

# Business Justification Case

## Single Assurance Framework



West Midlands  
Combined Authority

**BUSINESS JUSTIFICATION CASE**

The purpose of the **Business Justification Case (BJC)** is to:

Act as a single stage business case, using the Five Case Model, for the delivery of relatively low risk spend for which firm prices are available.

A BJC may be considered within WMCA for smaller items of spend, which:

- Are not novel or contentious and
- can be procured from an existing pre-competed arrangement whilst
- recording the findings of the procurement phase to identify the option that offers the 'most economically advantageous tender' (MEAT) and best public value.

To support better spending, investment decisions and better procurement, this Business Justification Case should be written using West Midlands Combined Authority (WMCA) guidance. In addition, it is a requirement that all proposals for public funds submitted to WMCA are guided and based around the HM Treasury's Green Book and supporting information can be found [here](#).

<b>PROJECT DETAIL</b>			
<b>Project Name:</b>	Mobilising Plan for Growth		
<b>Programme Name (if applicable)</b>			
<b>Directorate (if WMCA internal):</b>	Economy, Skills and Communities		
<b>Organisation (if WMCA external):</b>			
<b>GOVERNANCE</b>			
<b>If external to WMCA, when was this project approved by your internal governance?</b>			
<b>STAKEHOLDER INVOLVEMENT</b>			
Provide the names of the following stakeholders who have been sighted on this business case prior to submission, note this is a mandatory requirement:			
<b>Senior Responsible Owner (SRO):</b>	Paul Edwards		
<b>Programme SRO (if applicable)</b>			
<b>WMCA Executive Director:</b>	Ed Cox		
<b>Finance Lead:</b>	Phil Cole		
<b>Legal Representative:</b>	Angela Willis		
<b>Procurement Lead:</b>	Brad Benson		
<b>Other (i.e. HR / Health &amp; Safety):</b>			
<b>VERSION CONTROL</b>			
<b>Version:</b>	2.2	<b>Date:</b>	02/06/2023
<b>BJC Prepared by:</b>	Dan Carins	<b>Job Title:</b>	Policy Manager

**EXECUTIVE SUMMARY**

PLEASE PROVIDE A ONE-PAGE STAND-ALONE SUMMARY OF THE PROPOSED PROJECT WHICH INCLUDES

The West Midlands has a clear medium-term high growth strategy - the Plan for Growth - which aims to grow the regional economy by an additional £3.2bn by 2030. However, apart from £1.8 million allocated to develop and energise cluster-based interventions, no funding is currently targeted to achieve this strategy.

This proposal aims to jump-start the Plan for Growth by delivering two specific support schemes for businesses registered or operating in the seven constituent local authorities of the West Midlands Combined Authority area. It will maximise the legacy of the Commonwealth Games by helping to grow and develop the indigenous business base in the region.

Specifically, the proposal seeks to deliver two high growth business support schemes – a **High Growth Accelerator** and a **Manufacturing Supply Chain Transition Programme**. It will also allocate a small amount of funding to develop and, where possible, implement future interventions that unlock high growth across the region. These projects will deliver for our businesses in areas of acknowledged comparative advantage and unlock the growth potential of the West Midlands.

With a number of existing high-growth business support schemes in the region coming to an end during the course of 2023 following the departure of the UK from the EU and access to the European Regional Development Fund, new schemes such as these are vital. Although new business support schemes are being commissioned through the UK Shared Prosperity Fund, none are aimed at high-growth businesses or at maintaining quality or improving efficiencies within the West Midlands supplier base of key customers or industries.

Research by NESTA and The Scale Up Institute indicates that high-growth firms are disproportionately responsible for huge amounts of growth and job creation in the UK economy. “High-growth firms” are companies that have grown their turnover by at least 20% year-on-year for three consecutive years.

Existing or previous schemes aimed at high-growth companies, such as the Goldman Sachs 10,000 Small Business Growth Scheme are very popular but can only accommodate a small number of companies nationally each year. There are other national schemes, but they tend to be very niche and ad hoc, which makes it difficult for established businesses to identify them and plan for them – the schemes are normally aimed at younger and more agile businesses.

Based on delivery of similar projects, these schemes will achieve the following outputs:

	Businesses assisted	New R&D	Additional revenue	New FTE jobs
High Growth	50	0	£20 mil	140
Supply Chain	160	>45	£11.2 mil	70
Total	210	>45	£31.2 mil	210

**FINANCE SUMMARY**

<b>Table 1</b>	
<b>Finance Summary</b>	<b>BJC (£ million)</b>
<b>Total Project Cost:</b>	3.25
<b>WMCA Funding Required:</b>	3.25
<b>WMCA Funding Stream:</b>	CWG Legacy Fund
<b>Funds Secured:</b>	0
<b>Funds Not Secured:</b>	3.25



1 - STRATEGIC CASE

PROVIDING STRATEGIC FIT SUPPORTED BY A COMPELLING CASE FOR CHANGE

1.1 PROJECT SPENDING OBJECTIVES AND ALIGNMENT TO WMCA AIMS

**Table 2**

#	Objective	Quantitative Baseline	Target	Specific actions to achieve objective	How will the customer be impacted? (i.e. Outcomes)	Alignment to WMCA Aims and Objectives
1.	Increase the number of high-growth firms receiving quality support to manage their growth	0	Recruit 50 companies onto a high-growth programme with 90% average attendance	Workshops, 1-2-1 coaching, peer networking, networking events	Increased awareness of strategies, tools and business models to improve efficiency and accelerate growth in already successful businesses.	Promote inclusive economic growth in every corner of the region
2.	Raise the turnover of high-growth firms	£25 billion	Increase the turnover of participating companies by £31 million	Workshops, 1-2-1 coaching, mentoring, networking events, meet the buyer events	Improved ability to identify, bid for and win contract opportunities from important customers in priority sectors	Promote inclusive economic growth in every corner of the region

## SINGLE ASSURANCE FRAMEWORK

3.	Support firms within supplier bases or who aspire to join to win/increase orders	0	At least 45 companies supplying new markets or new customers within two years of completion	Workshops, 1-2-1 coaching, mentoring, networking events, meet the buyer events	Improved ability to identify, bid for and win contract opportunities from important customers in priority sectors	Promote inclusive economic growth in every corner of the region
4.	Enrol suppliers of major customers in priority sectors (or companies who wish to become suppliers)	0	160 companies who already supply or want to supply major customers in priority sectors with at least 90% attendance	Marketing, targeting of existing suppliers, recruitment of subcontractors who demonstrate excellent industry links.	Increased awareness of support provision and of the business support ecosystem. Better future engagement and collaboration in the design of future programmes.	Promote inclusive economic growth in every corner of the region
5.	Firms supported to reduce carbon emissions	Carbon footprint of participants to be calculated using simple tools upon enrolment	50% of participants take steps to reduce carbon emissions (Scope 1, 2 and 3) within	A proportion of the course syllabus will be devoted to net zero	Raised awareness of strategies and tools to reduce carbon emissions	Reduce carbon emissions to net zero and enhance the environment



## SINGLE ASSURANCE FRAMEWORK

			12 months of completion			
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## 1.2 EXISTING ARRANGEMENTS AND BUSINESS NEEDS

Several high-growth business support schemes have been run nationally and regionally in the past five years, for example:

- Aston Programme for Small Business Growth (Aston University, GBS LEP)
- Goldman Sachs 10,000 Small Business Programme (Goldman Sachs, national)
- Innovate 2 Succeed (Coventry University Enterprises, West Midlands region)
- Help to Grow (Aston University, Birmingham City University, Coventry University; national)

There have also been supply-chain development schemes available, such as:

- National Manufacturing Competency Level (Industry Forum, national)
- Supply Chain 21 (Aerospace Delivery Services, national)
- Fit for Nuclear (F4N, national)
- Fit for Offshore Renewables (Offshore Renewable Energy Catapult, national)

These act as proxy certification schemes, designed in collaboration with industry representatives. They give purchasing companies satisfaction that suppliers meet minimum standards such as those relating to environmental, social or governance criteria.

Funding sources for these schemes have now either ended or are uncertain. Many were funded via the European Regional Development Fund, others were funded through specific allocations granted through the sector deals in the Industrial Strategy of 2017. Of the high-growth schemes, only Help to Grow and the Goldman Sachs scheme will remain from April 2023, and neither of these are certain to continue beyond April 2024.

Following the departure of the UK from the EU and access to the European Regional Development Fund, the UK Shared Prosperity Fund has been created to respond to local business support needs. During negotiations with local authorities, none of the proposed activity is aimed at high-growth businesses or at maintaining quality or improving efficiencies within the West Midlands supplier base of key customers or industries.

There is a very high likelihood that from April 2023 there will be very limited national provision of support for high-growth companies and supply chain development; from April 2024 there is a risk the national provision will disappear completely.

Research by NESTA indicates that high-growth firms are responsible for a disproportionate amount of growth in the UK economy. Just 6% of high-growth companies generated half of the UK's employment growth between 2002 and 2008<sup>1</sup>.

Existing or previous schemes aimed at high-growth companies, such as the Goldman Sachs 10,000 Small Business Growth Scheme are very popular but can only accommodate a small number of companies nationally each year. There are several other national schemes, but they tend to be niche and ad hoc, which makes it difficult for established businesses to identify them and plan for them, and more difficult for general business support provision to promote them. The schemes are normally aimed at younger and more agile businesses with specific interests and needs.

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<sup>1</sup> [The Vital 6% | Nesta](#)



Regionally branded, dedicated programmes under direct control of the WMCA aimed at local businesses will be easier to plan for and promote in a targeted and consistent way. This will make it easier to engage and work with external partners without risk of breaching their commercial sensitivities or allegiances etc.

It is intended to procure two contractors through open tenders to deliver a high-growth programme and a separate supply chain transition programme.

According to the Scale-Up Institute, there were 1795 scale-up businesses in the Black Country LEP, Greater Birmingham & Solihull LEP and Coventry & Warwickshire LEP in 2022, with a total turnover of £35.65 billion<sup>2</sup>. These include businesses not within the WMCA boundary, so an estimate of 1250 companies is to be used as a baseline for the project. There is no indication of geographic concentration in this report, and there is no intention for any area to be prioritised, as the principal objective is to support companies that are already growing fast to sustain or even increase their growth trajectory.

These companies will be identified through Companies House data and other tools available, together with a marketing campaign designed and conducted by the contractors, supported by and in collaboration with local authority account managers and Business Growth West Midlands staff.

The Supply Chain Transition Programme will be designed and delivered in collaboration with prime customers operating in the Plan for Growth priority clusters. These would include, for example, Nissan, Airbus, Jaguar Land Rover and JCB. Providers will be asked to demonstrate existing relationships with regional prime customers and a track record of successfully delivering similar schemes.

The target audience will primarily be businesses currently in Internal Combustion Engine supply chains. The West Midlands is one of the main concentrations in the UK of automotive suppliers. Again, companies will be identified and approached through existing tools and a marketing campaign in collaboration with Business Growth West Midlands and local authority account managers, including invitations sent directly.

Both programmes will complement the West Midlands Co-Investment Fund, and participants will contribute to the pipeline of investment plans that could be suitable for the fund.

The contractors will be tasked via the brief to ensure both the programmes are inclusive and attract a diverse audience, through:

- Making sure marketing materials are inclusive, free of stereotypes, representing a variety of people and using inclusive language.
- Considering partnering with local organizations that serve diverse communities to reach a wider audience and understand the needs of diverse learners.
- Promoting the programmes in media outlets that reach diverse audiences. This includes online as well as traditional formats.
- Ensuring the programme is accessible to people with disabilities by providing transcripts, captions, and other accommodations.

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<sup>2</sup> [Local Area Summaries - ScaleUp Institute](#)



## SINGLE ASSURANCE FRAMEWORK

- Creating a learning environment that is welcoming and inclusive, respectful of all learners, regardless of their background or identity.
- Providing opportunities for learners to network with each other, to help them build relationships and support each other. This can be done through online forums, in-person events, or social media.
- Evaluating the efforts to recruit a diverse audience via surveys and other data so that improvements can be made during the contract.

### 1.3 PROJECT SCOPE AND SERVICES

Table 3

**The 'Essential' requirements**

*Without these requirements, the project would not be judged to be a success i.e. the 'must have'*

High-growth and supply-chain development schemes must be delivered by providers who can demonstrate suitable **expertise, quality, experience and industry links** to convince already capable business-owner/managers that participation in the scheme is worth their time.

The schemes need to be delivered **either free of charge or at a heavily subsidised rate**. This is because participation requires significant input of strategic management of businesses to make a difference to business performance. Due to the target audience, losing the capacity of key managers and decision makers has a material impact on business performance, with no immediate return to compensate. This makes participation a risk for businesses.

Both schemes must be delivered at a sufficient **scale and depth** to create valuable learning opportunities for participants in addition to the content; i.e. through networking and inspiration of the other participants. Cohorts must be of a suitable size, usually between seven and 12 members to allow collaboration, trust and rapport; and take place over a sufficient period to allow relationships to develop. This sets a minimum size of the scheme.

The supply chain transition programme must be designed and delivered in collaboration with a principal customer, in order to provide legitimacy, practicality and attract companies to take part.

In addition to workshop/seminars, there must be an element of **1-2-1 coaching** to allow bespoke conversations between providers and participants. This is the most time-consuming element for providers and therefore the costliest.



## SINGLE ASSURANCE FRAMEWORK

	<p>Both programmes must operate a robust and in-depth benchmarking process in order to identify challenges and opportunities to address during the workshops and coaching, and to measure performance against following completion.</p> <p><b>Good quality marketing</b> material is essential to identify and attract businesses in sufficient numbers and to ensure that the businesses recruited are genuinely high-growth or have potential to supply the relevant markets/customers.</p>
<p><b>The ‘Desirable’ requirements</b></p> <p><i>The project may justify these requirements on a value for money basis i.e the ‘could have’</i></p>	<p>Previous regional schemes, whilst covering a broad geography, have tended to have a very local audience. For example, the first Help to Grow cohort of 15 at Aston University was entirely comprised of businesses from Birmingham, despite a national marketing campaign. It would be desirable for delivery to take place at <b>accessible locations</b> across the West Midlands, and therefore for delivery to take place face-to-face rather than virtually (to help develop trust, rapport and relationships between participants). This will have a cost implication for the providers.</p> <p>Upon completion of the workshops, “<b>alumni” groups</b> should be established to allow participants to continue communication either virtually or in-person and to share experiences. This would need to be managed by the WMCA as it would be a long-term commitment.</p> <p>The schemes will generate a lot of new ideas and inspiration for businesses. Key to the success of the schemes will be to how participants embed this new learning into their businesses immediately after completion of the scheme. To facilitate this, small grants may be available to contribute towards third party costs such as market research, design or other consultancy specific to individual participant businesses.</p>
<p><b>The ‘Optimum’ or ‘Highly Desirable’ requirements</b></p> <p><i>The project may justify these requirements on a marginal low cost and affordability basis i.e. the ‘nice to have’</i></p>	<p>The inclusion of short residential stay in a hotel for the participants, to help build the relationships between participants, and between the participants and the provider.</p>

1.4 KEY RISKS

The information provided should align to the Risk Register and Issue Log attached with this BJC.

*Table 4*

ID	Risk	Impact (1-5)	Probability (1-5)	RAG Rating	Risk Owner	Mitigation
1	Failure to select delivery providers within the budget available	5	1	5	Paul Edwards	The budgets made available have been selected based on previous experience of similar schemes run locally in the past
2	Providers lack the appropriate expertise, experience, networks, ambition or tools to inspire change within audience	4	3	12	Paul Edwards	Robust brief and contract, careful selection of provider. Ability to review performance and adjust during delivery
3	Delay to procurement and selection reduces time available	1	5	5	Paul Edwards	Course durations can be adapted to accommodate reduced timescales
4	Poor attendance reduces ability of participants to learn and adopt change	3	3	9	Paul Edwards	High-quality content and delivery; careful selection of participants; early 1-2-1 sessions with providers; gathering of course feedback to identify problems early on; possibility of charging participants who do not meet a minimum attendance (90%)
5	Insufficient participants recruited to cohorts	3	4	12	Paul Edwards	Good quality marketing with sufficient lead-in times; engagement with important stakeholders; marketing

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						capacity, evidence of previous success (and networks) and quality of provider to be heavily weighted in procurement
6	Lack of diversity among participants	3	3	9	Paul Edwards	A robust marketing strategy that has EDI at its heart; selection of providers based on their proposed approach to recruitment and course content
7	Course content is not relevant to participants	4	2	8	Paul Edwards	Course content will initially be generic, based on many years of best practice and experience of providers regarding what works. However, fine-tuning to the participants' needs will be made in response to a needs assessment carried out as part of the onboarding process and post-session evaluations.
8	Delivery is not effective	4	2	8	Paul Edwards	Participants' views on delivery will be gathered via post-session evaluations (and via alumni groups after completion of the first cohort), which will allow changes to be made during delivery. Evidence of successful delivery will be gathered during selection.

## SINGLE ASSURANCE FRAMEWORK

9	Participants fail to embed change following completion of schemes and generate increased revenue/investment in R&D, new products/services	5	3	15	Paul Edwards	Thorough benchmarking at course outset; careful selection of participants who are most likely to learn and implement change; high-quality content and delivery ensured by procurement of provider; ongoing support delivered to participants following completion of scheme as part of alumni groups
10	Suitable prime customers not engaged in the design and delivery of the supply chain transition programmes, affecting the popularity and effectiveness of the supply chain transition programme.	5	2	10	Paul Edwards	Providers will be selected based on evidence of their existing relationships, track record of similar experience. WMCA has existing relationships with suitable businesses who could step in if required.
11	Contractors do not deliver expected outcomes at the appropriate scale or pace required	5	3	15	Paul Edwards	Monitoring & Evaluation and onboarding processes provides multiple layers to track performance in real time. Subject to legal guidance, payments can be withheld and appropriate contractual remedies can be put in place in response to extremely poor performance



### 1.5 CONSTRAINTS

£3.25 million budget has been agreed by WMCA Board, 17<sup>th</sup> March 2023.

Subsidy Control rules may limit the gross grant equivalent value of the business support provided free of charge. This may affect the total duration of the workshops, coaching and any other input classed as “economic activity”.

### 1.6 DEPENDENCIES

- Availability of suitably qualified and experienced providers who can deliver workshops and admin support within the budget and timescale to high-growth businesses to an appropriate standard that creates change and drives growth.
- Availability of accessible venues of a suitable quality where the workshops and coaching can take place within the available budget and timeframe.
- Marketing channels with a wide reach to decision makers within relevant local businesses

**2 ECONOMIC CASE**

*MAXIMISE PUBLIC VALUE TO SOCIETY THROUGH THE SELECTION OF THE OPTIMAL COMBINATION OF SCOPE, COSTS AND OUTCOMES*

**2.1 CRITICAL SUCCESS FACTORS**

*Table 5*

#	Critical Success Factor (CSF)	Alignment to Project Objectives
1.	Appoint suitable providers (including coaches)	<p>Support 50 high-growth firms to increase revenue growth by 10% within 24 months following completion of programme</p> <p>Support 160 firms within supplier bases or who aspire to join to win new/increase orders within 12 months of completion of programme</p> <p>42 participants supported to reduce carbon emissions by 5% within 12 months of completion of programme</p>
2.	Good-quality, innovative marketing collateral	<p>Enrol 50 high-growth companies from the West Midlands onto six cohorts</p> <p>Enrol 160 suppliers of major customers in priority sectors (or companies who wish to become suppliers)</p> <p>Recruit a diverse audience that is broadly representative of business ownership in the West Midlands</p>
3.	Robust onboarding process (benchmark, diagnostic)	<p>Support high-growth firms to increase revenue growth</p> <p>Support firms within supplier bases or who aspire to join to win/increase orders</p> <p>Firms supported to reduce carbon emissions</p>
4.	Robust offboarding process to measure performance at suitable periods after completion	<p>Support high-growth firms to increase revenue growth</p> <p>Support firms within supplier bases or who aspire to join to win/increase orders</p> <p>Firms supported to reduce carbon emissions</p>
5.	Engagement with suitable OEMs/Tier 1 customers and main contractors	<p>Attract and enrol suppliers of major customers in priority sectors (or companies who wish to become suppliers)</p>

2.2 BENEFITS APPRAISAL

Table 6

#	Benefit	Benefit Type	Beneficiary
1.	More businesses growing faster	QB	Users
2.	More businesses growing faster, increasing tax receipts	Non CRB	Public sector
3.	More job opportunities	QB	Non-users
4.	More job opportunities, increasing tax receipts and reducing welfare payments	Non CRB	Public sector
5.	More job security for employees	Qual	Users
6.	Better job opportunities (e.g. pay, conditions)	QB	Non-users
7.	More diverse customer base in growing markets	QB	Users
8.	Reduced carbon emissions	QB	Users
9.	Reduced carbon emissions	QB	Non-users
10.	More resilient businesses with better management processes	QB	Users
11.	More resilient businesses in more sustainable supply chains	QB	Users

2.3 VALUE FOR MONEY ASSESSMENT

Table 7

<b>Social Benefits and Costs</b>  (with ranges)	<p>£31.2 million increase in GVA.</p> <p>This is derived from the following calculation:</p> <p>High Growth programme:</p> <p>50 companies with an average turnover of £1,000,000 = £50 million</p> <p>Average growth after programme = 40%<sup>3</sup></p> <p>Total turnover growth = £20 million</p>
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<sup>3</sup> Using a figure within the range of average growth rates of participants in the Goldman Sachs 10,000 Small Businesses Programme [10ksb-uk-progress-report-2-PDF.pdf \(goldmansachs.com\)](https://www.goldmansachs.com/10ksb-uk-progress-report-2-PDF.pdf)

	<p>Supply Chain Transition Programme</p> <p>160 companies with an average turnover of £700,000 = £112 million</p> <p>Average growth after programme = 10%</p> <p>Total turnover growth = £11.2 million</p>
<p><b>Whole Life Public Sector Costs of Preferred Option (£m)</b></p> <p>(aligned to Section 3.2 below)</p>	3.25
<p><b>Value for Money Judgement</b></p> <p>(why is this option being chosen over others)</p>	<p>This is an affordable intervention that will generate large direct benefits for users as well as indirect benefits for the public sector through increased taxes and reduced welfare payments. Non-users will also benefit through additional, improved and more sustainable employment opportunities.</p>

2.4 OPTIONS ANALYSIS AND APPRAISAL

*Table 8*

Option	Description	Shortlisted (S) / Rejected (R)	Meets Objectives? (Y/N)
1.	Business As Usual – ad hoc and uncoordinated business support for high-growth and future supply chains from external providers	R	N
2.	Do minimum – engage with support providers and encourage them to provide schemes aimed at high-growth businesses and future suppliers in the West Midlands	R	N
3.	Remove the supply chain support scheme	S	N
4.	Mobilising Plan for Growth	S	Y

*Table 9*

	Option 1	Option 2	Option 3	Option 4
<p><b>Net Costs £ million</b></p> <p>(capex and opex)</p>	0	0	1.75	3.25
<p><b>Benefits that arise</b></p> <p>(monetary and non-</p>	0	0	20	31.2

monetary)				
<b>Risks associated</b>	Disengagement by businesses, relocation of businesses and entrepreneurs	Disengagement by businesses, relocation of businesses and entrepreneurs	Fails to engage WM supplier base	

## 2.5 RECOMMENDED / PREFERRED OPTION

Option 4 is the preferred option.

Option 3 is viable if the available budget is reduced.

Option 2 will require grant funding to be available to be viable. Currently there are no grant funding opportunities under WMCA's control.

Option 1 will result in the continued disengagement by local businesses from business support providers. The West Midlands Devolution Deal tasks the WMCA with developing a service to make it much easier for enterprises to access programmes to boost productivity (para 182). Options 1 and 2 will not allow the WMCA to complete this task.

### 3 COMMERCIAL CASE

#### COMMERCIALLY VIABLE AND ATTRACTIVE TO THE SUPPLY SIDE

##### 3.1 EXPECTED OUTPUTS

List the goods, services and works that will be procured in relation to the recommended / preferred option within the table below:

<i>Table 10</i>	
<b>Output 1</b>	Marketing strategy and collateral for high-growth businesses
<b>Output 2</b>	Marketing strategy and collateral for supply-chain transition businesses
<b>Output 3</b>	An onboarding process (participant data, needs assessment) for each participant
<b>Output 4</b>	A series of in-depth workshops for high-growth businesses
<b>Output 5</b>	At least 10 hours of coaching for each high-growth participant
<b>Output 6</b>	A series of in-depth workshops for potential suppliers in priority sectors
<b>Output 7</b>	At least 3 hours of coaching for each supplier to be provided
<b>Output 8</b>	Establish an alumni network for the businesses after completion of the Programme
<b>Output 9</b>	Evaluation following completion of the support scheme

##### 3.2 ROUTE TO PROCUREMENT AND EXISTING RULES AND REGULATIONS

Business coaching is an established industry, and there are many providers available.

WMCA will procure through an open tender procedure suitably qualified providers who can demonstrate an awareness and track record of identifying and successfully helping high-growth companies and potential suppliers to grow faster.

The timings in the project plan will depend on the tender specifications, which have not been prepared yet. Whilst the Procurement team has advised on the timings for an open tender process, they are subject to change as the specification is drafted.

If required, a later start date can be easily accommodated within the project delivery period, as workshops and coaching sessions can be scheduled more frequently.

There are no implications for HR/IT.

##### 3.3 CHARGING MECHANISM

Quarterly payments to the successful providers will be conditional upon receipt of successful performance data and management information, measured in monthly reports submitted to the project manager. These will include evidence of attendance at workshops and coaching sessions by participants.

##### 3.4 RISK APPORTIONMENT

The public sector is paying 100% of the costs of this project.



**4 FINANCIAL CASE**

*AFFORDABLE AND FUNDABLE OVER TIME*

**4.1 CAPITAL AND REVENUE FUNDING STATEMENT**

The Business Justification Case is seeking £3.25 million for Mobilising Plan for Growth from the Commonwealth Games Legacy Fund. There is no funding secured to date.

£1.7 million	High-Growth Support Programme including marketing, workshops and coaching in a single commission
£1.00 million	Supply Chain Transition Programme, including marketing, workshops and coaching in a single commission
£0.422 million	Retained to develop and, where possible, implement future interventions that unlock high growth across the region aligned to the Plan for Growth.
£0.05 million	Independent evaluation of both programmes
£0.078 million	Held by Economic Delivery, Skills and Communities Directorate to contribute to a Monitoring and Evaluation Officer and Project Manager to support with all CWGLF projects in their Directorate. Contributions from other CWGLF projects within the ESC Directorate will be pooled to cover salary costs.
<b>£3.25 million</b>	<b>Total</b>

Up to £50,000 will be used to commission an independent evaluation of the programmes by an external contractor. It will include an interim evaluation that can be used to inform the delivery of the final stages. The contractor will be procured through an open tender process.

The £78,000 figure for the two members of staff is derived from their combined expected salaries spread between three other Directorate projects. The contribution to salaries falls within the Mobilising Plan for Growth programme budget (see paragraph 5.10 below for more detail as to how the costs have been derived).

There is no capital expenditure required. The appointed contractors will be responsible for all equipment required to deliver the workshops and coaching sessions including venue hire, catering, IT equipment, marketing collateral and stationery etc.

The procurement of services or issuing of grants will be subject to agreed Financial Due Diligence, with all contracts including appropriate clauses to protect WMCA finances and mitigate risk, such as payment on performance, clawback, payment in arrears, etc.

*Table 11*

	<b>Status (Secured / Not Secured)</b>	<b>£M</b>
<b>Gross Costs</b>	Not Secured	3.25
<b>Revenue</b>	Not Secured	3.25
<b>Capital</b>	N/A	0
<b>Total</b>	Not Secured	3.25

Table 12

Funder	Amount	% of Total	Status (Secured / Not Secured)	Details of Funding Status / Timing / Conditions etc.
WMCA	3.25	100	Not Secured	CWG Legacy Fund
<b>Total</b>	<b>3.25</b>	<b>100</b>		

#### 4.2 OVERVIEW OF FUNDING AND AFFORDABILITY SUMMARY

Table 12

<b>Funding Type</b> <i>Grant / Cashflow (repayable) / Underwrite</i>	<i>Grant</i>
<b>Funding Commencement Date</b>	<i>01/07/2023</i>
<b>Funding Completion Date</b>	<i>31/03/2025</i>
<b>Basis of Reimbursement</b>	WMCA will ensure payments are made quarterly in arrears of expenditure incurred by the contractors
<b>Any Conditions Precedent?</b>	No
<b>Order in which WMCA Funding is to be drawn</b>	1st
<b>Work streams for which WMCA Funding is available to be drawn against</b>	All

#### 4.3 BORROWING SUMMARY

Please state if any element of the project costs is to be financed by borrowing: No.

4.4 CASHFLOW

<i>Table 14</i>				
Year (fiscal)	Q1-2 23-24	Q3-4 23-24	Q1-2 24-25	Q3-4 24-25
<b>Income (£)</b>				
<b>Revenue - external</b>	0	554,666.50	1,347,666.25	1,347,667.25
<b>Capital 1 – [state funding source]</b>				
<b>Capital 2 - [state funding source]</b>				
<b>Expenditure (£)</b>				
<b>Revenue - external</b>	0	528,666.50	1,321,666.25	1,321,667.25
<b>Revenue - internal</b>	0	26,000	26,000	26,000
<b>Capital</b>	0	0	0	0
<b>Net position</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

4.5 STAKEHOLDER SUPPORT

No other public sector organisation is funding the project's outputs and services.

**5 MANAGEMENT CASE**

*CAN BE DELIVERED SUCCESSFULLY BY THE ORGANISATION AND ITS PARTNERS*

**5.1 MANAGEMENT AND GOVERNANCE**

There will be suitable governance and decision-making arrangements, including:

- Formal reporting through Economic Growth Board.
- The Programme Management Team overseen by Paul Edwards, which includes representation from Finance, Legal, Procurement and other officers in the Economic Delivery, Skills and Communities Directorate.
- Day-to-day reporting via the Business Support Operations Group.
- Direct engagement with contractors by the Economic Development and Delivery Team

These will conform to the WMCA’s Change Process for any change management requests.

Benefits realisation arrangements and plans, including a benefits register, will be standing items on the Business Support Operations Group meeting agendas.

The risk register and issues log for both projects will be maintained by the Economic Development and Delivery Team, reporting to the Business Support Operations Group as a standing item on meeting agendas.

The Programme Management Team will manage the contracts of the providers appointed to deliver the schemes, and review risks, issues and benefits realisation.

Post-evaluation arrangements will be delivered by Economic Development and Delivery Team

**5.2 PROJECT SCHEDULE FOR DELIVERY**

The key project milestones table below is a summary of those key milestones aligned to the Project Schedule, which must be appended to this BJC. Include a longstop date by which all monies for development of this SOC needs to be drawn.

<i>Table 15</i>			
#	Milestone	Start Date	End Date
1.	Tender documentation prepared	01/04/2023	30/06/2023
2.	Providers appointed	25/09/2023	29/09/2023
3.	Design of workshop material and collateral	11/09/2023	29/09/2023
4.	Recruitment of participants	11/09/2023	31/01/2025
5.	Workshops and coaching	02/10/2023	31/03/2025
6.	Independent evaluation	02/01/2024	31/03/2025
7.	Longstop date		31/03/2025

### 5.3 PROJECT ORGANOGRAM

Julie Nugent – Executive Director

Paul Edwards – Senior Responsible Officer

Project Management – Economic Development and Delivery Team (existing)

Project Delivery – Contractor to be procured

Monitoring & Evaluation – two new members of staff to be recruited to the ESC Directorate (See paragraph 5.10 for detail).

### 5.4 PROJECT DELIVERY ROLES AND RESPONSIBILITIES

Classify the roles and tasks to determine who is Responsible ( R ) , Accountable ( A ) , Consulted ( C ) and Informed ( I ).

*Table 16*

	<b>Contractor</b>	<b>Project Manager</b>	<b>Project Management Team</b>	<b>SRO</b>	<b>EGB</b>
<b>Design brief</b>	I	R	I	A	I
<b>Procure contractors</b>	I	R	C	A	I
<b>Recruit participants</b>	R	C	I	A	I
<b>Delivery</b>	R	C	I	A	I
<b>Evaluation</b>	C	R	C	A	I

### 5.5 USE OF SPECIALIST ADVISERS

There is no external specialist advice required for this project.

### 5.6 RISK AND ISSUE MANAGEMENT

The risk register and issues log for both projects will be maintained by the Economic Development and Delivery Team, reporting to the Business Support Operations Group as a standing item on meeting agendas.

The Programme Management Team will review risks and issues and make recommendations to the Economic Development and Delivery Team, or escalate as appropriate.

### 5.7 PROJECT ASSURANCE

There are no plans to commission any project assurance.

#### 5.8 CONTINGENCY ARRANGEMENTS

In the event of delays or disruptions to anticipated services, the project brief will be amended, timescales adjusted, but the outputs will be kept the same.

#### 5.9 LESSONS LEARNT

Lessons Learnt will be a standing item on the agendas for Business Support Operations group meetings.

#### 5.10 MONITORING AND EVALUATION

The contract will establish key performance indicators relating to the outputs required, including:

- Number of workshops
- Duration of workshops
- Number of coaching sessions arranged
- Number of participants
- Postcode of workshops (where in-person)
- Business characteristics of participants (sector, size, turnover)
- Total attendance of each cohort

Contractors will be provided with an on-boarding questionnaire that participants must complete prior to starting the workshops. This will create a benchmark against which performance will be measured by the Project Manager 12 months later.

Contractors will be required to ensure that participants complete post-evaluation feedback forms at various touch points. These will allow fine-tuning of the delivery in response to customer feedback. Case Studies will also be completed for businesses that have achieved key outputs associated with the Programme.

An independent interim evaluation will be carried out, starting six months after the launch of the first workshops of both the high-growth programme and the supply chain transition programme. Interim findings and recommendations will be used to inform the latter stages of the programmes. A final evaluation will be produced upon completion of the programmes. The evaluation will be undertaken by an external contractor, procured competitively through an open tender process.

To support programme level M&E and performance monitoring and reporting activity of CWG legacy programmes in the ESC Directorate, the following posts will be appointed using a small percentage from each the allocations of each programme to cover their salaries and overheads.

1 x CWG Legacy Monitoring and Evaluation Officer (SCP range 39-43)

1 x CWG Legacy Project manager (SCP range 29 – 33)



## SINGLE ASSURANCE FRAMEWORK

Costs have been calculated on the basis of appointing to top of scale and then including on costs. As such, the M&E Officer role would total £63,752 per year and the Project Manager £47,726. If appointed over the full 24 months at top of scale this would total £222,956.00.

Taking 2.4% of each programme allocated raises £216,000 to cover the total costs. Whilst this is slightly below the total, it would be unlikely that both candidates would be appointed to very top of scale, and candidates will not be in post until after April 2023.

The costs and implications on budgets are summarised below:

Pillar Area	Total CWGLEF Award	2.4% top slice	Remaining Balance
Jobs and Skills	£4,850,000	£116,400.00	£4,733,600.00
Mobilising Plan for Growth	£3,250,000	£78,000.00	£3,172,000.00
Wellbeing	£900,000	£21,600.00	£878,400.00

### MANDATORY APPENDICES REQUIRED FOR THIS BJC

The following documents must be appended to this BJC:

APPENDIX	PROVIDED (Y/N)
Risk Register and Issue Log	Y
Written Confirmation/s of Confirmed Funding	N/A
Project Schedule	Y
If Investment Programme, Project Delivery Plan on a Page (POAP)	N/A
If CRSTS, DfT Additional Appendix	N/A