

Full Business Case (FBC)			
1. General Information			
Directorate	Economy	Portfolio/Committee	Education, Skills and Culture
Project Title	ESF 1.1 Progression Pathways for Adults	Project Code	005097/2018 (Forward Plan Ref No)
Project Description	<p>BACKGROUND</p> <p>European Structural and Investment Funds (ESIF) are administered by managing authorities, the Department for Communities & Local Government and the Department for Work and Pensions (DWP), who released calls on 21 April 2017 for applications to deliver employment support provision across the GBSLEP area. In response to the recent European Social Fund (ESF) call for projects that will specifically support Priority Axis 1 Inclusive Labour Markets this Project has been developed and application for funding progressed in line with submission timescales and with support from the then Cabinet Member for Jobs & Skills.</p> <p>The Progression Pathways for Adults Project has been developed under Investment Priority 1.1 Access to Employment for Jobseekers and Inactive People in dialogue with a range of stakeholders (see Appendix B). Following the successful submission of an outline application on 31 June 2017, the Council was asked on 28 September 2017 to submit a second stage (full) application by 24 November 2017 to deliver the Progression Pathways Project across Birmingham and Solihull. The Project will be managed through Birmingham City Council's (the Council) Employment Service and delivered in partnership with Solihull Metropolitan Borough Council (SMBC).</p> <p>PROJECT DELIVERY</p> <p>The aim of this Project is to improve the employability of long term unemployed residents through a set of interventions and support to move into sustainable employment. The particular focus will be those facing disadvantage and barriers to entry in the existing labour market.</p> <p>The project will engage with unemployed and inactive residents across Birmingham and Solihull supported by Jobcentre Plus (JCP), National Careers Service (NCS) and community and voluntary sector partners, particularly targeting those with no/low basic skills, BME (black and minority ethnic) groups, women, lone parents, people with disabilities and health conditions and those from areas of high unemployment.</p> <p>In partnership with employers and sector representatives, training pathways will be available for participants from target groups and linked to GBSLEP sectors of high demand and growth:</p> <ul style="list-style-type: none"> • High Speed 2 and supply chain • Advanced Manufacturing & Engineering • Creative Industries • Low Carbon & Environmental Technologies and Services • Transport & Logistics • Life Sciences • Digital & Tech • Business, Professional and Financial Services • Sectors where there is a significant replacement demand, such 		

as Construction & Infrastructure, Health and Social Care.

The project will work in conjunction with Further Education (FE) colleges and training providers to bring forward a framework of training provision that will ensure participants gain basic skills qualifications, sector specific skills, experience and knowledge that will enable them to engage more effectively in the labour market and progress to sustainable employment.

The project team will work closely with JCP, NCS and other community based organisations as part of the attraction campaign, promoting the project and providing referrals into the provision. This will be done through attendance at JCP Group Information Sessions with JCP Work Coaches, and through the NCS opportunities database and NCS Advisors which will then generate referrals directly into the programme. These activities can be targeted to specific under-represented groups.

Timescale for delivery

Subject to approval; the project will begin on 1 July 2018 and complete by 31 October 2020 – 28 month duration. See Appendix C for Timeline and Milestones overview.

Who will deliver the programme?

Birmingham City Council will:

- Act as the Accountable Body
- Be the lead partner
- Be responsible for overall project development, management and delivery.
- Agree a Service Level Agreement with SMBC to ensure that roles and responsibilities are clearly set out. A robust partnership framework is already in place with SMBC as a result of joint project delivery on several EU funded projects over the past years. Further detail on roles and responsibilities outlined in para 5.4.
- Ensure compliance with DWP grant conditions and seek to mitigate these through appropriate contractual agreements with the delivery partner and service providers through the Council's approved processes.
- Allocate experienced officers from within the Economy Directorate to monitor and manage the project.
- Closely monitor and manage project performance both in terms of outputs and expenditure on a monthly basis to ensure that any risk to achievability is identified and actions put in place to mitigate impact.
- Ensure all delivery arrangements are subject to monitoring and performance checks to ensure compliance and eligibility of activity.
- Undertake where appropriate project compliance visits.
- Address any issues arising around ability to deliver against required project outputs in a timely manner through appropriate dialogue and consultation with DWP to ensure that activity is scaled down as required and claw back is managed. The SLA and any contracts with commissioned providers will contain clauses to ensure that any responsibility for claw back implications can be passed on and enforced with the delivery partner and/or contractors.
- Deliver support to Birmingham residents.
- Shape provision for Birmingham residents.

Solihull MBC will:

- Be the project's delivery partner.
- Deliver support to Solihull residents.
- Attend and participate within the project delivery group.

	<ul style="list-style-type: none"> • Shape provision for Solihull residents. <p>Officers from Birmingham and Solihull form the Project Delivery Team and will ensure that activity is delivered as per the project outputs and results defined through the approval process with DWP.</p> <p>See Appendix D for Organogram.</p> <p>Procurement Up to £2.9m of the gross value of the project will relate to direct delivery provided in-house through either the Council or its named delivery partners. Additional activity up to £954,384 will be commissioned through external providers via a procurement process compliant with the Public Contracts Regulations 2015 (PCR 2015) with up to £754,384 to commission sector specific training through the programme, and up to £200,000 allocated to deliver more innovative provision of basic skills training for those with no/low basic skills.</p> <p>The Council has a published procurements procedures manual. All procurement opportunities to be advertised through the “Find it in Birmingham” web portal in the first instance. Any contracts which exceed the relevant threshold (currently £181,302) shall be advertised in the Official Journal of the European Union (OJEU) and be procured in accordance with PCR 2015. Further details of procurement activity is set out within Appendix E.</p> <p>Programme beneficiaries The project will provide support to long term unemployed/workless and inactive people, aged 25 and over, under-represented in the workforce and in identified growth sectors, particularly those with additional barriers such as:</p> <ul style="list-style-type: none"> • low or no qualifications • low literacy/numeracy/digital skills • limited English language proficiency • requiring very local and accessible learning provision to engage in learning that develops their skills <p>Engagement and service delivery will focus on the specific needs of participant target groups where required; working with specialist organisations to engage with targeted client groups; and in the delivery of training provision to meet certain need, e.g. women only sessions, community venues, delivery hours.</p> <p>See Appendix F for Delivery Model.</p>	
<p>Links to Corporate and Service Outcomes</p>	<p>The project supports the Council Plan and Budget 2018+ vision and priorities, particularly in respect of Jobs and Skills –“A great city to succeed in.” Project delivery will contribute to addressing enduring and structural issues related to unemployment and low skill levels and enables participation in the labour market. With the City Council as the lead applicant we will ensure that the project is synchronised with the jobs and skills priorities using the investment where it will have the most impact in conjunction with SMBC.</p>	
<p>Benefits Quantification- Impact on Outcomes</p>	<p>Measure</p> <p>Delivery of intensive bespoke support to the target cohorts that have multiple issues and are distant from the labour market, particularly for those that have</p>	<p>Impact</p> <p>Birmingham is currently below the UK average for qualifications. The project will increase skills levels, particularly at basic levels. It will directly support 186 people with</p>

APPENDIX A

	no/low basic skills, with personalised support assisting these people into sustainable employment outcomes.	basic skills and qualifications and will therefore directly impact on the number of residents with qualifications.																										
	People moving from benefits into employment as a result of their increased skills levels, impacting on unemployment levels across Birmingham and individual wards.	<p>Employment has a direct positive impact on quality of life and health outcomes for people moving into employment.</p> <p>Could contribute towards generating an approximate basic saving of £11,301 per person per annum to the public purse with reduced benefits payments and increased tax contributions (Office for National Statistics Nov 17).</p>																										
	Raised awareness of careers and opportunities in growth sectors; often where there are an increasing number of vacancies, opening up the career paths to a wider labour market and linking training directly to job opportunities.	<p>Wider benefits on the aspirations of residents, improving their future employability and career opportunities across a range of sectors.</p> <p>Benefits to employers who have higher qualified candidates with targeted programmes to assist them in filling vacancies where they may previously have identified difficulties in recruiting local residents with the right skills.</p>																										
Project Deliverables	<p>The project will engage with 2,063 long term unemployed and inactive participants providing support into basic skills provision, training and employment supporting a total of 499 participants into job search and/or employment. It will target those with no/low basic skills, people from black and minority ethnic backgrounds (BME) women, lone parents, people with disabilities and health conditions, those over the age of 50 and those living in areas of high unemployment. The following outputs and results have been calculated based on the call requirements.</p> <p>Outputs – in relation to target groups</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2">Total participants to be engaged of which:</td> </tr> <tr> <td>Unemployed</td> <td style="text-align: right;">1,650</td> </tr> <tr> <td>Inactive</td> <td style="text-align: right;">413</td> </tr> <tr> <td>Total engaged</td> <td style="text-align: right;">2.063</td> </tr> <tr> <td colspan="2"> </td> </tr> <tr> <td colspan="2">Targeted groups:</td> </tr> <tr> <td>50+</td> <td style="text-align: right;">423</td> </tr> <tr> <td>BME</td> <td style="text-align: right;">578</td> </tr> <tr> <td>Disabilities and health conditions</td> <td style="text-align: right;">598</td> </tr> <tr> <td>without basic skills</td> <td style="text-align: right;">363</td> </tr> <tr> <td>lone parents</td> <td style="text-align: right;">292</td> </tr> </table> <p>Results – impact in relation to target groups above</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Unemployed into employment</td> <td style="text-align: right;">363</td> </tr> <tr> <td>Inactive into employment or job search</td> <td style="text-align: right;">136</td> </tr> </table>		Total participants to be engaged of which:		Unemployed	1,650	Inactive	413	Total engaged	2.063			Targeted groups:		50+	423	BME	578	Disabilities and health conditions	598	without basic skills	363	lone parents	292	Unemployed into employment	363	Inactive into employment or job search	136
Total participants to be engaged of which:																												
Unemployed	1,650																											
Inactive	413																											
Total engaged	2.063																											
Targeted groups:																												
50+	423																											
BME	578																											
Disabilities and health conditions	598																											
without basic skills	363																											
lone parents	292																											
Unemployed into employment	363																											
Inactive into employment or job search	136																											

APPENDIX A

	Total into employment	499
	In addition participants:	
	gaining basic skills	186
	receiving childcare support	105
	in employment 6 months after leaving	*701
<p>*This figure is counted from the total engagements group on the basis that 34% of total participants will be in work 6 months after the end of the programme (701). This will be collected through the 6 month leavers survey run by the ESF Evaluation Team DWP.</p> <p>Further information on outputs and results expected are set out in Outputs and Results Schedule Appendix G.</p>		
Scope	<p>SPECIFIC ACTIVITIES</p> <p>“Progression Pathways” will promote and inspire people to take part in training. This will enable individuals to access person-centred and industry led upskilling programmes in local community-based venues.</p> <p>The needs of participants particularly those:</p> <ul style="list-style-type: none"> • with low or no skills/qualifications • who lack knowledge of the local labour market • who are assessed to have limited skills for effective job search • who are deficient in experience and recent exposure to prospective employers and the work place will be accessed. <p>The defined project stages include:</p> <p>Progression Stage 1: Attraction/Outreach Progression Stage 2: Referral/Engagement Progression Stage 3: On Programme – Training and Job Matching</p> <p>See Appendix A1 for full project description.</p>	
Scope exclusions	<p>The Project will be delivered within the scope of the EU eligibility guidelines and call specification within the Birmingham and Solihull geography.</p>	
Dependencies on other projects or activities	<p>Achievement of project delivery and milestones is dependent upon the approval of funding and the receipt of an offer letter.</p> <p>The Employment Service is also leading on a concurrent ESF bid under ESF call 2.2 Skills for Growth Hub – Improving the labour market relevance of education and training systems (I.P. 2.2 OC12S17P0800) which will feed into this Project by linking employers seeking recruitment support to the services of the Employment Team and the wider recruitment and training support opportunities available across Birmingham and Solihull. Employers accessing the Skills Hub will receive training needs analysis linked to their current workforce and future business needs; with Skills Advisers promoting the opportunities available to employers through this Project to support their recruitment needs and make referrals where relevant.</p> <p>The Project will also continue to engage with employers through the GBSLEP Growth Hub, BCC’s Business Development and Innovation Service and other methods, as well as promotional and awareness raising with employers through partners and direct engagement.</p>	

<p>Achievability</p>	<p>This project has been developed based on activity and output evidence gained by the Employment Service (specifically through the Employment Access Team). Building on successful models of delivery developed through previous programmes including: Flexible Support Fund (Project 20,000); CITB Joint Investment Strategy Construction Project; redevelopment of New Street Station and Grand Central Birmingham. Models featured engagement and referral stages to identify eligible participants through to building programmes into delivery platforms, for example, JCP Group Information Sessions and Work Coaches, and NCS opportunities database and Advisors which then generated referrals directly into the programme targeting specific under-represented groups.</p> <p>The programme team will work closely with JCP, NCS and other community based organisations as part of the attraction campaign, promoting the project and providing referrals into the provision.</p> <p>The outline application submitted to DWP on 31 June 2017 received approval to progress to full application. The full application has been appraised at the recent ESIF Committee held on 17 April 2018 and received committee approval to progress. We are awaiting formal communication from DWP in this respect.</p> <p>Key risks:</p> <ul style="list-style-type: none"> • Lack of demand – difficulty accessing and engaging eligible participants • Over demand – too many eligible participants, or too many participants in specific target groups • Difficulty progressing participants into employment • Difficulty commissioning suitably experience training providers that can meet the flexible demands of the project • Difficulty linking with employers • Delay in confirmation of funding • Associated match funding not available. <p>Risks will be managed to remove or mitigate them as far as possible and a risk register is included at Appendix H.</p> <p>BCC has extensive experience of managing European projects and resources. In addition to the successful current running of ERDF, ESF ITM TA and YEI projects, BCC has vast experience of being a Co-Financing organisation and managing a complex network of delivery partners. BCC has experience of assisting project partners and coordinating them to ensure that they are able to learn from the delivery, capacity building, compliance, eligibility, feasibility work that BCC will undertake.</p> <p>All partners will be trained on project systems and monitoring frameworks to ensure all relevant staff are aware of expectations and audit requirements. Written guidance will be produced to back up this training.</p> <p>A dedicated project manager and team within BCC's Employment Team (see Appendix D for Project Organogram) will be responsible for day to day management and effective delivery of the project, across all delivery partners, overseeing compliance, delivery of outcomes, financial monitoring, internal audit, data returns/claims and quality assurance. Upon notification of project funding a full risk assessment will be produced and appropriate mitigations put in place and monitored.</p>
-----------------------------	--

APPENDIX A

	<p>Solihull MBC have extensive experience of managing and delivering European projects and resources including on the current YEI project and are current delivery partner/contractor on the Solihull & Youth Promise Plus project, therefore, have a good understanding and in depth knowledge of EU funded projects.</p> <p>The project delivery requirements will be built around the ESF eligibility rules and regulations with robust IT and monitoring systems put in place to monitor eligibility of beneficiaries and activity delivered as part of the project. Programme guidance will be available and shared with delivery partners to communicate compliance and eligibility.</p> <p>An internal audit schedule will be implemented to review compliance and raise potential issues early on in delivery.</p> <p>Input into systems and processes will be sought internally through European Team, finance, audit and legal services from the outset ensure compliance to regulations and procedures.</p> <p>The project team will also ensure it is maintaining compliance with eligibility rules during project delivery by using management control mechanisms, including:</p> <ul style="list-style-type: none"> • Regular management meetings for project • Risk register • Regular review meetings with delivery partners to ensure compliance with SLA, including paperwork checks • Claim submission, defrayal, verification of evidence and reimbursement of delivery costs • Quarterly progress report for steering group • End of project evaluation • Support from BCC expert advisors and GBSLEP Technical Assistance team – for specific compliance procedures (procurement, state aid, financial defrayal evidence, document retention etc). 		
Project Manager	Kam Hundal, 0121 303 3663 / 07920 275 390 kam.hundal@birmingham.gov.uk		
Budget Holder	Lloyd Broad, 0121 303 2377 lloyd.broad@birmingham.gov.uk		
Sponsor	Lloyd Broad, 0121 303 2377 lloyd.broad@birmingham.gov.uk		
Project Accountant	Andy Price, 0121 303 7107 andy.r.price@birmingham.gov.uk		
Project Board Members	Lloyd Broad, 0121 303 2377 lloyd.broad@birmingham.gov.uk Kam Hundal, 0121 303 3663 / 07920 275 390 kam.hundal@birmingham.gov.uk Mark Reed, 0121 303 2372 Mark.Reed@birmingham.gov.uk Natalie Goulding, Children's Services and Skills Directorate - Solihull MBC, 0121 704 8732, ngoulding@solihull.gov.uk Tom Dixon, Children's Services and Skills Directorate - Solihull MBC 0121 704 8732 tdixon@solihull.gov.uk		
Head of City Finance (HoCF)	Simon Ansell	Date of HoCF Approval:	

2. Budget Summary (Detailed workings should also be supplied)

APPENDIX A

Please see Appendix I for detailed breakdown of costs		Voyager Code	Financial Year 1 July 18 – Mar 19	Financial Year 2 Apr 19 – Mar 20	Financial Year 3 Apr 20 – Oct 20	Totals
Revenue Consequences						
BCC	Salary Costs		287,444	407,560	237,744	932,748
	Overheads @15%		43,118	61,135	35,661	139,914
	Other Direct Costs		141,092	621,883	354,114	1,117,089
	Totals		471,654	1,090,578	627,519	2,189,751
SMBC	Salary Costs*		275,998	403,768	235,532	915,298
	Overheads @15%**		41,400	60,566	35,326	137,292
	Other Direct Costs		9,300	12,740	5,027	27,067
	Totals		326,698	477,074	275,885	1,079,657
Project Totals			798,350	1,567,650	903,408	3,269,408
Funded By:						
BCC – Employment Service	RD001		180,897	173,705	101,328	455,930
BCC – Adult Education	Reserves		102,565	443,217	254,218	800,000
SMBC			115,713	166,903	96,158	378,774
ESF			399,175	783,825	451,704	1,634,704
Totals			798,350	1,567,650	903,408	3,269,408
<p>* Includes £280,086 Salary costs for 3 Staff employed by SMBC on behalf of BCC</p> <p>** Includes £42,013 Overhead costs for the 3 Staff employed by SMBC on behalf of BCC</p> <p>This results in additional ESF grant to SMBC of £.161M above the 50% intervention rate and a corresponding decrease in the BCC ESF grant</p>						
Planned Start date for delivery of the project		1 July 2018	Planned Date of Technical completion		31 October 2020	

3. Checklist of Documents Supporting the FBC

Item	Mandatory attachment	Number attached
Full Project Description	Y	A1
Stakeholder Analysis	Y	B
Timeline & Milestones	Y	C
Organogram	Y	D
Procurement of Contracts	Y	E
Delivery Model	Y	F
Outputs & Results	Y	G
Risk Register	Y	H
Detailed Budget	Y	I