



**Greater Birmingham
& Solihull**
Local Enterprise Partnership

GREATER BIRMINGHAM & SOLIHULL

STRATEGIC ECONOMIC PLAN

'THE SEP TO CHANGE BRITAIN'

**APPENDIX N:
UNIVERSITY ENTERPRISE ZONE BID SUMMARY**

University Enterprise Zone – Bid Summary

The University Enterprise Zone (UEZ) proposal for Birmingham is a collaborative bid, led by Aston University, between all the universities in the city and the city council, through Innovation Birmingham. It builds on the proven experience of the city's 5 universities (Aston University, Birmingham City University (BCU), University of Birmingham (UoB), University College Birmingham (UCB) and Newman University) to encourage student and graduate entrepreneurship and to develop growth strategies for ambitious early-stage and more established businesses. Innovation Birmingham Ltd. is a not-for-profit business created, and owned as a trading subsidiary, by BCC to deliver new activities focused around the development and operation of the Innovation Birmingham Campus (IBC) for the digital community and tailored to the needs of future entrepreneurs.

The UEZ will be distinctive on the Innovation Birmingham Campus, which is conveniently located in the city centre within a short walking distance of two university partners (Aston and BCU). The UEZ will provide a collaborative workspace environment using virtual connectivity, and communications tools, to link businesses to the universities in the city and beyond. It expands the available space for innovative companies at this exciting location and specifically addresses the challenge of making it easier for micro-enterprises and small businesses to be supported in their growth through engagement with the universities. The UEZ will develop new ways of working between businesses and universities that will stimulate growth in the local economy and provide valuable lessons for other cities and economic centres.

The capital cost of the facilities is £11.15m. The UEZ funding applied for enables an extension of the existing Faraday Wharf building by 400m² to provide new incubation facilities and the addition of a 322 m² mezzanine floor to provide grow-on space, over and above the planned 3,205 m² floor space in the new (about to be built) iCentrum building. The co-investment for the UEZ is the funding for the originally planned iCentrum building in the form of a commercial loan from BCC to Innovation Birmingham. 75% of the additional space will be rented by businesses with high-value growth potential, targeted on development and application of digital or smart technology in their products and services. The remaining space in the extension to Faraday Wharf will be a 'catalyst space' that can be used for entrepreneurial training, customer demonstration, project demonstration etc.

Co-location of the UEZ with the successful environment of Innovation Birmingham increases the potential impact of improved access to university expertise for entrepreneurs and new businesses beyond just the businesses occupying the extra space created. Efficiency is high as the management processes and support services are already in place. Revenue costs will be provided by business rents, income from business support projects and university contribution for use of facilities.