

Greater Birmingham and Solihull Local Enterprise Partnership

Full Business Case Small Scale Projects

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| Project Name | EZ Cultural Action Area Programme (EZCAA) |
|---------------------|--|

| About the Applicant | | | |
|--|--------------------------------|---------------------------------------|--|
| Name of the lead organisation (applicant) | Birmingham City Council | Type of Organisation | Public Sector Local Authority |
| Project manager / main contact | Symon Easton | Contact number | 07703 373286 |
| Email | Symon.Easton@birmingham.gov.uk | Senior Responsible Owner (SRO) | Chris Jordan, Assistant Director, Neighbourhoods |

| About the Project | | | |
|--|---|---|---------------|
| Project Location | Various locations across Birmingham City | Postcode | BCC wide |
| Constituencies in which the project resides & MP | As above, it could be running within the constituency of any one or more of Birmingham's 10 constituency MPs | | |
| Project start date | 1 August 2023 | Project completion date | 31 March 2029 |
| Total GBSLEP loan funding requested | £0 | Total GBSLEP grant funding requested | £1,635,000 |
| Total project capital or revenue cost | £1,995,000 (3-years revenue, 6 years capital) EZCAA will consist of a number of smaller projects, running for typically one year each, the programme is for a three-year period for revenue and a six-year period for capital, with all completed by March 2029. | | |
| Are you applying for Business Case development costs? | No | If yes, please state the value | £0 |

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A. Introduction

This document provides a template for the Outline Business Case (OBC) and Full Business Case (FBC) in support of The Greater Birmingham and Solihull Local Enterprise Partnership Limited's (GBSLEP) application 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 GBSLEP should provide funding or not, and any conditions that this decision may require. The Business Case should provide assurance to the GBSLEP 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 GBSLEP Executive 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 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)

Be specific about what the project will do and achieve (who, what, where, how, when).

The Enterprise Area Cultural Action Area (EZCAA) is proposed to be a regular annual contestable funding call, with £1,225,000 of capital grants to be drawn down spread across 6 years and £210,000 of revenue grants to be drawn down and spread across three years. This makes a total project, including match and management/programme costs of £1,995,000.

The rationale for Cultural Action Areas is that they can play a major role in driving place-based economic recovery by re-animating high streets with a diversified cultural and heritage offer, new uses for retail spaces and under-utilised buildings, improved access to community activities alongside improvements to facilities. They also improve community cohesion, business resilience and improve life changes for our citizens, such as through volunteering.

CAAs can be implemented quickly, can operate at various scales, from city centre to local high street, can be run by a wide range of lead partners, from local authorities, and business improvement districts to arts organisations, and can involve a wide range of actions such as:

- Reconfiguring the use of high street retail spaces, eg., by establishing community hubs
- Establishing new community, business, and stakeholder groups to work together to develop the short and long-term potential of their locality
- Piloting and establishing new festivals, markets, and other activities
- Testing traffic re-routing and other activities
- Making better use of heritage and unique features like natural resources and green spaces
- Installing street art, furniture, facilities, more greenery and other attractions
- Capital improvements and fit-out that increases the impact and functional value of local facilities
- Improving the evening & night-time economy
- Developing branding, tourism, and communications, including VR/AR and other apps
- Supporting young people, eg. providing access to opportunity and skills development for communities.

It is intended that EZCAA projects operate both within and outside of the core Enterprise Area geography.

CAAs are led by multi-faceted stakeholder groups with local leadership, and each will have some outcomes within each of these groups:

- Increased Pride, Cohesion and Activity
- Increased awareness & Support of local artists
- Business revenue & Partnerships
- Visitor Experience, reputation & cultural offer
- Talent Development and Engagement of young people
- Repeatability, permanence & legacy

A flavour of expected outputs across CAAs include:

- Increased footfall, number of people reached and increased users for facilities/amenities
- Increased turnover within local businesses/increased business sustainability
- Number of local events created
- Number of young people, families and more vulnerable people engaged in community

Overall, CAAs provide strong tailored outcomes and legacy, alongside improved wellbeing, and pride amongst local people. They are also a strong connector, as their partnerships act as a catalyst to bring in further funding and support.

| | |
|--|----|
| 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 the submission of the Expression of Interest and OBC? |
| <p><i>Provide a summary of any changes to objectives, scope, funding sources and financial costs, expected outputs and outcomes, timescales, risks and stakeholder relations.</i></p> <p>Since the Expression of Interest was submitted and approved, the project sponsor has changed from GBSLEP to Birmingham City Council (BCC). This is because of the closure of GBSLEP and the GBSLEP Board Directive not to enter into any new commitments, and delivery of this project by GBSLEP would fall into that. The start date has thus been delayed, due to the closing of GBSLEP and the need to agree a new project sponsor. Finally, the amount of grant being requested has been increased, due to a reworking of programme costs.</p> |

| B.4 List any other organisations involved in project delivery and their roles(add lines if required) | |
|--|------|
| Partner Name | Role |
| none | |
| | |

| 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> |
| V0.1 | | | |
| | | | |
| | | | |

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 GBSLEP Strategic Economic Plan and alignment with Build Back Better 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 aim of the proposed project in relation to the existing problem or opportunity.

EZCAA has six broad aims, which are to:

- 1. Re-animate local places with a new and diverse mix of cultural, experiential, community activities and neighbourhood improvements to drive footfall and improve community and visitor experience. This aims to address:**
 - A lack of vibrancy, footfall, and economic activity within many of our high streets and local centres during the day and at night.
 - A reduced demand for local shops, in part because of increased use of on-line but also because what they offer is no longer interesting enough or worthwhile for citizens.
 - Empty retail spaces, by providing meanwhile users so new ideas can be tested and new business models applied that will bring at least some high streets back into use.
 - Where people either do not want to come into their local centre for lingering covid or health reasons or because lock-down has got them out of the habit - by providing a compelling reason to return.
 - A feeling that nothing ever gets done, and local annoyances, continue to create frustration and bring the quality a place and its reputation down.
 - People are demanding something different locally and this requires experimentation with local centres trying different things.
 - Unrealised opportunities locally, both around infrastructure, organisation of local places and the latent potential and talent of local people.
- 2. Provide opportunities for citizens to participate, volunteer, develop their skills and improve their wellbeing and future life chances. This aims to address:**
 - The lack of opportunity for many people, young and old, to engage with others, many being isolated and lacking access to their peers.
 - Lack of opportunity to get a good job, where for some the simple opportunity of volunteering work, or gaining confidence working and interacting with others locally, can empower them to get into education or jobs that they never thought were possible for them
 - the lack of cultural and community activities in local centres that can bring communities together and enable citizens to interact with others and thus improve what can be poor wellbeing and mental health across many of our citizen groups.
- 3. Improve the sustainability, impact and revenue generating capacity of local businesses, community, cultural and other organisational groups. This aims to address:**
 - A lack of customers and reduction in sales combined with increasing costs and risks.
 - The failing mix of traditional retail, coupled with empty shops, that often adds up to a 'not worth visiting the centre' message for local people.

- A lack of places for community activities to happen at reasonable cost, which often just needs some concerted and creative thinking to bring different types of meanwhile space back into use
- A feeling of isolation and lack of support felt by local businesses and organisations, where establishing a network that enables them to share ideas and issues with others, and come up with solutions, can be hugely helpful.
- A lack of funding and opportunity for creatives to work, develop their practice or access opportunities for their career progression.
- A lack of network support for creatives to increase their entrepreneurial skills and learn from other creatives how to overcome some of their barriers and improve their life chances.

4. Empower local stakeholders and leadership so they can develop sustainable activities, improve community cohesion, reshape the identity of their place and develop a legacy plan.

This aims to address:

- A lack of local collaboration and leadership which results in opportunities not being realised, partnerships not being discovered and opportunities for local places to re-invent themselves being missed.
- A lack of purpose for local stakeholders to engage with each other, (as things like CAA deliver funding and opportunity to 'move the dial' locally) without which synergies, collaborations and opportunities are not discovered and meaningful and sustainable local change does not happen.
- A lack of ways that individual local citizens can engage and truly 'have their say' in what their local place offers and what they would like to see different, without a voice citizens continue to feel disempowered, and this worsens their wellbeing and mental health.

5. Strengthen the reputation of our local places because of improvements in facilities, cultural offer, community activities, safety alongside an overall increase in pride for the local area. This aims to address:

- The reality of decline across many of our high streets and local centres, with empty shops and a lack of reasons for local people to regularly visit.
- A lack of anchor or 'flagship' events (such as festivals, markets etc), without which places move 'out of the headlines' and off the agenda of 'nice places to visit'.
- Addresses a lack of community cohesion amongst local citizen groups.

Each EZCAA will have elements from all five of these broad aims, but no two EZCAAs will be alike, as each needs to be moulded to suit the needs, opportunity, and available partners and funding within their locality.

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.

EZCAA is proposed to be a 6-year programme with annual contestable calls, based on attracting bids for up to 5 CAAs each year. Outputs and outcomes will be collected across 10 years, as evidence from the GBSLEP pilot indicates that 2 in every 5 CAAs are likely to continue for 4 years after formal funding ends. Pilot data shows that CAA acts as a catalyst to bring partners together who in some cases realise through CAA that if they had worked together more effectively earlier then existing resources can generate on-going activity and outputs, evidenced by *Balsall Heath's on-going street market and festival*, *Solihull MBCs on-going cultural festival* (because CAA moved the dial in LA funding), *Soho Rd* bringing partners together who want to continue activity, etc. Total outputs across the programme have been derived from the following assumptions:

- All funded CAAs have the same average outputs and outcomes of the 9 x pilot Cultural Action Areas (originally called Cultural Action Zones) run by GBSLEP between 2020-2023 as set-out in *Appendix 8 Output Model – from GBSLEP Pilot Actuals*.
- The use of capital within EZCAA will increase the sustainability – and the time that outputs are delivered – and thus we will see an increase in the total outputs compared to the revenue only GBSLEP pilot. (Evidence for this is based on discussions with pilot CAAs in considering how capital would change their model and approach going forwards),
- The risk of optimism bias because Solihull MBC accounted for a significant number of outputs is compensated for in two ways:
 - [i] final reporting was not fully completed by all projects, so their numbers were under-reported in comparison with Solihull.
 - [ii] the use of capital in the EZCAA project will result in longer term impacts and enable projects to continue for longer, in many cases the revenue resources to run activity is available with existing partners, so CAA projects act as catalysts bring local partners together, create new facilities and possibilities with capital that can then be used for longer and thus create additional outputs. For example, CAA funding started the monthly *Balsall Heath Street Festival and Street market* which is now self-sustaining and delivers on-going outputs much higher than might have been predicted. The availability of capital will enable on-going activities like this to have improved facilities/structures/spaces to maximise their future effectiveness and sustainability.
- *Appendix 4: Outputs and Outcomes Forecast*, illustrates how outputs are accumulated rapidly where projects can continue beyond their funding, as evidenced by the GBSLEP pilot action
- In year 1: 5 projects are funded, of these 2 run for a year, 2 run for 5 years in Year 1 - 2 of these projects only run for a year, 2 run for 5 years (with capital and match funding enabling this longevity of impact), 1 runs for 5 years but requires 2 years of support to run for that long
- Years 2,3,4,5,6: 5 projects are funded in each year, 1 project is funded that was funded in the previous year, 2 new projects are funded that last a year, 2 more new projects succeed in lasting for 5 years
Years 7,8,9,10: whilst funding ends in year 6, CAAs continue and tail off across these years
- The overall logic model behind EZCAA is set out in Appendix 10: EZCAA Logic Model.

Please note re the list of outputs and outcomes for EZCAA listed below:

[1] The core outputs and outcomes within EZCAA are in many cases different to those normally assessed for enterprise Area projects, as in **Appendix 4: EZCAA: Output and outcomes forecast**

This is because EZ objectives; to re-animate places, increase footfall and business turnover, increase rates income, etc., are in fact also achieved by pursuing recent government policy around the 'levelling up' agenda and use of UKSPF outputs, which are included in EZCAA.

[2] Crucially, none of the planned 30 individual CAA projects within this EZCAA programme will include all these outputs and outcomes. Applicants will pick-n-mix the ones most relevant to their project.

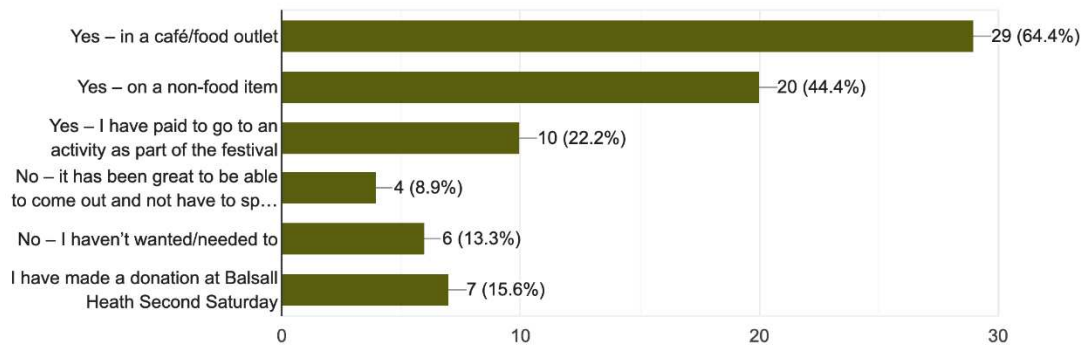
[3] EZCAA provides considerable additional value and impact for local centres – beyond what was measured in the GBSLEP pilot CAA. This can be illustrated by Balsall Heath: *Second Saturday* street festival and market. Appendix 17 includes the project's final report. The project exceeded expectations in the following ways:

- Participants during funded period triple estimate (average 200x6events) =1,200 + additional participants in 9x further unfunded events (240x9) =2,160 means total participants =3,360 (see Appendix 17).

- Retail Spend Increases

Have you spent money in Balsall Heath because of coming to Balsall Heath Second Saturday?

45 responses



200% turnover increase on key days within retail outlets surveyed

In a survey of 50 participants the following additional benefits were highlighted:

100% of people who answered have enjoyed Balsall Heath Second Saturday

90% believe that attending it has improved their mental or physical health

50% have taken up an activity due to trying it at Balsall Heath Second Saturday, 22.7% joining a class outside of Balsall Heath Second Saturday

63.6% say they have been into venues at Second Saturday they have never been to before

54.5% saying they have come into one of the venues at another time because they came on a Second Saturday

100% of respondents say it has improved the arts/cultural offering in the area

97.8% said it has made them feel more positive about Balsall Heath

Note: Appendix 8 under-estimates the actual participant numbers because data was received late for this project.

In addition, projects deliver extra value - because it delivers social value outcomes, as set-out by Birmingham City Council's social charter,

https://www.birmingham.gov.uk/downloads/file/11222/social_value_policy

This charter is based on the National TOM's Framework for Social Value (2021 + 2022 updates)

https://socialvalueportal.com/wp-content/uploads/2021/10/TOMs_Framework_2021.pdf

TOM's is a universal standard in the UK for measuring social value outcomes. Those TOM's outcomes relevant to EZCAA have been identified in **Appendix 11: EZCAA Monitoring & Evaluation Plan**. The TOM's framework provides a financial value against these outcomes for economic analysis and BCR purposes, however, to avoid excessive complexity, EZCAA has done its economic analysis and BCR without including them. However, it would be possible to include these measures during evaluation of the programme. The decision whether or not to do this will be taken after year one applicants and their potential TOM's financial value have been analysed.

| Objective | Quantity / Scope | By when |
|---|---|------------|
| 1. Re-animate local places with a new and diverse mix of cultural, experiential, community activities and neighbourhood improvements to drive footfall and improve community and visitor experience | Outputs: 3,332 Number of Smaller local events or activities supported (eg. workshops) 588 Number of Larger local events or activities supported (e.g. festivals days, markets held, microgrant schemes) 392 Number of Temporary Artistic Displays Created 882 Number of tourism, culture or heritage assets created or improved (lasting at least 5 years) 98 Number of re-occurring events established 45 Number of new or improved community /neighbourhood facilities Outcomes: <ul style="list-style-type: none"> Increased footfall Increased visitor numbers and spend | March 2033 |
| 2. Provide opportunities for citizens to volunteer, participate, develop their skills and improve their wellbeing and future life chances | Outputs: 241,962 Total number of participants/people reached (at events) 3,822 Number of volunteering opportunities supported 11,956 Number of under 18-year-old participants Outcomes: <ul style="list-style-type: none"> Creating a healthier community More working with the community More local people in employment More opportunities for disadvantaged people | March 2033 |
| 3. Improve the sustainability, impact and revenue generating capacity of local businesses, community, cultural and other organisational groups | Outputs: 1,530 Number of Local Businesses engaged 450 Number of Enterprises (organisations/freelancers) receiving grant support 600 Number of enterprises (organisations/freelancers) receiving non-financial support 490 Number of Local Community Organisations Engaged (inc. schools) 2,744 Number of Local Artists Commissioned/ engaged Outcomes: <ul style="list-style-type: none"> Increased Business Sustainability Jobs created or safeguarded | March 2033 |
| 4. Empower local stakeholders and leadership so they can develop sustainable activities, | Outputs: | March 2033 |

| | | |
|---|---|-------------------|
| <p>improve community cohesion, reshape the identity of their place and develop a legacy plan</p> | <p>98 Number of community interest groups established (inc stakeholders)</p> <p>250 Number of meetings of local stakeholder Groups</p> <p>90 Number of organisations engaged in new knowledge transfer activity (<i>proxy for informal business learnings and synergies</i>)</p> <p>Outcomes:</p> <ul style="list-style-type: none"> • Social innovation to enable healthier safer and more resilient communities • Develop and implement a sustainable EZCAA legacy plan | |
| <p>5. Strengthen the reputation of our local places because of improvements in facilities, cultural offer, community activities, safety alongside an overall increase in pride for the local area.</p> | <p>Outcomes:</p> <ol style="list-style-type: none"> 1. Improved perception of facilities /amenities /attractions /infrastructure /events /markets / safety 2. Increased pride in place 3. Crime is reduced | <p>March 2033</p> |

1.1.3 Alignment with GBSLEP strategic objectives

Describe how the project supports the delivery of GBSLEP's [Strategic Economic Plan 2016-2030](#) and relevant sector delivery plans, including sector-specific investment criteria.

GBSLEP's Strategic Economic Plan 2016-2030

<https://gbslep.co.uk/strategy/strategic-economic-plan/>

1. Stronger Conditions for growth –
EZCAA strengthens conditions for Growth by providing new opportunities for local businesses and other organisations through increased footfall, expenditure and an increased perception of pride which increase visitor numbers and activity still further
2. Improving Quality of life for our citizens
EZCAA Improves quality of life for our citizens by giving opportunity for volunteering and career advancement through increased activity requiring more work to run it, and improves wellbeing, reduces loneliness and increases community cohesion.
3. Developing thriving local and town centres
EZCAA develops thriving local centres by bringing local leaders, businesses, cultural and community groups and other organisations together into new local partnerships that can develop a shared mission and pool resources and expertise to drive change. The GBSLEP pilot showed local leaders wondered why they had never worked together before like this to affect lasting and valuable change.
4. Enhancing and harnessing the potential of our creative and cultural assets
EZCAA enhances and harnesses the potential of creative and cultural assets is a core part of CAA because it changes the mix of activity locally, away from purely retail to a mix that includes cultural artists and a wide range of cultural experiences. These drive footfall and a renewed interest in visiting and spending money in high streets.
5. Supporting the growth of our indigenous businesses
EZCAA supports the growth of our indigenous businesses by provides opportunities for very small and emerging businesses to begin trading at lower cost and risk to themselves, for example, by making available low-cost community and retail spaces and giving access to events such as street markets and festivals. In addition, EZCAA will create local networks of likeminded businesses and stakeholders, meaning small emerging businesses can get support from this network to develop their activity and become more entrepreneurial and sustainable.

6. Supporting the regeneration of our high streets
EZCAA supports the regeneration of our High Streets by all of the measures above; driving local partnerships, new shared visions, new pooled resources and an availability of new activities and experiences, both community led, free and paid, that will transform the range of reasons citizens will visit and spend money in these local places.
7. Strengthening local cultural and environmental assets
EZCAA strengthens local cultural and environmental assets by providing contracts for cultural workers and their projects, a network for them to come together and develop their skills and practice, plus grants and opportunities to make a cultural change to local places, with for example permanent or temporary art, crafts plus cultural experiences aimed at various audiences locally.
8. Exploring new (creative & cultural) investment-based models and promote Greater Birmingham as a location for cultural and creative investments
EZCAA enables new (creative and cultural) investment-based models to be developed by providing grants, project funding and a networking platform for creatives and heritage orgs etc., to pilot activity, try out new ways of working and working together in new ways using new funding models.

GBSLEP Delivery Plan 2022/23

<https://gbslep.co.uk/strategy/delivery-plan-2022-23/>

EZCAA aligns with the LEP's 2022/23 delivery plan through two of the national levelling up missions:

Mission 8 -Pride in Place: Reinvigorate our towns and local centres through investment, creative and cultural interventions and new local partnerships that enable our communities to flourish and our citizens to access new opportunities

Action: Run Cultural Action Zones to re-animate local centres, drive footfall and grow business whilst stimulating innovation in uses of High Street space and improved citizen and community engagement

EZCAA delivers on the above by running further Cultural Action Zones (now called Cultural Action Areas) that will similarly drive pride in place with the accompanying re-invigorating outcomes.

Mission 12 - Local Leadership: support and encourage local leadership

Action : Develop new stakeholder groups in our local centres brignign together businesses, third sector, cultural organisations and more, to stimulate sustainable activity and really address local needs and opportunities

EZCAA delivers on the above by running further CAAs that will similarly develop new local stakeholder groups, these forums have enabled local leadership to thrive and deliver impact for all participants and the local centre. They have delivered concerted action together around a shared vision which has provided positive benefits to all involved.

GBSLEP Young People Strategy: You(th) Matter

<https://gbslep.co.uk/resource/report/gbslep-young-people-strategy-youth-matter/>

EZCAA aligns with GBSLEP's Youth strategy through the following objectives:

9. Creating opportunities for young people in the GBSLEP area

EZCAA creates opportunities for young people in new CAA localities through activities, youth led groups and volunteering.

10. Directing resources towards activity that benefits young people's involvement in the local community and economy
EZCAA provides new activities and groups that were not there before, and/or develops existing groups, empowering young people to have more of a say in what happens locally that is relevant to them.
11. Helping young people develop skills and abilities to be the best that they can be – *for example, CAA helps them become more confident thus opening up more life chances*
EZCAA provides opportunities for young people to learn new skills through participation in activities, including volunteering opportunities. Through this it gives them more confidence and opens up more life chances and opportunities, for example, in accessing educational and career routes
12. Creating opportunities for young people to take part in the world of work through, work experience, apprenticeship, employment or enterprise.
EZCAA provides confidence building and opportunities for young people described above give young people greater immediate opportunities for work locally, plus enhanced routes into work and the potential to access apprenticeship opportunities that would not have been available to them without CAA interventions locally.

GBSLEP's Cultural Action Framework

<https://gbslep.co.uk/strategy/place/cultural-investments/>

This framework states that GBSLEP's cultural investment approach will include, 'developing and identifying funding for a pipeline of investible Cultural Action Areas', with each including some or all of these recommended characteristics:

Characteristic 1: Builds on regional distinctiveness

EZCAA allows local centres to develop their cultural and community distinctiveness

Characteristic 2: Extends or creates new 'place-leading' assets

EZCAA allows local centres to try out and run unique cultural activities, put in place unique art and so on, which will drive visitor numbers, community cohesion and the welcome of its citizens.

Characteristic 3: Takes an innovative approach to cultural investment

EZCAA drives innovation by harnessing limited seed money to galvanise local partnerships and unlock resources that when used coherently together can make a big difference, with many CAA projects in the GBSLEP pilot showing that activities and outputs can continue long after funding has ended.

Characteristic 4: Contributes to a cluster/ecosystem-based model

EZCAA is a very strong example of bringing local stakeholders together in a coherent cluster of cultural and community organisations plus businesses and citizens.

GBSLEP's Towns & Local Centres Framework (TLC)

<https://gbslep.co.uk/strategy/place/towns/>

EZCAA also aligns with this TLC framework which includes:

1. Supporting the growth of our indigenous businesses
EZCAA Seeking to bring significant change to the existing diversity of a town centre's offer across the day, evening, and nighttime (economy)
2. Supporting the regeneration of our high streets
EZCAA brings a coherent approach to local cultural image-making and branding
3. Strengthening local cultural and environmental assets
EZCAA enhances available assets, builds on existing strengths, attractions, and resources of the area. It takes a representative approach, involving a wide range of partners and stakeholders, encouraging community input, and building consensus and buy-in.

A Toolkit for Delivering Economic Value Through Heritage Investments¹.

<https://gbslep.co.uk/resource/report/a-toolkit-for-delivering-economic-value-through-heritage-investments/>

EZCAA also contributes to the delivery objectives of GBSLEP's Heritage report. This is because it recognises the importance of acknowledging and celebrating distinctiveness and (cultural) heritage.

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.

EZCAA supports a wide range of the objectives within WMCA's 'Making Our Mark' Strategic Economic Plan <https://www.wmca.org.uk/media/1382/full-sep-document.pdf> including:

- Balanced growth across the region
- Levelling-up disadvantaged neighbourhoods and community groups
- Improving access to skills and new work opportunities
- Working towards a greener and more sustainable West midlands region

This is unpacked in more detail within the WMCA's **West Midlands Local Industrial Strategy** (WMLIS) <https://www.gov.uk/government/publications/west-midlands-local-industrial-strategy>

- This highlights under 'place' that investments must be 'ensuring communities and businesses can thrive, improving health and wellbeing'

Cultural Action Zones (original name) are specifically listed as a recommended investment within the more detailed **West Midlands Creative Sector Delivery Plan**, which is a part of WMLIS:

3.0 Re-invigorate our towns and local centres through creative and cultural interventions

- CC6: Accelerate Levelling-Up agenda and net zero goals through place-based Creative & Cultural actions - *capacity build local led networks and enable a variety of community-based initiatives to flourish eg., Cultural Action Areas*

WMCA through its **Cultural Leadership Board** has agreed four strategic actions around culture, all of which are covered within Cultural Actions Zones (original name):

- Business Development – *support the cultural sector to grow and recover post Covid*
- Participation – *make sure that all our communities realise the benefits of culture (wellbeing, quality of life, cohesion)*
- Placemaking – *harness culture's potential to transform our cities, towns and local centres through unique experiences, a thriving night-time economy and defining the identity of a place*
- Promotion – *use our major cultural events and diverse cultural institutions to position the West Midlands as the best place to work, live, visit and invest*

Community Renewal Fund and Levelling up The West Midlands

<https://www.wmca.org.uk/media/4376/community-recovery-prospectus-nov-20.pdf>

¹ <https://gbslep.co.uk/resource/report/a-toolkit-for-delivering-economic-value-through-heritage-investments/>

EZCAA also aligns with this prospectus which cites the importance of 'Investment in communities and place' by promoting culture-led regeneration and investment in high streets, attracting people, increasing footfall and visitor numbers'.

The above sections from WMCA regional strategic plans show just how closely EZCAA aligns to them.

1.1.5 Alignment with Build Back Better: our plan for growth

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

Build Back better: Our Plan for Growth

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

EZCAA aligns with the following aspects of Plan for Growth:

1. Economic, social, and cultural regeneration of struggling towns

EZCAA helps people see tangible improvements in their local area and feel more pride in their communities.

2. Connecting people to opportunity

EZCAA helps to create pathways to skills and provide opportunities for community engagement.

3. Changing the way we deliver for places

EZCAA empowers local people to take responsibility for driving forward positive change in their communities, for example by experimenting with new uses of space.

*EZCAA also anticipates the arrival of **Community Covenants** as outlined in the Governments Levelling-Up White Paper by establishing mechanisms for community-led social renewal.*

1.2 Project context

1.2.1 Organisational context

Outline the 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.

Aligns to the following strategies within Birmingham City Council:

BCC Corporate Plan 2022-2026

https://www.birmingham.gov.uk/downloads/file/25585/corporate_plan_2022_to_2026

EZCAA supports the following parts of the BCC corporate plan's 'be bold outcomes':

• **A bold prosperous Birmingham**

- support inclusive economic growth – *by re-animating local places, increasing jobs, volunteering, and other activities*
- maximise the benefits of the Commonwealth Games (CWG) – *by creating local frameworks that can enable legacy activities to take place*

• **A bold inclusive Birmingham**

- Empower citizens and enable the citizen voice – *bringing local people and groups together*

- Promote and champion diversity, civic pride and culture – *across our local centres*
- Support and enable children and young people to thrive – *by increasing their confidence*
- **A bold safe Birmingham**
 - Make the city safer – *re-animating places, bringing people together*
- **A bold Healthy Birmingham**
 - Encourage and enable physical activity and healthy living – *providing activities for local people*
 - Champion mental health – *making people's lives more enjoyable and happier*
 - Improve outcomes for adults with disabilities and older people – *connecting into community activities*
- **A bold Green Birmingham**
 - Be a city of nature – *make some local places greener and more enjoyable to be in*

Our Future City Plan

<https://www.birmingham.gov.uk/downloads/file/18590/our-future-city-plan-2021-print-version>

see the detailed response in **Appendix 15: EZCAA Response to Our Future City Plan.**

In very high-level summary, CAA has strong alignment to this plan around:

- Neighbourhoods that meet the daily needs of residents
- Mixed use developments providing employment, leisure, social infrastructure
- Communities that have the resources to and skills to shape their own neighbourhoods
- Jobs skills and opportunities for all
- Opportunities to maximise the benefits of our unique identity, heritage, leisure arts and culture

Enterprise Area: Investment Plan & Priorities 2022

<https://gbslep.co.uk/delivery-impact/enterprise-Area/>

Key Delivery Themes:

(v) Culture & Creative Sector and how it will integrate Placemaking, improving inclusive economic growth and maximise the impact of cultural and heritage assets This done through launching Cultural Action Areas

EZ investments also aligns to key themes of **Levelling Up Agenda:**

- **Communities & Place:** fostering sense of pride in local places through investment in activities that develop social ties, access to amenities, including community led projects.
- **Supporting Local Businesses:** creating jobs, boosting community cohesion; in range from supporting start-ups to improving local retail, hospitality and leisure sector
- **People & Skills:** Boosting core skills and supporting adults into work (*CAA addresses this through building early confidence for young people, providing voluntary opportunities and increasing job demand in local places*)

Delivering a Bold Legacy for Birmingham (CWG)

<https://www.bebirmingham.co.uk/downloads/file/2/legacy-plan-print-version>

A Welcoming City: *to be a more diverse place to live and invest*

Focusing on community resilience and cohesion, using CWG to:

- build upon the benefits of CWG in a way that builds cohesion, inclusion and civic pride
- bring communities together, create a sense of pride. Deliver a world class cultural programme .. that delivers the benefits ... to local communities, by developing interventions to strengthen and support the long-term viability of new and existing ... community groups...

- Evolve master planning to incorporate cultural assets and infrastructure
Increase engagement in volunteering, community engagement activities including hard to reach groups and new communities

Also links to BCC's CWG Legacy **Volunteering Strategy**:

- aiming to grow a volunteer workforce to support ... community focused initiatives.

Birmingham Business Charter for Social Responsibility

https://www.birmingham.gov.uk/info/50209/birmingham_business_charter_for_social_responsibility

EZ CAA aligns the following elements of this charter, by providing:

- more local employment
- more opportunities for disadvantaged people
- improved skills (for local people)
- improved employability for young people
- more opportunities for SMEs and VCSEs
- more opportunities for volunteering
- increased spend with local SMEs
- crime reduction
- creating a healthier community – wellbeing initiatives inc physical activities
- increase in donations and in-kind support to local projects
- provision of expert business advice
- increase in provision of resources donated to local VCSEs

Birmingham City Council's levelling Up Strategy

https://www.birmingham.gov.uk/downloads/file/21159/birminghams_levelling_up_strategy

EZCAA aligns with the outcomes to:

- Increase the pace and scale of growth in an inclusive and sustaining way so all people and places share in the benefits
- A joined-up focus on people and places while bringing together organisations that can make a difference to build progress sustainably
- A bottom-up empowering communities and citizens to improve their quality of life and their communities, not a top-down one size fits all but aligning with their local situation
- Moving the dial on the outcomes and opportunities for all citizens and all parts of the city, addressing spatial disparities and long-standing structural inequalities

With one of its most relevant outcomes being:

- **Living Environment:** increase the proportion of residents in Birmingham benefitting from a high-quality living environment, rich in culture, amenities and green open spaces
- In part measured by having 'Happier Lives' which means less anxiety, increased happiness, and improved life satisfaction and feeling life is more worthwhile.

Community Cohesion Strategy for Birmingham (2018)

https://www.birmingham.gov.uk/downloads/file/12487/community_cohesion_strategy_pdf_version

BCC's cohesion strategy sets out how the city will improve community cohesion, which they define as 'how we can all live, work, learn and socialise together'. EZ CAA directly addresses the following guiding principles from the cohesion strategy:

- Connect people and places and communities to share knowledge, exchange ideas and drive local innovation
- Nurture and support aspiration of young people

- Work together to eliminate all forms of inequality and gender-based violence and challenge norms that prevent people from living their lives fully
- 6. Work with partners to ensure to benefits of economic growth are shared and accessible to all
- Empower communities to be active participants in local solutions, harnessing the skills and expertise of local people and organisations
- Uniting people and communities, through the use of sport, arts and cultural events to drive cohesion, celebrating the voices, talents and energies of our communities

Birmingham Plan 2031²

https://www.birmingham.gov.uk/downloads/file/5433/adopted_birmingham_development_plan_2031

EZCAA will contribute to the delivery of a number of this plan's objectives, including:

- To develop Birmingham as a City of sustainable neighbourhoods that are safe, diverse and inclusive with locally distinctive character
- To create a prosperous, successful, and enterprising economy with benefits felt by all
- To encourage better health and well-being through the provision of new and existing recreation, sport and leisure facilities linked to good quality public open space
- To protect and enhance the City's heritage assets and historic environment
- To create a more sustainable city that minimises its carbon footprint and waste, and promotes brownfield regeneration while allowing the city to grow
- To conserve and enhance Birmingham's natural environments, allowing biodiversity and wildlife to flourish
- To provide high quality connections throughout the city and with other places including encouraging the increased use of public transport, walking, and cycling

1.2.2 Links to other projects

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

EZCAA links to the following programmes:

GBSLEP Cultural Action Area Programmes, phases one and two.

This £370K programme ran from 2020-2023 and funded nine CAAs across the region. This was a pilot programme of the CAA concept which has been very successful. A full evaluation and learnings are included in Appendix 13. |This pilot programme forms the basis of this proposed EZCAA. See also **Appendix 8: Output Model – GBSLEP Pilot**.

Extract from Executive Summary describing GBSLEP Pilot CAA Action (appendix 13 pages 5-6)

CAAs ...reanimate and transform how people interact with local centres, by running monthly festivals, pop-up markets, trails, exhibitions, showcasing and arts or craft workshops. It can install street or public art and engage all parts of our communities, including families, children, young people and older people. It can begin to combat social isolation through "meanwhile use" by supporting community centres in vacant shops. (They) also provide a wide range of volunteering opportunities, the creation of safe spaces, stimulation of the local economy and much more.

In round 1, The first two CAAs funded were in the Jewellery Quarter and Southside in Birmingham. They were more focused on planning and engaging with the neighbourhood and working very strategically to bring about change.

² https://www.birmingham.gov.uk/downloads/file/5433/adopted_birmingham_development_plan_2031

In round 2, the seven CAAs were focused on supporting immediate practical activity to re-animate and begin to transform places; including Balsall Heath, Small Heath, Soho Road, Northfield and Digbeth in Birmingham, and further afield, Kidderminster and Solihull.

A key idea was to try things out and learn what activities and actions will work best for the future. For example, Solihull MBC launched its *Cultural Moments programme* because of CAA and have learnt a lot through it, enabling them to plan a future programme outside of CAA support.

Further impacts included Southside CAA, which leveraged in £1.23m; £350K towards new CCTV to make the area safer and £887K to start initial works on street changes that will enable regular pedestrianisation of the Chinese Quarter.

On the Soho Road in Handsworth, 'On Our Way' focused on bus stop art to build community cohesion and helped leverage in over £300K from Transport for West Midlands to renew the bus stops in their centre. Each CAA has many stories and impacts to tell.

Overall, there have been at least:

- □ 12,000 participants
- □ A further 633 under 18s taking part
- □ 208 businesses and organisations engaged
- □ 208 volunteers
- □ 178 small events
- □ 42 larger events
- □ 2 recurring events
- □ 10 temporary artistic displays created
- □ 16 permanent displays and 142 artists commissioned.

Each CAA delivered above its agreed targets and expectations in most measures. It is important to remember that although these headline figures are impressive and show projects can deliver, these are not the only focus of our funding. What is equally important is the legacy activity, what is left behind once CAA funding has ended. Some aspects of projects, such as a recurring festival, can carry on with the continuing collaboration and resources of local partners.

CAAs also had important broader objectives:

- To establish a strong collaboration between local stakeholders, with a view to CAA activities running on beyond CAA funding
- To genuinely broaden opportunities, such as by engaging young people in confidence building activities

Even though LEP funding has now ceased, for many of these CAAs output numbers, outcomes and impacts for their local centres and citizens will continue. This is because:

- CAA has functioned as seed money which has now established local partnerships with their own pooled resources – with 2 of the 7 round 2 projects able to continue indefinitely.
- All projects have reported successes exceeding their expectations and are very interested in carrying on where possible.
- Another is progressing well in securing alternative funding to continue.
- 5 of the 7 have established local forums as a legacy of CAA funding to provide a platform to develop future activities.

In the project evaluation section, we have analysed all the various outcomes across our 9 CAAs and have come up with 6 broad outcomes that they all have in common:

- [1] Increased Pride, Cohesion and Activity
- [2] Increased awareness & Support of local artists
- [3] Business revenue & Partnerships
- [4] Visitor Experience, reputation & cultural offer
- [5] Talent Development and Engagement of young people
- [6] Repeatability, permanence & legacy

Building on this finding, a crucial aspect of CAA is that the programme and its outputs and outcomes align very closely with the government's levelling-up agenda and the funding parameters for UK Shared Prosperity Fund (UKSPF), the central government funding that replaces EU monies.

The next iteration of CAA funding is exploring the inclusion of capital funding, as this is more readily available than revenue and can enable a more sustainable legacy within local centres.

Cultural Compact + Network (CC+)

<https://www.artscouncil.org.uk/review-cultural-compacts-initiative>

Cultural Compacts are arts focused local partnerships, designed to leverage more sustainable long-term cultural development. They are co-funded between Arts Council England (ACE) and usually local authorities. CAAs and Compacts recognise each other's differences and have been learning from each other in how to maximise effectiveness. CAAs differ in that whilst they always *include* cultural activity, the focus is on building broad local partnerships and transforming a broad spectrum of local community activity. Culture is a key lever, but often the focus will be on developing shared community space within a CAA and enabling a mechanism that brings all community groups together. Also, CAAs do not require an application to ACE nor specific levels of match funding against an ACE project.

Commonwealth Games Legacy (CWG) Programme

This programme is currently being designed, with c. £4m of cultural legacy programme being led by WMCA and a further c. £4m being led by Birmingham City Council. In both cases, discussions have taken place to understand the way Cultural Action Areas can inform and compliment CWG programmes. Similarly to Cultural Compacts, the way that CAAs have built highly flexible and (usually) sustainable local partnerships - which include cultural activity but do not revolve around them - is the main difference. CAA partnerships are highly flexible in who runs them and what is included. They can quickly respond to changes in funding or other local conditions.

Direct UKSPF Grant Funding for Communities:

Birmingham City Council's UKSPF Cultural Community Programme

EZCAA will be aligned very closely with UKSPF community funding, to ensure programmes are distinct and complimentary, rather than over-lapping and confusing for applicants. Similarly to CWG and CC+, the main differences are around the way EZCAA is focused on building a local partnership with a shared vision for the local centre - where cultural activity is always an element - but the driving factor is local collaboration and nimble flexibility to make the most of local opportunities. It is anticipated that many UKSPF Cultural Programmes will especially target areas that lack any real cultural presence to date, so these will have a different – and potentially longer-term focus to build cultural capacity.

West Midlands: Levelling Up Growth Prospectus

<https://www.wmca.org.uk/what-we-do/economy-and-innovation/levelling-up/>

This regional 'devo deal' proposal is still being considered by government for funding, it includes:

Creation of a £15m WM levelling Up Culture Fund, includes the specific action to fund - *cultural corridors and cultural action Areas as geographically defined areas in which investment is aimed to deliver culture/heritage led regeneration and social value outcomes.*

Should the CAA element of this devo deal become funded in the future, then it will work hand-in hand with EZCAA and other CAA implementations, to ensure they learn from each other support each other but do not overlap.

1.3 Project benefits

1.3.1 Evidence of what works

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

EZCAA is based on a 2-year pilot of Cultural Actions Zones run by GBSLEP. A full evaluation is included in Appendix 13. The recent evaluation of these 9 CAAs has provided strong evidence to underpin the EZCAA economic analysis, with a detailed set of learnings which has optimised the design of EZCAA to be maximise its impact.

GBSLEP has built up significant expertise over the last seven years around the creative sector, culture, placemaking, regeneration and levelling up. It has led the region's Local Industrial policy work. Although the government requires GBSLP to be wound down from March 2023, with its policy function moving to WMCA and local authorities directly.

Cultural Action Zones were adopted by GBSLEP as a commissioning model based on recommendations from Culture Central, the collective voice of the cultural sector within the West Midlands. This approach has been piloted by GBSLEP in two phases between March 2020 and December 2023, although many projects continue to deliver activities and outcomes in 2023, showing that it can be a highly effective and sustainable model.

In the pilot, nine (with seven inside the Birmingham City Council geography) projects were commissioned through competitive tendering, with an overall budget of £650,278, which included £367,550 of grants from GBSLEP plus £282,728 of match. On average each CAA grant was £40,839, with an average match of £31,414, although this average match is slightly distorted by the high match provided by one of the projects. To allow for greatest flexibility in location and delivery partners, while match funding was encouraged, it was not mandated. There were therefore significant variations in match funding from solely in-kind to cash match of £100,000. This flexibility has been a strength of the CAA model as it has allowed projects to be delivered by a wide variety of partners, from Metropolitan Borough Councils and BIDs to arts focussed CICs and community groups.

As it was always understood that these were pilot funding rounds, applicants were given significant freedom in determining their own activities and outputs so long as they aligned with the core themes and objectives of the Cultural Action Areas programme (as outlined in section 1.1.2), namely that they could demonstrate a programme of embedded cultural activity within their local centre to help action positive change in their community. This freedom was to account for significant variations in local conditions and

needs, and to allow for the greatest variation in types of activities by local communities, so that the most effective activities could be prioritised in future rounds.

Despite this freedom, there was a broad coalescence around key activities which included:

- Strong community and business engagement
- A mix of business and community facing workshops
- Publicly visible artwork (especially when co-created with local people)
- Establishing recurring festivals and markets
- Establishing support networks for local creatives and businesses

GBSLEP's pilot programme has enabled a detailed set of learnings so that EZCAA can be better optimised, some of the key ones include:

- Successful CAAs need a strong steering group with a highly collaborative lead organisation able to develop a wider stakeholder group responsible for delivery of project goals and outcomes.
- A micro-grant scheme is essential to drive initial interest and engage partners - £500 grants up to £6,000 max have worked well, in various combinations.
- Businesses must be engaged at inception of the CAA, to ensure they are bought in to the benefits for them. Long term survivability of CAA is hampered without them.
- CAAs must be shaped locally, with a clear understanding of local challenges and opportunities.
- CAA projects must have a clear rationale, outputs and outcomes as part of a larger vision. In the absence of this vision, projects can lack direction and struggle to gain momentum.
- While CAA funded project managers can work well, once their funding expires, projects can struggle to exist independently.
- So, survivability is enhanced by a lead person who is funded outside of CAA and is thus able to continue to provide support post CAA funding to develop the broader stakeholder group and drive new activities and plans.
- "*Meanwhile use*" of office spaces is incredibly valuable within CAA, but can be a double-edged sword if the CAA becomes too invested in one space, as success increases the likelihood of the space being let commercially so they lose it. Flexibility is necessary to be willing and able to bounce between available spaces.
- Collaboration between different CAAs is incredibly desirable and when done produces good results. Due to their size and relative lack of experience, CAAs can lack the impetus or determination to make collaboration happen under their own steam.
- It is helpful to build in an element of bid writing in the CAA funding package, to facilitate continuation of projects when the core funding ends.

A hybrid approach has been used in evaluating the success of activities undertaken during pilot phases. This has consisted of reviewing output performance data to identify which elements of CAA programmes were the most effective, and which should be avoided in future programmes. As part of our goal of establishing long-lasting networks, particular attention was paid to activities which were sustainable beyond project funding.

It is proposed in this EZCAA, that applicants will be given the similar substantial freedom to determine much of their activity, but they will be steered towards a set of core elements which have been demonstrably effective in the CAA pilot. Examples of this best practice approach include:

Consortia leadership has been an effective method of ensuring active inclusion of local stakeholders and community leaders. A key mechanism of action of CAAs is to ensure that interventions are born out of and organised within the communities they wish to serve. Consultation and/or direct involvement of

key local stakeholders is essential so that activities can authentically represent the interests and priorities of local people. This is particularly important when seeking to deliver interventions within communities which traditionally have struggled to engage with public sector support. From our pilot learnings, an effective method of guaranteeing grassroots support has been the formation and regular meeting of steering groups with oversight for the whole project. These steering groups have been comprised of grant holders, key local stakeholders and delivery partners. As such, evidencing this consultation and grassroots involvement on applications will be a prerequisite to receiving funding.

Microgrants are an effective method of bringing local creatives together and kickstarting activity, especially in areas which lack formalised creative communities. An effective microgrants model may consist of:

- An open call for EOIs for commissioned cultural work.
- The establishment of a local creative network – if it doesn't already exist – to better support all local creatives, whether they applied for grant funding or not
- Microgrants awarded will typically be in the range £300-£1000, although some may go up to £6000.
- A range of artistic, experimental and community works and activities will then be delivered locally, with the networks maximising the value and impact of each.

In the pilot phase, the network meetings have been hugely popular and have been able to continue long after the microgrants have been awarded. Other commercial opportunities have begun to be circulated in several of these groups.

Meanwhile Use has worked well when implemented during pilot phases. This is particularly true when spaces have been established within shopping centres. The temporary conversion of vacant shop fronts into community cultural spaces has symbiotic benefits to the community, the landlord and to the cultural and community organisations involved. For the community, it provides non-commercial spaces on their high streets which can help fulfil address social needs, and it removes a vacant unit from their local centre, helping to address high street decline. For the cultural organisation, it provides a highly central, cost-effective base for their activities, increasing their profile and giving a central point to coordinate activities. For landlords, it demonstrates the value of the space to prospective future leasers, helps to increase footfall in the area, and can help reduce maintenance burden. Where productive relationships with landlords have been established, upon a paying tenant being found, the group can transfer to another vacant unit.

Artistic creation as a facilitator is another best practice recommendation. Rather than focussing solely on the produced art itself, applicants will be invited to consider how the production and delivery of their activities/assets can impact change. Examples of this in practice include; using commissioning as a means of teaching about professionalisation for "hobbyist" artists and embedding arts activities from different cultural backgrounds into businesses and venues popular amongst other groups to help break down barriers within communities and increase community cohesion.

To ensure this best practice knowledge formed during pilot rounds is retained within the project team, an evaluation summary report of GBSLEP's CAA Pilot Programme will be circulated to Birmingham City Council in April 2023.

A planned mid-project evaluation of this EZCAA after two years, will enable these learnings and recommendations to be revised for future years of EZCAA.

1.3.2 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.

Birmingham is the 7th most deprived local authority out of England's 317 authorities. 27 of Birmingham's 69 wards have deprivation scores that rank them in the 10% most deprived areas nationally. In addition, the West Midlands population has a higher-than-average number of people who identify as having a life limiting illness or disability.

Through the multi-faceted programming of EZCAA, we are reaching many from within these groups who through factors outside of their control traditionally faced barriers in engaging with cultural activities and public-sector support. CAAs help to inspire confidence and offer a variety of support around digital inclusion and upskilling. EZCAA will connect local people into creative digital and other skills training programmes, providing a pathway into employment for NEET adults and disadvantaged young people who face barriers to work.

Anticipated project beneficiaries include:

- Local people across diverse communities
- Creative and Cultural Businesses/organisations/entrepreneurs
- Young people
- NEET adults
- Creative practitioners including self-employed
- Families and those on parental leave
- Family workers/Carers

The EZCAA programme will work across many of these deprived communities ensuring that its activities enable equitable access and broad opportunities. Within our pilot funding rounds, Cultural Action Areas have proven to be an effective method of addressing economic inequality between different local centres.

The *Making Spaces Northfield* pilot CAA project is an example of how this change can be embraced by local communities and how activities can be designed to put community cohesion at the heart of the project:

'(Northfield) is an area with some of the highest deprivation rates, with pockets of high social housing and poor health and education engagement and support. It has some of the highest crime rates in the city, especially around the High Street and high levels of in-work poverty, free school meals, child protection orders and isolation. Historically it has been economically hit by the closure of Rover and most recently an area where, as a result of the pandemic, high levels of support have been required (and continue to do so) through food parcels and wellbeing support.'

CAA will be a catalyst for change 'to help residents be at the heart of its own regeneration and foster a new love for the area. To support existing and encourage new small and independent businesses to thrive. To create safe spaces for dialogue and be supported to develop new skills. Our EZCAA will test ideas by working with partners and residents to: develop a group for young people of colour to increase leadership skills; deliver workshops in arts and crafts skills; create pop up markets as outlets to share new skills and sell create products; hold events and exhibitions fostering and sharing local talents and explore improvements to physical spaces through public art.'

The demonstrable stakeholder engagement requirement outlined in section 1.3.1 will ensure that interventions are grounded in the communities they wish to serve and will guarantee that local concerns and issues remain a priority throughout each project.

As outlined in the DCMS Committees ***Reimagining where we live: cultural placemaking and the levelling up agenda***, <https://publications.parliament.uk/pa/cm5803/cmselect/cmcmds/155/report.html> while public sentiment is highly supportive of high streets remaining a key entity within communities, the retail offer alone is no longer sufficient to keep local centres popular enough to sustain themselves. The pandemic has accelerated the digitisation of shopping and thereby accelerated the decline of high streets as a retail destination. High street traders substantially rely on passive, discretionary spending to survive.

Lower income areas have been disproportionately impacted as groceries and essentials can be bought online, and lower-income people may lack the excess income to spend on non-essentials, decreasing incentives to travel. Local centres in less affluent areas must diversify and pivot their activities to ensure local people still have access to community and other activities they value and can afford to enjoy.

The championing of *meanwhile use* as outlined in section 1.3.1 is an example of how Cultural Action Areas provide a timely intervention both to satisfy the needs of local people, boost revenue for local businesses, and help reverse narratives of social decline.

Part of CAA activities may address region-wide inequality recognised by WMCA's ***Digital Roadmap*** by supporting the delivery of targeted Creative Digital Skills interventions and wide-ranging business support networks.

WMCA recognises the 'Significant Challenges' and inequalities faced across the West Midlands which EZCAA responds to, particularly:

- The West Midlands has a large productivity gap – particularly the Digital and Creative sector (£7,157 less GVA per employee compared to UK average)
- Our region has the highest number of non-internet users in the UK at 20% with a further 20% being limited users
- The West Midlands has the highest proportion of employers saying they find digital skills difficult to obtain from applicants of any UK region (38%)
- We have limited equity investment – with the lowest deals per 10,000 SMEs of any English region, and;
- Limited cross-regional governance to drive shared progress on these challenges, particularly around data sharing, digital inclusion, and basic digital infrastructure
- Nationally, 56% of adult internet non-users are disabled, much higher than the 22% proportion of disabled adults in the UK population as a whole

To ensure equality and access remains a priority, where possible, we will ensure projects:

- Capture equalities data for participants of the project and review these on a regular basis
- Ensure completion of an access audit for all spaces and activities to ensure access has been provided where possible.
- Ensure organisations commissioned have robust equality action plans
- Work with local providers working in communities to ensure representation and distribution of resources.
- Recruitment of roles will be actively promoted to underrepresented groups

1.3.3 Environmental impact

Outline what impact the project will have on the environment. If the project involves constructing a building/extension, include proposed energy rating and reference any sustainable water management measures or use of green materials.

Cultural Action Areas deliver strongly against the concept of the *15-minute City*

https://www.c40knowledgehub.org/s/article/Carlos-Moreno-The-15-minute-city?language=en_US

in which daily urban necessities are within a 15-minute walk or bike ride of home; giving easy access to work, shops, entertainment, education, and healthcare, enabling them to cut right back on the daily commute and making many journeys unnecessary.

EZCAA supports the concept of the “15-minute City” by testing innovative uses of empty units on the high street, eg., cultural activity, creative practice, training and well-being initiatives, all designed by and for local people and communities.

The report ***An inquiry into the future of the suburbs*** by The Suburban Taskforce outlines how the pandemic through implicitly mandating working from home, has accelerated a decentralisation of working-age people away from city centres and toward the suburbs. EZCAA will respond to this reorganisation by decreasing the distance necessary for cultural engagement by bringing activities within active travel distance, reducing the dependence on cars to access these services within the centre of cities. To illustrate why this matters, **Future Yard**, a music venue on the Wirral, reported that 97% of its emissions are in Scope 3, which means they were generated by audience travel.

<https://futureyard.org/sustainability-roadmap/>

This proposal also supports the WM2041 plan

www.wmca.org.uk/media/4871/wm-net-zero-fyp-summary-tech-report.pdf

which sets out a vision to create an inclusive, prosperous, and fair transition to net zero that leaves nobody behind. We are contributing to these objectives in the following ways:

- ‘Meanwhile uses’ utilise and re-purpose existing infrastructure and spaces which lowers carbon use
- Supporting the development of enterprising community projects that promote local growing and produce schemes, creating new supply chains for local hospitality, and driving footfall / engagement with green / blue spaces (including canal routes).
- Support initiatives that upcycle technology by repairing and sharing, reducing e-waste and saving money for communities.
- Green technology and processes will be employed where possible as part of Meanwhile Usage
- Artist-led community engagement will raise awareness of environmental issues amongst communities within Cultural Action Areas and creatively engage citizens in addressing issues such as poor air quality, which disproportionately affects diverse and economically disadvantaged communities.
- We will be utilising local deliverers and service providers where possible to reduce travel.
- We’ll use green power sources and commission artists/groups who have a commitment to the environment, such as using recyclable materials.

Although not an explicit priority, during the pilot phase a project did experiment with the creation of more publicly accessible green space in the form of the regeneration of an abandoned and neglected car park by turning it into a community garden. With the shift toward Capital funding, it is likely that there will be more projects looking to pilot similar activity.

1.4 Constraints and dependencies

1.4.1 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.

The only factor outside EZCAA's control is getting approval, principally the requirement to get Birmingham City Council's cabinet approval, as it is over £1m. As this bid is now an internal BCC bid to BCC's EZ, any internal work that can be done to mitigate this risk will be done.

When the programme has gone live its ultimate success is dependent on individual CAA projects within the programme delivering their tangible objectives, and this depends on effective leadership and the development of local stakeholder groups that are 'bought-in' to the vision of their local CAA.

The sustainability of each EZCAA beyond programme funding is also dependent on these local partnerships, their resources, and opportunities.

Evidence and learnings from the completed 9 x CAA GBSLEP Pilot Programme will ensure EZCAA can minimise these programme risks and maximum the success and sustainability of as many CAAs within the EZCAA programme as possible. A real benefit of EZCAA and CAA activity in general is that each project can be very nimble and flexible, adapting to available resources and timescales. This is why the CAA mechanism is especially useful as a local centre intervention, as there are no direct dependencies between CAA's and the delivery of each CAA can be adapted if needs and circumstances change.

1.4.2 If there are specific constraints on the project's start / end dates, please state these below

| | Date | Details |
|--|---------------|---|
| Project cannot start before | 1 April 2023 | There are no specific constraints, other than availability of Enterprise Area grant funding and the timing BCC cabinet approval. |
| Funded and managed part of project must be completed by | 31 March 2029 | End of availability of Enterprise Area funding and funded management resources |
| Additional period where many CAA projects continue to collect outputs and outcomes without further funding | 31 March 2033 | BCC's internal staff team will continue with a light touch oversight and data collection, this being done from existing internal resources in proportion with what is achievable at the time. |

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. Economic Case should be approximately 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 project objectives. A sample list of critical success factors is included in **Appendix 1**; add more project-specific factors as required.*

The criteria that will be used for selecting the option that will achieve the project objectives are shown in the table below:

| Key Critical Success Factors | Description |
|---|--|
| Strategic fit and meets business needs | <p>The strategic fit and business needs are contained in the aims proposed in our strategic case:</p> <ol style="list-style-type: none"> 1. Re-animate local places with a new mix of cultural, experiential and community activities and facilities to drive footfall and improve community and visitor experience. 2. Improve the sustainability of local businesses, organisations, and community groups by building out their revenue generating capacity. 3. Provide opportunities for citizens to participate, volunteer, develop their skills and improve their wellbeing and future life chances. 4. Empower local stakeholders and leadership so they can develop sustainable activities, improve community cohesion, reshape the identity of their place and develop a legacy plan. 5. Support creative and cultural (CC) practitioners so they can deliver a diverse range of activities, experiences, and artifacts. 6. Strengthen the reputation of our local places because of improvements in facilities, cultural offer, community activities, safety alongside an overall increase in pride for the local area. |

| | |
|---|--|
| Potential Value for Money | Minimise the costs associated with the delivering the benefits of CAA and, therefore, maximise the ratio of benefits to costs from CAA |
| Supplier capacity and capability | Likely capacity of suppliers to deliver the amount of CAA activity associated with the option |
| Potential affordability | Likelihood that the option can be financed from available funds and aligns with sourcing constraints |
| Potential achievability | Likelihood that option can be delivered through combination of BCC and those of the organisation's delivering CAA activity |

2.2 Options appraisal

2.2.1 List of options

*Use **Appendix 2** to list options for project delivery. The list of options should include at least three possible 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.*

The options are Do Nothing; Do Minimum; Preferred Option; and Do Maximum. These are defined below:

Do Nothing:

- Doing nothing would mean that Birmingham’s local centres, especially those which are more deprived and have greater barriers to future opportunity for its communities, would miss out to varying extents.
- CAA is a unique way of providing opportunity for all, including young people, and bringing communities together. CAAs can be set-up quickly and thus are able to deliver some quick wins. So, to not fund any will have a negative effect on the economics, visitor economy and community wellbeing of many parts of Birmingham.
- Whilst CAA budgets are low, they have been shown to have a catalysing effect on local businesses, visitors and communities and are able to provide a greater and more lasting benefit than their small budgets would suggest was possible.
- High streets and the cultural sector were far more exposed than most areas during the pandemic and there is a real risk that without intervention, some cultural communities and networks within the city may be unrecoverably lost. Long-term, this will be catastrophic for the cultural offer of GBS and will have a negative effect on the Enterprise Area, especially damaging its ability to bring in new business which will generate business rate uplift.
- The pandemic has caused immense damage to local centres both in terms of retail offer and in community cohesion. Doing nothing on CAA funding risks missing out at the opportune moment to champion meanwhile use of vacant shops to address cohesion, reanimate local centres and improve regional cultural offers.

Do Minimum:

This option keeps 3 of the CAA projects within the GBSLEP trail going for another year - with no capital funding to support them further into the future.

This option will:

- Increase funding for existing arts groups within the city to increase the quality or quantity of their output.
- Encourage existing cultural and arts groups in the region to collaborate on projects within different areas.
- Provide some continuing financial support for most successful CAAs from first two rounds.
- Provide toolkit for local cultural and arts groups, giving a roadmap on accessing funding and on how to make social impact in their local areas.
- Do not make any capital expenditures that will change the amenities on offer of our local places
- This option would cost significantly less but comes with no guarantee of collaboration between the different organisations and would still require a similar amount of GBSLEP time investment as other options.

Preferred Option:

This option is expected to cost £2m and will:

- Fund EZCAA fund for 6 years for applicants to apply for and enables us to take a longer-term view of ways we can improve our local places and build impacts over time
- Run numerous and wide-ranging projects that have their own regionally distinct outputs but contribute to shared outcomes which seek to improve Birmingham's collective identity, showing Birmingham as a dynamic and forward-thinking city where business and people want to come.
- In 2.2.3 (assumptions), we say more about how activity over the different years under this option is assumed to relate from year-to-year.

Do Maximum:

This option doubles the level of activity in the Preferred Option and costs £4.2m. It will:

- Expand preferred option on a much larger scale, especially to increase revenue funding three-fold. with larger funding and bigger projects.

Do Nothing does not deliver against the Critical Success Factors.

In the table below, the other options are scored out of 10 against the Key Critical Success Factors:

| Key Critical Success Factors | Do Minimum | Preferred Option | Do Maximum |
|---|------------|------------------|------------|
| Strategic fit and meets business needs | 2 | 8 | 10 |
| Potential Value for Money | 2 | 10 | 6 |
| Supplier capacity and capability | 10 | 8 | 5 |
| Potential affordability | 10 | 8 | 5 |
| Potential achievability | 10 | 8 | 5 |
| TOTAL Scores on Key Critical Success Factors | 34 | 42 | 31 |

The **Preferred Option** scores highest in the table above.

The Do Maximum option scores most highly on **Strategic fit and meets business needs**. This is because Do Maximum delivers more CAA projects than the other options. The Preferred Option, however, strongly delivers on the aims of CAA. It does so because it:

- Aligns with Birmingham City Cultural Compact and all other region-wider compacts
- Aligns with Birmingham Plan 2031
- Provides an excellent strategic fit with GBSLEP's Cultural Action Framework, Creative & Cultural Delivery Plan 2022/23, Towns & Local Centres Framework and Young people's Strategy
- Aligns with the placemaking elements of the West Midlands Local Industrial Strategy and WMCA's *Making Our Mark*
- Aligns with West Midlands 2041 low carbon objectives
- Aligns with WMCA's Cultural Leadership Board and Cultural officer's Group
- Maximises potential opportunities related to culture, identity and place based economic growth

The Preferred Option costs less to deliver than Do Maximum, while at the same time providing a large amount of CAA activity, and thus, provides higher **Potential Value for Money**. The value for money through the Preferred Option is driven by:

- Provides 6 years of support
- Funds circa 5 Projects per year (30 overall)
- Levers in private sector match
- Provides lasting support and development for local places and their communities, including young people and those who are disadvantaged
- Strong lasting value by creating strong local partnerships and a sustainable legacy of on-going activity
- Wide-ranging outputs and outcomes
- Provides direct, targeted support to local areas building upon regional distinctiveness
- Provides 10 years' worth of project benefits, as a further four years of outcomes and outcomes will be delivered at no extra project cost.

It is thought unlikely that **Supplier capacity and capability** will exist within Birmingham to fully deliver the Do Maximum option, whereas the Preferred Option anticipates a level of EZCAA activity that aligns with likely capacity in Birmingham. The Do Minimum option scores highly on this criterion – as well as Potential affordability and Potential achievability – because the level of activity is very limited under this option and therefore these criteria are likely to be fulfilled under this option. Equally, the Do Minimum scores very poorly on Strategic fit and Value for money.

The level of Supplier capacity and capability required to deliver the Preferred Option is likely to exist in Birmingham because:

- Capacity of proposed EZCAA project leads will be tested against the evidence base of the previous 9x CAA projects overseen by GBSLEP
- Previous CAAs have proved capable of effectively delivering against outputs and outcomes, which gives us confidence that projects can be set-up in a way that minimises the risk of failure

Do Minimum scores highly on **Potential affordability**, while Do Maximum scores poorly. The Preferred Option much more strongly delivers on the aims of CAA than Do Minimum, while at the same time being affordable because:

- The funding structure of CAAs is very flexible, and so can be adjusted should resources change
- The evidence from previous CAA projects is that they get strong buy-in and support (both in-kind and financial) from local stakeholders, so local match would only be badly affected by a major economic blow, such as Covid getting worse again and closing down high streets

Evidence on CAA funding gets strong legacy follow-on monies.

Do Minimum scores highly on **Potential achievability**, while Do Maximum scores poorly. The Preferred Option builds on the GBSLEP trial and is considered achievable for this and other reasons, such as:

- There is a high chance of EZCAA projects being successful based on the evidence of the 9 current CAA projects
- BCC has a track record of delivering economic growth in Birmingham and has strong cross-regional and nation connections that will ensure EZCAA projects can be well supported so they can adopt 'better practice' and learnings to ensure their success and legacy
- Previous CAAs have shown remarkable resilience to adapt against quickly evolving pandemic regulations.
- BCC has the staff with the relevant skills and experience to deliver this project including a seconded GBSLEP Creative & Cultural Senior Policy Lead and a Programmes Team.

2.2.2 Cost-benefit analysis

*Using **Appendix 3**, provide a cost-benefit analysis for each option for project delivery, ensuring that:*

- *both capital and operating costs are included;*
- *costs cover the entire benefit realisation period;*
- *appropriate discounting techniques are applied; and*
- *optimism bias is shown in the calculation of both costs and benefits.*

As shown in **Appendix 3: EZCAA Options Appraisal**, the Preferred Option offers the strongest ratio of benefits to costs – **with a BCR of 4.1**. This BCR is based upon a cost estimate that has been increased by 10% to account for risk of optimism bias in relation to costs. Alongside these costs, we have quantified benefits by learning from the GBSLEP trial of CAA and relevant secondary evidence.

GBSLEP ran a trial of Cultural Action Areas (called Zones at the time). The activities of these Zones engaged a diverse range of businesses - within various sectors (cultural and creative, hospitality, retail and other) and of different scales (micro and small businesses).

This trial suggested a range of possible benefits from CAA:

- Wellbeing: Increased wellbeing from cultural engagement
- Crime: Reduced crime as a result of enhanced pride in place associated with cultural engagement
- Land values: Increased land values caused by the locality becoming more desirable due to an enhanced cultural offer

We have explored a range of methodological approaches to quantification of these benefits and a workable approach has only been found in relation to wellbeing. These wellbeing benefits will be experienced in relatively deprived parts of Birmingham and, therefore, distributional weights are applied to these wellbeing benefits.

"The culture and heritage sectors have a significant impact on society in the UK, particularly given our rich history and efforts to preserve cultural and heritage assets," according to a report written for the Department of Culture, Media and Sport (DCMS). This report aimed to provide DCMS with, "better

knowledge of valuation techniques and reliable values for a range of culture and heritage assets to inform government spending rounds and business investment decisions”.³

As per the ‘DCMS Evidence Base’ tab in Appendix 7, we have reviewed the values generated by this research to identify values for types of activity most relevant to CAA – which relates to arts engagement, high streets, and cities, rather than other kinds of cultural activities, such as theatres, museums, and libraries. These valuations are produced by a range of methods: stated preference, revealed preference, wellbeing valuation. Some of these values relate to individuals and others to households – we focus on studies generating valuations for individuals, as this maps on to numbers of CAA participants, which have been estimated based upon the experience of the GBSLEP trial. These valuations for individuals produce a wide range of quantifications for the wellbeing benefit to individuals of cultural participation: from £5333.85 to £14.29 in 2020 prices. We correct for optimism bias by working with the 3 lowest estimates – which have valuations of £14.29, £20.92, and £21.00 in 2020 prices. We take the average of these 3 valuations and then reweight to account for inflation between 2020 and March 2023 – which generates a value of £22.21 and we take this as our measure of the wellbeing value generated through CAA participation per participant.

In the tab in Appendix 7 called ‘GBSLEP trial’, we present the average benefits per CAA estimated following this trial, which includes number of participants per year per CAA. Based upon the number of CAAs per option (Do Minimum, Preferred Option, Do Maximum), we project the number of participants per year and then multiply these participants by the wellbeing value of participation per participant (£22.21). This generates estimates of wellbeing benefit per option.

These wellbeing benefits generate value within a relatively deprived city, Birmingham. The marginal utility value of additional welfare gains in relatively deprived places is captured through a distributional weight. This distributional weight has been calculated using data on Gross Disposable Household Income (GDHI) from the ONS. These GDHI data create a basis for valuing the marginal welfare gain in Birmingham relative to the UK as a whole.

To some extent, these benefits will be generated without CAA (because some cultural activities will find other means of moving ahead).

“There is,” according to the UK government, “a considerable body of evidence concerning estimates of the scale of displacement associated with regeneration, renewal and regional development initiatives at the local and regional level”.⁴ Nonetheless, there is uncertainty about the rate of displacement associated with CAA, which has two implications: first, we have to use a proxy value to estimate displacement; second, our sensitivity analysis adapts this proxy value. This proxy value has a displacement rate of 7%. This proxy value is taken from a government publication that reported that “a review of Neighbourhood Renewal Fund projects (which) identified ... low displacement rates to City Challenge at the local level (see Table 4.6)”.⁵ The activity in 4.6 that most closely aligns with CAA is ‘Other (Community)’ – with CAA being a form of social capital-building community intervention.

³ SIMETRICA Jacobs, DCMS Rapid Evidence Assessment: Culture and Heritage Valuation Studies – Technical Report (2020)

⁴ English Partnerships, *Additionality Guide, Third Edition*, (2008)

⁵ HCA, *Additionality Guide, Fourth Edition*, (2014)

2.2.3 Assumptions

Describe assumptions underpinning the above analysis, including the rationale for the proposed benefit realisation period, optimism bias and contingency.

As discussed above, there are some assumptions that are consistent across our modelling of the options: (1) Estimated wellbeing benefit per CAA participant (£22.21), (2) Distributional weight applied to wellbeing benefit (1.2), (3) Rate of displacement (7%), (4) Benefits per CAA – including number of participants – are consistent across the options and align with estimations of typical CAA outputs grounded in the GBSLEP trial.

The assumptions above are consistent across our analysis of the options. In addition, we make assumptions within our analysis of each of the options – which relate to the scale and durability of activity financed within each of these options.

Do Minimum

This option keeps 3 of those CAA projects in the GBSLEP trial going for another year and assumes that:

1. The costs of running these projects are in line with the average cost per project during the GBSLEP trial
2. The benefit in terms of revenue uplift from these 3 projects is in line with that reported during the GBSLEP trial – but only sustains for one year, as no capital investment is provided to help these projects achieve greater longevity.

These assumptions generate a Benefit-to-Cost ratio of 1.5

Preferred Option

This option funds:

1. 5 projects in Year 1: 2 of these projects only run for a year, 2 run for 5 years, 1 runs for 5 years but requires 2 years of support to run for that long.
2. 5 projects in Year 2, 3, 4, 5 and 6 - following a similar pattern to Year 1: 1 project is funded that was funded in the previous year, 2 new projects are funded that last a year, 2 more new projects succeed in lasting for 5 years.

This option seeks a more enduring uplift to high streets than is enabled by the Do Minimum option. It does this by:

1. Backing CAA projects with capital investment.
2. Requiring that the CAA projects secure match-funding: meaning that must enhance their operational and financial capabilities.

This combination of capital investment and organisational/financial development allows some of the CAA projects to endure for 5 years. Not every CAA project will be able to achieve this degree of longevity, however.

By funding 5 projects a year, it is realistic that it will be possible to support half of these to a longevity of impact. On this basis, this option sustains a Benefit-to-Cost ratio of 3.0

Do Maximum

This option doubles the costs and intended impact of the Preferred Option. Consequently, it funds 10 projects a year (doubling the 5 that are funded under the Preferred Option). However, this option:

1. Requires more funding than is available at this stage
2. Likely strains the likely capacity of BCC to bring forward CAA projects with potential for longevity.

As under the Preferred Option, 3 CAA projects endure for 5 years (with 1 of these 3 requiring funding over 2 years, rather than 1). There is, therefore, no increase on the Preferred Option in the number of the CAA projects that have this degree of longevity. What this option adds is more projects that last only for one year – increasing the stock of such projects to 7 a year from 2 under the Preferred Option. This does add additional benefit to the Preferred Option – but also doubles costs – meaning that the Benefit-to-Cost ratio is 2.1 and this option provides less value than the Preferred Option.

2.2.4 Unquantifiable benefits

Describe unquantified benefits of each shortlisted option. What evidence is available that these benefits will be realised?

The preferred option will deliver two kinds of additional benefit to the GVA included within the BCR calculation: (1) benefits that we can quantify but have not monetised, although they do have a direct bearing on the GVA uplift generated by EZCAA (2) benefits that we cannot quantify but anticipate. These have a significant impact on the social value of the project and objectives such as wellbeing and pride.

In relation to (1), please see the table below – which replicates Table 2 in the 'GBSLEP trial' tab within **Appendix 7**. This quantifies benefits anticipated over Years 1 to 10 under our preferred option in terms of:

- Organisations engaged broken down by: (a) Number of local businesses engaged; (b) Number of Local Community Organisations Engaged (including schools)
- Number of Smaller local events or activities supported (e.g., workshops)
- Number of Larger local events or activities supported
- Number of Larger local events or activities supported (e.g. Number of other outputs (e.g. Micro-grants, websites, and pilot activity)
- Number of Temporary Artistic Displays Created
- Number of tourism, culture or heritage assets created or improved
- Number of recurring events established
- Number of volunteering opportunities supported
- Total Number of Participants at events
- Number of under 18-year-old participants
- Number of community interest Groups established (inc stakeholders)
- Number of Local Artists Commissioned/ engaged

In relation to (2) benefits that we cannot quantify but anticipate, that will contribute to the overall economic performance of the EZCAA and or provide significant social value benefits:

- Creating a healthier community (these measures link to the Tom's framework – see below)
- More working with the community
- More local people in employment
- More opportunities for disadvantaged people
- Increased Business Sustainability
- Jobs created or safeguarded (calculated within the GVA uplift using standard measures)
- Social innovation to enable healthier safer and more resilient communities
- Improved perception of facilities /amenities /attractions /infrastructure /events /markets /improved perception of safety
- Increased pride in place

- Crime is reduced

And finally, three broad non-quantifiable benefits of EZCAA:

- **Land value uplift**

“The value of land is determined by a number of factors, most significantly by its use and location,” according to DCLG guidance.⁶ “In appraisal terms, the difference between this new value and its previous value is the land value uplift and this represents the net private benefits of a development.” EZCAA will not, of course, change the location of land, but it will change land uses. It will do so through activities that increase the sense that a high street is a place to do fun and engaging activities and through such activities, the EZCAA helps to attract more people and spending to these localities. This increased footfall and spending will increase the success of local businesses – represented in the increased GVA within our CBA model – and, ultimately, an increased presence of successful businesses will increase the value of land.

Therefore, land value uplift is anticipated as a consequence of EZCAA – but equally, as the DCLG guidance states, “the value of land is determined by a number of factors”. These factors are too varied for us to be able to isolate and quantify the likely uplift in land values resulting from EZCAA.

- **Reduced Crime**

“There is now a range of evidence that communities with a good ‘stock’ of such ‘social capital’ are more likely to benefit from lower crime figures, better health, higher educational achievement and better economic growth,” according to an evidence review undertaken for Arts Council England. “The arts are associated with positive criminal justice outcomes, for example supporting steps towards effective rehabilitation and an individual’s journey towards desistance. They can also play an important part in changing individual, institutional and social circumstances which sponsor criminal behaviour. In the context of place these outcomes are clearly desirable in reducing crime and making neighbourhoods areas where people want to live, work and visit. Reducing crime and improving feelings of safety are also important ingredients in fostering trust and building social capital”.⁷

This evidence supports the expectation that places that benefit from CAAs will be less likely to suffer crimes like vandalism, as communities will be more likely to feel pride in their place and thus, not want to vandalise it. While estimates of the cost of crime have been generated,⁸ these do not typically cover the costs of low-level crime like vandalism and we see no basis for quantifying the extent of reduction in such crimes that will be associated with CAAs.

- **Reduced Carbon Emissions**

We anticipate EZCAA to reduce carbon emissions – as we discuss below in answer to 2.2.6 – but cannot quantify this reduction.

As stated in section **1.1.2 Investment Objectives**, EZCAA’s social value outcomes align closely with National Tom’s Framework measures, also used by BCC to underpin their social charter. The most relevant direct Tom’s reference numbers have been identified in **Appendix13: EZCAA - Monetisation of Tom’s Social Value Outcomes**. The Tom’s framework provides a financial proxy against these outcomes

⁶ The DCLG Appraisal Guide, December 2016

⁷ Wave Hill, Arts and Place Shaping: Evidence Review – commissioned by Arts Council England (May 2020)

for economic analysis and BCR purposes, however, to avoid excessive complexity, EZCAA has done its economic analysis and BCR without including them. However, it would be possible to include these measurements during evaluation of the programme if this was felt prudent, to align better with future funding streams or improve the efficacy of the economic analysis of EZCA going forwards.

2.2.5 Digital infrastructure

Outline the if/how the project will incorporate digital infrastructure e.g. inclusion of or potential to enable 5G

- EZCAA projects will connect with local plans around digital inclusion and 5G roll-out and application wherever possible. CAAs can be used as a test bed for new 5G applications and to test content creation techniques, for example, creating new real-time interactive content at the festivals that have been created by CAA.
- EZCAA will benefit the testing and development of 5G infrastructure and application development. EZCAA will benefit the digital experiences and ability for more of our local people to be 'digital and 5G savvy'

2.2.6 Environmental Benefits

Demonstrate how the environmental benefits of each option have been included and calculated in the CBA (Consider carbon emission value). Provide evidence of how any proposed measures to reduce carbon emissions from the project and associated activities have been incorporated into the proposal. Including how it is intended to be measured against a business-as-usual baseline.

The environmental impact of the Preferred Option is expected to be minimal but positive. This positive impact will be driven by two causes: first, CAAs will be provided with guidance on sustainable purchases – Julie's Bicycle, for example, have published guidance documents for different parts of the creative sector to reduce their carbon footprints. By utilising these resources, CAAs will operate in environmentally responsible ways. Secondly, CAAs will encourage local shopping. The environmental benefits of such shopping have been recognised by the government:

Local shops often source their goods locally, helping to reduce their carbon footprint. When shopping local, people are also more likely to walk or cycle to get there – doing their bit to reduce air pollution, reduce traffic and improve the quality of the nation's high streets.

<https://www.gov.uk/government/news/eight-reasons-to-shop-local-this-week-to-help-the-high-street-bounce-back>

2.3 Options appraisal – preferred option

2.3.1 Scope of work

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

EZCAA will consist of numerous smaller projects, running for typically one year each, the programme is for a three-year period for revenue and a six-year period for capital, with all completed by March 2029. The kinds of project that will be funded are described above in the strategic case. The level of activity that this will generate aligns with the assumptions of the Preferred Option:

1. 5 projects in Year 1: 2 of these projects only run for a year, 2 run for 5 years, 1 runs for 5 years but requires 2 years of support to run for that long.
2. 5 projects in Year 2, 3, 4, 5 and 6 - following a similar pattern to Year 1: 1 project is funded that was funded in the previous year, 2 new projects are funded that last a year, 2 more new projects succeed in lasting for 5 years.

This option seeks a more enduring uplift to high streets than is enabled by the Do Minimum option. It does this by:

3. Backing CAA projects with capital investment.
4. Requiring that the CAA projects secure match-funding: meaning that must enhance their operational and financial capabilities.

This combination of capital investment and organisational/financial development allows some of the CAA projects to endure for 5 years. Not every CAA project will be able to achieve this degree of longevity, however.

By funding 5 projects a year, it is realistic that it will be possible to support half of these to a longevity of impact.

2.3.2 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 justify the cost.

As shown in Appendix 3, the Preferred Option offers the strongest ratio of benefits to costs – with a BCR of 4.1. This result supports the strong economic case to extend Cultural Action Areas (CAA), which is:

- Grounded in the evidence of CAA delivering revenue uplift during the trial of them run by GBSLEP.
- Moving with the grain of high streets becoming places to have fun and be active and participatory – not just make purchases.
- Evidenced by a Benefit-to-Cost ratio for the Preferred Option of 4.1 – with these benefits composed the Net Present Value (NPV) of the wellbeing uplift associated with cultural engagement. This benefit will be experienced by people in the relatively deprived city of Birmingham.

2.3.3 Sensitivity analysis

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

In the file called *Appendix 14 – EZCAA Business Case – Economic Analysis – Sensitivity Analysis revised v2* we have: (1) reduced the estimated wellbeing benefit per CAA participant by 20%, (2) increased the rate of displacement to 50%, (3) reduced expected participants by 20%. These changes reflect the degree of uncertainty associated with these values – the displacement value has been revised most substantially (50%), reflecting the largest degree of uncertainty. The other inputs have been reduced by only 20% - as they are based upon more well-established evidence than our displacement estimate: the DCMS research into wellbeing in the case of the wellbeing per CAA participant and the GBSLEP trial of CAA in the case of the number of participants. Together, these three revisions substantially revise our economic modelling and its results. Nonetheless, on these changed assumptions, the preferred option continues to generate a BCR of 1.4.

2.3.4 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 in **Appendix 4**. This appendix includes definitions for a series of set outputs that the GBSLEP monitors performance against.*

The proposed outputs and outcomes below are for one typical EZCAA out of the 30 that will be funded. Not all of these outputs and outcomes will be present in all EZCAA projects.

This assumptions model is based on the actual data from the 9 x GBSLEP CAA pilot projects that have concluded recently. This model being is being combined with a CAA longevity model – as set-out in **1.1.2 Investment Objectives** to form the basis of the economic analysis of EZCAA.

A more detailed breakdown of total outputs and outcomes are included in **Appendix 4**. This sums together the individual CAA profile with the longevity model over the 10-year project period.

Proposed outputs

| Output | Output description | Output quantity | Beneficiaries | Strategic Alignment | Method of independent verification | Delivered by date |
|--------|---|-----------------|--|--------------------------------|------------------------------------|-------------------|
| 1 | Businesses engaged | 38 | Businesses | Business growth | Evaluation by CAAs | March 2033 |
| 2 | Local Community Organisations Engaged | 5 | Community Organisations | Civic pride and social capital | Evaluation by CAAs | March 2033 |
| 3 | Number of Smaller local events or activities supported (e.g., workshops) | 34 | Cultural groups and participants | Civic pride and social capital | Evaluation by CAAs | March 2033 |
| 4 | Number of Larger local events or activities supported (e.g. festivals days, markets held, microgrant schemes) | 6 | Cultural groups and attendees | Civic pride and social capital | Evaluation by CAAs | March 2033 |
| 5 | Number of Temporary Artistic Displays Created | 4 | Artists | Artistic development | Evaluation by CAAs | March 2033 |
| 6 | Number of tourism, culture or heritage assets created or improved | 9 | Tourist, cultural and heritage sectors | Civic pride and social capital | Evaluation by CAAs | March 2033 |
| 7 | Number of re-occurring events established | 1 | Event organisers and attendees | Civic pride and social capital | Evaluation by CAAs | March 2033 |
| 8 | Number of volunteering opportunities supported | 39 | Volunteers | Civic pride and social capital | Evaluation by CAAs | March 2033 |
| 9 | Total Number of Participants at events | 2,469 | Participants | Civic pride and social capital | Evaluation by CAAs | March 2033 |

| | | | | | | |
|----|---|-----|------------------------------|--------------------------------|--------------------|------------|
| 10 | Number of under 18-year-old participants | 122 | Under 18 participants | Civic pride and social capital | Evaluation by CAAs | March 2033 |
| 11 | Number of community interest Groups established (inc steering groups) | 1 | Community groups | Civic pride and social capital | Evaluation by CAAs | March 2033 |
| 12 | Number of Local Artists Commissioned/ engaged | 28 | Artists and community groups | Civic pride and social capital | Evaluation by CAAs | March 2033 |

Proposed outcomes

| Outcome | Outcome description | Outcome quantity | Beneficiaries | Strategic Alignment | Method of independent verification | Delivered by date |
|---------|--|---|---|---|---|-------------------|
| 1 | Increased business revenue and GVA | £12m in GVA over 2023 to 2033 across all CAAs | Businesses, Cultural & Community Groups | Business growth | Survey of CAAs and economic impact assessment based on survey results | March 2033 |
| 2 | Increased footfall | % increase | Businesses, Cultural & Community Groups | Business growth | Evaluation by CAAs | March 2033 |
| 3 | Increased visitor numbers and spend | % increase | All parts of CAA ecosystem | Business growth | Evaluation by CAAs | March 2033 |
| 4 | Creating a healthier community | Survey, case studies | Citizens, community | Citizens, community, social capital | Evaluation by CAAs | March 2033 |
| 5 | More working with the community | % increase | Citizens, community | Citizens, community, social capital | Evaluation by CAAs | March 2033 |
| 6 | More local people in employment | % increase | Citizens, community | Citizens, Businesses, community | Evaluation by CAAs | March 2033 |
| 7 | More opportunities for disadvantaged people | Survey, case studies | Citizens, community | Citizens, community | Evaluation by CAAs | March 2033 |
| 8 | Increased Business Sustainability | survey data | Businesses, Cultural & Community Groups | Business growth | Evaluation by CAAs | March 2033 |
| 9 | Jobs created or safeguarded | GVA proxy | Businesses, Cultural & Community Groups | Business growth | Evaluation by CAAs | March 2033 |
| 10 | Social innovation to enable healthier safer and more resilient communities | Survey, case studies | Businesses, Cultural & Community | Citizens, Businesses, Community, social capital | Evaluation by CAAs | March 2033 |

| | | | Groups, citizens | | | |
|----|---|-------------|----------------------------|---|--------------------|------------|
| 11 | Develop and implement a sustainable EZCAA legacy plan | 30 | All parts of CAA ecosystem | Business Growth, Civic pride and social capital | Evaluation by CAAs | March 2033 |
| 12 | Improved perception of facilities /amenities /attractions /infrastructure /events /markets / safety | survey data | All parts of CAA ecosystem | Civic pride and social capital | Evaluation by CAAs | March 2033 |
| 13 | Increased pride in place | survey data | All parts of CAA ecosystem | Civic pride and social capital | Evaluation by CAAs | March 2033 |
| 14 | Crime is reduced | survey data | All parts of CAA ecosystem | Business Growth, Civic pride and social capital | Evaluation by CAAs | March 2033 |

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 / have been undertaken if private development partners or suppliers are required to deliver project outputs.

No specific defined procurement needs to be undertaken by BCC directly to deliver the EZCAA programme. BCC's cultural team, which includes cultural and CAA specialists, will be able to run the required contestable calls and manage the overall project to deliver agreed outputs.

BCC will run an annual contestable call for EZCAA applicants each April (July in year 1). Up to five awards will be made each year for each of six years. The criteria for scoring this call will be clearly laid out, with online guidance along with webinars and a workshop where prospective applicants can get their questions answered.

The awards will be in the range £10K to £100K each, with a varying mix of revenue versus capital grant money, depending on the specifics of each project funded. In total up to 30 projects will be funded over the six-year period. Each of these projects will have a lead applicant who will be a legal entity, with a bank account able to receive, distribute and account for the grant monies.

Demand

There is a very strong confidence of demand within BCC's cultural team. There are four main reasons for this:

1. GBSLEP had planned a 3rd round of CAA (formerly called zones not areas) before funding was pulled due to GBSLEP being closed down. But there had already been considerable interest in future CAA funding, both from existing CAAs and new ones.
2. BCC's cultural team have integrated the idea of CAAs into their wider delivery for 23/24, and they are highly confident that demand will be there, in part because there has not been any funding like this before outside of the GBSLEP pilot, and there is a pent-up demand for funding of this nature.
3. CAAs are very flexible, in terms of the structure of organisations applying, the scale of applications and the mix of capital to revenue, and so this will maximise the number of applications that will be eligible for submission, and thus reduce the risk of having too little demand for the programme.

Procurement

The default position will be that lead organisations can use their existing procurement processes, as long as these are robust. BCC's programme team will review the procurement processes of applicants, if it is felt they are not adequate, then BCC's standard procurement process will be imposed on individual projects.

BCC procurement rules are set out under Part D of 'How the Council Works'

https://www.birmingham.gov.uk/info/50068/how_the_council_works/283/the_city_council_s_constitution

Amounts of up to £5K can 'proceed to purchase' without mandatory advertising. Values from £5K to £25K require three quotes. In most instances EZCAA projects will be distributing small sums of money, eg., as contestable micro-grants or sub-£5K supplier contracts.

All EZCAA projects will be required to detail how each relevant area of their budget has been procured, to ensure it has been done in compliance with their own or BCC's standard procurement practice. BCC's programme team, which includes colleagues available internally, have considerable expertise ensuring they will be able to determine the suitability of each applicant's procurement process.

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.

EZCAA awards will be made using a contestable call award, which is based on the process used by GBSLEP during their own 2-year CAA pilot programme. A sample of the likely call paperwork is included in **Appendix 12: Outline of Contestable Call for EZCAA**

The call will be posted online and communicated through a number of BCC, cultural and other social media channels. The online call will include a website with introductory information and a down-loadable guidance document and application form.

In addition, webinars, surgeries and a workshop will be run by BCC during the application window so that prospective applicants can get their questions answered. The guidance to applicants will include details of the need for them to have a clear and acceptable procurement policy.

3.1.3 Third party services

Detail any third-party services that will be used to deliver the project (legal, finance, any other consultancies).

No third-party services will be required to deliver the EZCAA programme. The specialist cultural and CAA team running it will be based within BCC's Cultural & Tourism department.

3.2 Contract management and risk allocation

3.2.1 Contract milestones

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

There is not a delivery contract associated with this project. An SLA will be entered into between the Directorate running this project and the EZ programme to deliver the outputs and outcomes for the funding requested. In turn each of the EZCAA applicants will enter into a contract to deliver agreed deliverables for their requested EZ funding.

Before receiving funding, each applicant will agree a set of target activities, outputs and milestones for their grant agreement. These will be tracked with regular project management meetings with BCC's programme team. Performance will be closely monitored, with adjustments in some cases being allowed. Clawback of funding is possible for projects that are not delivering as agreed.

3.2.2 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

There is no contractor appointment for the delivery of this project so there are no risks relating to a delivery contract. An overview of risks associated with applicants are as follows:

- Applicant delays start of project due to resourcing/recruitment issues
- Applicant fails to put in place the correct resources to deliver activities as agreed
- The applicant fails to project manage and/or financial manage effectively
- The applicant fails to achieve the agreed milestones and outputs
- The applicant fails to collect survey and other data
- The applicant lacks capacity in some other way to deliver the project

These risks will be mitigated in the following ways:

- The application process will assess carefully the applicant's ability to deliver. In some cases, an applicant without a strong delivery track record will be awarded funding, to ensure inclusivity and that CAA reaches underserved areas of the city. In these cases, additional BCC programme team resources have been made available to provide extra assistance.
- Regular project reviews will be carried out to spot any issues early, where action to correct can be agreed.
- CAA projects will be encouraged to collaborate together, sharing better practice and issues to minimum risk for all and maximise the value of CAA projects across the city.

3.3 Accountancy treatment and service requirements

3.3.1 Assets

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

Any assets created from EZCAA remain with the projects. Assets might be improvements to neighbourhoods, artwork, fit-out on spaces, IT, etc.

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. GBSLEP allocates funding to projects for specific financial years (April to March) at the time the funding must be drawn down by projects to cover eligible defrayed costs.

Include a detailed breakdown of project 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 GBSLEP's funding programme's primary objective is to enable or accelerate development of priority projects. The maximum repayment term is 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 OBC stage and should be finalised at FBC stage.*

| | Previous years | 2023/24 | 2024/25 | 2025/26 | 2026/27 | Future years | Total |
|--|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------|
| Capital funding (£s) | | | | | | | |
| Local Authority | | | | | | | |
| Other public sector | | | | | | | |
| Private sector (MATCH) | | £27,500 | £82,500 | £55,000 | £45,000 | £80,000 | £290,000 |
| Third sector (Debt Finance) | | | | | | | |
| GBSLEP Loan funding requested | | | | | | | |
| EZ Grant funding requested | | £102,500 | £307,500 | £205,000 | £205,000 | £405,000 | £1,225,000 |
| EZ Grant for management fees | | 23,700 | £22,897 | £22,068 | £34,401 | £74,045 | £177,111 |
| Funding source to be established | | | | | | | |
| Total capital cost | | £153,700 | £412,897 | £294,401 | £284,401 | £559,045 | £1,692,111 |
| Revenue funding for project delivery (£s) | | | | | | | |
| Local Authority | | | | | | | |
| Other public sector | | | | | | | |

| | | | | | | | |
|---|--|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------|
| Private sector (MATCH) | | £12,500 | £37,500 | £20,000 | £0 | £0 | £70,000 |
| Third sector | | | | | | | |
| EZ Grant funding requested | | £35,000 | £105,000 | £70,000 | 0 | 0 | £210,000 |
| EZ Grant for management fees | | £7,900 | £7,632 | £7,356 | 0 | 0 | £22,889 |
| Funding source to be established | | | | | | | |
| Total revenue cost for delivery | | £55,400 | £150,132 | £97,356 | 0 | 0 | £302,889 |
| Revenue consequences for benefit realisation (£000s) | | | | | | | |
| Local authority | | | | | | | |
| Other public sector | | | | | | | |
| Private sector | | | | | | | |
| Third sector | | | | | | | |
| Total revenue consequences for benefit realisation | | | | | | | |
| Total project cost | | £209,100 | £563,029 | £391,757 | £284,401 | £559,045 | £1,995,000 |

Please Note: because year 1 EZCAA projects will be starting late, c. Sept23 or after, It is intended that they will still run for one year, with costs and outputs spilling into 23/24. This means that for cashflow purposes there will be less cashflow in year 1 with additional cash flow in year 2 to compensate.

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.

EZCAA is made up of many smaller projects that are independent of each other. Each will start with an agreed amount of match, which could be in-kind or cash, although in exceptional circumstances no match may be considered.

CAA projects do not require significant guaranteed alternative finance, as finding finance sources to de-risk the starting of community and location-based projects such as these is difficult. It is for this reason

that alternative private sector sources are not considered a viable alternative funding route, as explained in section 4.2.1.

However, as more CAA projects get funded like this through EZ, it will increase the chance of winning alternative funding for future rounds, so, for example, it may be that by year 3 the work done to date has sufficient profile that it means we can increase the scale of CAA activity by bringing in central government funding such as new versions of *Towns Fund*, or *Community Renewal Fund*. It may also become possible to connect CAA activity to cultural funding directly from Arts Council England. By year 3, with this increased traction and legacy of activity, it may be possible to bring in additional local authority, regional or business sponsorship monies.

However, in the first instance, EZ funding needs to form the sole basis of EZCAA projects, matched only with the available resources from participating consortia.

4.2.2 Match funding

Confirm which sources of match funding have been secured. For funding that is not yet secure, provide details on the strategy and timeline for securing it.

Match funding comes from individual EZCAA projects by putting in resources they have to support the project. This could include use of buildings and in-kind match from people and other resources. Match funding does not have to exactly equal a specific percentage of any given funded project under EZCAA. This is because projects can be very different. For example, in the GBSLEP pilot, where a local authority or larger consortium get together, such as Solihull MBC leading the Solihull Cultural Moments CAA, there is considerable match because of other funding streams and staff time from SMBC. These larger match projects make up for some smaller less well resourced consortia which will be allowed to have very little match.

4.2.3 Grant versus loan

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

Cultural Action Areas are enabling projects, that kickstart activity and bring communities, places, and stakeholders together. The projects that the EZCAA is looking to fund are activities that enhance Birmingham's identity and reputation, for such projects these are not likely to generate profits, as this is not the main motivation, hence they would not be in a position to repay any loans so loan funding would be unsuitable. The benefits of EZCAA projects come from the catalysing effect the activity has in a local place on its businesses, visitor economy and communities.

As the concept of EZCAA projects get more established, with case studies and success stories emerging – as they are beginning to – then it may be that opportunities emerge to extend projects with a commercial model, around which loan funding may become an option if appropriate and affordable. This however would require a higher level of due diligence, financial support and governance and assurance which would all add to the cost of the programme.

4.2.5 Availability of GBSLEP funding

How would the project proceed if GBSLEP funds are not available?

CAAs are widely recognised nationally as being effective, and so EZCAA can seek other public funding sources, but there is a very tight and over-subscribed availability of funding of this type, and so without GBSLEP/EZ funding support EZCAA would not proceed in a foreseeable timeline. The potential of EZCAA and building on what has been achieved with Cultural Action Areas across Birmingham so far would likely be lost.

4.3 Due diligence

4.3.1 Applicant organisation's financial status *(GBSLEP to advise if information is required)*

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

The applicant is Birmingham City Council. Their financial status can be ascertained from their last three years of financial accounts: <https://www.birmingham.gov.uk/info/20217/accounts/474/accounts>

4.3.2 Partners' financial status *(GBSLEP to advise if information is required)*

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

The last three years of financial accounts for BCC can be viewed here:
<https://www.birmingham.gov.uk/info/20217/accounts/474/accounts>

4.4 Financial risks

4.4.1 Cost overruns

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

Any cost overruns for delivering the projects which are approved through this programme will be borne by the project applicant and this will be made clear before any funding is agreed. It will also be communicated in any letter or grant agreement offering grant funding to applicants.

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 GBSLEP 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](#).

EZCAA grant funding is not a subsidy as defined the government's 4-limbed subsidy-control test. It would need to create a yes response to each of these, and it only triggers yes for limb A. The over three limbs are a clear 'No', meaning that EZCAA is not a subsidy.

Limb A: YES – this is local authority/public money being used

Limb B: NO – it does not confer an economic advantage to one company over another. This is because [1] the cultural and heritage activity within EZCAA is exempt from subsidy control - unless audiences predominantly pay for the services, events and activities created - but in all EZCAA cases they are free or at minimal cost.

Limb C: NO -EZCAA is not giving specific financial assistance to one or more enterprises over others

Limb D: NO -the financial assistance is not capable of genuinely adversely affecting or disadvantages some enterprises over others. Indeed EZCAA is the opposite of this, with cultural activity providing an economic boost to as many businesses and organisations within a locality as possible.

Source **Statutory Guidance for the United Kingdom Subsidy Control Regime Subsidy Control Act 2022**
Annex A p164

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1117122/uk-subsidy-control-statutory-guidance.pdf

See **Appendix 16: EZCAA Subsidy Control** for answers to the subsidy control principles.

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's planning, 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

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.

| Description | Planned / actual date | Details |
|--|-----------------------|--|
| Concept study | N/A | relevant to larger projects only |
| Feasibility | N/A | |
| Preliminary design | N/A | |
| Detailed design | N/A | |
| Quantified risk assessment | N/A | |
| Environmental appraisal | N/A | |
| Planning application | N/A | There is no requirement for planning for this project. However, some uses of capital within a very small number of the funded Cultural AZ projects within EZCAA may require planning |
| Statutory approvals / planning permission | N/A | |
| Consultations with key stakeholders | N/A | |
| Internal or external funder strategic / outline business case | N/A | |
| Internal or external funder full business case with benefit-cost ratio or established value for money case | 10 June 2023 | Full Business Case |
| Quotes for work to be undertaken | N/A | |
| Known environmental impacts (e.g., SSSIs, Heritage sites, Ancient Monuments) | N/A | |
| Equality Impact assessment | N/A | |
| Other – describe | | |

5.1.2 Project delivery plan

Append a detailed programme and summarise key milestones here (add lines as appropriate).

| Task | Completion Date |
|---|-----------------|
| Full Business Case approval | May/June 2023 |
| Review Evaluation Reports and Economic Analysis from GBSLEP of previous CAA projects and recommendations for future funding | June 2023 |
| Design EZCAA 23/24 Round 1 contestable funding call and make this live, including on-line application process and access to workshop that explains the intention of the call and the benefits | July/Aug 2023 |
| Award EZCAA 23/24 Round 1 (£275K of grants within £345k of projects) | Sept 2023 |
| Go live EZCAA 24/25 Round 2 | April 2024 |
| Award EZCAA 24/25 Round 2 (roughly 270K grants within £345k of projects) | June 2024 |
| Interim Evaluation after 2 years - to adjust round 3 25/26 call and onwards | Feb 2025 |
| Go live EZCAA 25/26 Round 3 | April 2025 |
| Award EZCAA 25/26 Round 3 (roughly 270K grants within £345k of projects) | June 2025 |
| Go live EZCAA 26/27 Round 4 | April 2026 |
| Award EZCAA 26/27 Round 4 (roughly 200K grants within £247k of projects) | June 2026 |
| Interim Evaluation – to adjust 25/26 call rounds | March 2027 |
| Go live EZCAA 27/28 Round 5 | April 2027 |
| Award EZCAA 27/28 Round 5 (roughly 200K grants within £247k of projects) | June 2027 |
| Go live EZCAA 28/29 Round 6 | April 2028 |
| Award EZCAA 28/29 Round 6 (roughly 200K grants within £247k of projects) | June 2028 |
| Final Evaluation 2028/29 | March 2029 |
| One-Year on project evaluation 2029/30 | March 2030 |
| Four Years on – end of 10-year period for monitoring outcomes | March 2033 |

5.2 Organisation

5.2.1 Track record

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

Birmingham City Council's Cultural team will oversee and deliver EZCAA. They have considerable experience across many years designing and running cultural related programmes. GBSLEP's Creative & Cultural lead has been seconded to BCC in order to lead EZCAA set-up. GBSLEP brings considerable expertise in running Cultural Action Areas as their creative and cultural lead has already overseen two CAA pilot actions running from 2020 to 2023.

The body of learnings from GBSLEP are being made available BCC for EZCAA. This includes experience around:

- successfully managing CAAs and related projects
- supporting over 200 stakeholders within and working alongside existing CAAs including Birmingham City Council, Business Improvement Districts and cultural organisations, such as Culture Central, Birmingham Cultural Compact and the West Midlands Cultural Compact+ Network.
- commissioning, steering, and evaluating previous CAA projects
- pivoting and making reasonable adjustments to expectations of CAA projects and their timelines in response to evolving regulatory frameworks related to COVID - therefore making BCC well placed to anticipate and react to any changes going forward
- integrating new CAA projects into the existing supportive CAA network.

The BCC cultural team have strong existing relationships with regional and national stakeholders who have an interest in the development of CAA projects; including WMCA, WMCA's Cultural Leadership Board, WMCA's Cultural Officers Group, Birmingham's Cultural Compact, Cultural Compact+ Network, WMGC, CWLEP, BCLEP, Birmingham 2022 Commonwealth Games Legacy Programme and Arts Council England.

Key personal involved in EZ CAA delivery:

- Symon Easton: Head of Cultural & Tourism at BCC – will take overall management responsibility for EZCAA
- David Fumage: Senior Cultural Advisor – previously designed and ran 2 x Cultural Action Zone (original name) programmes for GBSLEP – will lead on EZCAA set-up
- Claire Starmer: Cultural officer – will be involved in running EZCAA day-to-day
- Additional Cultural Officer TBC: New staff will be brought on to support and oversee EZCAA alongside other projects under the supervision of experienced colleagues.

The programme team will be externally recruited. Planning is already in place for job descriptions and so as soon as funding is confirmed – hopefully in July - recruitment will begin. There is flexibility on the start date of the first round of CAA funding, as in this case the project will continue for at least one year, regardless of when it starts. This means that a delay in recruitment can be accommodated.

5.2.2 Use of external consultants

List key consultants (individuals and organisations) involved and outline their track record.

N/A

5.3 Governance

5.3.1 Project management

Outline the proposed project management structure including roles and responsibilities.

EZCAA Programme Management

Assistant Director, Neighbourhoods at BCC will have overall responsibility for EZCAA.

EZCAA Programme Team will be run by the Culture & Tourism Department at BCC:

- Head of Culture & Tourism at BCC - having overall managerial responsibility
- Senior Cultural Advisor (from GBSLEP) – responsible for year 1 set-up and initial management
- Senior Policy Officer at BCC – day-to-day management
- Culture Officer – day-to-day activity

EZCAA Network Group:

- Representatives from each CAA (both EZCAA and others from previous funding) will meet quarterly to identify issues, opportunities and ensure that learnings and better practice are shared amongst all

Project Management of individual EZCAA projects

The day-to-day running of individual EZCAA projects will be handled by their teams with various structures, depending on the consortia and their capabilities. Some EZCAA projects will be run by local authorities or Business Improvement Districts, whereas others may be run by arts or community organisations. A typical EZCAA project will have:

- **A lead organisation** - to receive and manage the grant and be accountable to the programme management team at BCC. They will have a project manager as their named contact.
- **A steering Group** – made up of the core consortia – this will typically be the principle participating organisations who are leading on that particular EZCAA
- **A wider network of stakeholders** -who will support the CAA and build their own working relationships beyond the CAA, as it progresses. These will typically be local businesses, cultural organisations, community organisations and other delivery organisations
- Each EZCAA will be a part of the overall **EZCAA Network Group** – being run by the EZCAA Programme Team - to ensure learnings are circulated

Breakdown for EZCAA Programme Team

The programme team consists of the following personnel:

Culture Officer Grade 4 – £220/day - 72 days per year (40 days in year 1 as part year only)

Senior Culture Officer Grade 5 - £265/day - 36 days per year (20 days in year 1 as part year only)

Senior Cultural/CAA Specialist SPC £500/day - 30 days year one only (includes project set-up)

Communications, Marketing & Stakeholder Management (Marcom)

BCC's comms team will support EZCAA at no direct cost, except for specific items like photography and print resources. In addition, EZCAA will hire 2 venues for face2face events each year including various refreshments.

Evaluation:

The project includes interim evaluations after year 2 (£2,500), year 4 (£3,500) and a final evaluation after year 6 (£7,500).

| team | 23/24 | 24/25 | 25/26 | 26/27 | 27/28 | 28/29 | totals |
|--------------|---------|---------|---------|---------|---------|---------|---------|
| G4 | £8,800 | £15,840 | £16,632 | £17,463 | £18,336 | £19,255 | £96,326 |
| G5 | £5,300 | £9,540 | £10,017 | £10,518 | £11,044 | £11,596 | £58,015 |
| SCP | £15,000 | | | | | | £15,000 |
| Marcom costs | £2,500 | £2,650 | £2,775 | £2,920 | £3,090 | £3,224 | £17,159 |

| | | | | | | | |
|------------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| Evaluation costs | | £2,500 | | £3,500 | | £7,500 | £13,500 |
| totals | £31,600 | £30,530 | £29,424 | £34,401 | £32,470 | £41,575 | £200,000 |

The financial profile, including the programme management costs are shown in
Appendix 5 – EZCAA Funding Profile

The Management costs for BCC to run and evaluate the programme are included in the table above and shown in Appendix 5 Funding Profile. These costs are apportioned between capital and revenue.

EZCAA Monitoring and Project Support:

The BCC programme team will have regular individual meetings with each project team, monthly at first and then every two months if all is running smoothly. Where all is going well these will be a simple check-in, to review progress, some though will require more hands-on support, and some may be experiences unexpected challenges, and our team will provide the necessary support.

There will be quarterly facilitated group meetings, so that CAA project leads can get together with each other to compare notes, issues, challenges, learnings, positive news and so on. These proved extremely important and worthwhile during the GBSLEP pilot and will be continued for EZCAA.

5.3.2 Project governance

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

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

Governance:

EZCAA will have a **Steering Group** to support its success and integration with other cultural and neighbourhood-based projects at BCC. This group will include:

- Senior Representatives from EZCAA Programme Team
- Birmingham's Cultural Compact Chair/Rep
- Birmingham High Streets BID Manager
- Community Organisation Representative – TBC eg., *Locality*
- With guest representatives of relevant organisations as required: including Arts Council England, Commonwealth Games Legacy programme, BCC Neighbourhood Teams, etc
- Enterprise Area Programme Manager

The governance board will ensure that CAA projects are running as effectively as possible, and where there would be benefits with CAAs working more closely with Commonwealth Games legacy programme projects or community projects then these connections are made. The board will also look at ways for EZCAA projects to meet cross-regionally, as it is expected that CAA programmes will also be running in other local authorities such as Wolverhampton and Sandwell. The board will provide checks and balances to make sure that projects are supported as well as possible so that they can deliver as effectively as possible. The board will

EZCAA Programme Reporting:

This project forms part of the wider Enterprise Area Programme and progress on financial and non-financial performance will be monitored and reported within the overall EZ programme as required. The EZ programme also reports on a six-monthly basis to BEIS.

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 Marketing and Communications Plan (**Appendix 9**) sets out the importance of broad stakeholder engagement to promote the programme and ensure a wide engagement with it.

- These include cultural networks, cultural organisations, cultural artists, community groups, businesses and citizens from all groups and ages, from families and young people, older and vulnerable groups. Stakeholder groups will be highly diverse culturally with considerable communication efforts to reach as many Birmingham city groups as possible.

Once projects get commissioned to run EZCAAs the programme's success is fundamentally about the development of strong local leadership and effective and diverse stakeholder groups involved with each project. The EZCAA team will ensure that these stakeholder groups get developed as effectively as possible. This will be done in two ways:

1. With regular project reviews and visits to EZCAA project groups
2. By running and encouraging all to get involved in the **EZCAA Network Group**. Representatives from each CAA (both EZCAA and others from previous funding) will meet quarterly to identify issues, opportunities and ensure that learnings and better practice are shared amongst all

Stakeholder engagement external costs are included in the Marcom plan, see section 5.4.3.

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.

N/A

5.4.3 Communications and marketing plan

Outline your proposed approach to project communications and marketing.

The Marketing & Communications Plan is set out in **Appendix 9: EZCAA Marketing & Communications Plan**. Key bullets in high-level summary include:

Comms Team:

- BCC's coms team will develop the necessary assets and will provide core social media marketing
- BCC's Culture & Tourism Team will support comms by providing them with key stakeholder and network targets

Resources:

- Social media visual elements,
- On-line landing page –application and guidance
An example draft of the call information is contained in
Appendix 12: Outline of Contestable Call for EZCAA
- Webinars and a face-to-face workshop
- Coordinated Q&A responses
- Individual Surgery Slots

Communications, Marketing & Stakeholder Management (Marcom)

BCC's comms team will support EZCAA at no direct cost, except for specific items like photography and print resources. In addition, EZCAA will hire 2 venues for face2face events each year including various refreshments.

| Marcom Plan | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | Total |
|---------------|---------|---------|---------|---------|---------|---------|---------|
| Cost per year | £2,500 | £2,650 | £2,775 | £2,920 | £3,090 | £3,224 | £17,159 |
| | | | | | | | |

5.5 Monitoring and evaluation

Outline the proposed approach to monitoring and evaluation of project outputs and outcomes, including assigned responsibilities and budgeted costs. Note the GBSLEP will be collecting monitoring information until at least March 2025.

The monitoring evaluation plan is set-out in **Appendix 11: EZCAA Monitoring & Evaluation Plan**.

The project includes interim evaluations after year 2 (£2,500), year 4 (£3,500) and a final evaluation after year 6 (£7,500).

5.6 Risk management

*Append a fully assessed Risk Register to include RAG rating, risk owner, mitigation and contingency arrangements (minimum requirements in 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>.

See **Appendix 6: EZCAA Risk Register** for full details, also summarised below:

| Key Risk | Impact (H/M/L) | Probability (H/M/L) | Mitigation |
|--|----------------|---------------------|--|
| Insufficient High-quality applications to EZCAA reaching target audience/beneficiaries | L | L | A cross-geography, coordinated Marketing Plan, including comms and PR campaign will maximise beneficiary reach. Also, ensure all potential applicants are followed up via surgeries, webinars and workshops. |
| Too many applications, reputational risk to BCC and risk many good | L | M | If too many applications are received, applications will be reviewed and funding granted based on each projects strategic alignment as well as an assessment of their |

| | | | |
|---|---|---|--|
| projects will not be fundable. | | | capacity to delivery projects. In addition, the EZCAA team will research and work with all other funding programmes which might be relevant to unsuccessful applicants. |
| Lack of expertise/resources within BCC to run project | M | L | BCC have got input for setting up EZCAA from GBSLEP experts who ran pilot. When EZCZA established it will run like existing cultural programmes, and so much of the required expertise already exists in house at BCC. |
| Consortium and delivery partner lack capacity to deliver | L | L | Partners have confirmed capacity, access to participants and secondment opportunities. As each CAAs operate quasi-autonomously, their individual actions can easily scale to their own capacity. |
| Lack of agreed match-funding and resources mean individual EZCAA projects can not deliver outputs and outcomes as expected | L | L | Ensure application process examines the match risk. Flexibility of each CAA means it could easily be re-profiled to adapt to changing resources |
| The steering group/stakeholder group is less effective and/or has conflict | L | M | ongoing regular meetings, grievance reporting structure and resolution framework. |
| Covid 19 outbreak or similar means individual EZCAA projects cannot deliver outputs and outcomes as expected | M | L | Covid would mean a delay to fulfilling all aspects of each EZCAA, but some elements would continue uninterrupted. projects can be re-designed to deal with lock-down. End dates for collection of outputs/impacts can be delayed. |
| Budget overruns within individual EZCAA projects | L | L | Individual EZCAA projects are highly flexible. Each has many elements, so if one over-runs in cost another aspect can be cut back to compensate within that individual CAA project. |
| Conflict with other community/neighbourhood funding programmes and potential double-funding in some local centres | L | L | Mitigation already being done by ensuring that all funding streams are aware of the existence of each other, how they differ and how they can collaborate to deliver better outcomes of Bham's citizens |
| Poor engagement with hard to-reach communities where there is a critical need for the project but a lack of capability on the ground to run the project | L | H | The EZCAA application process will make allowances for any weaker bids that clearly do have great potential. The EZCAA project team will provide additional support for certain applicants where failure to support would mean that area of Birmingham misses out completely. |
| Failure to locate and acquire meanwhile space in timely way may significantly impact an individual EZCAA | M | M | Local Authority partners working with their estate teams, BIDs and private landlords to identify available spaces. Need and availability were assessed, and areas designated priorities for this activity. Previous CAAs have found great willingness by private landlords to offer space. Arts organisations such as East Street Arts have extensive experience negotiating and managing meanwhile use arts projects. |
| Financial Management | L | L | clear budgets, cash flow and payment schedule for all partners. Regular budget reporting to |

| | | | |
|--------------------|---|---|---|
| | | | consortium steering group to identify any over/underspend. |
| Project Timescales | L | L | Ongoing monitoring of achievement against milestones and contingency planning. A strong delivery support network of consortium partners is in place to assist. Intrinsic flexibility and independence of each project allows for rapid reorganisation and rescheduling of events without impacting other projects or overall goals. |
| Safeguarding risks | H | L | Ensure that all EZCAA leads have safeguarding policies, DBS checks and risk assessments in place for all community engagement |

Process to Monitor Risk

- Due Diligence checks on funded beneficiaries where required including financial status and governance arrangements
- Management and monitoring of appropriate and legitimate tendering and procurement processes done within individual EZCAA projects
- A clear process for consortium partners and local deliverers to report incidents, including any risks will be provided
- We will hold regular core consortium meetings to review milestones, timescales, delivery progress, evaluation progress and risks to delivery.
- Risk mitigation will be a standing agenda at the consortium steering group, highlighting any immediate concerns or mitigation requirements
- A rigorous evaluation process, both interim and final, including regular progress reviews will be in place for all EZCAA projects throughout their duration.
- EZCAA will report regularly to senior management overseeing the Cultural & Tourism Team within BCC's Neighbourhoods Directorate, where any emerging issues can be flagged and remedial work options discussed.
- Regular networking sessions for CAA projects will enable them to share best practice and mitigate any emerging concerns through discussion and mutual support
- Regular and coordinated communications will ensure projects have the maximum chance of success
- BCC will communicate regularly with all relevant partners, both inside BCC and outside.

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, ☐ Yes ☒ No

| | |
|---|---|
| current or pending) undertaken under the Companies, Financial Services or Banking Acts? | |
| 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 GBSLEP funding.

C3. Senior Responsible Owner Declaration

As Senior Responsible Owner for **Cultural Action Area EZ Programme (EZCAA)** I hereby submit this request for Enterprise Area Funding allocation on behalf of GBSLEP 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 requirements.

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

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

I understand that a copy of the main Business Case document will be made available on the GBSLEP 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: Chris Jordan | Signed: |
| Position: Assistant Director, Neighbourhoods | |
| Date | |

C4. Section 151 Officer / Chief Financial Officer Declaration

As Section 151 Officer (or Chief Financial Officer) for [PROJECT NAME] I hereby agree that this request for [FUND NAME] allocation on behalf of [NAME OF APPLICANT ORGANISATION] 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 [NAME OF APPLICANT ORGANISATION]:

- 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 GBSLEP 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 GBSLEP 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: | Signed: |
| Position | |
| Date | |

D. Development Costs

Only complete this section at OBC stage. Only complete this section if you wish to apply for a funding contribution towards the development costs of this projects FBC. The application for a funding contribution towards development costs will only be progressed if the OBC is assessed to meet the required criteria to proceed through to FBC. Applications are assessed on a risk basis and typically provided to public sector organisations only.

If the project does not achieve FBC approval from GBSLEP, the development funding will be required to be repaid.

| | |
|--|-----|
| Total Development Costs for this project (up to and including FBC submission) | N/A |
|--|-----|

| | |
|---|---|
| GBSLEP funds contribution sought towards the Total Development Costs | <i>Typically, up to 10% of the total GBSLEP funding requested</i> |
|---|---|

Please describe and provide a financial breakdown of the Development Work to be undertaken.
Please include specifically what the GBSLEP 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.

N/A

| | |
|---|--|
| 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 GBSLEP funding will be defrayed to you on the following conditions:

- The GBSLEP 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 GBSLEP 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 GBSLEP in full.
- You will include GBSLEP 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 GBSLEP 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: Chris Jordan | Name: |
| Position: Assistant Director, Neighbourhoods | Position: |
| Date: | Date: |
| Senior Responsible Owner | Chief Financial Officer (or equivalent) |

E. Appendices

List of Appendices

I. Reference

- a. Definitions and acronyms
- b. Additional resources

II. Templates & Appendices Included with this Document

1. Options appraisal: critical success factors
2. List of delivery options - **not used (included in bid text)**
3. EZCAA: Options cost-benefit analysis
4. EZCAA: Output and outcomes forecast profile
5. EZCAA: Funding profile
6. EZCAA: Risk register (excel spreadsheet, supplied separately)
7. EZCAA: Business Case - Economic Analysis - Sensitivity Analysis
8. Output Model - from GBSLEP Pilot Actuals
9. EZCAA Marketing & Communications Plan
10. EZCAA Logic Model
11. EZCAA Monitoring & Evaluation Plan
12. Outline of Contestable Call for EZCAA
13. Cultural Action Areas – Evaluation Learnings – March 2023 Final
14. EZCAA Business Case - Economic Analysis - Sensitivity Analysis
15. Project Response-Our Future City Plan
16. EZCAA Subsidy Control
17. GBSLEP Pilot Evaluation – Balsall Heath Second Saturday

These appendices not required for this FBC

- Programme Plan
- Organisation and project organogram
- 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
- Organisation and project organogram
- Procurement contract
- 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 GBSLEP Strategic Economic Plan |
| DfE | Department for Education |
| DfT | Department for Transport |
| EoI | Expression of Interest |
| FBC | Full Business Case |
| GBSLEP SEP | GBSLEP Strategic Economic Plan |
| 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 |
| 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

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>

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>

GBSLEP Strategic Economic Plan

<https://gbslep.co.uk/resources/reports/strategic-economic-plan-2016-30>

GBSLEP Assurance Framework

<https://gbslep.co.uk/about-us/governance-and-transparency/>

GBSLEP Towns and Local Centres Framework

<https://gbslep.co.uk/what-we-do/place/develop-thriving-towns-local-centres>

GBSLEP Culture Investments

<https://gbslep.co.uk/strategy/place/cultural-investments/>

West Midlands Combined Authority: Strategic Economic Plan

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

West Midlands Local Industrial Strategy

<https://www.wmca.org.uk/what-we-do/industrial-strategy/>

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

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>

WM2041 Climate Action Plan

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

Appendix 1: Options appraisal - Critical Success Factors template – info contained in bid text

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

Source:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/685903/The_Green_Book.pdf

Appendix 2: List of delivery options - **template – info contained in bid text**

| 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> | |
|---|--|
| Reference Case (mandatory) <i>(the position in terms of required outcomes and benefits that would occur if the project did not proceed)</i> | Description <i>Full details of the option under consideration.</i> |
| | Main Advantages <i>Strengths and opportunities in terms of the critical success factors.</i> |
| | Main disadvantages <i>Weaknesses and threats in terms of the critical success factors.</i> |
| | Conclusions <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> |
| Option 1 | Description <i>Full details of the option under consideration.</i> |
| | Main Advantages <i>Strengths and opportunities in terms of the critical success factors.</i> |
| | Main disadvantages <i>Weaknesses and threats in terms of the critical success factors.</i> |
| | Conclusions <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> |
| Option 2 | Description <i>Full details of the option under consideration.</i> |
| | Main Advantages <i>Strengths and opportunities in terms of the critical success factors.</i> |
| | Main disadvantages <i>Weaknesses and threats in terms of the critical success factors.</i> |
| | Conclusions <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> |
| Insert further Options as required | Description <i>Full details of the option under consideration.</i> |
| | Main Advantages <i>Strengths and opportunities in terms of the critical success factors.</i> |
| | Main disadvantages <i>Weaknesses and threats in terms of the critical success factors.</i> |
| | Conclusions |

| | |
|--|--|
| | <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) template – info contained in bid text

| | Option 1: Reference Case (Do Nothing) | Option 2: Preferred way forward | Option 3: Do Maximum | Option X: Add columns as required |
|--|---|---------------------------------------|-------------------------|---|
| Brief description of the option | | | | |
| Costs (£000) | | | | |
| Capital costs (excluding VAT) | | | | |
| Revenue costs | | | | |
| Total costs | | | | |
| Discounted costs (Present Value of Costs) (1) | | | | |
| Significant unmonetisable costs | | | | |
| Benefits (£000) | | | | |
| Benefit A | | | | |
| Benefit B | | | | |
| Benefit C | | | | |
| Total benefits | | | | |
| Discounted benefits (Present Value of Benefits) (2) | | | | |
| Significant unmonetisable benefits | | | | |
| Cost benefit analysis | | | | |
| Net Present Value (=2-1) | | | | |
| Benefit-cost ratio (=2/1) | | | | |