Benefits	Positive economic, social and environmental impacts expected to be realised as a result of the project being delivered. This is in addition to what is considered business as usual
CBA	Cost - Benefit Analysis
Delivery Plan	A detailed, typically sector specific, plan to support the delivery of the WMCA Strategic Economic Plan
DfE	Department for Education
DfT	Department for Transport
EoI	Expression of Interest
FBC	Full Business Case
GVA	Gross Value Added
HMT	Her Majesty's Treasury
LIS	Local Industrial Strategy
MHCLG	Ministry for Housing, Communities and Local Government
NPV	Net Present Value
OBC	Outline Business Case
Optimism Bias	The proven tendency for appraisers to be too optimistic about project costs, duration and benefits delivery, which require adjustments to correct for
Outcomes	<p>Direct outcomes are the short- and intermediate-term effects or changes that occur or will occur as a direct result of the project activity.</p> <p>An indirect outcome is the intermediate to long-term effect or changes of a project, i.e. the longer term consequence of the project. They may be expected to follow the project activity, but cannot be guaranteed due to a range of factors.</p>
Outputs	Outputs are usually pre-defined (e.g. a target) and can be accurately measured (e.g. a number). Outputs are sometimes referred to as deliverables – they are the direct, immediate-term, quantifiable results associated with a project.
QRA	Quantitative Risk Assessment
SOBC	Strategic Outline Business Case
SRO	Senior Responsible Owner
WebTag	DfT's Transport Appraisal Guidance that provides information on the role of transport modelling and appraisal



## Appendix B – Resources

Accounting for the Effects of Climate Change Supplementary Green Book Guidance

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/934339/Accounting\\_for\\_the\\_Effects\\_Of\\_Climate\\_Change\\_-\\_Supplementary\\_Green\\_Book\\_...pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/934339/Accounting_for_the_Effects_Of_Climate_Change_-_Supplementary_Green_Book_...pdf)

A Regional Energy Strategy for the West Midlands

<https://www.energycapital.org.uk/wp-content/uploads/2019/01/A-Regional-Energy-Strategy-for-the-West-Midlands-FINAL.pdf>

Build Back Better: our plan for growth

<https://www.gov.uk/government/publications/build-back-better-our-plan-for-growth>

Enabling a Natural Capital Approach

<https://www.gov.uk/guidance/enabling-a-natural-capital-approach-enca>

Enterprise Zone Assurance Framework

(available on request)

Enterprise Zone Investment Plan

[Birmingham City Centre Enterprise Zone Investment Plan | Birmingham City Council](#)

Equality Act 2010

<https://www.legislation.gov.uk/ukpga/2010/15/contents>

Equality Act 2010: guidance

<https://www.gov.uk/guidance/equality-act-2010-guidance>

HM Treasury Green Book: Central Government Guidance on Appraisal and Evaluation

<https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government>

HM Treasury Green Book: Guide to Developing the Project Business Case

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/749086/Project\\_Business\\_Case\\_2018.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/749086/Project_Business_Case_2018.pdf)

Department for Communities and Local Government: Appraisal Guide

<https://www.gov.uk/government/publications/department-for-communities-and-local-government-appraisal-guide>

Department for Transport: Transport analysis guidance

<https://www.gov.uk/guidance/transport-analysis-guidance-webtag>

HM Treasury Magenta Book: Guidance for Evaluation

<https://www.gov.uk/government/publications/the-magenta-book>

HM Treasury Orange Book: Management of Risk – Principles and Concepts



<https://www.gov.uk/government/publications/orange-book>

Management of Risk in Government: Framework

<https://www.gov.uk/government/publications/management-of-risk-in-government-framework>

Public Sector Equality Duty

<https://www.gov.uk/government/publications/public-sector-equality-duty>

The ten-point plan for a green industrial revolution

<https://www.gov.uk/government/publications/the-ten-point-plan-for-a-green-industrial-revolution>

UK Industrial Strategy:

<https://www.gov.uk/government/publications/industrial-strategy-building-a-britain-fit-for-the-future>

UK's international obligations on subsidy control

<https://www.gov.uk/government/publications/complying-with-the-uks-international-obligations-on-subsidy-control-guidance-for-public-authorities>

West Midlands Combined Authority: Strategic Economic Plan

<https://www.wmca.org.uk/media/1382/full-sep-document.pdf>

West Midlands Plan for Growth

[West Midlands Plan for Growth \(wmca.org.uk\)](https://www.wmca.org.uk)

WM2041 Climate Action Plan

<https://www.wmca.org.uk/media/4008/wm2041-final-003.pdf>

**Appendix 1: Options appraisal - Critical Success Factors**

Key Critical Success Factors	Description
<b>Strategic fit and meets business needs</b>	How well the option: <ul style="list-style-type: none"> <li>• achieves the identified objectives to maximise an opportunity or resolve an issue</li> <li>• meets the agreed spending objectives, related business needs and service requirements</li> <li>• provides holistic fit and synergy with other strategies, programmes and projects</li> </ul>
<b>Potential Value for Money</b>	How well the option: <ul style="list-style-type: none"> <li>• optimises value (social, economic and environmental), in terms of the potential costs, benefits and risks</li> </ul>
<b>Supplier capacity and capability</b>	How well the option: <ul style="list-style-type: none"> <li>• matches the ability of potential suppliers to deliver the required services</li> <li>• appeals to the supply side</li> </ul>
<b>Potential affordability</b>	How well the option: <ul style="list-style-type: none"> <li>• can be financed from available funds</li> <li>• aligns with sourcing constraints</li> </ul>
<b>Potential achievability</b>	How well the option: <ul style="list-style-type: none"> <li>• is likely to be delivered given an organisation's ability to respond to the changes required</li> <li>• matches the level of available skills required for successful delivery</li> </ul>

Source:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/685903/The\\_Green\\_Book.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/685903/The_Green_Book.pdf)

**Appendix 2: Options appraisal - longlist of options**

What ways and options have been considered for delivering the objectives? <i>Briefly outline the different ways forward and options to address the problem / opportunity.</i>	
<b>Reference Case (mandatory)</b> <i>(the position in terms of required outcomes and benefits that would occur if the project did not proceed)</i>	<b>Description</b> <i>Full details of the option under consideration.</i>
	<b>Main Advantages</b> <i>Strengths and opportunities in terms of the critical success factors.</i>
	<b>Main disadvantages</b> <i>Weaknesses and threats in terms of the critical success factors.</i>
	<b>Conclusions</b> <i>Overall assessment of how well the option meets the project spending objectives and critical success factors and whether it is the preferred way forward, should be carried forward or discounted in respect of the short-list.</i>
<b>Option 1</b>	<b>Description</b> <i>Full details of the option under consideration.</i>
	<b>Main Advantages</b> <i>Strengths and opportunities in terms of the critical success factors.</i>
	<b>Main disadvantages</b> <i>Weaknesses and threats in terms of the critical success factors.</i>
	<b>Conclusions</b> <i>Overall assessment of how well the option meets the project spending objectives and critical success factors and whether it is the preferred way forward, should be carried forward or discounted in respect of the short-list.</i>
<b>Option 2</b>	<b>Description</b> <i>Full details of the option under consideration.</i>
	<b>Main Advantages</b> <i>Strengths and opportunities in terms of the critical success factors.</i>
	<b>Main disadvantages</b> <i>Weaknesses and threats in terms of the critical success factors.</i>
	<b>Conclusions</b> <i>Overall assessment of how well the option meets the project spending objectives and critical success factors and whether it is the preferred way forward, should be carried forward or discounted in respect of the short-list.</i>
<b>Insert further Options as required</b>	<b>Description</b> <i>Full details of the option under consideration.</i>
	<b>Main Advantages</b> <i>Strengths and opportunities in terms of the critical success factors.</i>
	<b>Main disadvantages</b> <i>Weaknesses and threats in terms of the critical success factors.</i>
	<b>Conclusions</b> <i>Overall assessment of how well the option meets the project spending objectives and critical success factors and whether it is the preferred way forward, should be carried forward or discounted in respect of the short-list.</i>



**Appendix 3: Options appraisal - cost-benefit analysis (CBA) of shortlisted options**

	<b>Option 1: Reference Case (Do Nothing)</b>	<b>Option 2: Do Minimum</b>	<b>Option 3: Preferred way forward</b>	<b>Option 5: Do Maximum</b>
<b>Brief description of the option</b>	If EZ funds were not made available to fund this Pilot, then the HEI Consortium would not have the resources available to fund the proposed <b>Plus</b> service to EZ businesses and graduate jobseekers in Birmingham and Solihull. In short, the project would not be able to proceed.	Should less than the requested Revenue Grant Funding be made available, this would have the following knock-on effect: <b>Plus</b> would not be able to secure staff resources and expertise from UoB or UCB. BCU and AU would continue to engage only with their own unemployed graduates	The <b>Plus</b> project will enable the opportunity for 3 new HE partners to be brought into the consortium, which will lead to: More unemployed graduates being supported; Better access to the Graduate Talent Pool of 4 HEIs; More EZ businesses being engaged with and in-depth skills needs analyses taking place; A wider range of skills gaps being identified and filled;	Launch the full project immediately. This would though mean that the project would not have collated the business and graduate labour marked information that is the essential pre-requisite for determining the scale of resources and expertise required to effectively deliver <b>Plus</b> to: all existing EZ businesses; new, inward investing companies; the local Graduate Talent Pool. Neither would it afford the HEI Consortium the appropriate time to review the impact of the pilot phase or fine tune the <b>Plus</b> Hub and Spoke service delivery model
<b>Capital costs (excluding VAT)</b>				
<b>Revenue costs</b>				
<b>Total costs</b>				
<b>Discounted costs (Present Value of Costs) (1)</b>				
<b>Significant unmonetisable costs</b>				
<b>Benefit A</b>				

<i>Benefit B</i>				
<i>Benefit C</i>				
Total benefits				
Discounted benefits (Present Value of Benefits) (2)				
Significant unmonetisable benefits				
Net Present Value (=2-1)				
Benefit-cost ratio (=2/1)				