



Investment Board

Date: Monday 16 October 2023

Time: 10.00 am **Public meeting** Yes

Venue: Room 116, West Midlands Combined Authority, 16 Summer Lane, Birmingham, B19 3SD

Membership

Councillor Bob Sleigh (Chair)
Councillor Mike Bird
Councillor Steve Clark
Councillor Matthew Dormer
Councillor Peter Hughes
Councillor Karen Grinsell
Councillor Jim O'Boyle
Councillor Stephen Simkins
Councillor Sharon Thompson
Paul Brown
Sue Summers
Gary Taylor

Portfolio Lead for Finance
Walsall Metropolitan Borough Council
Dudley Metropolitan Borough Council
Non-Constituent Authorities
Sandwell Metropolitan Borough Council
Solihull Metropolitan Borough Council
Coventry City Council
City of Wolverhampton Council
Birmingham City Council
Business Representative
West Midlands Development Capital
Greater Birmingham & Solihull Local Enterprise
Partnership

Quorum for this meeting shall be four members.

If you have any queries about this meeting, please contact:

Contact Wendy Slater, Senior Governance Services Officer
Telephone 07557831344
Email wendy.slater@wmca.org.uk

AGENDA

No.	Item	Presenting	Pages
Meeting Business Items			
1.	Apologies for Absence (if any)	Chair	None
2.	Notification of Substitutes (if any)	Chair	None
3.	Declarations of Interests (if any) Members are reminded of the need to declare any disclosable pecuniary interests they have in an item being discussed during the course of the meeting. In addition, the receipt of any gift or hospitality should be declared where the value of it was thought to have exceeded £25 (gifts) or £40 (hospitality).	Chair	None
4.	Minutes - 24 July 2023	Chair	1 - 8
Business Items for Noting			
5.	Investment Programme Update and Dashboard	Ian Martin	9 - 26
6.	WMCA Commercial Investment Fund (CIF) - Dashboard	Nick Oakley	27 - 30
7.	WMCA Brownfield Land and Property Development Fund (BLPDF) - Dashboard	Nick Oakley	31 - 34
8.	WMCA Residential Investment Fund (RIF) - Dashboard	Nick Oakley	35 - 38
Business Items for Consideration			
9.	Global West Midlands - Full Business Case	Neil Rami/ Katie Trout/ Jonathan Skinner	39 - 104
10.	Commonwealth Games Legacy Enhancement Fund -Sandwell MBC Aquatic Energy Costs - Business Justification Case	Simon Hall/ Ben Percival	105 - 166
11.	Exclusion of the Public and Press [To pass the following resolution: That in accordance with Section 100A4 of the Local Government Act 1972, the press and public be excluded from the meeting during the consideration of the following items of business as they involve the likely disclosure of exempt information relating to the business affairs of any particular person (Including the authority holding that information)]	Chair	None

Business Items for Consideration			
12.	Birmingham Hippodrome - Southside Building	Nick Oakley	167 - 178
13.	Update on Shard End	Gerald Gannaway	179 - 182
Business Items for Noting			
14.	WMCA Commercial Investment Fund (CIF) - Dashboard	Nick Oakley	183 - 190
15.	WMCA Brownfield Land and Property Development Fund (BLPDF) - Dashboard	Nick Oakley	191 - 196
16.	WMCA Residential Investment Fund (RIF) - Dashboard	Nick Oakley	197 - 202
17.	Land and Property Investment Fund (LPIF)	For Noting	203 - 206
Date of next meeting - 13 November 2023			

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**West Midlands
Combined Authority**

Investment Board

Monday 24 July 2023 at 10.00 am

Minutes

Present

Councillor Bob Sleigh (Chair)
Councillor Steve Clark
Councillor Peter Hughes
Councillor Karen Grinsell
Councillor Stephen Simkins
Gary Taylor

Portfolio Lead for Finance
Dudley Metropolitan Borough Council
Sandwell Metropolitan Borough Council
Solihull Metropolitan Borough Council
City of Wolverhampton Council
Greater Birmingham & Solihull Local
Enterprise Partnership

In Attendance via MS Teams

Councillor Mike Bird
Councillor Sharon Thompson
Paul Brown
Sue Summers

Walsall Metropolitan Borough Council
Birmingham City Council
Business Representative
West Midlands Development Capital

Item Title No.

25. Apologies for Absence

An apology for absence was received from Councillor O' Boyle (Coventry).

26. Minutes -19 June 2023

The minutes of the meeting held on 19 June 2023 were agreed as a true record.

27. Matters Arising

Minute no.7, Commonwealth Games Legacy Enhancement Fund Summary Report and Minute no.10 Global West Midlands -Strategic Outline Case

Councillor Hughes reported that he had noted a discrepancy in the funding table in the Commonwealth Games Legacy Enhancement Fund Summary Report for Global West Midlands which should be £2.5m as stated in the Global West Midlands Strategic Outline Case report.

28. Investment Programme Update and Dashboard

The board considered a report of the Director of Commercial and Investment on the status of the Investment Programme to help set the context for the investment decisions being made.

The report provided an analysis of the overall regional Investment Programme expenditure, funded grants administered by the WMCA and

match funding sources. Approved grant funding awarded and administered by the WMCA to programmes within the regional Investment Programme totalled £853.7m as of 30 June 2023. The report also set out Change Requests submissions for the Sprint Programme approved since the last meeting.

Resolved that:

1. Approval under delegated authority by WMCA Officers of the business case submissions as disclosed at section 3 of the report be noted;
2. The WMCA Investment Programme funding status and current affordable limit as outlined in section 4 of the report be noted;
3. The Regional Investment Programme delivery update detailed within this report and appendices (including the project level summary within the WMCA Investment Programme dashboard at Appendix 2) be noted.

29. Update Report: City Region Sustainable Transport Settlement - Quarter 4 FY 2022-23

The board considered a report of the Executive Director of Transport for the West Midlands that provided a quarterly update on the status of the City Region Sustainable Transport Settlement ('CRSTS') to help set the context for any decisions being made by the board.

The Head of Strategy & Intelligence, Carl Beet, outlined key highlights from the report. This included an update on progress of the programme, TfWM Programme Monitoring Plans, approved funding, key risks, the 2022-23 Annual Monitoring Report, updated CRSTS funding terms and conditions and the national funding announcement of CRSTS2.

Councillor Simkins (Wolverhampton) commented on the need to ensure the WMCA obtains as much money as possible from the £8.8bn available for CRSTS2 as the West Midlands was struggling for transport funding.

The Head of Strategy & Intelligence reported that local area strategies and plans were being developed for the Local Transport Plan ahead of guidance being issued by Government which, would enable the region to be 'ahead of the curve'. He advised that draft proposals for the Local Transport Plan were being prepared with local authority officers and would ensure everyone was sighted on them.

Further to an enquiry from Councillor Simkins regarding a confirmed date for the opening of the Metro extension in Wolverhampton City Centre, Carl Beet reported he would find out the answer and let Councillor Simkins know shortly.

Resolved that:

1. The status of the City Region Sustainable Transport Settlement change control application submitted to the Department for Transport set out in section 4 of the report be noted;
2. The proposal to formally re-base the CRSTS1 programme allowing for

overprogramming, ready for further consideration by WMCA Board in September 2023, working with all scheme promoters to ensure realism over scheme costs, spending and delivery profiles for schemes (this is in response to the DfT's 'once in a programme' opportunity to re-baseline the programme) as set out in Section 4 be noted;

3. The monitoring and evaluation reporting requirements associated with the City Region Sustainable Transport Settlement set out in Section 5 of the report be noted;
4. The programme monitoring plans set out at Section 6 of the report be noted;
5. The Quarter 4 FY22-23 progress reported at Section 7 of the report be noted;
6. The key points concerning the CRSTS1 Memorandum of Understanding updated terms and conditions that the WMCA Section 151 Officer is required to sign-off, set out at Section 8 of the report be noted;
7. The announcement from Central Government within the Spring Budget for a second round of CRSTS ('CRSTS2') summarised in section 9 of the report be noted and
8. The CRSTS Annual Monitoring Report for FY22-23 at Appendix 1 of the report be noted.

30. WMCA Commercial Investment Fund (CIF) - Dashboard

The board considered a report detailing the Commercial Investment Fund dashboard (public iteration) as at 1 July 2023.

Resolved: That the report be noted.

31. WMCA Brownfield Land and Property Development Fund (BLPDF) - Dashboard

The board considered a report detailing the Brownfield Land and Property Development Fund (public iteration) as at 1 July 2023.

Resolved: That the report be noted.

32. WMCA Residential Investment Fund (RIF) - Dashboard

The board considered a report detailing the Residential Investment Fund dashboard (public iteration) as at 1 July 2023.

Resolved that: The report be noted.

33. Commonwealth Games Major Events - Programme Business Case

The board considered a report of the Executive Director of Strategy, Integration and Net Zero that sought approval of £6m from the Commonwealth Games Legacy Enhancement Fund for the Programme Business Case to establish a Major Events Fund.

Pip Abercromby, West Midlands Growth Company (WMGC), outlined the report and advised that £6m allocation from the Legacy Enhancement Fund would enable WMGC to host and stage major sporting, business and cultural events that would deliver regional economic impact. It was noted that these

events would require competitive bids to be developed and won, and financial commitments from local authorities to host.

In relation to a comment from the Chair regarding the commitment to allocate £3m for the SportAccord event, which was a significant sum, Pip Abercromby advised that £3m was the maximum amount for the event but this was subject to change as WMGC were looking for a sponsor for the event.

Councillor Clarke (Dudley) noted a sizeable amount of the funding (for SportAccord) was going to Birmingham and enquired whether funding could support local events such as Dudley's Grand Prix.

Pip Abercromby reported that WMGC was looking at the Dudley Grand Prix over 2 years and other events that would bring economic returns. She added that nominations were awaited from local authorities who could all apply for funding.

Councillor Thompson (Birmingham) reported that she was hugely support of SportAccord that would bring opportunities for the region not just Birmingham.

Councillor Simkins (Wolverhampton) reported of the need to ensure there was an equitable share of funding across the WMCA area to benefit everyone and to bring communities together.

The Executive Director of Finance & Business Hub, Linda Horne, advised the board that they were not required to approve SportAccord today; the decision would be taken by the Executive Board within the next few days.

Resolved that:

1. The appended programme business case which seeks £6m from the Commonwealth Games Legacy Enhancement Fund to establish a Major Events Fund be approved;
2. The proposed governance arrangements to ensure the Major Events Fund is administered in collaboration and transparent manner be agreed;
3. That delegated authority be given to the interim Director of Employment, Skills, Health and Communities, in consultation with the Executive Director of Strategy, Integration and Net Zero, WMCA Section 151 Officer and WMCA Monitoring Officer to onward award funding be agreed and
4. That a decision on SportAccord is being considered in parallel be noted.

34. Exclusion of the Public and Press

Resolved:

That in accordance with Section 100A4 of the Local Government Act 1972, the press and the public be excluded from the meeting during the consideration of the following items of business as they involve the likely disclosure of exempt information relating to the business affairs of any

particular person(including the authority holding that information).

35. Smart Region Health, Care and Connectivity Programme -Full Business

The board considered a report of the Executive Director Strategy, Integration and Net Zero, that sought approval of the full business case for the Smart City Region Health Care and Connectivity Programme that would be submitted to the Department for Levelling Up, Housing and Communities (DLUHC).

Robert Franks, WM5G Ltd outlined the report that set out how the Smart City Region, Health, Care and Connectivity programme would focus on scaling-up technology trials that the West Midlands has already successfully trialled, to deliver more effective and efficient health and social care services and boost productivity.

The Chair commented that the programme was a really important step in helping to address health inequalities in the region.

Resolved that:

1. The full business case for the Smart City Region Health, Care and Connectivity Programme that will be submitted to the Department for Levelling Up Homes and Communities (DLUHC) be approved;
2. That any non-material variations from the Business Case may be negotiated by the WN5G Ltd Team provided such are approved by the Investment and Commercial Director in consultation with the S151 Officer of the WMCA be endorsed;
3. That a Funding Agreement be entered into to enable the WMCA to receive funding from DLUHC and a back-to-back agreement to WM5G Ltd on the same primary terms and any negotiations of terms be approved by the s151 Officer with suitable legal advice be endorsed;
4. That the WMCA may enter into any necessary agreements with third parties to receive or for WM5G to receive up benefits in kind from third parties with suitable legal advice be endorsed.

36. Chancerygate, Holbrook Lane - Phase 1 and Phase 2 Update

The board considered a report of West Midlands Development Capital (WMDC) that sought endorsement of the removal of a £20m cap on an existing loan from the Commercial Investment Fund and a new overall cap of £25.5m, to allow the 'Company' to take forward Phase 2 of the development.

Ed Bradburn (WMDC) outlined the report and explained the reasons for the change to the loan cap.

The Chair noted that the new loan cap was over £20m and would need the approval of the WMCA Board.

The board asked to receive an update on the project every 3 months.

Resolved that:

1. The powers and ability of the WMCA to make the proposed loan be noted;
2. It be recommended to the WMCA Board that the £20m loan cap be removed and a new overall cap of £25.5m, across the two phases, to allow the 'Company' to continue the build of Phase 2 now that the forward sale has fallen away be approved;
3. Amending the term on Phase 1 to line up with the expiry of Phase 2 be endorsed;
4. Amending the pricing to reflect the fact that Phase 1 is completed, and part-let and the Phase 2 is now being delivered without the benefit of the forward sale be endorsed;
5. The introduction of interest cover covenants and amortisation triggers be endorsed;
6. The negotiation and approval of the final terms of the loan be delegated to the Director of Commercial and Investment in consultation with the s.151 Officer and Monitoring Officer be agreed and
7. **The board receive an update on the project every 3 months.**

37. Beldray Industrial Estate

The board considered a report of West Midlands Development Capital (WMDC) that sought approval for loan funding from the Commercial Investment Fund to facilitate the acquisition and refurbishment of 82ksqft of outdated industrial space in Bilston.

Ed Bradburn (WMDC) presented the report and advised the board that the main objective of the refurbishment was to improve the green credentials of the property to enable the 'Company' to continue to let the units in the future. It was noted that the units are tired and are in need refurbishing to improve their EPC ratings.

Resolved that:

1. The powers and ability of the WMCA to make the proposed loan be noted;
2. The comments made by the Investment Panel when the proposal was presented be noted and
3. The loan investment from the Commercial Investment Fund, for the amount specified in the report, to the 'Company' (a yet to be incorporated SPV owned 90/10 between the two companies identified in the report) for a term of 4 years be approved.

38. WMCA Commercial Investment Fund (CIF) - Dashboard

The board considered a report detailing the Commercial Investment Fund dashboard (private iteration) as at 1 July 2023.

Nick Oakley, West Midlands Development Capital (WMDC) provided an update on 'live' schemes.

Councillor Hughes (Sandwell) reported that he would like to have a meeting with WMDC and Sandwell Officers. Nick Oakley (WMDC) undertook to arrange a meeting.

Resolved that: the report be noted.

39. WMCA Brownfield Land and Property Development Fund (BLPDF) - Dashboard

The board considered a report detailing the Brownfield Land and Property Development Fund (private iteration) as at 1 July 2023.

Nick Oakley, West Midlands Development Capital, advised the board that a report on Yardley Brook would be submitted to the meeting in September.

Resolved that: the report be noted.

40. WMCA Residential Investment Fund (RIF) - Dashboard

The board considered a report detailing the Residential Investment Fund Dashboard (private iteration) as at 1 July 2023.

Resolved: that the report be noted.

41. Housing & Land Fund Dashboard

The board considered a report detailing the Housing and Land Fund dashboard that provided an update on the Brownfield Housing Fund, National Competitive Fund and Land Fund since the last meeting.

Resolved: That the report be noted.

42. Update on Stone Yard

The board received a presentation from Simon Dancer (Amion Consulting) that provided an update on the Stone Yard project.

The presentation outlined progress to date and the next steps.

It was noted that a report on the project would be submitted to a future meeting of the board.

Resolved that: the presentation be noted.

43. Land and Property Investment Fund (LPIF)

The board considered a report detailing the Land and Property Investment Fund as at 5 July 2023

Resolved that: The report be noted.

The meeting ended at 11.34 am.

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WMCA Investment Board

Date	16 th October 2023
Report title	Investment Programme Update
Portfolio Lead	Councillor Bob Sleigh - Finance & Investments
Accountable Chief Executive	Laura Shoaf Email: Laura.Shoaf@wmca.org.uk Tel 0121 214 7444
Accountable Employee	Ian Martin Email: Ian.Martin@wmca.org.uk Tel 0121 214 7926
Report has been considered by	N/A

The WMCA Investment Board is recommended to:

1. Note the two Commercial Investment Fund loans approved by the Chief Executive of the WMCA due to the previous Investment Board not being quorate and the urgent commercial imperative to make such a decision., as detailed at **Section 3**.
2. Note the WMCA Investment Programme funding status and current affordable limit, as outlined at **Section 4**.
3. Note the Regional Investment Programme delivery update detailed within this report and appendices (including the project-level summary within the WMCA Investment Programme dashboard at **Appendix 2**).

1 Purpose

- 1.1 The Investment Board agreed on 26th March 2018 to receive a monthly report on the status of the Investment Programme to help set the context for any investment decisions being made by the Board. This report fulfils that requirement.

2 Background

- 2.1 The Investment Board was established by the WMCA Board as a key element of the approvals process across the Investment Programme.
- 2.2 The Investment Board considered and endorsed an enhanced Terms of Reference at its meeting on 20th April 2020 (approved by WMCA Board 24th July 2020). This set out an enhanced role supporting decision-making, greater post approval controls, performance management and effective delivery of monitoring & evaluation requirements.
- 2.3 The enhanced Terms of Reference included the following:
- To oversee and monitor all investments made through the Investment Programme.
 - To add conditions to any funding decision that falls within its delegated authority. Minimum conditions should specify the availability period, conditions to drawdown of funds, conditions for withdrawal of support and terms of clawback, start date and completion date for the project or programme.
 - Where oversight of monitoring and evaluation applies to the Investment Board, to consider whether a formal review of project or programme is required, and to consider this review itself or instruct the Investment Panel to do so on its behalf.
- 2.4 On the 10th of June 2022, WMCA Board approved extending the role and remit of WMCA Investment Board to cover all WMCA projects (including the CRSTS programme), allowing investment decisions to be made for values between £5 million and £20 million in line with the Single Assurance Framework.

3 Investment Programme Assurance Summary

- 3.1 An analysis of the overall Regional Investment Programme expenditure, (funded by both grants administered by WMCA from the “WMCA Investment Programme” and match funding sources), is provided at **Appendix 1**.
- 3.2 Approved grant funding awarded and administered by the WMCA to programmes within the Regional Investment Programme totals £853.7 million as of 30th September 2023 (no overall change from the last reporting to WMCA Investment Board of £853.7 million as at 30th June 2023 – refer to **paragraph 3.5**).
- 3.3 These commitment values above exclude the provisional ‘ear-marked’ allocations agreed by WMCA Board in March 2021 that are yet to obtain formal approval. Commitments for some of these ear-marked items will be confirmed via the approval of further reports to WMCA Board.
- 3.4 WMCA Investment Programme funding actually drawn / incurred by projects against these funding commitments to date totals £520.2 million. An analysis of funding drawn is provided at **Appendix 1**.

- 3.5 Since the previous full sitting of WMCA Investment Board on 24th July 2023, there have been no business case submissions approved under delegated powers in respect of grant funding.
- 3.6 Two applications for loans from the Commercial Investment Fund were approved since the last quorate meeting of WMCA Investment Board on 24th July 2023, due to the need for commercial expediency:
- Westbeech Developments – Westminster Industrial Estate; and
 - Chancerygate – GKN Site, Erdington, Birmingham.
- 3.7 In the case of Westbeech, a pre-let was in process and failure to agree the loan would have jeopardised the resulting letting, together with the jobs and economic benefit.
- 3.8 In the case of the GKN site, part of the loan funding was enabling site acquisition and completion of the acquisition was scheduled to occur before this Board. A delay risked the transaction and would have set back the delivery of the economic benefits.
- 3.9 **Appendix 1** details the commitments made against the WMCA Investment Programme, summarised by programme, to the end of August 2023. The WMCA Investment Programme dashboard at **Appendix 2** discloses the sums committed against individual projects.

4 Investment Programme Affordable Limit & Gateway Status

- 4.1 At the WMCA Board meeting on 19th March 2021, WMCA Board approved an increase to the current WMCA Investment Programme affordable limit of £70 million, from £801 million to £871 million.
- 4.2 This is presently the limit whilst arrangements to secure additional funding sources into WMCA are developed and delivered.
- 4.3 Programmes which contain projects presently outside the current affordable limit include:
- Coventry UK Central Plus;
 - Employment, Education and Skills;
 - Innovation Programme;
 - Land Reclamation and Remediation;
 - Sprint Programme;
 - Rail Programme;
 - UK Central HS2 Interchange; and
 - UK Central Infrastructure Package.
- 4.4 Investment Board is advised to note that WMCA are in contact with the Department for Levelling Up, Housing and Communities ('DLUHC') in respect of an Interim Gateway Review which is expected to complete in February 2024.
- WMCA have worked with DLUHC-appointed consultants SQW, to establish a list of projects within scope for evaluation.
 - A Local Evaluation Framework was drafted in May 2023 and is with DLUHC for approval.
 - Work on a Mid-Term Gateway Review commenced in September 2023 and to be submitted to DLUHC in February 2024.
 - The 10-year Gateway Review is expected to complete in November 2025.

5 Investment Programme Delivery and Expenditure

- 5.1 The Regional Investment Programme expenditure and underpinning funding summaries are provided at **Appendix 1**.
- 5.2 The amounts shown are the gross delivery totals, inclusive of expenditure funded by grants from the WMCA Investment Programme and match funding sources.
- 5.3 In respect of the full project costs to completion, the financial summary has been adjusted to reflect the revised budget based on the 2023-24 programme baseline. Note that the impact of inflation, as well as local factors including but not limited to programme adjustments to accommodate HS2 delivery, are continuously being assessed by the accountable bodies, with each respective delivery organisation required to manage the schemes within the funding available to them.
- 5.4 The WMCA Investment Programme dashboard at **Appendix 2** provides a detailed summary by project of project completion dates and business case stage.

6 Investment Programme Dashboard

- 6.1 The Investment Programme Dashboard is attached separately at **Appendix 2**.
- 6.2 The dashboard identifies whether project starts, and completions are as forecast when compared with the original business case, or funding documentation where this supersedes the business case.
- 6.3 There are eighty-two projects that have passed the Assurance Process and have received a financial commitment (noting that several projects have identified distinct sub-projects within the approval). **Those projects with a RED status are brought to the attention of Investment Board.**
- 6.4 Eight schemes have a RED status for completion dates, with the Assurance and Appraisal team working with Sponsors to bring forward requests to extend dates to the relevant approval body.
 - UKC Infrastructure – There are three schemes which are listed as RED status because the original completion date has expired without the project concluding. The schemes currently RED status are:
 - Accelerated Housing Delivery - Utilising Solihull Assets;
 - Playing Pitch Implementation Strategy; and
 - Middlewood House.
 - Coventry South Interchange - A46 Stoneleigh Junction (A46 Link Road Phase 1). RED due to approved completion date expired. A Change Request has been received to extend the completion date and is under appraisal.
 - Metro Programme. There are two schemes which are listed as RED status as their forecast end date exceeds their approved end date. A Change Request has been received in Assurance & Appraisal for both Birmingham Eastside Extension and Wednesbury to Brierley Hill Extension projects, and is under appraisal.
 - Rail. A Change Request is awaited from Project Team as the following two projects are being rebased to reflect a number of known project challenges:
 - Walsall to Wolverhampton Local Enhancements (Package 1).
 - Camp Hill Line Local Enhancements (Package 2).

7 Financial Implications

7.1 There are no direct financial implications arising from the recommendations within this report.

8 Legal Implications

8.1 There are no legal implications as a result of the recommendations within this report.

9 Equalities Implications

9.1 There are no equalities implications as a result of the recommendations within this report.

10 Inclusive Growth Implications

10.1 There are no inclusive growth implications as a result of the recommendations within this report.

11 Geographical Area of Report's Implications

11.1 There are no geographical implications as a result of the recommendations within this report. The Regional Investment Programme comprises an array of programmes throughout each of the seven West Midlands constituent member areas. These programmes also have implications for some non-constituent areas and the wider local area beyond the constituent member regions.

12 Other Implications

12.1 Not applicable.

13 Schedule of Background Appendices

Appendix 1: Tables and Graphs

Table 1: Total Regional Investment Programme Expenditure and Funding Summary (as at 30th September 2023)

This table discloses the total expenditure for programmes included within the Regional Investment Programme, including expenditure funded by grants from the WMCA Investment Programme and match funding sources.

The table also summarises the expected funding underpinning the total expenditure forecast outturn shown.

Table 2: WMCA Investment Programme Commitments (as at 30th September 2023)

This table summarises the total grant funding approved to date to be provided by WMCA from the WMCA Investment Programme, summarised by programme.

Graph 1: WMCA Investment Programme Funding Drawn

This graph shows how Investment Programme Funding has been drawn to date and the current expectations for future drawings from within the current affordable limit.

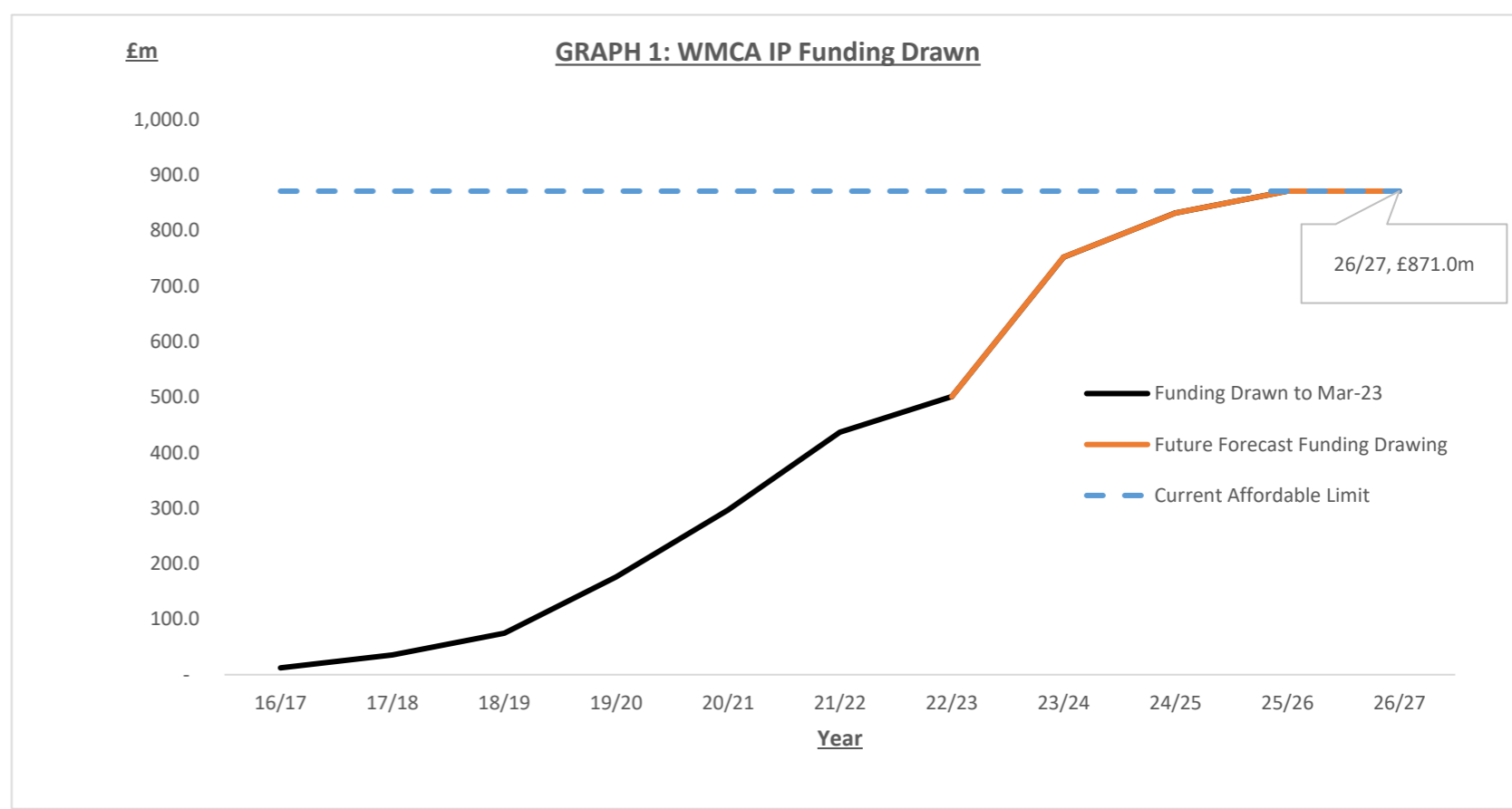
Appendix 2: WMCA Investment Programme Dashboard Report (as at 30th September 2023)

See separate attachment. This appendix summarises the WMCA grant funding commitments by project, as well as business case stage and expected project completion dates.

APPENDIX 1: TABLES AND GRAPHS

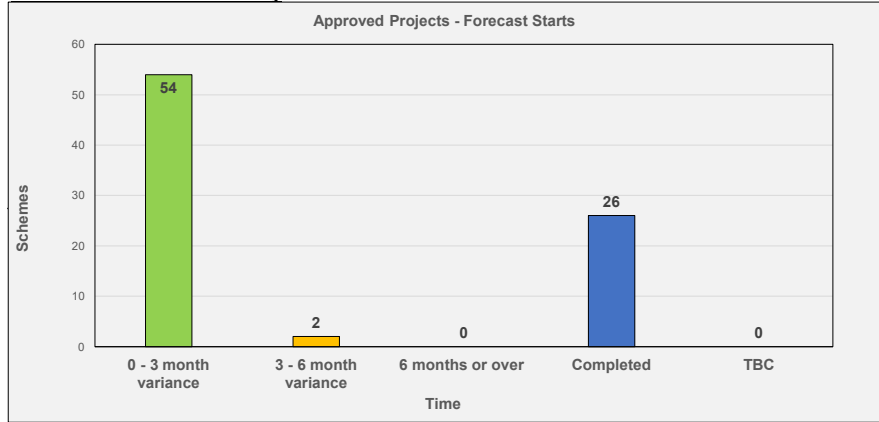
TABLE 1 (£'000)	Cost To Completion				Funding Summary													
	Prior Period	23/24 Outturn	Future Year Forecast	Total Forecast Outturn	WMCA IP	WMCA (Debt)	DfT	Enterprise Zone	Private Sector	LGF	DLUHC	Highways England	Network Rail	CIF	LA	Other	To Be Confirmed	Funding Total
Coventry UKC Plus	274,802	8,453	430,721	713,976	287,951	-	156,650	-	70,975	40,548	35,130	65,000	-	-	13,370	44,351	-	713,976
Sprint Programme	96,982	4,403	191,145	292,530	216,947	-	35,000	-	18,235	4,700	3,100	-	-	-	1,652	12,896	-	292,530
Rail Programme	73,367	59,494	101,502	234,364	113,907	-	59,413	-	-	1,600	14,200	-	15,668	-	11,789	35	17,753	234,364
Metro Programme	603,798	161,554	1,134,441	1,899,792	227,030	116,184	512,091	219,434	3,671	47,640	60,000	-	-	-	124,510	11,898	577,334	1,899,792
UK Central Infrastructure Package	220,076	15,417	1,072,521	1,308,015	288,000	-	-	-	755,690	-	-	-	-	-	27,751	236,574	-	1,308,015
UK Central HS2 Interchange	43,346	3,063	581,333	627,742	398,000	-	-	-	97,817	460	-	-	-	-	180	636	130,650	627,742
Subtotal - HS2 Growth Strategy	1,312,371	252,384	3,511,664	5,076,419	1,531,834	116,184	763,154	219,434	946,388	94,949	112,430	65,000	15,668	-	179,252	306,390	725,737	5,076,420
Coventry City Centre South Regeneration	87,587	48,778	231,208	367,572	149,945	-	-	-	-	-	-	-	-	-	217,627	-	-	367,572
Innovation Programme	43,265	1,467	149,679	194,412	49,982	-	-	-	-	4,849	-	-	-	-	1,693	24,578	113,310	194,412
Land Reclamation and Remediation	67,381	27,023	105,596	200,000	200,000	-	-	-	-	-	-	-	-	-	-	-	-	200,000
Commonwealth Games 2022	78,348	-	-	78,348	25,000	-	-	-	-	20,000	-	-	-	-	10,000	23,348	-	78,348
Employment, Education & Skills	1,312	-	18,687	20,000	20,000	-	-	-	-	-	-	-	-	-	-	-	-	20,000
Business and Tourism Project - BATP	22,533	1,415	-	23,948	2,600	-	-	-	-	-	-	-	-	-	-	21,348	-	23,948
Coventry Electric Bus City	21,273	6,013	112,214	139,500	5,000	-	50,000	-	78,400	-	-	-	-	-	6,100	-	-	139,500
Regional Recovery & Risks	13,391	9,724	26,791	49,906	37,050	-	-	-	34	-	-	-	-	-	-	12,822	-	49,906
Collective Investment Fund	123,482	33,755	842,763	1,000,000	-	-	-	-	-	-	-	-	-	1,000,000	-	-	-	1,000,000
Subtotal - Other IP Schemes	458,572	128,175	1,486,939	2,073,686	489,576	-	50,000	-	78,434	24,849	-	-	-	1,000,000	235,420	82,097	113,310	2,073,686
Grand Total	1,770,943	380,559	4,998,603	7,150,106	2,021,410	116,184	813,154	219,434	1,024,822	119,798	112,430	65,000	15,668	1,000,000	414,672	388,486	839,047	7,150,106

TABLE 2 (£'000)	WMCA IP Commitments		
WMCA Investment Programme Commitment	Total Expected Approvals	Approved Commitments	Actual Spend To Date
Coventry UK Central Plus	288,050	94,805	94,336
Sprint Programme	217,400	47,034	41,762
Rail Programme	113,915	63,026	21,755
Metro Programme	227,030	227,030	101,754
UK Central Infrastructure Package	288,000	35,128	27,940
UK Central HS2 Interchange	398,000	57,539	42,328
Subtotal - HS2 Growth Strategy	1,532,395	524,562	329,876
Coventry City Centre South Regeneration	149,954	149,954	64,119
Innovation Programme	50,000	16,131	14,703
Land Reclamation and Remediation	200,000	103,040	69,245
Commonwealth Games 2022	25,000	25,000	25,000
Employment, Education & Skills	20,000	1,312	1,312
Business and Tourism Project - BATP	2,600	2,600	1,792
Coventry Electric Bus City	5,000	5,000	579
Regional Recovery & Risks	37,050	26,150	13,535
Subtotal - Other IP Schemes	489,604	329,187	190,286
Grand Total	2,022,000	853,749	520,162



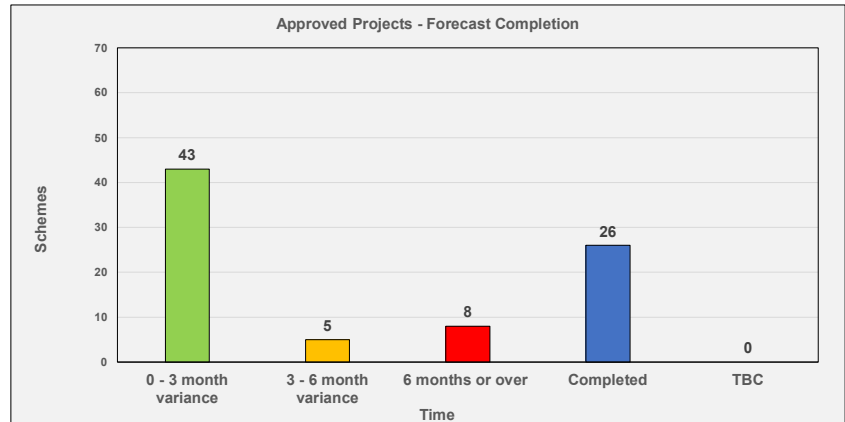
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IP Milestone Baseline Summary



Key Movement

Total number of schemes being reported to **82**
54 schemes report Green status
2 schemes continue to report Amber status
0 schemes report Red status
26 schemes completed



Key Movement

Of the **82** schemes being reported against:
43 schemes report a Green status.
5 schemes report an Amber status
8 schemes report a Red status
26 schemes completed

IN FLIGHT: Committed Projects (with committed funding)											
Project	Current Business Case Stage	Business Case Approval Level	BC Approval Date	Next BC & Date Expected	Committed Sum (£m)	Actual WMCA Spend to Mar-23 (£m)	Approved Start Date: BC / FA	Forecast / Actual Start Date	Approved Completion Date: BC / FA	Forecast / Actual Completion Date	Comment
UKC Interchange											
UGC Business Plan. UGC Operating Costs - 8 Years to 31/03/24.	SOC	Investment Board	13/02/2018	N/A	11.04	9.42	01/04/2016	01/04/2016	31/03/2024	31/03/2024	
HS2 Hybrid Act Change (HS2 Parallel Designs)	OBC	Investment Board	13/02/2018	N/A	9.80	7.89	13/02/2018	13/02/2018	31/12/2025	31/12/2025	
HS2 Parallel Designs - Automated People Mover Alignment and Capacity Upgrade	FBC	Investment Board	10/08/2020	N/A	5.75	0.00	10/08/2020	10/08/2020	31/12/2029	31/12/2029	Project closure process ongoing. Closure report has been received.
HS2 Parallel Designs - Hub Movement and Connectivity	SOC	SLT	26/08/2020	OBC TBC	1.99	0.72	26/08/2020	26/08/2020	31/12/2023	31/12/2023	
HS2 Parallel Designs - Arden Cross Multi-Storey Car Park & Balancing Ponds	OBC	WMCA Board	23/07/2021	FBC 2024	7.30	6.76	10/08/2020	10/08/2020	30/06/2024	13/07/2023	Project closure process ongoing. Closure report has been received.
HS2 Parallel Designs - Roundabout Overtrace	FBC	WMCA Board	13/09/2019	N/A	11.36	10.12	13/09/2019	13/09/2019	31/12/2022	31/12/2024	
HS2 Parallel Designs - Highway Pinch-Point Improvements [NEC Longabout]	FBC	WMCA Board	08/11/2019	N/A	3.38	0.53	02/12/2019	02/12/2019	31/12/2024	31/12/2024	
Birmingham International Station - Integrated Transport Hub	OBC	Investment Board	30/04/2018	FBC Dec-22	6.10	6.10	30/04/2018	30/04/2018	31/12/2022	31/12/2022	Project closure process ongoing. Closure report has been received.
Strategy: Utilities, Land Value, Car Parking	SOC	SLT	23/05/2017	OBC TBC	0.24	0.22	16/02/2017	16/02/2017	31/03/2023	31/03/2023	Project complete, with closure process ongoing.

Project	Current Business Case Stage	Business Case Approval Level	BC Approval Date	Next BC & Date Expected	Committed Sum (£m)	Actual WMCA Spend to Mar-23 (£m)	Approved Start Date: BC / FA	Forecast / Actual Start Date	Approved Completion Date: BC / FA	Forecast / Actual Completion Date	Comment
UKC Infrastructure											
2016/17 UKC PMO Expenditure	SOC				0.44	0.44	2016/17	2016/17	2016/17	2016/17	Management cost incurred by Solihull during the inception of UKC Infrastructure SOC Phase 1 and 2. Project closure process ongoing.
A45 Damson Parkway Junction Improvements	SOC	SLT	20/02/2019	OBC	1.48	1.28	06/10/2017	06/10/2017	31/12/2023	31/12/2023	
A34 Stratford Road Enhancement Study	SOC	SLT	19/09/2018	OBC	0.81	0.53	19/09/2018	19/09/2018	30/09/2026	30/09/2026	
A452 Chester Road Enhancement Study	SOC	SLT	19/09/2018	OBC	1.11	0.53	19/09/2018	19/09/2018	31/12/2023	31/12/2023	
Solihull Town Centre Access Improvements	SOC	SLT	19/09/2018	OBC	2.39	1.58	19/09/2018	19/09/2018	30/09/2026	30/09/2026	
Wildlife Ways (A45 to Town Centre Damson Parkway Cycle Link)	FBC	WMCA Board	28/09/2018	Closure	2.44	2.31	14/09/2018	14/09/2018	31/12/2023	31/12/2023	
Birmingham Business Park Southern Access	SOC	Investment Board	06/10/2017	Closure	0.07	0.06	06/10/2017	06/10/2017	31/12/2023	31/12/2023	
Solihull Station New location feasibility study	OBC	Investment Board	16/10/2017	Closure	0.07	0.07	16/10/2017	16/10/2017	30/06/2023	30/06/2023	This project has concluded, stating the rail station should stay in its existing location. Closure Report submission due.
Solihull Town Centre Public Realm Improvement scheme	SOC	Investment Board	06/10/2017	OBC	0.58	0.48	06/10/2017	06/10/2017	30/09/2023	31/03/2024	As per correspondence from project Sponsor: Delay to timescales due to the consultation process being paused after the election period. Business case is being finalised to be submitted in advance of 31/03/24.
Kingshurst Village Centre	OBC	Investment Board	15/06/2020	FBC	5.73	5.73	15/06/2020	15/06/2020	30/09/2023	31/03/2024	As per correspondence from project Sponsor: An expression of interest has been submitted for an additional funding from the housing fund. The business case to be progressed in advance of 31/03/24.
Chelmsley Wood Town Centre	SOC	Investment Board	06/10/2017	OBC	3.43	2.67	06/10/2017	06/10/2017	30/09/2023	31/03/2024	As per correspondence from project Sponsor: full review will be undertaken and update of way forward to be provided in advance of 31/03/24.
Accelerating Housing Delivery - Simon Digby	OBC	Investment Board	06/10/2017	FBC	1.13	1.05	06/10/2017	06/10/2017	29/02/2024	29/02/2024	
Walking, Cycling & Green Infrastructure Investment Programme	SOC	Investment Board	20/08/2018	OBC *2	0.96	0.64	20/08/2018	20/08/2018	31/12/2023	31/12/2023	
UKC Hub Access and Transport Modelling Programme	SOC	Investment Board	20/08/2018	SOC	0.52	0.48	20/08/2018	20/08/2018	30/09/2023	31/03/2024	As per correspondence from project Sponsor: Delay to allow considerations with other workstreams. Business case submission and / or update of way forward to be provided in advance of 31/03/24.

Project	Current Business Case Stage	Business Case Approval Level	BC Approval Date	Next BC & Date Expected	Committed Sum (£m)	Actual WMCA Spend to Mar-23 (£m)	Approved Start Date: BC / FA	Forecast / Actual Start Date	Approved Completion Date: BC / FA	Forecast / Actual Completion Date	Comment
Solihull Station Integrated Transport Hub	SOC	Investment Board	20/08/2018	OBC	2.07	1.51	20/08/2018	20/08/2018	31/03/2023	15/09/2023	Project complete, with closure process ongoing.
Solihull Town Centre - Development & Investment	SOC	Investment Board	20/08/2018	OBC	1.85	1.84	20/08/2018	20/08/2018	31/10/2022	31/10/2022	Project complete, with closure process ongoing.
Accelerated Housing Delivery - Utilising Solihull Assets	SOC	Investment Board	20/08/2018	OBC	2.82	2.42	20/08/2018	20/08/2018	31/01/2023	30/06/2024	Project Change Request to be submitted to WMCA Assurance.
Playing Pitch Implementation Strategy	SOC	SOP	13/01/2022	OBC	0.34	0.04	13/01/2022	13/01/2022	31/08/2022	31/12/2023	Spin-off of Project 31317_Accelerated Housing Delivery - Utilising Solihull Assets, with no additional funding commitment from WMCA. Project Change Request to be submitted to WMCA Assurance.
Middlewood House	OBC	SOP	04/10/2022	FBC	0.24	0.04	04/10/2022	04/10/2022	13/06/2023		Spin-off of Project 31317_Accelerated Housing Delivery - Utilising Solihull Assets. Project Change Request to be submitted to WMCA Assurance to extend completion date. Estimated end date has not been provided.
Rowood Drive	OBC	SLT	14/12/2022	FBC	0.50	0.00	05/12/2022	05/12/2022	10/09/2024	10/09/2024	Spin-off of Project 31317_Accelerated Housing Delivery - Utilising Solihull Assets.
Inclusive Growth - Securing Social Value	SOC	Investment Board	20/08/2018	BCJ / Evaluation	1.13	0.72	20/08/2018	20/08/2018	31/03/2025	31/03/2025	
Sustainable Energy - Enabling Clean Growth and Mobility	SOC	Investment Board	20/08/2018	TBD	0.65	0.50	20/08/2018	20/08/2018	30/06/2024	30/06/2024	
Sustainable Energy - UKC Hub Low Carbon Heat Network	SOC	Investment Board	20/08/2018	TBD	0.20	0.07	20/08/2018	20/08/2018	30/09/2024	30/09/2024	
Low Carbon Future Mobility	SOC	Investment Board	18/09/2018	OBC	0.97	0.60	18/09/2018	18/09/2018	31/03/2025	31/03/2025	
Sustainable Energy - Solihull Town Centre Low Carbon Energy Network	OBC	Investment Board	15/06/2020	FBC	2.48	1.67	15/06/2020	15/06/2020	31/07/2023	31/10/2023	Decision whether to proceed or not into FBC expected in Autumn 2023.
Local Strategic Network Resilience: Connectivity and Enhancements Programme	SOC	SLT	18/03/2020	OBC	0.71	0.71	18/03/2020	18/03/2020	28/02/2022	Paused / Part to be merged into 31320	Subprojects: Smart Resilient Assets FBC Paused. Significant Network Connections FBC Paused. Sustainable Mobility Management OBC to be merged with Low Carbon Future Mobility.

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Coventry City Centre First											
City Centre First - Coventry Station Master Plan	FBC	WMCA Board	09/03/2018	N/A	39.40	39.40	30/06/2018	31/10/2018	31/12/2031	31/12/2031	
Coventry City Centre First	FBC	WMCA Board	28/06/2019	N/A	31.60	31.52	28/06/2019	28/06/2019	31/05/2021	31/05/2021	Project complete, with closure process ongoing. Closure report has been received.
Coventry Regeneration											
Coventry City Centre South	FBC	WMCA Board	08/02/2018	N/A	98.75	18.54	07/03/2018	07/03/2018	31/01/2042	31/01/2042	Completion Date for Block E1 31/03/2036. Construction Longstop Date for Block E2 31/01/2041.
Coventry Friargate Business District Phase 1	FBC	WMCA Board	30/09/2018	N/A	51.20	45.58	30/09/2020	25/11/2020	31/12/2035	31/12/2035	Building C10 Practical Completion Date is 01/05/2023, now estimated as 13/11/2023 as per correspondence from project Sponsor.
Coventry South Interchange											
A46 Stoneleigh Junction (A46 Link Road Phase 1)	FBC	WMCA Board	14/09/2018	N/A	6.60	6.60	19/11/2020	19/11/2020	31/03/2023	30/11/2023	Project Change Request submitted to WMCA Assurance in August 2023 to extend completion date from March 2023 into November 2023. Queries raised with Project Sponsor have not been yet addressed.
A46 Link Road Phase 2 [Strategic Link]	SOC	SLT	26/06/2017	OBC Jun-21	0.35	0.01	15/06/2020	15/06/2020	31/03/2026	31/03/2026	
A46 Link Road Phase 3 [Solihull]	SOC	SLT	26/06/2017	OBC Q4 -21	0.10	0.06	26/06/2017	26/06/2017	31/03/2026	31/03/2026	
Coventry South Interchange	SOC	SLT	26/06/2017	OBC	0.05	0.04	26/07/2017	26/07/2017	31/03/2024	31/03/2024	
Tile Hill Station Improvements	SOC	SLT	26/06/2017	OBC Nov-21	0.30	0.30	26/07/2017	26/07/2017	31/03/2022	31/03/2022	Project complete, with closure process ongoing. Closure report has been received.
Coventry North											
M6 Junction 3 improvements	SOC	SLT	20/02/2018	OBC Nov-20	0.10	0.10	02/04/2025	02/04/2025	30/03/2028	30/03/2028	
Kersley Link Road	SOC	SLT	21/02/2018	OBC Nov-20	0.10	0.10	01/04/2021	01/04/2021	29/03/2024	29/03/2024	
Coventry VLR											
Very Light Rail	SOC	WMCA Board	27/11/2017	OBC 10/09/2021	12.20	12.20	27/11/2017	27/11/2017	31/03/2022	31/03/2022	Project complete, with closure process ongoing. Closure report has been received.

Project	Current Business Case Stage	Business Case Approval Level	BC Approval Date	Next BC & Date Expected	Committed Sum (£m)	Actual WMCA Spend to Mar-23 (£m)	Approved Start Date: BC / FA	Forecast / Actual Start Date	Approved Completion Date: BC / FA	Forecast / Actual Completion Date	Comment
Coventry Programme											
City of Culture Trust 2021	FBC	WMCA Board	13/09/2019	N/A	4.00	4.00	13/09/2019	13/09/2019	31/03/2022	31/05/2022	Due to the pandemic the events started in May 2021 and finished in May 2022. Project complete, with closure process ongoing.
UK Battery Industrialisation Centre [UK BIC]	FBC	WMCA Board	13/09/2019	N/A	Up to £2.80m Interest (£18.00m Loan)	18.00	31/03/2018	31/03/2018	31/12/2033	31/12/2033	
Coventry Electric Bus City	FBC	WMCA Board	19/03/2021	N/A	5.00	0.58	19/03/2021	19/03/2021	31/03/2025	31/03/2025	
Sprint											
Sprint Hagley Road - Phase 2 Dudley & Halesowen	SOC	SLT	09/01/2018	OBC	2.90	0.45	06/09/2022	01/12/2022	01/12/2029	01/12/2029	
Sprint - Birmingham to Sutton Coldfield	SOC	SLT	23/05/2017	OBC	1.23	1.23	23/05/2017	23/05/2017	01/12/2029	01/12/2029	
Sprint - A34 Walsall to Birmingham	FBC	WMCA Board	14/02/2020	N/A	19.54	18.51	01/02/2020	01/03/2020	30/06/2025	30/06/2025	
Sprint - Birmingham to Longbridge	SOC	SLT	17/08/2017	OBC	0.30	0.24	01/12/2023	01/12/2023	01/12/2029	01/12/2029	
Sprint - Hall Green to Interchange via Solihull	SOC	SLT	22/11/2017	OBC	0.30	0.15	01/12/2024	01/12/2024	01/12/2029	01/12/2029	
Sprint - A45 Birmingham to Airport and Solihull	FBC	WMCA Board	14/02/2020	N/A	22.76	21.18	01/02/2020	01/03/2020	30/06/2025	30/06/2025	

Project	Current Business Case Stage	Business Case Approval Level	BC Approval Date	Next BC & Date Expected	Committed Sum (£m)	Actual WMCA Spend to Mar-23 (£m)	Approved Start Date: BC / FA	Forecast / Actual Start Date	Approved Completion Date: BC / FA	Forecast / Actual Completion Date	Comment
Metro Programme											
Metro East Birmingham - Solihull (EBS)	SOC	Investment Board	07/07/2017	OBC TBC	10.20	9.70	07/07/2017	07/07/2017	31/12/2019	31/12/2019	Project complete, with closure process ongoing. A new project has been developed in the CRSTS programme, reviewing options on this corridor - with a view to develop a new OBC or SOBC.
Metro: Bilston Road Track Replacement Phase 2	FBC	WMCA Board	17/02/2017	N/A	15.03	13.92	01/01/2017	01/01/2017	31/12/2017	31/12/2022	Project complete, with closure process ongoing. A new project has been developed in the CRSTS programme, reviewing options on this corridor - with a view to develop a new OBC or SOBC.
Metro Birmingham Eastside Extension	FBC	WMCA Board	14/02/2020	N/A	18.50	0.00	02/01/2020	01/06/2020	31/07/2025	30/04/2027	There has been a change in completion date due to interface with HS2. Project Change Request submitted to WMCA Assurance in June 2023 to extend completion date.
Metro Centenary Square Extension	FBC	WMCA Board	17/03/2017	N/A	63.10	63.10	07/04/2017	07/05/2017	21/12/2021	21/12/2021	Project complete, with closure process ongoing.
Metro Wolverhampton Interchange	FBC	WMCA Board	01/12/2018	N/A	27.40	24.49	01/12/2018	01/12/2018	31/03/2022	24/08/2023	Change in completion date due to third party approvals impacting on construction (of second stop). Project handed over to start driver training on 24 August 2023. Still some more work to complete in the coming 6-8 weeks before the system will operate automatically between Wolverhampton St Georges and Wolverhampton Station.
Metro Wednesbury to Brierley Hill Extension	FBC	WMCA Board	22/03/2019	N/A	103.00	0.24	04/11/2019	04/11/2019	31/12/2023	31/12/2024	The forecast end date has changed due to several issues, including - the impact of pandemic, delays to the TWAO, Network Rail agreement completion, land acquisition and procurement issues. Project Change Request submitted to WMCA Assurance during June 2023 to extend completion date.

Project	Current Business Case Stage	Business Case Approval Level	BC Approval Date	Next BC & Date Expected	Committed Sum (£m)	Actual WMCA Spend to Mar-23 (£m)	Approved Start Date: BC / FA	Forecast / Actual Start Date	Approved Completion Date: BC / FA	Forecast / Actual Completion Date	Comment
Rail Programme											
Rail - Sutton Coldfield Gateway	SOC	SLT	27/10/2017	OBC	0.87	0.36	27/10/2017	27/10/2017	31/03/2024	31/03/2024	
Rail - Walsall to Wolverhampton Local Enhancements (Package 1)	FBC	WMCA Board	15/01/2021	N/A	15.99	4.73	30/11/2019	30/11/2019	30/03/2023	31/10/2025	Forecast completion date amended as per correspondence from project team. Project Change Request due to be submitted to WMCA Assurance to extend completion date.
Rail - Camp Hill Line Local Enhancements (Package 2)	FBC	WMCA Board	15/01/2021	N/A	36.35	10.32	30/11/2019	30/11/2019	31/12/2023	31/12/2024	Forecast completion date amended as per correspondence from project team. Project Change Request due to be submitted to WMCA Assurance to extend completion date.
Perry Barr Railway Station and Bus Interchange	FBC	WMCA Board	15/01/2021	N/A	9.54	6.28	15/01/2021	15/01/2021	31/08/2022	31/08/2022	Project complete, with closure process ongoing.
Land Remediation											
Land Remediation (Black Country Consortium) [LPIF]	SOC	WMCA Board	15/01/2021	N/A	53.04	29.61	17/02/2017	17/02/2017	31/03/2025*	31/03/2025	*Programme management cost profiled to 31/03/2026.
Brownfield Land & property Development Fund (BLPDF)	SOC	WMCA Board	17/02/2017	N/A	50.00	39.64	17/02/2017	17/02/2017	31/03/2024	31/03/2024	
Business Innovation											
Innovation - West Midlands Innovation Programme	FBC	FBC	24/06/2019	FBC 18/01/2020	3.24	3.13	24/06/2019	24/06/2019	30/12/2022	31/03/2023	Project complete, with closure process ongoing. Closure report has been received.
Innovation - Urban Challenge	SOC	SLT	12/03/2018	N/A	0.20	0.20	12/03/2018	12/03/2018	01/06/2018	01/06/2018	Project complete, with closure process ongoing.
Innovation - West Midlands 5G	OBC	SLT	19/06/2019	FBC TBC	5.00	3.68	19/06/2019	19/06/2019	31/03/2024	31/03/2024	Rolling expiry date until funds are spent and outputs are delivered.
Innovation - Energy Capital (Energy Efficiency and Fuel Poverty)	SOC	SLT	20/03/2019	N/A	0.25	0.25	20/03/2019	20/03/2019	01/03/2023	01/03/2023	Project complete, with closure process ongoing.
Innovation - Ultra Low Emission Vehicle (ULEV) Strategy	SOC	SLT	20/03/2019	N/A	0.25	0.25	01/06/2019	01/06/2019	30/09/2021	30/09/2021	Project complete, with closure process ongoing.
Innovation - West Midlands Growth Company	FBC	Investment Board	19/11/2018	N/A	7.20	7.20	01/04/2019	01/04/2019	31/03/2023	31/03/2023	Project complete, with closure process ongoing. Closure report has been received.

Project	Current Business Case Stage	Business Case Approval Level	BC Approval Date	Next BC & Date Expected	Committed Sum (£m)	Actual WMCA Spend to Mar-23 (£m)	Approved Start Date: BC / FA	Forecast / Actual Start Date	Approved Completion Date: BC / FA	Forecast / Actual Completion Date	Comment
Employment Education & Skills											
Aspirations for All	SOC	SLT	21/08/2019	N/A	0.50	0.50	21/08/2019	21/08/2019	30/09/2022	30/09/2022	Project complete, with closure process ongoing.
HS2 Jobs and Skills Workstream	SOC	SLT	20/06/2018	TBC	0.81	0.81	20/06/2018	31/08/2018	31/03/2023	31/03/2023	Project complete, with closure process ongoing. Closure report has been received.
Commonwealth Games											
Commonwealth Games 2022 - Alexander Stadium Redevelopment	FBC	WMCA Board	30/11/2019	N/A	25.00	25.00	20/03/2020	20/03/2020	01/06/2022	01/06/2022	Project complete, with closure process ongoing. Closure report has been received.
Business and Tourism Project - BATP											
Business and Tourism Project - BATP	FBC	WMCA Board	05/06/2020	N/A	2.60	1.79	05/06/2020	05/06/2020	30/11/2023	30/11/2023	Programme delivered by West Midlands Growth Company, with WMCA acting as Accountable Body.
WM2041											
WM2041 Five Year Plan	FBC	WMCA Board	19/03/2021	N/A	5.10	2.24	19/03/2021	19/03/2021	31/12/2026	31/12/2026	BJC Net Zero Neighbourhood Demonstrator – Brockmoor in Dudley MBC. In November 2022 approval was given towards £1.65m from within overarching £5.1m sum.
City Learning Quarter											
College of Wolverhampton Technical Centre [CoWTechC]	FBC	WMCA Board	23/07/2021	N/A	7.75	0.33	23/07/2021	23/07/2021	31/03/2025	31/03/2025	As per correspondence from project Sponsor: Construction start date: 14/08/2023. Construction forecast end date: July 2024.
West Midlands Co-Investment Fund [WMCO]											
West Midlands Co-Invest Equity Fund	FBC	WMCA Board	14/01/2022	N/A	12.50	0.16	14/01/2022	14/01/2022	31/01/2033	31/01/2033	
HS2 Programme Governance											
HS2 Growth Delivery Programme Communications	SOC	SLT	20/06/2018	CRF/SOC TBC	0.33	0.33	01/04/2019	01/04/2019	30/03/2020	30/03/2020	Annual rolling programme. Reported at IB on 20/04/20, but SOC's were submitted and appraised and considered a support function. Project complete, with closure process ongoing.

KEY				
Actual / Forecast Start Date	0 - 3 Month Variance	3 - 6 Month Variance	6 Months + or An Issue	Complete
Actual / Forecast Completion Date	0 - 3 Month Variance	3 - 6 Month Variance	6 Months + or An Issue	Complete

N.B.
<p>Approved Start & Completion Dates: Data source comes from 1 of 3 possible options depending on the stage the project has reached within the Governance Lifecycle and are:</p> <ol style="list-style-type: none"> Business Case / Change Request Governance Board Approval Funding Agreement / Deed of Variation

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WMCA Commercial Investment Fund (CIF) - Dashboard

01 October 2023

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WMCA CIF - Investments committed and completed funds

Opportunity - Location	Industry	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Local Authority	Loan Amount	Drawn Amount
Complex Development Projects - Telegraph, Far Gosford 2	Residential Property	90	2.56	0	80,000	£70,000	Coventry CC	£4,290,000	£4,088,526
Craig Watts - Aliaxis Site	Commercial Property	200	5.3	0	100,000	£0	Cannock Chase DC	£3,100,000	£2,839,630
Holbrook Lane Investment LLP - Holbrook Lane	Commercial Property	200	5.6	0	105,000	£450,000	Coventry CC	£8,800,000	£8,198,203
St Francis Group - Parallel 113	Commercial Property	198	6.6	0	113,000	£370,000	Walsall DC	£6,400,000	£6,400,000
Redsun Projects Ltd - Halesfield - Investment	Commercial Property	0	0	0	0	£0	Telford & Wrekin	£4,000,000	£4,000,000
Holbrook Lane LLP - Phase 2	Commercial Property	295	6.74	0	149,458	£650,000	Coventry CC	£15,000,000	£11,200,000
Complex Developments - Leamington	Commercial Property	140	0.03	0	18,198	£179,000	N Warwickshire	£3,000,000	£0
KMN Investments Ltd - Drywall Steel Sections - Mayank Gupta	Commercial Property	75	4.5	0	83,174	£290,000	Wolverhampton CC	£7,590,000	£6,600,000
Dean Wilson - Halesfield	Commercial Property	99	3.8	0	47,808	£210,000	Telford & Wrekin	£4,000,000	£2,895,305
Covanta Europe / Encyclis	Commercial Property	50	8.2	0	123,462	£2,500,000	Walsall DC	£7,500,000	£0
Morris & Co - Stadium Point - Phase 1	Commercial Property	305	6.81	0	136,557	£596,000	Shropshire	£14,020,000	£2,695,095
Colmore Capital - Beldray Industrial Estate	Commercial Property	160	0	0	81,516	£306,000	Wolverhampton CC	£5,500,000	£4,589,010
Barberry - Coventry	Commercial Property	112	2.57	0	43,500	£189,312	Coventry CC	£3,650,000	£0
Barberry - Cannock Chase	Commercial Property	265	5.83	0	102,500	£338,368	Wolverhampton CC	£5,250,000	£0
Craig Watts - Aliaxis Site Phase 2	Commercial Property	250	3.1	0	33,000	£0	Cannock Chase DC	£2,700,000	£0
Westbeck Group - Westminster Industrial Estate	Commercial Property	32	1	0	16,000	£128,000	Dudley MBC	£1,550,000	£0
Chancerygate - GKN Erdington	Commercial Property	597	12	0	302,000	-	Birmingham CC	£10,500,000	£0

Live outputs	Transaction	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Loan Amount	Drawn Amount
	17	3,068	75	0	1,535,173	£6,276,680	£106,850,000	£53,505,769

Repaid	Transaction	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Loan Amount
	20	3,430	73	513	1,285,938	£5,095,993	£88,295,000

Total	Transaction	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Loan Amount
	37	6,498	148	513	2,821,111	£11,372,673	£195,145,000

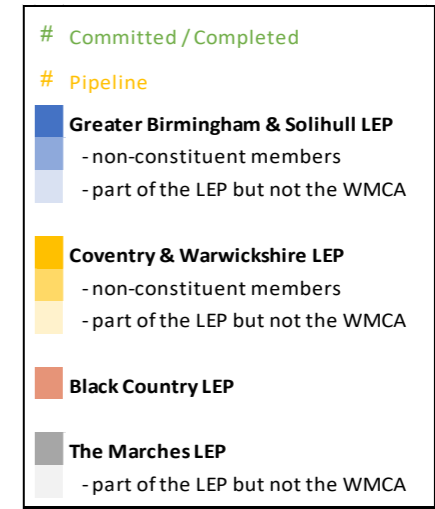
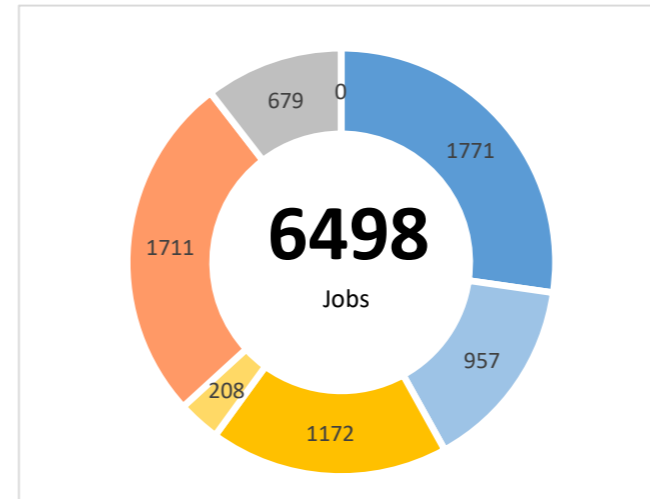
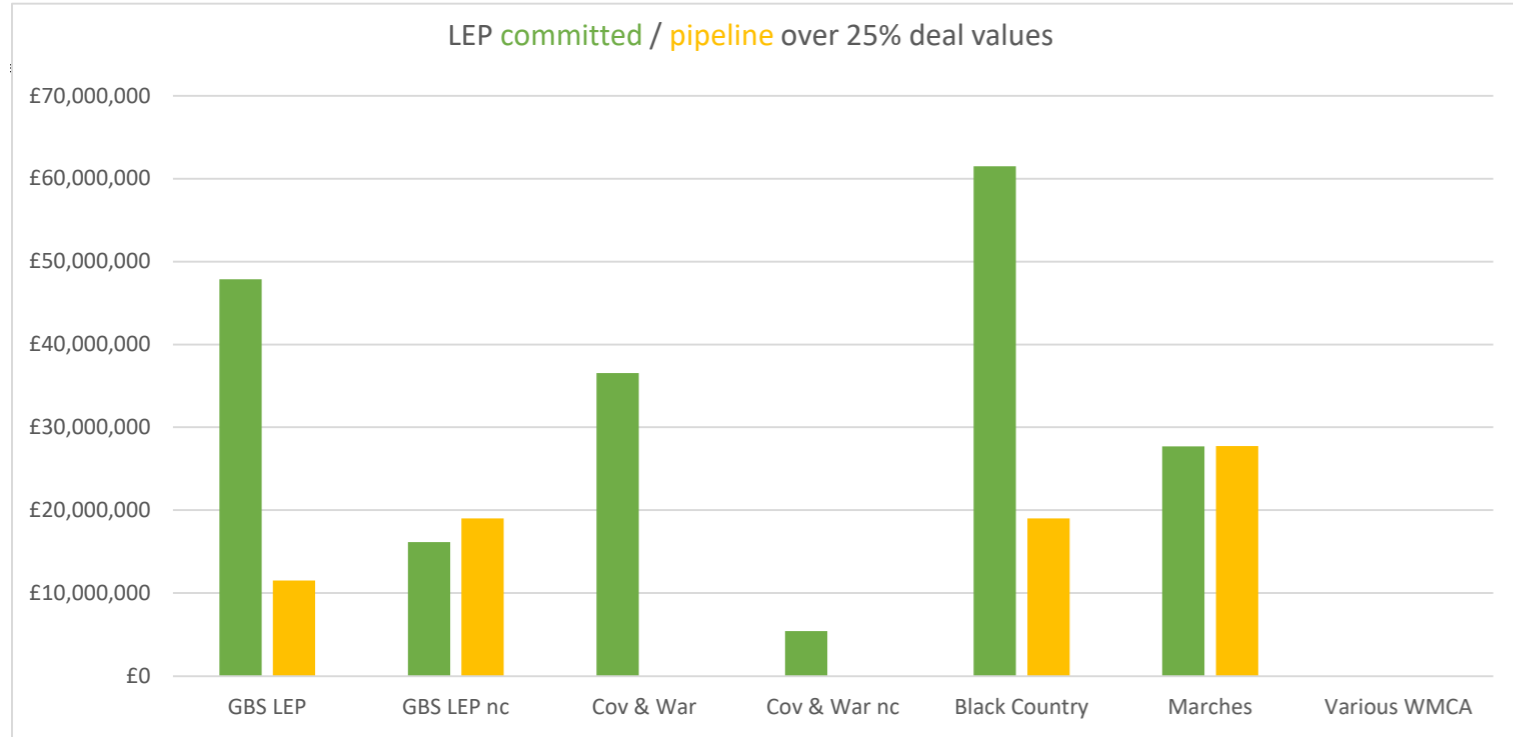
WMCA CIF - Investments Repaid

Opportunity - Location	Industry	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Local Authority	Loan Amount
Barberry - 57 AMH	Industrial	230	2.37	0	56,800	£270,000	Birmingham CC	£5,030,000
Barberry - 65 AMH	Commercial Property	80	2.9	0	60,000	£208,545	Birmingham CC	£3,680,000
Barberry - Kingswood Lakeside	Commercial Property	82	3.45	0	61,600	£177,038	Cannock Chase DC	£3,350,000
Barberry - Perry Barr	Commercial Property	75	2.5	0	48,000	£149,448	Birmingham CC	£2,900,000
Chase Midlands - Sheldon	Commercial Property	230	1	0	45,140	£374,578	Birmingham CC	£7,905,000
Complex Development Projects - Telegraph, Far Gosford (Refi'd)	Commercial Property	200	2.7	423	0	£0	Coventry CC	£2,820,000
Cordwell Lesiure - Walsall	Commercial Property	130	1.2	0	35,400	£257,223	Walsall DC	£6,950,000
Expert Holdings Ltd	Commercial Property	275	4	0	82,000	£257,223	Coventry CC	£2,000,000
Goold Estates Ltd - Steel Park	Commercial Property	165	5.5	0	69,025	£198,378	Wolverhampton CC	£3,700,000
Macc Care - Sutton	Residential Property	60	1.78	10	25,833	£287,000	Birmingham CC	£2,350,000
Opus Land - Kingswood Lakeside	Commercial Property	425	14	0	283,185	£807,120	Cannock Chase DC	£7,000,000
Opus Land - Seven Stars	Commercial Property	203	6.35	0	120,000	£360,000	Sandwell MBC	£5,500,000
Warmflame Developments Ltd - Nuneaton	Commercial Property	68	0.74	0	35,000	£90,000	Nuneaton & Bedworth	£2,400,000
WD (Cakes & More) Ltd	Commercial Property	107	2.75	0	54,000	£200,000	Dudley MBC	£3,600,000
Chancerygate - Minworth	Commercial Property	140	3.13	0	72,010	£300,000	Birmingham CC	£6,000,000
Redsun Projects Ltd - Halesfield	Commercial Property	200	5	0	77,000	£209,000	Telford & Wrekin	£3,400,000
Morris & Company Ltd - Paragon Point	Commercial Property	75	2.54	0	37,900	£113,000	Telford & Wrekin	£2,265,000
Stoford Properties - Sandvik	Commercial Property	182	8.26	80	20,000	£165,000	Dudley MBC	£4,945,000
Barberry - Well Lane, Wolverhampton	Commercial Property	144	3.31	0	55,575	£172,440	Wolverhampton CC	£3,000,000
Kinrise - Citadel	Commercial Property	359	0	0	47,470	£500,000	Birmingham CC	£9,500,000

Repaid

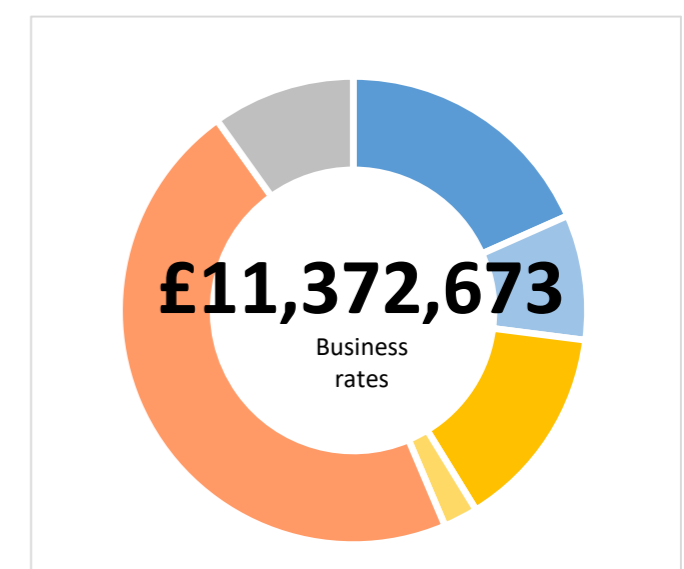
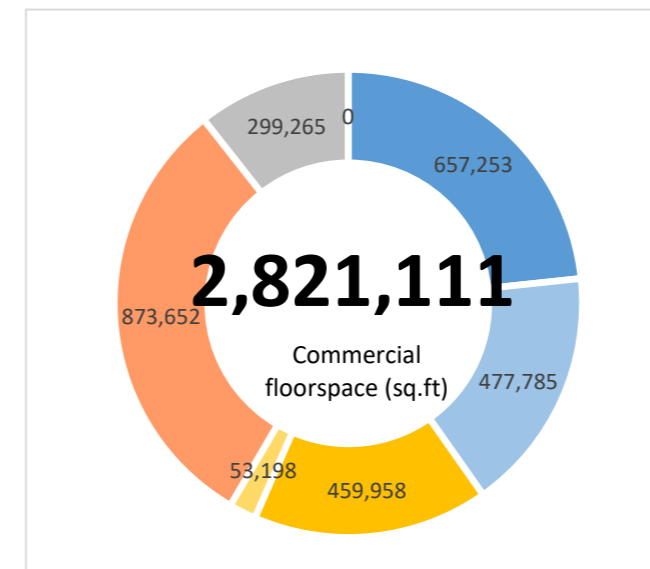
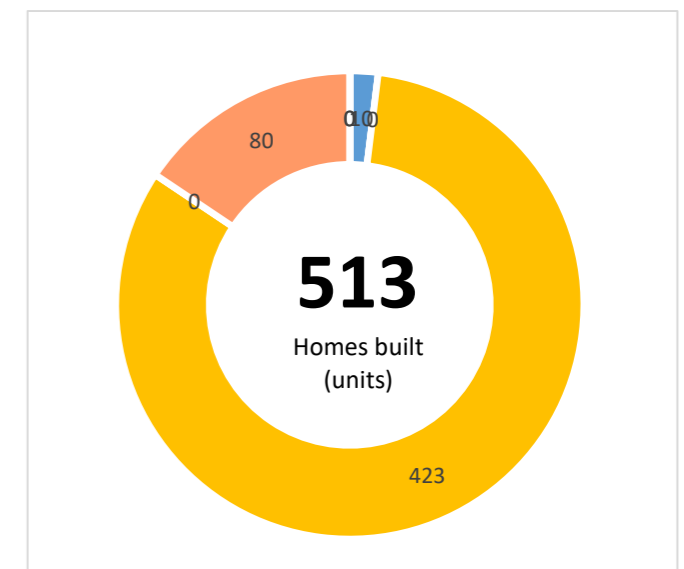
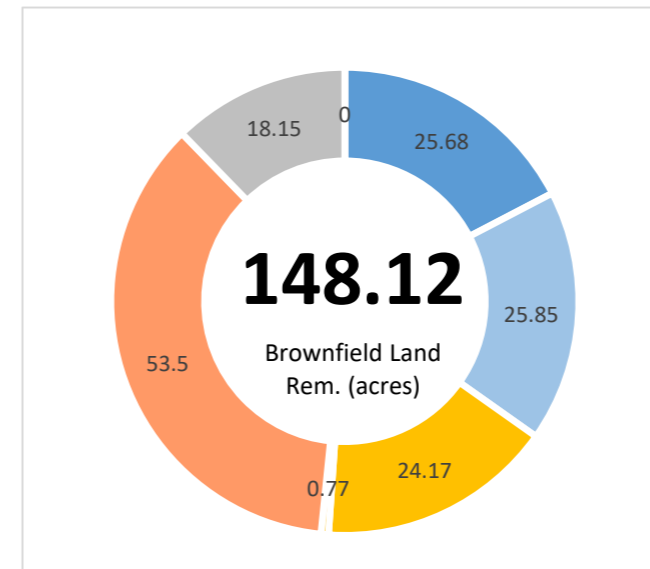
Transaction	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Loan Amount
20	3,430	73	513	1,285,938	£5,095,993	£88,295,000

WMCA CIF - Dashboard



Geography of committed deal values - committed / pipeline over 25%

Birmingham		Solihull	
£47,665,000	£0	£0	£0
£11,500,000	£0	£0	£0
Cannock		Redditch	Tamworth
£16,150,000	£0	£0	£0
£19,000,000	£0	£0	£0
Coventry			
£36,560,000			
£0			
N Warwickshire	Nuneaton	Rugby	Stratford
£3,000,000	£2,400,000	£0	£0
£0	£0	£0	£0
Walsall	Dudley	W'hampton	Sandwell
£20,850,000	£10,095,000	£25,040,000	£5,500,000
£0	£0	£8,500,000	£10,500,000
Telford	Shropshire	Various WMCA	
£13,665,000	£14,020,000	£0	
£25,250,000	£2,500,000	£0	



WMCA Brownfield Land and Property Development Fund (BLPDF) - Dashboard

01 October 2023

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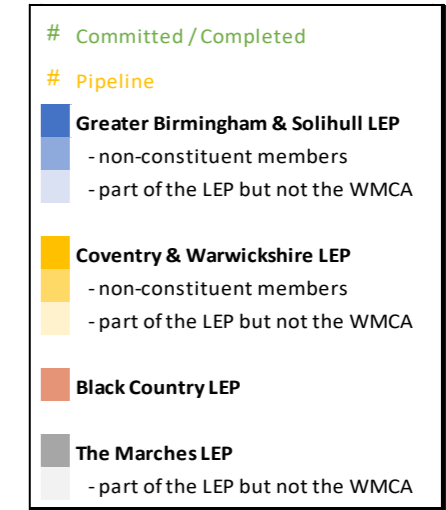
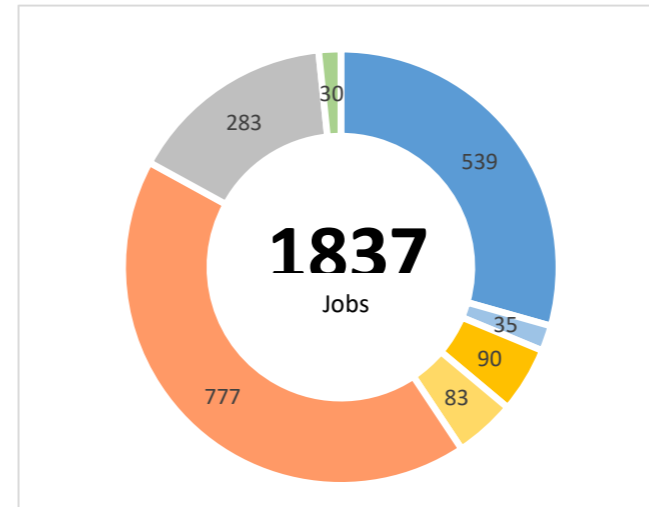
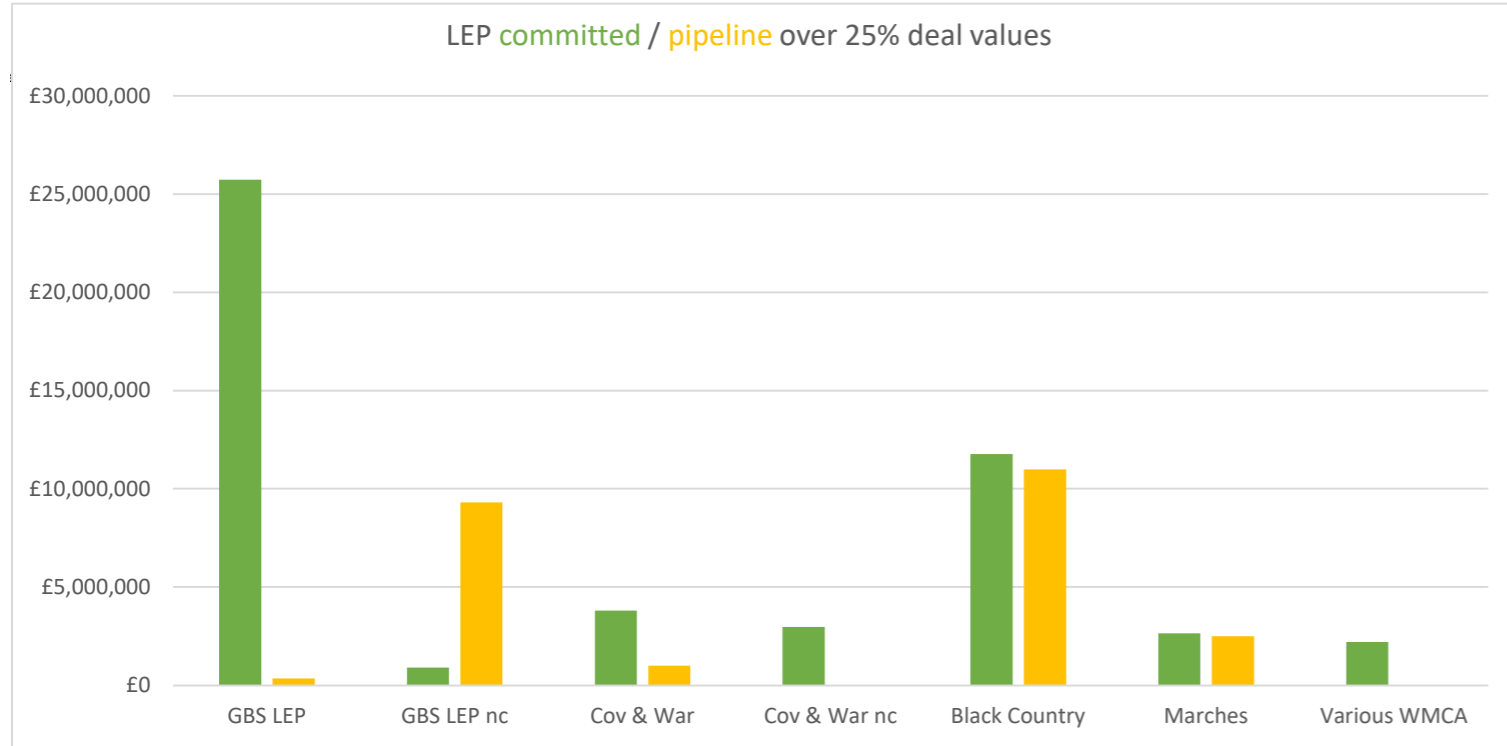
WMCA BLPDF - Investments committed and completed funds

Opportunity - Location	Industry	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Local Authority	Grant Amount	Drawn Amount
Cavendish House, Portersfield Phase 1, Dudley (Avenbury) - WMCA Scheme *Fully Drawn*	Residential Property	0	2	28	0	£0	Dudley MBC	£724,000	£654,945
Symphony Hall - WMCA Scheme *Fully Drawn*	Commercial Property	21	0	0	0	£0	Birmingham CC	£256,920	£256,261
Anchor Meadow, Aldridge - WMCA Scheme	Commercial Property	27	0.49	0	0	£0	Walsall DC	£400,000	£388,500
Pipe Hall, Bilston - WMCA Scheme	Residential Property	0	0.327	0	0	£0	Wolverhampton CC	£1,249,500	£201,436
EVCATS - WMCA Scheme	Commercial Property	30	5.5	0	100,000	£250,000	Various WMCA	£2,200,000	£0
Mucklow Park, Tyseley *Fully Drawn*	Commercial Property	350	20	0	255,000	£436,489	Birmingham CC	£1,011,500	£1,011,500
Opus Land Seven Stars *Fully Drawn*	Commercial Property	143	6.3	0	120,000	£342,000	Sandwell MBC	£2,630,000	£2,627,773
Telegraph, Far Gosford Developments *Fully Drawn*	Commercial Property	90	2.56	0	80,000	£70,000	Coventry CC	£3,800,000	£3,800,000
Vistry Partnerships Ltd *Fully Drawn*	Residential Property	0	4.6	0	0	£0	Walsall DC	£615,000	£615,000
BCC Commonwealth Games *Fully Drawn*	Residential Property	125	13.34	256	269,097	£0	Birmingham CC	£20,075,000	£20,075,000
Dudley College *Fully Drawn*	Commercial Property	150	2.6	0	51,130	£0	Dudley MBC	£2,121,000	£2,121,000
Stoford Properties - Shidas Lane *Fully Drawn*	Commercial Property	450	7	0	55,000	£0	Sandwell MBC	£3,450,000	£3,450,000
Cannock District Council - Hawks Green *Fully Drawn*	Residential Property	35	2.22	44	0	£0	Cannock Chase DC	£900,000	£900,000
Redsun Projects Ltd *Fully Drawn*	Commercial Property	200	5	0	78000	£209,000	Telford & Wrekin	£1,746,080	£1,746,082
Nuneaton & Bedworth Borough Council *Fully Drawn*	Commercial Property	30	2.3	0	56456	£0	Nuneaton & Bedworth	£775,000	£775,000
Nuplace South Waterway *Fully Drawn*	Residential Property	6	5.9	46	0	£0.00	Telford & Wrekin	£460,000.00	£460,000.00
Mira Technology Park Limited	Commercial Property	53	1.5	0	57,759	£296,000	N Warwickshire	£2,195,000	£0
Anthem Lovells - Caparo	Residential Property	7	16.53	0	0	0	Walsall DC	£575,000.00	£359,375.00
Central & Country - Telford & Wrekin (House Building Programme)	Residential Property	77	12.22	96	0	£0	Telford & Wrekin	£430,000	£0
Yardley Brook, Shard End	Residential Property	43	33	149	0	£0	Birmingham CC	£4,386,000	£0

Total

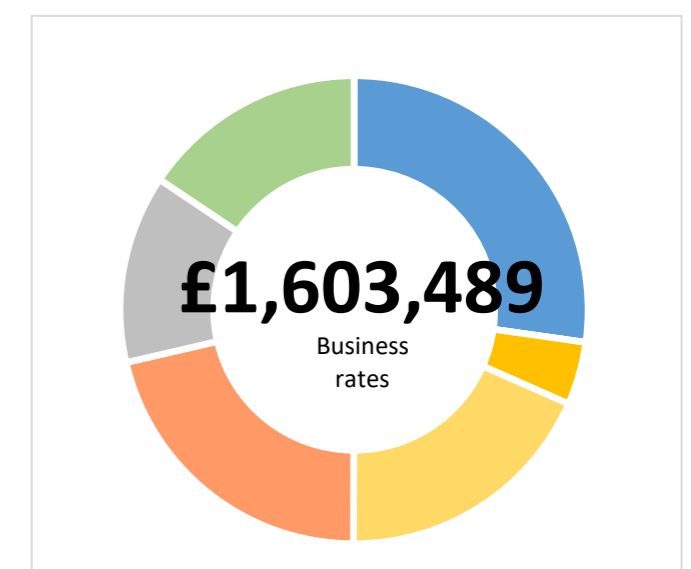
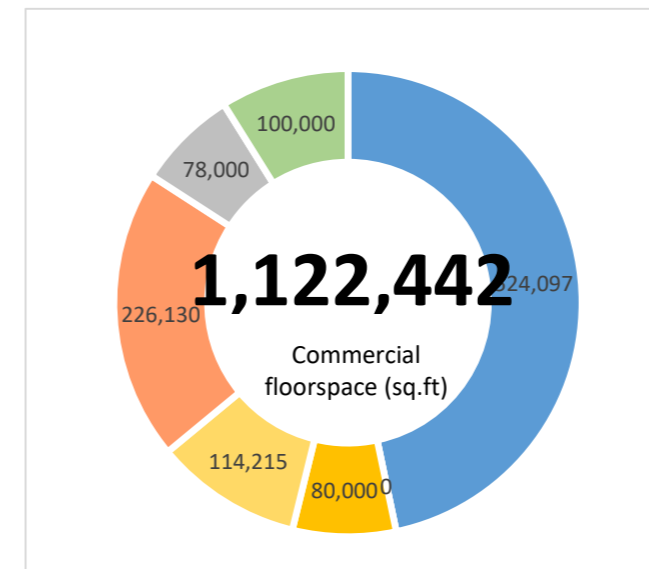
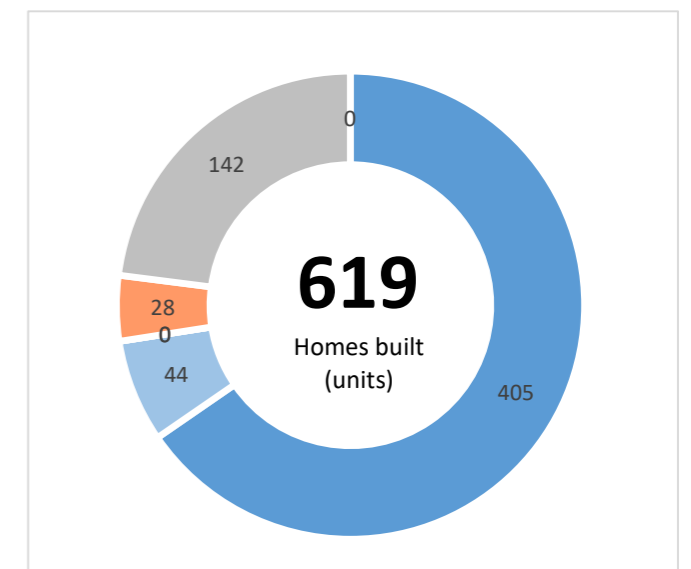
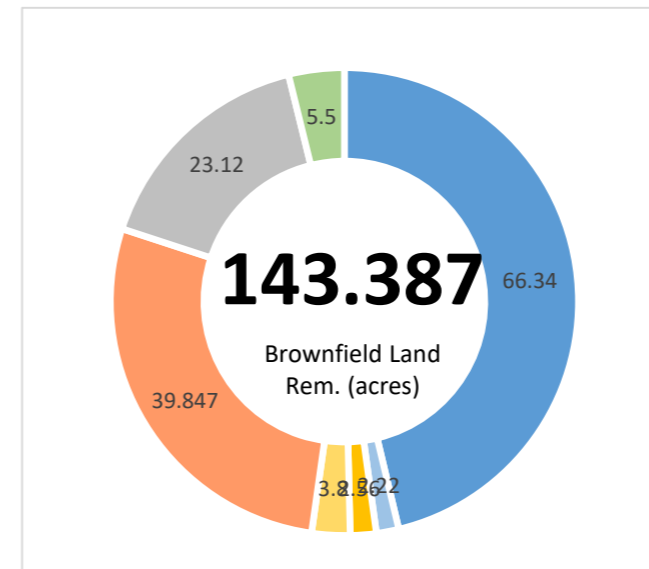
Transaction	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Grant Amount	Drawn amount
20	1,837	143	619	1,122,442	£1,603,489	£50,000,000	£39,441,871

WMCA BLPDF - Dashboard



Geography of committed deal values - committed / pipeline over 25%

Birmingham	Solihull			
£25,739,420	£0			
£345,000	£0			
Cannock	Redditch	Tamworth		
£900,000	£0	£0		
£9,300,000	£0	£0		
Coventry				
£3,800,000				
£1,000,000				
N Warwickshire	Nuneaton	Rugby	Stratford	Warwick
£2,195,000	£775,000	£0	£0	£0
£0	£0	£0	£0	£0
Walsall	Dudley	W'hampton	Sandwell	
£1,590,000	£2,845,000	£1,249,500	£6,080,000	
£0	£0	£6,980,000	£4,000,000	
Telford	Shropshire		Various WMCA	
£2,636,080	£0		£2,200,000	
£2,500,000	£0		£0	



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WMCA Residential Investment Fund (RIF) - Dashboard

01 October 2023

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WMCA RIF - Investments committed and completed funds

Opportunity - Location	Industry	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Local Authority	Loan Amount	Drawn Amount
Complex Development Projects Ltd. - Abbotts Lane	Residential Property	35	5.5	700	0	£0	Coventry CC	£1,021,429	£1,021,429
Rainier Developments - Tenby St	Residential Property	2	0.33	37	6,800	£0	Birmingham CC	£6,950,000	£624,597
Urban Splash Homes - Port Loop	Residential Property	0	3	308	0	£0	Birmingham CC	£10,000,000	£0
Parkes Homes - Various	Residential Property	13	1	12	4,240	£0	Various WMCA	£1,000,000	£0
Cornerstone Partnership Ltd	Residential Property	8	2	35	0	£0	Tamworth CC	£9,000,000	£9,000,000
Lease Method Management - Harborne	Residential Property	43	1	45	5,577	£0	Birmingham CC	£7,500,000	£2,312,964
Central & Country	Residential Property	0	7	36	0	£0	Telford & Wrekin	£4,000,000	£0
Button Works Limited	Residential Property	0	0.4	29	0	£0	Birmingham CC	£4,800,000	£0
Urban Splash Homes - Port Loop 2	Residential Property	0	0	0	0	£0	Birmingham CC	£3,000,000	£0

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Live outputs

Transaction	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Loan Amount	Drawn Amount
9	101	20	1,202	16,617	£0	£47,271,429	£12,958,989

Repaid

Transaction	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Loan Amount
2	87	1	40	0	£0	£5,340,000

Total

Transaction	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Loan Amount
11	188	21	1,242	16,617	£0	£52,611,429

WMCA RIF - Investments Repaid

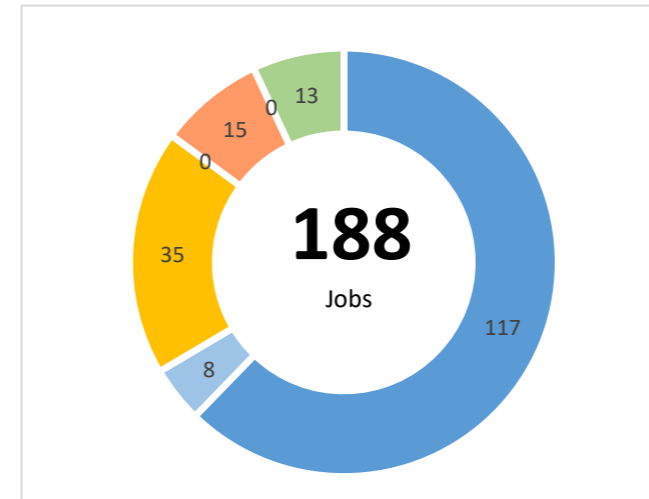
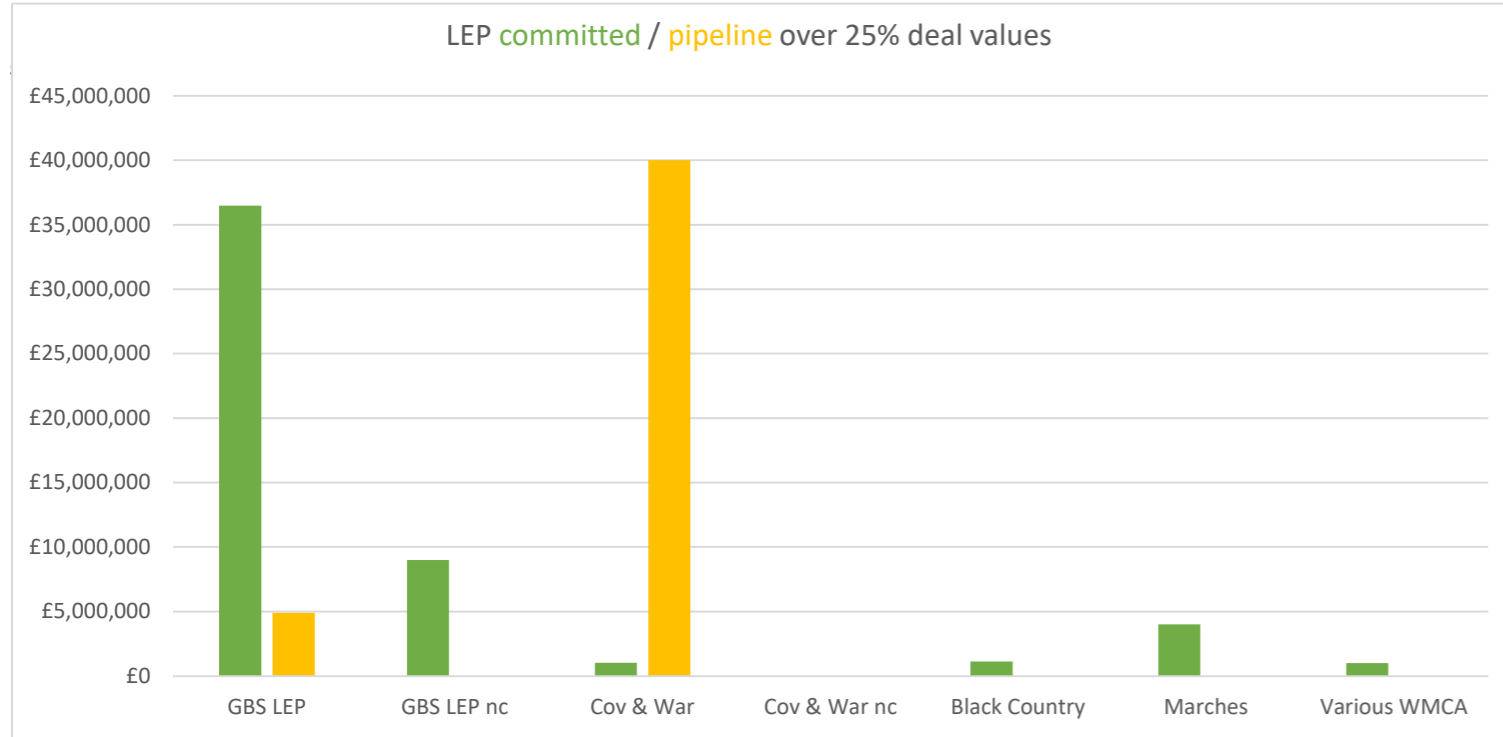
Opportunity - Location	Industry	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Local Authority	Loan Amount
Complex Development Projects Ltd. - Carver Street	Residential Property	72	0.22	30	0	£0	Birmingham CC	£4,220,000
Parkes Homes - Gornal	Residential Property	15	0.5	10	0	£0	Dudley MBC	£1,120,000

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Repaid

Transaction	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Loan Amount
2	87	1	40	0	£0	£5,340,000

WMCA RIF - Dashboard



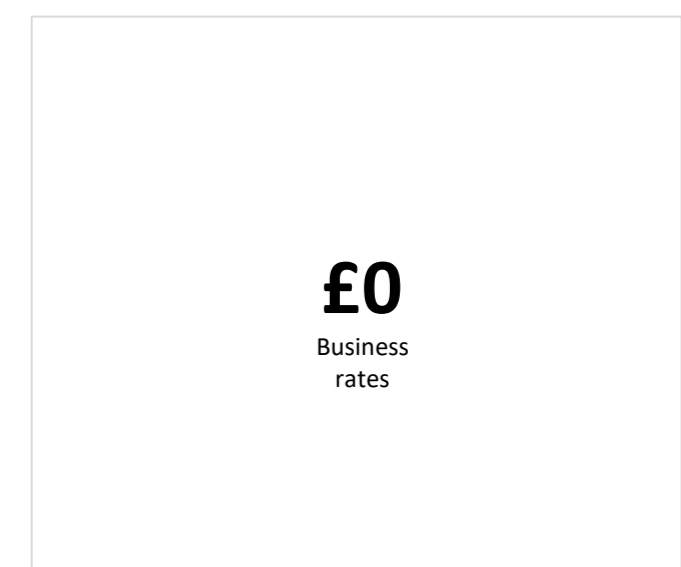
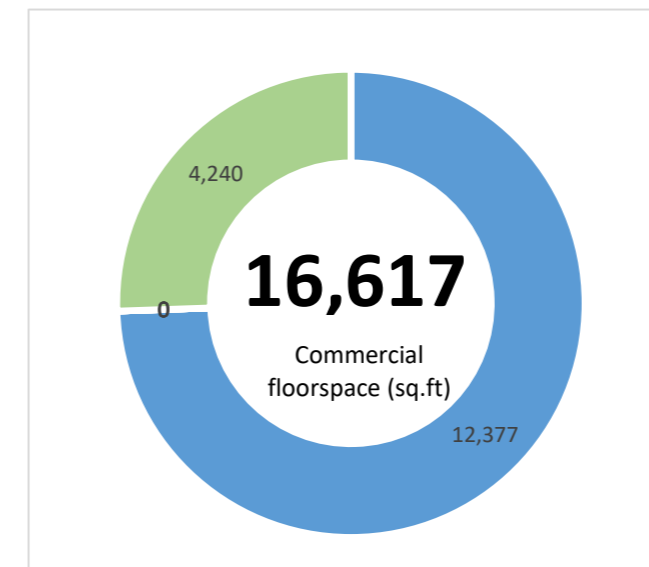
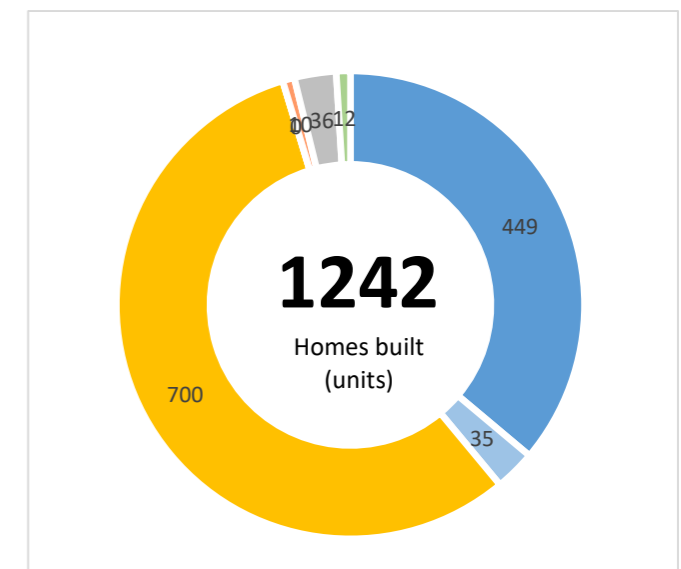
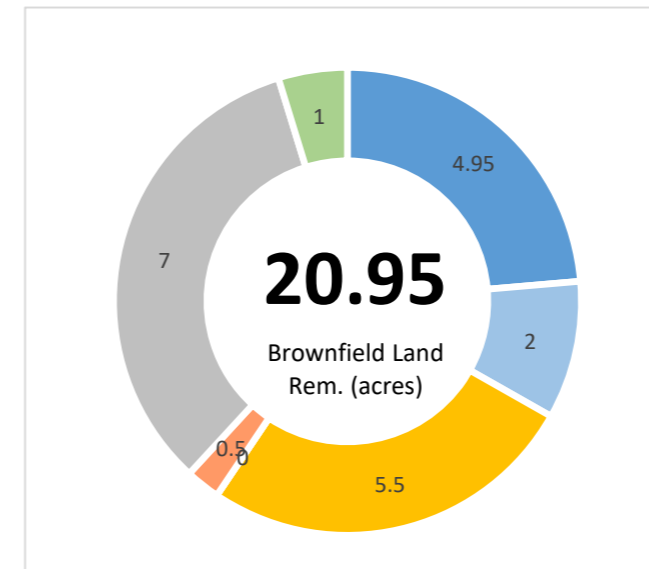
Committed / Completed

Pipeline

- Greater Birmingham & Solihull LEP
 - non-constituent members
 - part of the LEP but not the WMCA
- Coventry & Warwickshire LEP
 - non-constituent members
 - part of the LEP but not the WMCA
- Black Country LEP
- The Marches LEP
 - part of the LEP but not the WMCA

Geography of committed deal values - committed / pipeline over 25%

Birmingham	Solihull			
£36,700,000	£0			
£4,900,000	£0			
Cannock	Redditch	Tamworth	Lichfield	
£0	£0	£9,000,000	£0	
£0	£0	£0	£0	
Coventry				
£1,021,429				
£40,000,000				
N Warwickshire	Nuneaton	Rugby	Stratford	Warwick
£0	£0	£0	£0	£0
£0	£0	£0	£0	£0
Walsall	Dudley	W'hampton	Sandwell	
£0	£1,120,000	£0	£0	
£0	£0	£0	£0	
Telford	Shropshire	Various WMCA		
£4,000,000	£0	£1,000,000		
£0	£0	£0		





Investment Board

Date	16 th October 2023
Report title	Global West Midlands – Full Business Case
Portfolio Lead	Economy and Innovation
Accountable Chief Executive	Neil Rami Chief Executive, West Midlands Growth Company Ed Cox Executive Director – Strategy, Economy and Net Zero
Accountable Employee	Katie Trout Director of Policy & Partnerships, West Midlands Growth Company Jonathan Skinner Head of Economic Policy and Partnerships
Report has been considered by	Investment Panel – 25 th September 2023

Recommendation(s) for action or decision:

The Investment Board is recommended to:

- (1) Approve the release of £12.2m of West Midlands Combined Authority (WMCA) funding to West Midlands Growth Company (WMGC) over the next two years, to 31st March 2025. This is made up of:
 - a. £9.9m from the Commonwealth Games Legacy Enhancement Fund allocation, from the total £14.1m agreed by the West Midlands Combined Authority (WMCA) Board in March 2023, of which £2.5m was agreed by the Investment Board at the Strategic Outline Case stage:
 - i. £1.8m which has been utilised by WMGC in order to develop the Full Business Case and to begin delivery against the local and regional priorities in the Programme in Quarters 1 and 2 of 2023/24; and
 - ii. £0.7m which has been granted to Local Authorities from the WMCA to support an increase in capacity to deliver against priorities in the Programme.
 - b. £1.6m of UK Shared Prosperity Funding (UKSPF) for 2024/25, with the same amount previously released for 2023/24 by the West Midlands Combined Authority (WMCA) Board on 16th December 2022.

- c. £0.7m of WMCA core funding for 2024/25, with the same amount previously released for 2023/24 by the West Midlands Combined Authority (WMCA) Board on 16th December 2022.
- (2) Note the appended Full Business Case (FBC) and, in doing so, the total budget of £22.5m, which includes all funding requested in this paper and approved at previous Boards. This is allocated as follows:
 - a. £21.8m for the West Midlands Growth Company (WMGC), with WMCA providing £18.0m and the remaining £3.8m from commercial and other funding leveraged by the WMGC.
 - b. £0.7m shared equally across the seven Local Authorities over the next two financial years.
- (3) Note the WMGC funding will enable the delivery of WMGC's Business Plan 2023-25 which was agreed by the Economic Growth Board in July 2023, and is comprised of the following:
 - £14.1m from the Commonwealth Games Legacy Enhancement Fund, of which £0.7m has been granted to Local Authorities from WMCA to support an increase in capacity to deliver against priorities in the programme, with the balance of £13.4m for WMGC
 - £3.2m from the UK Shared Prosperity Fund
 - £1.4m from the WMCA core budget
- (4) Note that the balance of WMGC's budget is comprised of £3.8m of commercial and other funding leveraged by the WMGC.
- (5) Note the WMGC's Business Plan 2023-2025 which was approved by the Economic Growth Board on 12th July 2023. A copy can be found in Appendix A.

1. Purpose

- 1.1. The key purpose of this FBC is to set out how WMGC will work in partnership with the WMCA, Local Authorities and other partners to:
 - Build on and maximise the conversion of the pipeline of leads generated from the Commonwealth Games Business and Tourism Programme (BATP), thereby fully exploiting the economic legacy of the Games;
 - Run a full programme of international promotion in key markets identified in the West Midlands' forthcoming International Strategy (due to be available in draft in September 2023) to increase the region's profile and reputation, resulting in the further growth of the current pipeline. This would also help to maximise the economic impact of other major sporting and cultural events that take place in the region; and
 - Secure the release of an additional £9.9m to enable WMGC to deliver the Global West Midlands (Global WM) programme as set out in the Full Business Case.

2. Background

- 2.1. At its meeting on 16th December 2022, the WMCA Board agreed (inter alia) to provide £4m of funding (comprised of £0.7m WMCA core budget, £1.6m UK Shared Prosperity Fund, and £1.7m from the Legacy Enhancement Fund) to the WMGC for the period 1st April 2023 to 31st March 2024. This followed the approval of a Business Justification Case by the Investment Board on 12th December 2022.

- 2.2. Subsequently, at its meeting on 17th March 2023, the WMCA Board agreed (inter alia) to allocate a total of £14.1m Legacy Enhancement Fund to the WMGC for the period 1st April 2023 to 31st March 2025 (this includes the £1.7m previously agreed for 2023/24 as per para 2.1). This figure comprised of £13.4 for delivery of the Global WM programme and £0.7m to be granted to local authorities to enhance their capacity to support the delivery of their local Global WM priorities. This decision was in line with the conclusions of Phase 2 of the WMGC Review that was commissioned by the Economic Growth Board in September 2022. At their meeting in March, the WMCA Board agreed WMGC should continue to be an investment promotion and a destination management organisation for the region, with a similar scope and scale to that of the past two years, but that future activity should be re-focused to meet regional and local priorities.
- 2.3. The release of funds to the WMGC to deliver the Global WM programme is contingent on securing approval from the Investment Board. WMGC proposed the Strategic Outline Case (SOC) to the Investment Board on 19th June 2023, and secured the release of £1.8m to develop the Full Business Case (FBC) and commence delivery, in addition to £0.7m to be granted to Local Authorities to support the delivery of priorities aligned with the Global WM programme. The FBC is being brought to the October Investment Board for consideration.
- 2.4. On 12 July 2023, the Economic Growth Board agreed WMGC's Business Plan for 2023-25 – *Global West Midlands*, attached as Appendix A – which sets out in detail WMGC's plans for delivering against identified regional and local priorities. In agreeing the Plan, the Economic Growth Board noted that its delivery was predicated on the FBC being approved by the Investment Board.

3. Strategic Aims and Objectives

- 3.1. The Global WM programme will enable WMGC, in partnership with the WMCA, Local Authorities and other partners to:
- Maximise the conversion of the pipeline of investment and events leads generated from the Commonwealth Games BATP, thereby fully exploiting the economic legacy of the Games; and
 - Run a full programme of international promotion in key markets identified in the West Midlands' forthcoming International Strategy to increase the region's profile and reputation, resulting in the further growth of the current pipeline. This would also help to maximise the economic impact of other major sporting and cultural events that take place in the region.
- 3.2. The Programme is built on the following strategic objectives which have been developed through engagement with partners:
1. Enhance the profile and reputation of the region, improving awareness; sentiment; and consideration of the West Midlands' offer across key audiences by 31st March 2025
 2. Create good jobs for local people by landing 117 inward investment projects by 31st March 2025
 3. Facilitate the regeneration of the built environment by landing 3 capital investment projects by 31st March 2025
 4. Create and sustain vibrant places by securing 12 sporting events and 11 business conferences; in turn attracting 235,233 visitors, spending £23.457m in the region's visitor economy by 31st March 2025
- 3.3. All objectives will be delivered by 31 March 2025; it is expected that the majority of activity will be achieved in 2024/25. The benefits may, however, accrue over a number of years.

- 3.4. WMGC will support the delivery of these objectives through its key functions, namely: inward investment, capital attraction, visitor economy, major events attraction and strategic relationship management.
- 3.5. Economic modelling indicates that the following outcomes will be achieved through the full delivery of the programme, above the baseline:
- 117 additional inward investment projects, creating and safeguarding good jobs for local people
 - 12 additional sporting events attracted
 - 11 additional business conferences and events
 - 3 additional capital investment projects
 - 240,000 visitors, spending £23.5 million in the region's visitor economy.
- 3.6. If the programme achieves its targets for inward and capital investment projects, business conferences and sporting events landed and visitors attracted we forecast that it will generate an NPSV (i.e. the present value of benefits less the present value of costs) of £3.12 million and a benefit cost ratio (BCR) of 2.49.
- 3.7. Since submission of the Outline Business Case (OBC), further work has been undertaken to develop a full suite of leading and lagging indicators that will measure impact of the Global WM programme across the region and in individual Local Authority areas. Progress against these will be reported on a quarterly basis to the WMCA, individual Local Authorities and through the Economic Growth Board. These are set out in the Monitoring and Evaluation Plan, which forms part of the Management Case of the FBC.
- 3.8. The Global WM programme will support the delivery of the Plan for Growth by:
- **Securing direct investment in priority clusters in the region:** Foreign Direct Investment (FDI) firms tend to be significantly more productive than domestic firms and positioning the West Midlands to capture a greater share of FDI into the UK will boost the economic capacity of the region and help to close the output gap by: (i) creating new jobs and (ii) supporting a transition from lower to higher productivity employment.
 - **Enabling the creation of good jobs for local people in the priority sectors of tourism, leisure and hospitality:** Promoting the West Midlands as a destination to visit will attract additional expenditure into the region, boosting employment and economic output. By supporting a diverse array of employment opportunities, it also has the potential to increase employment opportunities for WM residents, increasing employment and participation rates. There are also significant soft benefits of the promotion of the West Midlands – showcasing the West Midlands domestically and internationally and improving its perception externally will make it increasingly attractive as a place to live, work and do business.
- 3.9. The Global West Midlands WM Programme fully aligns with the findings of the Review into the WMGC, which set out how the activity of the WMGC should be focused on local and regional priorities. The Programme has been built from the ground-up, taking into account current local and regional assets, opportunities and delivery priorities. The FBC covers the allocation of £0.7m (£0.1m each) to the seven Metropolitan authorities, in recognition of the fact that WMGC capacity at local authorities is varied – which constrains WMGC's ability to effectively “hand over” projects at key parts of their lifecycles. The capital attraction element of Global WM will also align with the region's objective to connect communities by delivering transport and unlocking housing and regeneration schemes. The WMGC is working closely with WMCA and Local Authority officers to ensure that activity is fully aligned with

existing regional and local plans, that the WMGC adds value to existing work and that there is no duplication of effort across partners.

- 3.10. WMGC's approach to monitoring and evaluation is based on a consistent measurement approach across all the programme's work streams, with metrics for each stage of the 'sales funnel' or 'customer journey' a potential investor, conference or event organiser, travel trade professional or tourist goes through – from (i) initial engagement through exposure to marketing and promotion, web, social and print media activity or attendance of meetings, events, workshops and sales missions, (ii) any resultant changes in perceptions – for example in their degree of familiarity with the region's offer, positive sentiment about the offer and/or their likelihood of considering investing in, holding a conference or event in or visiting the region, (iii), initial business leads generated among potential investors, conference and event organisers and travel trade professionals and leads converted to opportunities (i.e. where specific requirements and the business case for the region are discussed), (iv) opportunities converted to landed investments, conferences, events and bookable tourism products and (v) visits, jobs and GVA generated by these investments, conferences, events and products.
- 3.11. The framework has been underpinned by investment in information resources which track the impact WMGC and its partners and, crucially, evidence the role WMGC and its partners have played in achieving key outputs, outcomes and impacts. These resources include (i) WMGC's Zoho CRM system which tracks all meetings, events, sales missions leads opportunities and landings are tracked on the system, providing a clear audit trail evidencing WMGC's involvement the landing of any investment, conference or event and (ii) primary research activity to gather performance data and evidence not captured via Zoho. This includes surveys to track perceptions change, the STEAM regional tourism economic impact model and surveys of visitors to the region to track the proportion of visitors motivated to come to the region by our marketing and promotion campaigns. The Programme is also aligned with national Government policy, including Departmental plans, such as the Department for Business & Trade's Delivery Plan, which seeks to "build back better by bringing the benefits of free and fair trade to people across the UK and the world... through attracting inward investment" and the Department for Digital, Culture, Media and Sport's Delivery Plan which seeks to attract new domestic and overseas visitors, support the attraction of key business conferences and sporting events and help the tourism sector recover existing and attract new audiences.
- 3.12. In addition, the West Midlands Deeper Devolution Deal set out that the WMGC will form a deeper, more strategic partnership with the Department for Business & Trade; and will enable the formation a second national pilot Destination Development Partnership upon securing this funding. This includes co-developing a West Midlands International Strategy with the region and facilitating the continued relocation of civil and public service roles to the West Midlands, and the establishment of a West Midlands Fast Stream Pilot to develop a pipeline of civil servant talent and skills. DBT also pledged to support WMGC in their bid for an extension of the business and tourism programme to secure more trade and investment to the region and the rest of the UK.

4. Financial Implications

- 4.1. The FBC is seeking approval of an additional £12.2m of WMCA funding, which is made up of £9.9m from the Legacy Enhancement Fund, £1.6m of UKSPF and £0.7m of WMCA core funding, covering financial years 2023/24 and 2024/25.
- 4.2. This approval is part of a Full Business Case (FBC) with a total budget of £22.5m, which includes all funding requested in this paper and approved at previous Boards. This is allocated as follows:

- £21.8m for the West Midlands Growth Company (WMGC), with WMCA providing £18.0m and the remaining £3.8m from commercial and other funding leveraged by the WMGC.
- £0.7m shared equally across the seven Local Authorities over the next two financial years.

4.3. Within this is the £14.1m WMCA Board agreed in March 2023 to be allocated from the Legacy Enhancement Fund to the Global West Midlands Programme.

- £13.4m of this would be for activity undertaken by WMGC,
- £0.7m allocated directly to the seven LAs to increase capacity to respond to Global West Midlands activity

4.4. Currently £10.3m of the £22.5m is secured which is split:

- £6.5m of funding for WMGC in 23/24, with £4m previously agreed by the Investment Board and WMCA Board in December 2022 against a Business Justification Case and £2.5m committed by the Investment Board against a Strategic Outline Case in June 2023; and
- £3.8m of commercial and other funding leveraged by the WMGC.

4.5. The £3.8m commercial income is made up of the B ATP Sponsorship Commission, Convention Bureau commission, the WMGC's Partners West Midland Programme and other small projects. The B ATP Sponsorship Commission has been fully received so is fully secured and makes up over 50% of the total over the next two years. All other income is based on high volume but low value transactions, therefore failure to realise the total would require a significant number of commercial partners to withdraw from the programme which is considered highly unlikely. WMGC has recruited a new Head of Commercial Partnerships, whose responsibility will be to secure this income and to further develop and grow it.

4.6. A high level summary table is set out below:

Business Case Financial Summary		Approved / Secured	Subject to this Report	Total
WMGC Delivered Grant Funded Programme				
WMCA Core Funding (23/24 & 24/25)		700,000	700,000	1,400,000
UKSPF		1,600,000	1,600,000	3,200,000
CWGLF	Approved *	1,700,000	-	1,700,000
	SOC *	1,800,000	-	1,800,000
	FBC *		9,900,000	9,900,000
Sub Total - WMGC Delivered Grant Funded Programme		5,800,000	12,200,000	18,000,000
WMGC Commercial		3,800,000	-	3,800,000
Total WMGC Delivered Programme		9,600,000	12,200,000	21,800,000
LA Delivered Programme				
CWGLF Approved *		700,000	-	700,000
Sub Total - LA Delivered Grant Funded Programme		700,000	-	700,000
BUSINESS CASE GRAND TOTAL		10,300,000	12,200,000	22,500,000

* CWGLF£14.1m WMCA Board provisionally endorsed allocations

5. Legal Implications

- 5.1. Statutory Power. WMCA has the power to provide this funding under Section 113(1)(a) of the Local Democracy, Economic Development and Construction Act 2009. This statute gives WMCA a power of competence appropriate for the purposes of carrying out any of its functions.
This funding is being provided by WMCA under its economic development and regeneration function to promote and further the achievement/fulfilment of the following WMCA Aim:
To promote inclusive economic growth in every corner of the region and stimulate the creation of good jobs.
The provision of this funding will promote and further the achievement/fulfilment of this aim because will develop economic strategy for the region to drive inclusive growth, and deliver interventions with partners to boost innovation, secure investment, and support industrial clusters.
- 5.2. WMGC is wholly owned by WMCA and its constituent authorities. As such, it benefits from the “Teckal exemption” and its services can be procured directly by its company members.
- 5.3. WMGC is required by law to submit statutory accounts and financial statements no later than 31 December every calendar year. As part of the preparation of statutory accounts and financial statements, WMCA secures the services of third-party auditors (currently Dains LLP) who consider whether the control and functional tests have been met.
- 5.4. The contractual relationship between WMCA and WMGC as it relates to the delivery of the business plan, will be documented through a Service Level Agreement (SLA), which is still to be concluded. In particular, the funding conditions imposed on WMCA by virtue of the funding agreements relating to CWGLEF and UKSPF, will flow down to WMGC through inclusion in the SLA. All funding agreements with the relevant local authorities will similarly ensure that funding conditions imposed on WMCA are transferred to them.
- 5.5. In relation to Subsidy Control, WMCA’s lawyers have considered the lawfulness of the proposed funding in the context of drafting the Service Level Agreement (SLA), which is still to be concluded. The SLA will include provision for WMGC and its delivery partners to ensure compliance with all Subsidy Control requirements.

6. Single Assurance Framework Implications

- 6.1. This FBC has been appraised by the PAA team and is SAF compliant.
- 6.2. Based on review by appraisal this case is recommended for approval with the following caveated to the decision:
- WMCG continues to work with WMCA key stakeholders and the appointed senior officer to review and monitor progress against the deliverables, milestones, outputs and financials on a monthly basis. This should include any reporting to funding bodies.
 - A clause is included in the funding agreement relating to the remaining amount of other commercial income still to be secured and evidenced.
 - This project and its delivery leads will form part of the WMCA Assurance-led Health Check to be conducted across the CWGLEF programme
- 6.3. Please refer to the Risk and Investment Appraisal Report for a high-level summary of the outcome from the Independent Assurance and Appraisal activity.

6.4. As above, it is proposed that the funding sought in this FBC is allocated from the Legacy Enhancement Fund.

7. Equalities Implications

7.1. There are no equalities implications arising from this report.

8. Inclusive Growth Implications

8.1. The focus of WMGC's future activity will support the delivery of the region's inclusive growth ambitions. For example, WMGC's inward investment activity will create new employment opportunities for local people across the region – both directly and indirectly through supply chains; capital investment activity will focus will be on new, brownfield development and the refurbishment and repurposing of existing assets in line with local priorities. Ultimately, this work will improve the living conditions of local residents, drive economic uplift through new investment and champion a more sustainable future landscape for the region; and activity to promote the West Midlands visitor economy domestically and globally, drive visitor footfall across local authority areas, sustaining local businesses, materially improving perceptions of these destinations, promoting cultural and social wellbeing and fostering the civic pride of citizens. It will target major events, conferences and sporting federations which will deliver social and economic benefits to businesses and residents and support the region's sporting, cultural, events and hospitality supply chain.

9. Geographical Area of Report's Implications

9.1. WMGC has historically served the three-Local Enterprise Partnership (LEP) area albeit with a focus on the seven Mets. Following the integration of specific LEP functions into the WMCA, and as agreed as part of the Review of WMGC, the future geographical focus of activity will be subject to further discussions with WMCA and local authorities.

10. Other Implications

10.1. None.

11. Schedule of Background Papers

Appendix A – Global West Midlands (WMGC Business Plan 2023 – 25)

Appendix B – technical note on intervention rates

Appendix B: technical note on intervention rates

Background

For the preferred way forward within the Global West Midlands Full Business Case (GWM FBC it is estimated that:

- The overall indicative net present social value (NPSV) will be £63 million based on a total budget of £21.8m for 2023-24 and 2024-25.
- The benefit cost ratio (BCR) will be 2.49.

This note presents the results of an exercise to drill down further:

- By specific workstream (inward investment, capital attraction, business conferences and events (MICE), major sporting events (MSE).
- For the visitor economy (Key impacts such as visitors attracted and visitor spend are driven by a combination of our activities in the leisure tourism, MICE MSE workstreams).

The target intervention rates are based on:

- Impact targets for 2023-24 and 2024-25 as a whole by workstream from the SOC, which were reviewed and verified by Heads of Service/Workstream Leads.
- Costs for planned activity for 2023-24 and 2024-25.

The underpinning methodology and assumptions are set out in the technical note at the end of the document.

Projects landed

If the target of landing 117 inward investment projects over the two year period is achieved, it is estimated that this will generate more than **£66 million worth of GVA for the region**, discounted for optimism bias (30%) and deadweight, leakage and displacement (45%). It is estimated that the **cost per project landed will be nearly £92,500** and **more than £6 worth of GVA per £ invested** will be generated.

If the target of attracting 3 capital investment projects is achieved, it is estimated that this will generate more than **£13 million worth of discounted GVA for the region**. At **nearly £960,000** the cost per project is relatively high – but it should be borne in mind that, as well as generating **nearly £5 worth of GVA per £ invested**, the major real estate and infrastructure schemes the programme is seeking to attract are vital enablers for the attraction of inward investment, MICE and MSEs and visitors.

If the target of attracting 23 MICE and MSEs is achieved, it is estimated that just over **£5m of GVA** will be generated **for the region (representing nearly £2 for every £ invested)**, through delegate spend. While on the surface it may seem that this rate of return is relatively low, it should be noted that these conferences and events generate substantial additional GVA in the wider visitor economy – as delegates and spectators spend additional time and money in the region. This is assessed in the next section.

	Inward investment	Capital attraction	MICE and MSE
Target for projects landed	117	3	23
Estimated GVA generated	£265,502,718	£54,462,096	£20,217,000
minus 30% optimism bias	£79,650,815	£16,338,629	£6,065,100
minus 45% deadweight, leakage and displacement	£119,476,223	£24,507,943	£9,097,650
Discounted GVA	£66,375,680	£13,615,524	£5,054,250
Estimated budget	£10,818,757	£2,871,877	£2,647,972
Target intervention rate			
Discounted cost per project landed	£92,468	£957,292	£115,129
Discounted GVA generated per £	£6.14	£4.74	£1.91

Visitor economy impact

The GWMSOC target is to attract more than 235,000 million visitors (including leisure visitors, delegates attending business conferences and spectators at sporting events spending additional time and money outside these events) to the region over the next two years. It is estimated that this will generate more than £16 million worth of economic impact (direct spend and knock-on benefits in the region's supply chain), discounted for optimism bias, deadweight, leakage and displacement.

This represents more than **£3 of economic impact for every £ invested**, with a **cost per visitor attracted of just under £30**.

FBC targets	
Visitors attracted	235,233
Discounted for optimism bias, deadweight, leakage and displacement (30%)	164,663
Economic impact of visitors attracted	£23,457,480
Discounted for optimism bias, deadweight, leakage and displacement (30%)	£16,420,236
Estimated budget	£4,791,276
Target intervention rate	
Discounted cost per visitor attracted	£29.10
Discounted Economic impact per £	£3.43

Technical Note

1. Target figures for projects landed are for the two-year period of the programme (2023-24 and 2024-25).
2. Estimates of GVA impact are calculated as follows:
 - For investment – average GVA generated per project, based on latest ONS labour productivity data for the programmes key priority sectors.
 - For MICE and sporting events – average GVA generated per landed event based on ratios created through our own research study commissioned through the B ATP. These ratios take account of likely delegate numbers, event duration and likely overnight stays in the region (reflecting the expected number of out-of-region and overseas delegates).
 - Discounts have been applied to take account of:
 - Optimism bias – to ensure that we allow for any currently unexpected adverse geopolitical or economic developments (e.g. a major health crisis akin to Covid-19). In line with HM Government Green Book Supplementary Guidance, we have applied an optimism bias discount of 30%.
 - Allowance for potential deadweight, displacement, and leakage. Based on our own commissioned research for MICE and sporting events and DBT research studies for investment we have applied a further discount of 45%.
3. Figures for visitor economy impact are based on:
 - Available budgets.
 - Industry standard return on investment ratios for key components of the workstream (i.e. destination marketing campaigns, product development activity and MICE and major sporting event attraction activity) based on our own commissioned studies and VisitBritain's national standard.
 - STEAM modelling of overall regional visitor volume and value and visitor survey evidence of additionality from work delivered directly by WMGC.
 - While the STEAM modelling already discounts for deadweight, displacement, and leakage, we have discounted for optimism bias in the same way as for investment projects

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**West Midlands
Growth Company**

**GLOBAL WEST MIDLANDS
WMGC Business Plan
July 2023 - March 2025**

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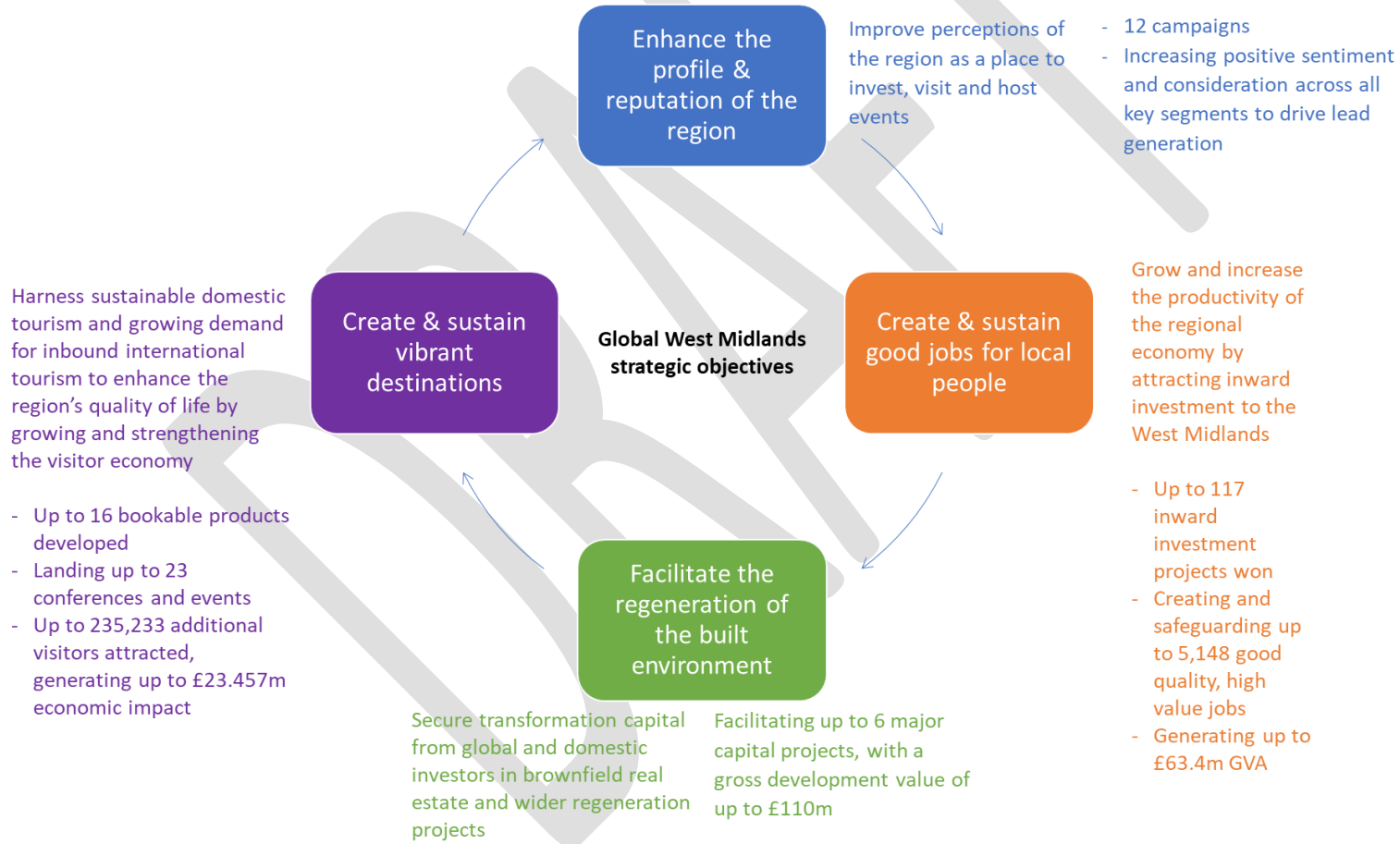
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Executive Summary

On the back of the Birmingham 2022 Commonwealth Games and the Business & Tourism Programme, with strong economic fundamentals in place, the West Midlands has a unique opportunity to establish itself as truly globally competitive in the coming years. *Global West Midlands* – the West Midlands Growth Company’s business plan for July 2023 – March 25 – sets out how we propose to utilise our key functional areas of inward investment, capital attraction, the visitor economy and strategic relationship management to address regional challenges and capitalise on our opportunities, delivering the *Plan for Growth* and levelling up the region:

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We will deliver those strategic objectives and key results through a series of campaigns, "always on" core services, and projects and programmes:

Strategic objective	Lead business area	Campaigns	Core Services	Projects & Programmes
Enhance the profile & reputation of the region <ul style="list-style-type: none"> Improve perceptions of the region as a place to invest, visit and host an event Measured by shifts in awareness, sentiment and consideration of key segments 	Marketing & communications	<ul style="list-style-type: none"> The Tech That Makes Tomorrow Work Mobilising Multipliers Scale Up in the West Midlands Catalytic Place Making The UK's Largest Treasure Hunt The West Midlands: My Kind of Region West Midlands Takeover Travel Trade: Developing the West Midlands Product Home of Sport Where the World Meets Internationalisation Meet the West Midlands' Creative Class 	<ul style="list-style-type: none"> Narrative development Audience acquisition Campaign activation Success storytelling 	
Create & sustain good jobs for local people <ul style="list-style-type: none"> Grow and increase the productivity of the regional economy by attracting inward investment to the West Midlands Measured by pipeline size and strength; investment project landings; jobs created/safeguarded; GVA and business rates uplift 	Inward Investment		<ul style="list-style-type: none"> Investment Promotion Business Development Strategic Relationship Management Business Intelligence, inc. strategic advice for Company members 	<ul style="list-style-type: none"> Global Growth Programme 2 Strategic Site Promotion Innovation Accelerators Public Sector Relocations
Facilitate the regeneration of the built environment <ul style="list-style-type: none"> Attract capital investment to regenerate communities and fuel growth Measured by pipeline size and strength; capital projects landed; GVA and business rates uplift 	Capital Attraction		<ul style="list-style-type: none"> Investment Promotion Business Development Business Intelligence, inc. strategic advice for Company members 	<ul style="list-style-type: none"> Catalytic Place Making Leisure/Hotel Marketing Engagement Strategic Site Promotion
Create & sustain vibrant destinations <ul style="list-style-type: none"> Harnessing within region and inbound domestic tourism and growing demand for inbound international leisure tourism to enhance the region's quality of life by growing and strengthening the visitor economy Measured by travel trade-ready bookable product; visitor numbers; hotel occupancy; economic impact; jobs supported; event landings 	Visitor Economy		<ul style="list-style-type: none"> Visitor Economy Policy & Strategy Travel Trade development & relationship management International direct route development Major Events Fund secretariat Business Intelligence, inc. strategic advice for Company members Business visits and events Major sporting events 	<ul style="list-style-type: none"> Destination Management Plan GDS sustainability benchmarking Sustainability hub business support Accessible & inclusive tourism business support Skills audit & implementation plan Culture & Tourism Connected City Card feasibility & set-up

Campaigns are defined as a strategic series of steps and activities, with specific messages designed to promote the West Midlands offer to specific target audience groups. All campaigns are designed primarily to raise the profile & reputation of the region, with various secondary objectives as shown below.

Create & sustain good jobs for local people	Facilitate the regeneration of the built environment	Create & sustain vibrant destinations
Investment Promotion: The Tech That Makes Tomorrow Work		
Investment Promotion: Mobilising Multipliers		
Investment Promotion: Scale Up in the West Midlands		
	Investment Promotion: Catalytic Place Making	
		Culture and Tourism Promotion: The UK's Largest Treasure Hunt
		Culture and Tourism Promotion: The West Midlands: My Kind of Place
		Culture and Tourism Promotion: West Midlands Takeover
		Travel Trade Development: West Midlands Product
		Major event attraction: Home of Sport
		Major event attraction: Where the World Meets
Internationalisation		
Meet the West Midlands' Creative Class		

Campaigns are underpinned by our **core services** – the functions agreed as part of the West Midlands Growth Company Review, which are “always on” and broadly benefit the whole region:

Function	Marketing & communications	Inward investment	Capital investment	Visitor economy
Primary objective	Enhance the profile & reputation of the region	Create good jobs for local people	Facilitate the regeneration of the built environment	Create & sustain vibrant destinations
Core services	<ul style="list-style-type: none"> • Narrative development • Audience acquisition • Campaign activation • Success storytelling 	<ul style="list-style-type: none"> • Investment Promotion • Business Development • Strategic Relationship Management • Business Intelligence, inc. strategic advice for Company members 	<ul style="list-style-type: none"> • Investment Promotion • Business Development • Business Intelligence, inc. strategic advice for Company members 	<ul style="list-style-type: none"> • Visitor Economy Policy & Strategy • Travel Trade development & relationship management • International direct route development • Major Events Fund secretariat • Business Intelligence, inc. strategic advice for Company members • Business visits and events • Major sporting events

Outside of campaigns and core services, the West Midlands Growth Company will deliver a series of **projects and programmes** that are place-specific and/or time-bound:

Objective	Create & sustain good jobs for local people	Facilitate the regeneration of the built environment	Create & sustain vibrant destinations
Function	Inward investment	Capital attraction	Visitor Economy
Projects	<ul style="list-style-type: none"> • Global Growth Programme 2 • Strategic Site Promotion • Innovation Accelerators • Public Sector Relocations 	<ul style="list-style-type: none"> • Catalytic Place-Making • Leisure/Hotel Market Engagement • Strategic Site Promotion 	<ul style="list-style-type: none"> • Destination Management Plan • GDS sustainability benchmarking • Sustainability hub business support • Accessible & inclusive tourism business support • Skills audit & implementation plan • Culture & Tourism Connected • City Card feasibility & set-up

In addition, we will develop the first ever West Midlands International Strategy, which will internationalise the West Midlands Combined Authority’s *Plan for Growth* and shape the region’s collective international effort and resources to elevate the West Midlands’ presence and impact on the global stage.

In delivering this activity, the West Midlands Growth Company will seek to act as an extension of the West Midlands Combined Authority, the seven Metropolitan Local Authorities and the region’s universities – its Company members – bringing the capacity, capability, insight and networks that will help to develop and deliver the region’s economic growth ambitions. We will work closely with partners across the public, private and academic sectors to achieve the greatest impact for the communities, businesses and anchor institutions across the West Midlands.

We recognise the need to be flexible and adaptive to changing priorities and economic circumstances. This Plan provides the baseline against which performance will be measured and reported to – and change managed with – our partners, to ensure we deliver the best possible return on investment. To ensure accountability, we commit to increasing engagement and reporting to Company members; inviting all Company members to attend our Board; and will report formally to the Economic Growth Board.

Finally, the Plan demonstrates how the Company will deliver a balanced budget each year, with a spending profile of £9.378m in 2023/24 and £12.428m in 2024/25.

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Introduction

The West Midlands Growth Company (WMGC) is pleased to present *Global West Midlands* – our business plan for July 2023 to March 2025. It sets out the strategic objectives for WMGC over the period; the campaigns, core services and projects we will deliver to achieve them; and the key results through which our stakeholders will hold us to account for performance.

As we close down the Business & Tourism Programme – which has to date leveraged the “halo effect” of the Birmingham 2022 Commonwealth Games to deliver 58 investment projects and 2,600 jobs; 19 conferences and events; and £17.2m of visitor spend – we are moving into a new phase. One in which WMGC will utilise its public, private and academic partnership to deliver agreed regional and local priorities. We will work closely with our partners to unlock inclusive economic growth across the West Midlands; adding value to their activity by bringing capacity, capability, insight and networks to bear.

Fundamentally, we believe that the West Midlands’ future success will be underpinned by internationalisation, and our ambition is that the region will be globally competitive by 2030. In December 2022, the Economic Growth Board commissioned WMGC to develop a regional International Strategy, which will internationalise the West Midlands Combined Authority’s *Plan for Growth* and shape the region’s collective international effort and resources to elevate the West Midlands’ presence and impact on the global stage. The International Strategy will be multilateral in that it will cover trade, investment, tourism, research & development, and talent – as well as “soft power” considerations such as culture and international diasporas. By combining all these elements, we aim to be able increase our international effectiveness and profile. The Strategy will lead to a shared delivery plan that will align resources from across the public, private and academic sectors of the West Midlands with those of Government, as set out in the Deeper Devolution Deal.

Given the future publication of the Strategy, and the nature of the West Midlands Growth Company’s work in an environment which is fundamentally uncertain, complex and ambiguous, a key priority for this planning period is to improve our ability to flex our plans and adapt to changing conditions and new priorities. This Plan is therefore created as a “live” document against which we will report progress to – and manage change with – our stakeholders.

About us

The WMGC is the region's investment promotion agency and destination management organisation. Created in 2017 and owned by the West Midlands Combined Authority, its seven constituent Metropolitan authorities and five of the region's universities, we attract businesses, capital, visitors and events to the region to deliver economic growth, increased productivity, employment opportunities and a better quality of life for those that live and work here.

Our purpose

Through partnership working, we enable sustainable economic growth upon which West Midlands residents and businesses can thrive and prosper.

Our mission

To develop and promote an ambitious and aspirational West Midlands brand that drives investment, events and visitors to enable a thriving, sustainable regional economy.

Our values

As an organisation, the WMGC seeks to treat its employees, the people we work with, and the people of the West Midlands and the wider world with respect. As such, we have developed a series of values that shape our every interaction.

Trust – We do what we say we are going to do, collaborating with our stakeholders to deliver and achieve regional outcomes, leading the way for economic development using our knowledge and expertise.

Respect – We believe everyone has the right to be listened to and be heard. We appreciate the impact of our actions and behave accordingly.

Leadership – We lead by example, which means as an external ambassador to the business, and internally to our workforce. We embrace innovation and creativity, empowering our teams to deliver quality transformative outcomes.

Wellbeing – We support and promote the wellbeing of everyone. We want to be an inclusive and engaged workforce, where everyone has a clear sense of purpose and courage. We encourage everyone to thrive in a way that makes them successful, resilient, healthy and happy, developing a growth mindset.

How we work with our partners

As the region's investment promotion and destination management agency, we exist as an extension of our partners. We add value to the capacity and capability embedded in our anchor institutions with market expertise and insight, and our ability to bring together a regional narrative that reflects a functional economic geography at scale that offers strong positioning in an increasingly competitive global market.

Throughout this planning period, the West Midlands Growth Company will implement quarterly reporting to both senior officers and elected members at each local authority, the West Midlands

Combined Authority (WMCA) and our university members to report performance against agreed priorities and to look ahead to forthcoming deliverables across all workstreams.

In addition, we will offer bi-annual strategy and planning sessions and a year-end review to assess performance, review priorities and ensure delivery plans are aligned, and explore opportunities for efficiencies, synergies and added value.

Our key markets

For the past three years, WMGC has been delivering the Business & Tourism Programme (BATP). As BATP was designed to leverage the Birmingham 2022 Commonwealth Games, our focus was on further penetrating Commonwealth markets with which the region already had established links across tourism, trade and investment:

- India
- Australia
- North America & Canada
- Malaysia & Singapore

Prior to BATP, WMGC focused on a number European markets, North America, China and the Middle East. We are exploring our future primary markets through the development of the West Midlands International Strategy and will update our Business Plan to reflect any changes.

Our key sectors

In 2022, the WMCA published the *Plan for Growth* which set out how the region could regain its status as the fastest growing regional economy outside of London and bridge a £3.9bn productivity gap with a focus on clusters in which the region has a comparative advantage, and which therefore have significant growth potential. In this context, clusters are defined as “geographic concentrations of interconnected companies and institutions in a particular field.” *Plan for Growth* identifies the following established clusters:

- Professions & financial services and supply chain
- Health-tech and med-tech
- Creative content production and gaming
- Manufacturing of electrical light vehicles and associated battery storage devices
- Aerospace (including manufacturing of alternative fuels)
- Modern and low carbon utilities
- Logistics and distribution
- Manufacturing of future housing

WMGC plays its part in enabling the growth of these clusters by proactively promoting the region’s strengths in – and targeting investment from – the following key sectors:

- Business, Professional & Financial Services
- Data-driven Healthcare
- Creative & Digital Technologies
- Advanced Manufacturing
- Future Mobility

- Low Carbon

A key reason for this differentiation is that WMGC is primarily market-facing and therefore engages with firms in, and intermediaries representing, specific sectors. The priority sectors will be considered as part of the West Midlands International Strategy.

In addition, WMGC also promotes and facilitates the growth of the visitor economy – the tourism, leisure and hospitality sectors, as well as conferences and sporting events – which are significant contributors to the regional economy in terms of employment and GVA, but also crucial to the region's quality of life offer.

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Strategic context

This section sets out the economic challenges and opportunities affecting investment and tourism, which are the key areas of WMGC's business. It also sets out some of the factors affecting trade and exports, in which WMGC has an interest through the development of the West Midlands International Strategy.

Challenges

Between 2013 and 2019, the West Midlands was the fastest growing regional economy outside of London.

Growth was driven by the strength of our key sectors, our world class research and training institutions, and our compelling and competitive quality of life offer, with more than double the number of people relocating to the West Midlands from London than any other city region.

But the region has been hit hard in the past few years. Geopolitical turbulence means the threat of increased competition for inward investment, aggressive protectionism and repatriation looms large. And while FDI has been a national success story for decades, the volume has become increasingly concentrated in geography – between 1997 and 2016, FDI in London tripled while the number of projects in the rest of the UK fell by 15%. The West Midlands has punched above its weight, but it is increasingly at risk of losing out because we lack the means to compete with packages offered in mainland Europe and the USA, and because our national approach is geared towards the capital.

In addition, research undertaken by WMGC has indicated the following key challenges:

- The IMF predicts that 20 countries will have real GDP growth of less than 1% in 2023
- With global economic growth struggling, many businesses are leaning towards consolidation rather than expansion, at least in the first half of 2023. This will likely negatively impact FDI levels.
- As geopolitical tensions rise, companies and policymakers are increasingly looking at strategies to make supply chains more resilient by moving production home or to trusted countries.
- The rise of protectionism through measures such as the Inflation Reduction Act are further disrupting global supply chains
- Globally, there are circa 7,000 investment promotion agencies competing for share of voice
- The UK is a global top 5 economy for FDI outflow (\$108bn in 2021), but not as significant for inbound FDI (\$28bn) – and it is becoming less attractive for investment as a result of soaring energy costs and recent political turmoil

Prior to the pandemic, the West Midlands' tourism economy performed well - more than in line with similar regions - achieving a higher spend per capita. The region's visitor economy made up around 7% of the region's total enterprises, contributing 4.1% to regional GVA – larger than other key sectors such as low carbon, life sciences and aerospace. It accounted for 7% of regional employment, with an average GVA per worker of £31,735, and had been growing strongly for a number of years. The pandemic reduced the size of the visitor economy in the region by £8.2bn and nationally the sector was not forecast to recover to pre-pandemic levels until 2024. The West Midlands, through its coordinated delivery of the BATP in support of Birmingham 2022 Commonwealth Games, preceded by Coventry City of Culture, has delivered an exemplary performance, surpassing 2019 records for visitor volume and value by the end of 2022 - over a year ahead of national forecasts. However, while we saw a record volume and value of visitors, our tourism and hospitality industry members are seeing a

softening of demand from consumers, owing to inflation, strikes and a reduction of disposable income, with difficulties on the supply side from labour shortages, energy costs and supply chain interruptions.

All major advanced economies experienced a collapse in trade during the pandemic, but the latest data suggest that UK trade volumes remain 3% below their 2019 level, versus an average increase across other G7 countries of 5.5%. A recent study suggests that UK goods trade was 7% lower in June 2022 than it would have been had we remained in the EU. Coupled with the energy price crisis, our manufacturing base – which at its 2017 peak accounted for 8% of the UK’s total export value, 17% of the region’s GVA and over 10% of our jobs – has been disproportionately impacted.

Underpinning all of the above is the region’s visibility challenge. Perceptions studies undertaken by the WMGC reveal that despite improvements due to the BATP, awareness of the West Midlands as a place lags significantly behind competitor locations like London and Manchester:

- Only 30% of domestic and 26% of international leisure tourists are aware of the West Midlands offer – while 72% are aware of the London offer and 51% are aware of the Manchester offer.
- 58% of investment intermediaries are aware of the West Midlands offer – while all are aware of the London offer and 75% are aware of the Manchester offer.
- Only 35% of business conference organisers are aware of the West Midlands offer – which compares to 85% for London and 70% for Manchester.
- Only 55% of sporting event organisers are aware of the West Midlands offer – which compares to 95% for London and 70% for Manchester.
- Only 20% of travel trade professionals are aware of the West Midlands offer – which compares to 90% for London and 65% for Manchester.

While the BATP has begun to move the dial, it is clear there is much more to do. Put simply, without addressing this challenge, the region will not win its share of tourism, trade and investment.

As a result, the West Midlands – once the fastest growing regional economy – now lags behind. The WMCA’s *Plan for Growth* has identified a £3.9bn productivity gap to be addressed if the region is to regain its position by 2030, while the *Levelling Up Growth Prospectus* identifies challenges with high unemployment and growing in-work poverty in parts of the region.

Opportunities

While there are challenges, there are also significant opportunities. The economic fundamentals in the West Midlands remain strong and our region has much to offer to prospective investors, tourists and importers. We are already benefiting from the national investment in HS2 well ahead of the first train’s maiden voyage, and the region’s ambition shows in the game-changing “gearshift” interventions that have been developed and are being delivered by our anchor institutions and strategic innovation assets:

Established opportunities	Nascent opportunities
<ul style="list-style-type: none"> • UK Battery Industrialisation Centre (Coventry) 	<ul style="list-style-type: none"> • Our Future City Plan, including Birmingham Knowledge Quarter,

<ul style="list-style-type: none"> • Warwick Manufacturing Group & Manufacturing Technology Centre (Coventry) • The National Brownfield Institute (Wolverhampton) • Birmingham Health Innovation Campus (Birmingham) • Energy & Bioproducts Research Institute (Birmingham) • STEAMhouse (Birmingham) • Digbeth Loc. (Birmingham) • WM5G (region-wide) 	<p>STEAMHouse and Birmingham Innovation Quarter (Birmingham)</p> <ul style="list-style-type: none"> • Gigafactory and wider vehicle electrification/smart mobility (Coventry) • Cultural Gateway (Coventry) • BCIMO (Dudley) • Regeneration Pipeline Prospectus (Sandwell) • Arden Cross (Solihull) • Growth Corridor (Walsall) • Green Innovation Corridor (Wolverhampton) • Investment and Levelling Up Zones (region-wide) • Mindforge (region-wide)
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Investors are increasingly favouring locations which offer key fundamentals such as good connectivity; a strong talent pool and competitive labour costs; proximity to innovation assets; a strong support package from local investment agencies including access to public sector financial and other assistance; help with land and property, recruitment and legal issues; and links to local supplier and wider business networks. The West Midlands is well positioned here, with its central location and transport network connecting 90% of the UK population within four hours; its eight universities (of which six are in the WMCA boundary) producing 60,000 graduates a year (55% of which remain in the region); its tight-knit and welcoming business community, including Chambers of Commerce and other business representative organisations; and of course the West Midlands Growth Company itself, which provides soft landing support to help new entrants establish themselves in the region.

Meanwhile, new market opportunities are emerging – for example:

- Sectors such as digital and creative and financial and professional services continue to deliver the highest absolute numbers of projects. Locations offering high specification, flexible space with good low carbon and EDI credentials are in a strong position to attract investors looking for hybrid working solutions.
- In the wake of supply chain disruptions, manufacturers are increasingly opting for local and near-shore supply chain footprints. This has led to a 11% increase in foreign owned first tier suppliers and others lower down the supply chain establishing operations in the UK’s manufacturing heartlands in the Midlands and the North.
- Growth in investment is being led by emerging technologies in net zero and ‘clean tech’ segments such as electric vehicles, battery technologies and advanced methods of construction.
- Project volumes in markets which have traditionally dominated such as the EU, US and China are significantly down on their pre-pandemic peaks. They are rising strongly, however in new emerging ones where companies are seeking to strengthen their UK presence post-Brexit. These include Turkey and especially India which leap-frogged Germany and France to become the second largest source market for UK inward investment.

The West Midlands has been propelled into the international spotlight and captured the imagination of millions worldwide through the hit BBC series *Peaky Blinders*, created by the region's own Steven Knight. The region offers an enviable choice of visitor attractions making it a destination for a weekend break or family outing, while our dynamic culture and arts scene is home to some of the world's most renowned performing arts companies and state of the art performance spaces, as showcased through Coventry City of Culture. And building on the Birmingham 2022 Commonwealth Games, we have an exciting pipeline that is set to further cement our status as a leading international host of major sporting events. Visitors can enjoy Michelin-star food, classical concerts and ballet world premieres, contemporary exhibitions, home grown productions, alternative shopping, drinking and dining experiences, large-scale commercial shopping outlets and major attractions. This quality of life offer, coupled with a cost-of-living ratio that exceeds the national average, means the West Midlands is a compelling destination for talent.

The region's firms are continuing to adapt to the UK's new role in the global market, with at 25% upturn in exports in the year to February 2023. While export levels are yet to return to their pre-pandemic highs, the confidence of West Midlands firms is rising and being driven by client demand, new product development and diversification. Following the establishment of the UK-EU Trade & Cooperation Agreement, the Government has established trade agreements with Australia, New Zealand, Singapore and Japan amongst others, with more – such as India and China – in the pipeline.

In addition to the *Plan for Growth* and *West Midlands Local Industrial Strategy*, the region has a range of strategies that include the *Levelling Up Growth Prospectus*, *#WM2041: A Programme for Implementing an Environmental Recovery*, the *Regional Tourism Strategy*, *Transport Plan* and others. While they each provide a strong evidence base in their own right, there is a real opportunity to develop a wider, more holistic economic vision for the region that sets out a clear, long-term path for the West Midlands.

Finally, the *Deeper Devolution Deal* – agreed between Government and the WMCA in March 2023 – is a major opportunity for the region. Estimated to be worth £1.5bn, it will better enable the region to boost the economy through additional housing, bolstering transport and smart city region innovation, driving faster towards net zero, and upskilling and creating jobs for local people. Of particular relevance to WMGC is the commitment from the Department for Business & Trade to develop a deeper, more strategic partnership with the region, including the co-development of the West Midlands International Strategy and subsequent delivery plan; enhanced data sharing; and reviewing key account management. In addition, the Deal sets out DCMS and Visit England will work with WMCA and WMGC to create England's second Destination Development Partnership pilot and the associated merits of establishing WMGC as a Local Visitor Economy Partnership (LVEP).

Our track record

Inward Investment

WMGC has led the charge on attracting and retaining inward investment across the breadth of the WMCA area. Since its inception, the company has directly supported 282 inward investment projects, from which 20,000 new jobs have been generated across the West Midlands. For context, since 2011, WMGC's portfolio of investment successes has increased fivefold, with the number of new jobs generated by inward investors more than doubling each year.

Examples of key investment projects supported by WMGC, include:

- **HSBC UK**
The relocation of the Head Office for one of the world’s largest banking institutions, HSBC UK, from Canary Wharf, to Birmingham
- **TVS**
Indian-owned TVS Motor Company agreeing a multi-million-pound investment to relocate the UK headquarters of prestigious marque Norton Motorcycles to Solihull.
- **Goldman Sachs**
A transformational commitment from investment banking heavyweight Goldman Sachs; with the firm’s West Midlands based Engineering Hub creating 300 multidisciplinary roles so far.
- **Homes England**
Homes England’s investment in Coventry, in the first stage of a potential relocation for its 400-employee national centre.
- **Accenture**
A significant regional investment from professional services heavyweight Accenture, creating 800 new, high-value jobs in the region.
- **DLUHC (formerly MHCLG)**
A landmark investment from The Ministry for Housing, Communities and Local Government (MHCLG) to create a second HQ in Wolverhampton and at least 150 roles.
- **BBC**
Hailed a gear-shift investment for its potential economic and cultural value, the BBC’s new regional headquarters is set to open in Birmingham in 2026.

Focused on high-impact, diversified projects that complement the West Midlands economic growth clusters, WMGC’s Inward Investment Strategy was this year recognised by FDI Intelligence as Europe-leading; effectively leveraging novel, AI-led competitor analysis, in addition to Key Account Management (KAM). This activity was supplemented by the Global Growth Programme - an ambitious WMGC-curated investor support package - which together, made headway for a record performance:

- **WMGC data for the 22/23 financial year shows the company was directly involved in landing 57 inward investment projects and generating 3,655 jobs, in addition to other UK investments.**
 - **The figures represent the strongest performance for WMGC on record and an unprecedented 171% increase on last year.**
 - The final, exhaustive figures will be published in July by the Department for Business and Trade.

Visitor Economy

Since its inception, WMGC has worked collaboratively with more than 200 stakeholders to develop and deliver the West Midlands Tourism Strategy, focusing on driving the volume and value of both leisure and business tourism across the WMCA. Through this strategic framework, WMGC has facilitated a number of initiatives and structures designed to mobilise, champion and advocate on behalf of the region’s visitor economy. This has included the establishment of the regional **Tourism and Hospitality Advisory Board** in 2020 (previously Regional Board for Tourism), the **West Midlands Tourism Awards** in 2021, as well as the **Birmingham, Solihull and Black Country Local Visitor Economy Partnership (LVEP)** in April 2023, in line with VisitEngland’s national programme.

In June, WMGC announced record-high visitor economy figures, 12 months ahead of the UK government’s aim to recover both domestic and inbound visitor numbers to pre-pandemic levels by the end of 2023:

- The West Midlands welcomed an unprecedented 141.2 million visitors in 2022, surpassing the previous record set before the COVID-19 pandemic.
- The figures represent a 38% increase on tourist numbers in 2021, and a 5% rise compared to 2019 data.
- Spending by visitors to the West Midlands in 2022 rose to £14.1 billion, up by £4 billion (39%) from 2021 and £1 billion (7%) more than 2019 figures.

Major Sporting Events and MICE (Meetings, Incentives, Conferencing and Exhibitions)

Through the establishment of the Birmingham and West Midlands Convention Bureau (formerly Birmingham Convention Bureau), WMGC has ensured a sustained pipeline of business and sporting events in the region. The proactive promotion of the region's wealth of venues and successfully delivered events has afforded the West Midlands top positions within the industry's leading international rankings and reports; including ICCA, BMEIS and CVENT.

In 2022, WMGC launched the **Major Events Delivery Plan** to capitalise on the Birmingham 2022 Commonwealth Games as a beacon of the region's event hosting capabilities. Major events secured in the region include the Conservative Party Conference (spanning seven conferences), CHS Birmingham and sector trade conventions such as the World Congress on Railway Research. More recently, WMGC has secured the Commonwealth Esports Championships 2022, the Kabaddi World Cup 2025, the British Open Squash Championships and the International Working Group World Conference on Women & Sport 2026.

The Business and Tourism Programme

The BATP launched in July 2021 and was the first accredited Commonwealth Games programme of its kind. Under the stewardship of WMGC, alongside regional and national partners, BATP aimed to maximise the economic legacy of the Games through an intensive, two-year Programme of profile-enhancing activity.

BATP exemplified the mileage and impact of WMGC's combined expertise on the world stage. Well ahead of the Programme's 2027 official conclusion, we have:

- Actively showcased the West Midlands' strengths through **453 events across 13 global markets**
- Secured a further **19 major events** for the region, meeting our target four years ahead of schedule
- Generated **2,600 new jobs** in the West Midlands through **58 inward investment wins** – taking inward investment levels to an all-time high and exceeding our 2027 job creation target by **178%**
- Driven an upsurge in the region's pipeline of investment leads by an unprecedented **1100%**
- Supported the attraction of a record-breaking **141.2million** visitors to the region in 2022, with **£17.2m of visitor spend** directly attributable to BATP activity (achieving 96% of our 2027 target)
- Curated **32 new, travel-trade-ready bookable products**, tangibly strengthening the region's tourism offer.
- Generated **1,669 influential media articles** worldwide, with an audience reach of **5billion**.

- Bolstered market-facing website traffic from Commonwealth target countries by an average of **121%**.
- Positively shifted perceptions of the West Midlands in target markets, with a third of surveyed leisure travellers recalling BATP marketing campaigns and **85% of those felt more positive about the region** .

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What we do

WMGC Review

In 2022/23, the region conducted a review of the West Midlands Growth Company to ensure that our functions, funding and governance were fit for the scale of the task ahead. The Review concluded that the Company should focus on the delivering following:

Function	Description
Inward Investment	Investment promotion and investment facilitation – building the region’s investment propositions, actively selling them in key markets, and managing the pipeline of enquiries to turn leads into landings.
Capital Attraction	Working with WMCA and local authorities to help shape and take investable opportunities to the right markets at the right times , in order to secure significant capital investment in infrastructure and regenerate communities.
Visitor Economy (including leisure, travel trade, meetings, incentives, conferences & events; and major sporting events)	Working with travel trade to create bookable products , developing and delivering domestic and international marketing campaigns to promote the region as a visitor destination, and route development . Raising the profile of the region as a destination to host world-class sporting, cultural and business events, and bidding to win high-priority events .
Strategic Relationship Management	Strengthening the region’s relationship with its strategic employers to support them to remain and grow within the West Midlands

Underpinning these functions, WMGC will continue identifying opportunities to **establish partnerships of public, private and academic institutions to support delivery and realise major, gearshift opportunities**; providing **research and insight**; and **marketing and communications** support.

In addition, WMGC been asked to lead and has commissioned work on the first West Midlands International Strategy, which will be developed in partnership with key stakeholders across the public, private and academic sectors – including the Department for Business & Trade (DBT).

In agreeing these functions, the region has allocated £18m to WMGC to support the delivery of its programme over 2023 – 2025. In turn, WMGC has committed to developing its programme around regional and local economic development priorities; to increasing Company member representation on its Board; and to formally reporting to the region’s Economic Growth Board.

Global West Midlands

The region's past, present and future is international. The West Midlands Growth Company will deliver its key functions with the aim of ensuring the region is globally competitive by 2030.

During the process of the WMGC Review and development of this Business Plan, WMGC has gathered economic development priorities from WMCA and local authorities and used them to build a series of strategic objectives, aligned to the functions agreed as part of the WMGC Review. Each of our places has its own opportunities and challenges – while some are prime locations for significant new inward investment, others are better suited to expansions or to attracting visitors. Recognising this, WMGC has developed campaigns, core services, and projects & programmes that aim to deliver for and level up all parts of the region, using our opportunities to overcome our challenges.

Underpinning all of our work across each objective is the importance of partnership working and leveraging our anchor institutions and strategic innovation assets – such as our local authorities, universities, and flagship regional initiatives such as WM5G – to increase the international profile of the region, drive businesses and capital here, as well as supporting the development of partnerships that will deliver the “gearshift” assets of the future. While the benefits of our work here are not necessarily quantifiable and may not come to fruition during this planning period, we nonetheless believe that are a significant part of the value that WMGC can add by bringing its capacity, capability, insights and networks to bear.

Strategic objectives

The strategic objectives for the *Global West Midlands* programme are to:

Enhance the profile & reputation of the region

WMGC will deliver 12 campaigns to improve awareness, sentiment and consideration of the region as a place to invest, visit and host events with intermediaries in our primary markets.

Key outcomes:

- A rise in the proportion of **Investment Intermediaries** considering recommending the West Midlands as an investment destination to clients from **20% to 28%**
- An increase in the proportion of **conference organisers** considering hosting a business event in the region from **15% to 22%**
- An increase in the proportion of **sporting federations** considering hosting a sports event in the region from **3% to 4%**
- An increase in the proportion of **leisure travellers** considering visiting the region from **20% to 28%**

Create & sustain good jobs for local people

WMGC will support the delivery of the *Plan for Growth*, growing and increasing the productivity of the regional economy by attracting investment to the West Midlands, in turn creating high-value jobs for our people.

- Campaign activity will generate up to **2,000 new investment leads** – of which, up to 150 will be converted to opportunities
- WMGC will **land up to 117** of those opportunities, creating and safeguarding up to **5,148 jobs** and generating up to **£66.376m GVA**

Facilitate the regeneration of the built environment

Working with in partnership WMCA and local authorities, WMGC will deliver campaigns and projects to attract the capital investment that the region needs to deliver strategic sites and regenerate brownfield land, town centres and communities.

- Our activity will generate up to **eight transformational opportunities** – of which, WMGC will facilitate the landings of up to **six**, generating a **gross development value of £110m**

Create & sustain vibrant destinations

WMGC will harness sustainable domestic tourism and grow demand for inbound international tourism to enhance the region's quality of life by growing and strengthening the visitor economy.

WMGC will deliver up to **11 additional business conferences** and **12 additional sporting events** taking place in the region, and **16 travel trade bookable products** which, combined with campaign activity, will attract up to **235,233 additional visitors** to the region and **generate up to £23.457m** of economic activity.

Further detail on the campaigns, core services and projects for each objective is set out below.

Enhance the profile & reputation of the region

Lead business area

Marketing & Communications

Rationale

The strength of the West Midlands' brand will heavily impact the extent of investment and tourism it receives. International perception analysis shows that, in contrast with its peers, the region is still hampered by outdated and negative perceptions that are inconsistent with the West Midlands' contemporary image and performance. WMGC will therefore work to increase the visibility of the West Midlands, curating a persuasive and informative story to positively influence decision making surrounding each of the region's boroughs.

Comprising insight, design, events, digital and public relations capability, WMGC works with local authorities to translate their opportunities into a scaled and cohesive West Midlands proposition that is market competitive. By maintaining relationships with international intermediaries and target audiences, WMGC offers local authorities extended capacity for international strategy development, soft market testing and creative campaigns/outreach.

What we will deliver

Marketing and Communications-led activity will support all four of WMGC's strategic objectives and integrate with all wider workstream functions. Its activity will be grouped into four key strands:

Narrative development

Articulating the West Midlands' most competitive and compelling offer through messaging, proposition and collateral creation, rooted in a strong evidence base. Activity will build on the narrative work developed for BAMP, and will be developed in consultation with our partners to ensure alignment with key assets and opportunities.

Audience acquisition

Identifying and targeting key audiences across key markets using media, stakeholder engagement, events, social media and wider digital channels. Activity will exploit the warm audience developed through BAMP across investor prospects, consumers, media, investment intermediaries and travel trade.

Campaign delivery

Executing 12 strategic, proactive campaigns that directly respond to the priorities of the WMCA and local authorities through digital, media, and event led content. A number of dependencies will impact campaign theme and scope, including requisite Programmes and Core Services, and the outcomes of the Internationalisation Strategy. However broad, preliminary themes and target audiences are outlined below.

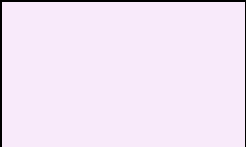
Success-story-telling

Highlighting success stories linked to the West Midlands' investment landscape and visitor economy, reinforcing regional credentials, as well as local leadership.

CAMPAIGNS

CAMPAIGN	OVERVIEW
Secondary objective(s): Create good jobs for local people Facilitate the regeneration of the built environment	
Investment Promotion: <i>The Tech That Makes Tomorrow Work</i>	<ul style="list-style-type: none"> • A newly curated analysis of the region’s cross-cutting innovation-based industries will form the common thread across all Inward Investment and Capital Investment market-facing campaigns. • Hinged around the region’s competitive growth clusters of high-value ‘emerging technologies’, this large-scale campaign will target prospects (across key sub-sectoral and capital investor profiles) to promote the West Midlands’ R&D hubs, strategic assets, business exemplars and growing portfolio of incubator and accelerator spaces. • See Key Sectors and Opportunities above.
Investment Promotion: <i>Mobilising Multipliers</i>	<ul style="list-style-type: none"> • Intermediaries are important influencers of prospective investors. This two-pronged campaign will focus on knowledge transfer amongst target individuals and organisations to ensure an up-to-date and ‘single version of the truth’ surrounding the West Midlands’ credentials. • Capital Investment led targets include sovereign funds, private equity, location advisory and real estate supply chain. Inward Investment targets include DBT posts, site selection advisors and embassies.
Secondary objective(s): Create good jobs for local people	
Investment Promotion: <i>Scale Up in the West Midlands</i>	<ul style="list-style-type: none"> • A cross-market campaign will support the ambitions of the West Midlands Innovation Accelerator by launching and promoting the roll out of the Global Growth Programme 2 and 6D Medtech Innovation Accelerator,. • Targets include international high-growth, high-productivity firms predominantly within cross-cutting tech sectors. • The campaign will build on the market traction gained through Global Growth Programme 1. • See Key Sectors and Opportunities above.
Secondary objective(s): Facilitate the regeneration of the built environment	
Investment Promotion: <i>Catalytic Place Making</i>	<ul style="list-style-type: none"> • The campaign will promote the West Midlands’ strategic sites and macro advantages. This will include tranches dedicated to retrofit, affordable housing and inclusive infrastructure; and in doing so, encompass key programmes Strategic Site Promotion, Catalytic Place Making, as well as multiple, strategic real estate events. • Targets include developer and investor audiences in UK and as identified in the Internationalisation Strategy. • See Key Sectors and Opportunities above.
Secondary objective(s): Create & sustain vibrant destinations	
Culture and tourism promotion: <i>City Pass (UK’s largest treasure hunt)</i>	<ul style="list-style-type: none"> • Linked to the creation and delivery of a region-wide ‘city pass’, this campaign will launch and promote the initiative and its component tourist attractions. Large-scale and multichannel, the campaign will pitch the offer creatively, encouraging visitors to explore the breadth of the West Midlands and increase dwell-time. • Key audiences include domestic overnight, city-break and short-break leisure segments within a two to three hours drivetime catchment area.

<p>Culture and tourism promotion:</p> <p><i>The West Midlands: My kind of region.</i></p>	<ul style="list-style-type: none"> • West Midlands universities educate 185,000 students and produce more than 60,000 graduates each year. This campaign will create a warm welcome to those students, and more broadly, drive national and international student interest by promoting the region’s dynamic culture and Quality of Life, in such a way that influences perceptions. • The campaign could take the form of an attention-grabbing, sharable social media focused video – for example, a reimagining of the infamous ‘kitsch triumph’ “Telly Savalas Looks At Birmingham”. The campaign will build on the previous ‘Live, Learn, Earn’ narrative.
<p>Culture and tourism promotion:</p> <p><i>West Midlands takeover</i></p>	<ul style="list-style-type: none"> • This campaign will raise the visibility and awareness of the region's destinations to international markets through major, strategic partnerships with influential platforms, for example; the BBC, Expedia, Booking.com, Trip Advisor, Airbnb etc. • Based on B ATP delivery and learnings, partnerships could include widespread broadcast and online media channels and would incorporate detailed customer feedback.
<p>Travel Trade: Development:</p> <p><i>West Midlands product</i></p>	<ul style="list-style-type: none"> • This campaign will educate and inspire travel trade buyers across domestic and international markets, helping to maintain strategic relationships and encourage contracting with preferred suppliers. • It will comprise destination workshops, training modules, travel guide development, and creative collateral development.
<p>Major event attraction:</p> <p><i>Home of Sport</i></p>	<ul style="list-style-type: none"> • The two-pronged campaign will position the West Midlands as the optimum location for hosting major sporting events by showcasing its portfolio of venues and wider macro-advantages, including connectivity and culture. • Targets include Sporting Federations and Associations – including specific conventions and bids, building on the pipeline built through B ATP. • Additionally, a consumer campaign will raise awareness surrounding the region’s sporting events, encouraging extended dwell-time and spend across the West Midlands.
<p>Major event attraction:</p> <p><i>Where the World Meets</i></p>	<ul style="list-style-type: none"> • This two-pronged campaign will help to convert the regional pipeline of business tourism, highlighting the West Midlands Convention Bureau’s core services of venue finding, accommodation booking, and commercial sponsorships. • Additionally, a consumer campaign will link to the creation and delivery of a region-wide ‘Delegate Card’, which aims to encourage conference delegates to explore as much of the region as possible with a series of offers, discounts and privileges.
<p>Secondary objective(s): Create good jobs for local people Facilitate the regeneration of the built environment Create & sustain vibrant destinations</p>	
<p>Internationalisation - in-market campaign</p>	<ul style="list-style-type: none"> • WMGC will respond to the outcomes of the West Midlands International Strategy with a range of targeted, multi-lateral campaigns, including in-market activations / sales missions. • These activations will support all strategic objectives.
<p>Meet the West Midlands’ Creative Class</p>	<ul style="list-style-type: none"> • This cross-programme campaign will capitalise on milestones associated with hit TV series Peaky Blinders to improve the West Midlands international reputation. These include the potential announcement of the official blockbuster film being produced in Birmingham, and the outcome of a WMGC-led, new attraction feasibility study.



- The campaign will also target production and creative supply chains to promote the region's 'creative campus' of assets and investment potential, in addition to promoting the region's Peaky inspired cultural offer and the emergence of local screen industries.

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Create & sustain good jobs for local people

Lead business area

Inward Investment

Rationale

WMGC aims to grow the region's economy, increase its productivity and enable the development of its clusters by attracting firms who are looking to relocate or expand. This in turn will create good quality, high value jobs for those that live here.

WMCA and local authorities have a key role to play in attracting inward investment by helping to create the conditions for growth, supporting cluster development and through their in-house teams. WMGC works closely with them, and adds value through the aggregation of a regional narrative to a level that reflects an internationally competitive functional economic geography, which offers strong positioning in an increasingly competitive global investment attraction market – one in which investors and intermediaries respond best to destinations that present a coherent proposition at scale. Economies of scale enable WMGC to recruit the genuine specialists and expertise across sectors and functions necessary to influence global investment decisions.

What we will deliver

CORE SERVICES

Investment promotion

We promote the West Midlands as a world class business destination and hub of innovation to key audiences in target markets.

We use our understanding of audience drivers and West Midlands sectoral differentiators (such as those indicated within Plan for Growth) to develop and curate investment and innovation propositions. From these we deliver sustained multi-channel campaigns, generating content to showcase West Midlands assets and surface key local authority priorities.

Business development

We generate, progress and convert the pipeline of inward investment opportunities to enable the creation and safeguarding of high value jobs in the region. WMGC will appoint lead generation agencies in key priority markets, focus on building and improving relationships with intermediaries and multipliers, and continue on direct business development work listed below.

- **Intermediary and multiplier management**
Maintain, and grow relationships with key external intermediaries (including DBT, UK & international sector-focused trade associations, embassies, high commissions, DBT's international peers) on behalf of the region, to drive awareness and as a pre-cursor to opportunity generation. Activity includes proactive outbound contacts, attendance at third party events, and coordinated hosting of in-bound delegations.

- Qualified opportunity generation**
 Direct Business Development, activation & attendance at key sector-focused third party events, multi-channel marketing, planning and delivery of regional sales missions. Coordinating the qualification and dissemination of opportunities via our customer relationship management system. Targeting and engagement focused on promotion of qualified sectoral investment opportunities.
- Investor engagement, pipeline management and conversion**
 Long-lifecycle engagement to convert investor interest. Work can include: tailored data & insights provision, leveraging of regional networks and advocacy, coordination of tailored familiarisation visit, competitive bid/RFI-response writing, site/premises search, coordinating public sector engagement re: planning, funding etc.
- Business intelligence**
 Provision of data, insights, strategic advice or facilitated market engagement to help company members develop local strategies and shape development/commercial plans. Insight analysis work in combination with the market and intermediary engagement undertaken during delivery for all core service elements creates knowledge, assets and capability that will be deployed as strategic advice.

Strategic Relationship Management

A new function agreed as part of the WMGC Review, WMGC intends to work with local authorities, the WMCA, universities and Department for Business & Trade to coordinate a Strategic Relationship Management programme on behalf of the region, working with established account management teams and structures. This is expected to eventually comprise up to 500 key firms, and will capture and disseminate key insights to relevant stakeholders. It is anticipated that providing timely access to insights will enable the application of appropriate interventions to support the growth and retention of these firms within the West Midlands.

Strategic inward investment advice

We will deliver focused interventions through a combination of insights, advisory support, and structured market engagement, to support local authority partners with overcoming localised, but strategically important, economic development challenges.

WMGC will deploy a more structured project management approach to scoping and delivering interventions (in line with its core capabilities) to address localised, inward investment-focused economic development challenges faced by its shareholder local authorities. Where scoping confirms a need for intervention in line with our capabilities, WMGC will leverage its internal expertise (e.g. market-generated, sector-specific intelligence; primary/secondary research and insights; facilitated market engagement to key companies/intermediaries) and where necessary will support local authorities in the procurement of appropriate external suppliers to address their challenges.

PROJECTS & PROGRAMMES

Projects & Programmes	Overview
Global Growth Programme 2	WMGC will build on the initial Global Growth Programme (GGP) pilot to extend support for innovation-led inward investment landings into key locations across the region. GGP2 will incorporate sector-specific acceleration strands, aligned with local industry cluster strengths, accompanied by physical space provision and market-entry support, to enhance the region’s ability to attract high-growth innovative companies that would otherwise default to investment in London & the South East.
Strategic Site Promotion	A joint undertaking between Capital Investment, Inward Investment and Sector Marketing, and with WMCA, WMGC will adopt more rigour about how agreed strategically important sites are positioned in the work and campaigns that it delivers. In addition, WMGC will formalise engagement processes with LAs and private agents to collate and manage information about key sites. This information will also be translated into a digital, market-facing interactive map of the key current and future investment sites for both brownfield, asset repurposing and occupier opportunities, with prominence given the LA priorities and ‘gearshift’ sites for each LA and Investment Prospectus content. It is anticipated that additional layers of data/information will be added over time to augment user experience.
Innovation Accelerators	As part of the Innovate UK-funded consortium, WMGC will support the development of a compelling accelerator programme, which will act as an asset to enhance the region’s life sciences investment proposition for high-potential medtech companies. WMGC will subsequently work to recruit inward investors on to the programme and deliver its core suite of investor support services to companies participating in the programme, to facilitate their growth and associated job creation within the West Midlands. WMGC is actively exploring other opportunities to add value to the region’s Innovation Accelerators, working closely with the WMCA.
Public Sector Relocations	WMGC will deliver a structured programme of engagement, which build on previous ad hoc engagement with key UK Government teams, and which leverages the Deeper Devolution Deal text, with the aim of

	<p>expanding/accelerating public sector relocation into the region. This structured approach will highlight place-based offers and investment opportunities in locations across the WMCA geography and will seek to work with the Places for Growth team to proactively engage government departments and agencies that are aligned to the 'transport and infrastructure' cluster concept and/or require professions and skill sets that are well aligned with the talent pool of the region. By March 2025, this initiative aims to secure commitments to relocate additional agencies/departments to the West Midlands and have GPA-acquired, or publicly-owned sites across multiple local authorities recognised as within scope for future relocations.</p>
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Facilitate the regeneration of the built environment

Lead business area

Capital Attraction

Rationale

Our region has huge aspirations for growth, but we need to secure transformational capital to achieve it. Capital attraction is therefore a major area of focus for this plan. WMGC will expand this function to target global and domestic capital investors, building engagement with and confidence in the region. The intent being, to work more closely with regional partners to drive greater investment by marketing more compelling opportunities to a greater range of UK and international investors.

As with inward investment, WMCA and local authorities have a key role to play in attracting capital. WMGC works closely with both, and adds value through the aggregation of a regional narrative to a level that reflects an internationally competitive functional economic geography, which offers strong positioning in an increasingly competitive global investment attraction market – one in which investors and intermediaries respond best to destinations that present a coherent proposition at scale. WMGC

What we will deliver

CORE SERVICES

Investment Promotion

WMGC will build a highly attractive, market facing, regional investment narrative to reach an audience of global and domestic investors, developers and real estate intermediaries that lead to additional inbound capital into the West Midlands.

We will deliver investable proposition development to prioritise local authority, WMCA and private sector partners' investable propositions, with a focus on accelerating opportunities in the West Midlands Investment Prospectus and other local priorities, and demonstrate clear pathways for investors.

Business Development

Focusing on regional investment and development priorities to build new vibrant places and regenerate the built environment, we will deliver continuous engagement and relationship management with game changing investors.

In addition, we will deliver investment promotion and direct market engagement at global flagship sector events, reaching new sources of capital and delivery capability, and market both our region and specific investment opportunities.

Business Intelligence

We will provide insights, consultancy & strategic advice, including access to market data, analysis and investor insight to support our shareholders through a wide range of consultancy-style support from soft market testing to developer workshop and collateral production.

Active pipeline and investor management and market feedback gathered in our systems will lead to better proposition development, greater and accelerated market engagement and capital deployment.

PROJECTS & PROGRAMMES

Projects & Programmes	Overview
Catalytic Place-Making	<p>WMGC will drive investors and developer interest to the non-primary investment locations in the West Midlands where current market engagement and understanding is limited. This serves a need to 'level up' the towns and non-city centre locations that are not yet attracting sufficient investment to thrive.</p> <p>Focussing mainly on regen opportunities in our town centres and aligned to Local Authorities priorities, but adding value through simultaneous proposition development alongside investor dialogue. This might take a 'whole place' approach to educate the market on the strengths (connectivity, assets, major employers etc) of the locality, or a more specific investable proposition.</p>
Strategic Site Promotion	<p>A joint undertaking between Capital Investment, Inward Investment and Sector Marketing, and with WMCA, WMGC will adopt more rigour about how agreed strategically important sites are positioned in the work and campaigns that it delivers. In addition, WMGC will formalise engagement processes with LAs and private agents to collate and manage information about key sites. This information will also be translated into a digital, market-facing interactive map of the key current and future investment sites for both brownfield, asset repurposing and occupier opportunities, with prominence given the LA priorities and 'gearshift' sites for each LA and Investment Prospectus content. It is anticipated that additional layers of data/information will be added over time to augment user experience.</p>
Leisure/Hotel Market Engagement	<p>Regional partners are keen to see a wider geographical spread of hotel options, more and varied entrants into the market and possibly a 5* star offer to be established in Birmingham. Hotel provision leads to increased leisure and business tourism and associated stay expenditure into the regional economy.</p> <p>Activity will focus on understanding the complex investor/developer market for hotel delivery, feasibility study commissioning and asset/site reviews with LAs and third party advisors.</p>

Create & sustain vibrant destinations

Lead business area

Visitor Economy, including Business visits & events and Major Sporting Events

Rationale

The visitor economy has a strong positive impact on the regional economy through employment, visitor spend, indirect supply chain benefits, capital investment and induced impacts. It is also part of the region's export market through attracting inbound visitors. It supports inclusive growth, offering entry to the job market from manual to professional roles. But it is subject to high levels of competition from other destinations, both domestically and internationally.

WMGC has strong relationships with VisitEngland/VisitBritain, has a track record in winning national investment to deliver successful international and national campaigns, develops international product for the travel trade, leads international missions representing all LA destinations, leads collective policy responses, and coordinated research and insights for the LA partners, offering effective and efficient use of resources and a strong voice for tourism in government. WMGC's role as regional lead for the visitor economy has been endorsed through our accreditation, with LA partners, as one of the first 15 Local Visitor Economy Partnerships, which were approved by a VisitEngland industry panel based on evidence of effective destination management.

What we will deliver

WMGC activity will support the strategic goals in the West Midlands Tourism Strategy and Recovery Plan which are to:

1. Increase the number of visitors from the UK staying in the West Midlands
2. Encourage greater numbers of international visitors to visit the West Midlands

This activity forms part of the wider regional approach to culture, digital and creative industries agenda led by the WMCA. Culture is a primary motivator for visits and continues to be a key element of visitor economy development and campaigns. WMGC works actively with WMCA across the culture, digital and creative industries agenda, with tourism colleagues attending the WMCA's Cultural Officers Group (COG) and collaborative briefing meetings with the portfolio lead. WMGC also sits on the cultural research working group and shares data for audiences and feedback on the cultural prospectus.

In addition, by working closely with the WMCA Nighttime Economy Policy Officer, WMGC has identified key areas of work for collaboration including safe public transport back home or to accommodation for visitors and staff after evening events. The Nighttime Advisor is coopted onto the West Midlands Tourism and Hospitality Advisory Board to ensure seamless cross-sector working.

CORE SERVICES

Visitor Economy Policy & Strategy

WMGC delivers projects to bring success to the region's travel trade, leisure tourism, business visits and events, and sporting events programmes. Subject to the findings of the West Midlands

International Strategy, and Sustainability benchmarking report, we will update the Regional Tourism Strategy at the end of 2023. We also provide secretariat, policy and communications support for the West Midlands Tourism & Hospitality Advisory Board. WMGC curates event listings, blogs and bookings for visitors and industry partners to highlight the best of the region's offer through visitbirmingham.com, social media channels and e-newsletters, which promote visitor engagement and signpost them to vibrant experiences across the region.

Travel Trade development & relationship management

Supporting the growth of inbound tourism from domestic & international audiences through new products and distribution channels for the travel trade. Tour operators, travel agents and destination management companies have a direct route to international market audience segments who have an interest in our West Midlands product. They are an effective way to raise awareness with the inbound leisure travellers in our target markets.

International direct route development

Route development is an essential function for airports planning to attract new services and it is a key element of the strategy to increase international visitors to the West Midlands. Working in partnership with Birmingham Airport enables us to demonstrate wider support to a carrier, in the face of a high level of global competition for carrier routes. We will aim to coinvest in demand generation through VisitBritain, Birmingham Airport, WMGC and destination-funded marketing campaigns.

Business Intelligence, including strategic advice for Company members

Our activity is based on insight derived from robust research and surveys, from the West Midlands Tourism Strategy to destination management plans, to sector reports for building the major sporting events and business tourism offer. Sources will include STEAM, visitor surveys, and wider sector research. We will support our Company members by providing these insights and analysis to inform the development of local destination management plans.

Business visits and events

Birmingham currently attracts the highest proportion of inbound business visitors of any UK city and working with city destinations the region needs to ensure a clear focus on maintaining its status and increasing the number of international congresses. Birmingham and the West Midlands Convention Bureau is the city and region's official convention bureau and works in partnership with stakeholders to provide services that attract international meetings, conferences, incentives and events that can help grow our economic development and knowledge creation.

- **Business Development** – business development activity to promote the region as an events destination and proactively research, identify and target new international conference business leads that build our pipeline and ensure future opportunities. Business event opportunities are aligned with the West Midlands region's sector strengths to amplify inward investment opportunities and showcase our supply chains.

- **Conference Ambassador Network** – Working closely with leading university academics, this network is dedicated to maintaining Birmingham and the West Midlands as a top business event destination. It provides a link between the academics and their industry bodies to give leaders a platform to promote their advances internationally and to bring major conferences and events to the region.
- **Bid Support** – collaborative work with stakeholders and conference organisers/ambassadors to develop engaging bids and convert more business, accessing ministerial letters or videos of support, transport for VIPs, itineraries for pre- / post-conference, and signposting opportunities for subvention through the regional or national fund.
- **Venue Finding** - A free to use venue finding service for meeting and event organisers looking to place business in the city and region. The service is online and has a dedicated team to manage enquiries which are distributed to relevant venues. PartnersWM partners benefit from a reduced commission fee of 8% + VAT on any business secured. In 2022 the Convention Bureau shared enquiries worth more than £1 million with partners across the region.
- **Accommodation Booking Service** – event organisers are offered a free microsite and accommodation booking service where their delegates can make their individual accommodation reservations. Full accommodation services were provided to 30 event organisers in 2022 along with a number of bespoke services confirming in excess of 20,000 room nights, generating a gross revenue for these venues in excess of £2million.

Major Sporting Events

WMGC aims to raise the profile nationally and internationally and become recognised as a world class host city region of major sporting events with a target of eight major events by 2027. Key activity includes:

- managing relationships with event and sports federations to drive the pipeline of opportunities;
- bidding for (and winning) events that utilise the region’s world class venues and infrastructure; and
- focusing on the sports which are important to partners and deliver against key social, economic and environmental outcomes and improve the image and perceptions of destinations.

Major Events Fund secretariat

- WMGC will deliver the secretariat for the Major Events Fund, agreed by the WMCA Board in March 2023, which will enable the region to attract, host and stage major events.

PROJECTS & PROGRAMMES

Projects & Programmes	Overview
Destination Management Plan – LA support	Lead or support every Local Authority Company member to have a current Destination Management Plan co-developed with industry and LA engagement and aligned with Regional Tourism strategic objectives.
GDS sustainability benchmarking	Alongside regional destinations, WMGC has commissioned the Global Destination

	<p>Sustainability Index to assess our Environmental, Social, Supplier and Destination Management performance, and will work with them to create a pathway for improvement with our local authority destination partners and industry members. Benchmarking our activity through the index leads to a performance improvement report to shape future activity plans guided by our sustainability strategy. Our performance can be expected to improve by over 20% in the next 5 years using the GDS framework.</p>
Sustainability hub business support	<p>A sustainability hub on visitbirmingham.com, procured by Birmingham City Council (BCC), with content creation by Sustainability West Midlands will be actively pushed out to regional tourism and hospitality businesses to improve their own environmental practice over the business plan timeframe.</p>
Accessible & inclusive tourism business support	<p>An accessibility hub on visitbirmingham.com, procured by BCC, with content creation from Mima (human behaviour and design consultants) with a specialism in accessibility and inclusive design, will be actively promoted to regional tourism and hospitality businesses to improve their access for disabled visitors over the business plan timeframe, and supported by marketing to disabled visitors through content created by disabled bloggers and vloggers</p>
Skills audit, volunteering & implementation plan	<p>Local Skills Improvement Plan sector audit, conducted with the Coventry & Warwickshire Chambers of Commerce and the Coventry & Warwickshire Local Visitor Economy Partnership.</p>
Culture & Tourism Connected	<p>The Culture and Tourism Connected is a digital visitor engagement project which aligns destinations and industry partners across the West Midlands to help visitors discover, enjoy, and share experiences whilst giving attractions and destinations insight into digital engagement, visitor flow and marketing success.</p> <p>WMGC has developed a platform that allows destinations, partners and other approved publishers to draw on listings from a centralised database which they can freely use on their own websites or apps.</p>
City Card feasibility & set-up	<p>A 'city pass' offers visitors to a destination a bundled package of discounts to popular attractions, activities, experiences, and transportation options. City passes are available in destinations around the world, including London, Manchester, York, Shakespeare's England, Amsterdam, Paris, and New York City.</p>

	<p>It is a digital, mobile-friendly solution that gives visitors admission to visitors to multiple attractions with a single ticket, with live data feeds directly into attractions. The pass is available for a fixed period (e.g. 1 day, 3-day, 5-day).</p>
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Objectives & key results

Key to managing successfully in an uncertain environment, demonstrating the WMGC's added value, and to providing accountability and transparency to our stakeholders, is our approach to Objectives and Key Results.

Below we set out the outputs, leading and lagging indicators for each strategic objective that will form the basis of our reporting framework. We will augment this with qualitative information, such as case studies, where relevant. These will also help to demonstrate the contribution the Global West Midlands programme makes to the delivery of the *Plan for Growth* and *West Midlands Outcomes Framework*, which is based on WMCA's *Inclusive Growth Framework*.

This framework will also enable the Leadership Team to adapt the programme according to external factors and risks, in consultation with the WMGC Board, Economic Growth Board and Company members and through formal change control where necessary.

Our Key Results include both a stretch target and a minimum requirement (which is 30% lower) for each metric. These provide headroom in the context of (i) the challenging macro-economic environment we face, which may constrain performance in some areas and (ii) the need for flexibility if we need to respond to new regional or local priorities which may require a re-balancing of resources, for example, between different priorities and workstreams, which may impact on outputs, outcomes and impacts.

Measure	Minimum requirement	Stretch target
Enhance the profile and reputation of the region		
Output metrics		
Media articles	650	800
Media audience reach	550,000,000	700,000,000
Unique visitors to websites	826,000	1,180,000
Web visitors % from key markets	14%	20%
Campaigns	8	12
Outcome/leading indicators		
% of investment intermediaries with recall of marcomms collateral	11%	16%
Of these - % more aware of the region's offer	22%	32%
Of these - % positive about region's offer	25%	35%
Of these - % considering recommending the region to clients	20%	28%
Leisure travellers in key target markets with recall of marcomms collateral	11%	16%
Of these - % more aware of the region's offer	23%	33%
Of these - % positive about region's offer	23%	33%
Of these - % considering visiting the region	20%	28%
% of conference organisers with recall of marcomms collateral	11%	16%
Of these - % more aware of the region's offer	20%	28%
Of these - % positive about region's offer	12%	17%
Of these - % considering organising an event in the region	15%	22%
% of sporting federations with recall of marcomms collateral	11%	16%
Of these - % more aware of the region's offer	8%	12%
Of these - % positive about region's offer	5%	8%
Of these - % considering organising an event in the region	3%	4%
Create good jobs for local people		
Outcome/leading indicators		
Inward investment leads generated	1,400	2,000
Leads converted to opportunities	105	150
Impact metrics/lagging indicators		
Opportunities won/projects landed	82	117
Jobs created or safeguarded	3,604	5,148
GVA generated	£46,462,976	£66,375,680
Facilitate the regeneration of the built environment		
Outcome/leading indicators		
Capital investment opportunities generated	6	8
Impact metrics/lagging indicators		
Opportunities won/projects landed by WMGC	2	3
Value of capital investment (Gross Development Value)	£25,000,000	£55,000,000
Opportunities generated by WMGC, landed by other regional partners	2	3

Value of capital investment (Gross Development Value)	£25,000,000	£55,000,000
Total projects landed	4	6
Value of capital investment (Gross Development Value)	£50,000,000	£110,000,000
Create and sustain vibrant destinations		
Travel trade bookable products developed	11	16
Impact metrics/lagging indicators		
Sporting events landed	8	12
Business conferences landed	8	11
Additional visitors attracted	164,663	235,233
Additional economic impact generated by visitors attracted	£16,420,236	£23,457,480

Key results are subject to final agreement with the WMCA through the Global West Midlands full business case.

Ways of working

WMGC is a partnership of the public, private and academic sectors established to deliver inclusive economic growth across the region through its key functions. Leveraging the collective talent, opportunities and assets of these sectors to realise the greatest impact for the West Midlands and its communities & businesses underpins everything that we do.

Local and regional priorities sit at the heart of the Global West Midlands Programme. WMGC will work closely with Local Authorities, the WMCA and universities to realise the ambition set out in this plan. This will include formal quarterly reporting at a political and officer level with each Local Authority, the Economic Growth Board and the WMCA Executive Board. Alongside these meetings, the West Midlands Growth Company will engage regularly with partners across these organisations to enable the effective delivery of, and maximum impact from, our campaigns, core services and projects & programmes. This will include aligning resources where appropriate and each partner delivering what is expected of them in a timely way. This will include trilaterals with the WMCA and Local Authorities to enable a more place-based approach, and sharing data and analysis for joint understanding and the development of plans and narratives.

The WMGC is committed to demonstrating how it adds value to the work already being undertaken by partners and to achieving good value for money. We will therefore continue to look for synergies with our stakeholders activity that can be exploited and ensuring there is no duplication of work. We will also keep seeking efficiencies across the business.

As a purpose-driven organisation, WMGC will continue to work very closely with those in the private sector that share our vision and ambition for the region; utilising their skills, expertise and networks to support the delivery of our shared priorities. We will continue to develop and deliver Partners West Midlands, our commercial partnership programme, to grow our income and reinvest it in Global West Midlands.

Close working with Government will also be critical to support the realisation of the priorities set out in this Plan. The Deeper Devolution Deal, agreed by the WMCA in March 2023, saw Government commit to co-developing the West Midlands International Strategy and its subsequent delivery plan with the region; to strengthening connections between WMGC and the Department of Business & Trade, in particular; and to reviewing how government supports the development of relationships with strategic firms. The Devolution Deal offers further opportunities, including the potential for WMGC to become a Government-recognised Destination Development Partnership – a status which is granted to the highest functioning regions with established governance and financial arrangements, and excellent track record of delivery in partnership. These opportunities combined build on one of the key lessons of the BATP – that deeper, stronger and more strategic relationships between regional and national governments can help to significantly improve the visibility of regional economies in international markets, delivering a larger, faster return on investment.

WMGC is very aware that our work adds the most value as part of a coherent economic development system and that the best strategy to enhance perceptions, create jobs and attract tourists is to improve the material conditions of the region. By working in close partnership with our key stakeholders on the development and delivery of interventions, WMGC will help to ensure, for example, that there is a close link between what we do and business support (including Business Growth West Midlands), skills provision, the unlocking of sites for employment & housing use and improved connectivity to enable the attraction of greater investment in future.

Whilst this Business Plan sets out a clear agenda to March 2025, WMGC will remain agile in its focus so that it can respond to varying economic conditions, progress with delivery of local priorities and new opportunities. This will be managed through close working with the WMCA, local authorities, universities and the wider private sector over the plan period to monitor performance and adapt the programme where mutually agreed. WMGC will develop a clear operational plan for each campaign and project, setting out milestones, a RACI, resource base, risk register, and linkages and dependencies.

In addition, we anticipate further review of the full Business Plan will be required to take account of the West Midlands International Strategy when it is published in the autumn 2023. The Plan therefore remains very much a 'live' document.

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Governance

WMGC Leadership Team

WMGC operates across the world, at a time of significant geopolitical and economic instability. A key priority for the West Midlands Growth Company during this business planning period is to ensure that it has the systems and processes in place to enable effective, agile delivery. WMGC's Leadership Team is therefore responsible for:

- Assessing the external environment and actively managing risk, following the 4T approach
- Balancing our ambition to deliver campaigns and programmes with risks
- Maintaining a focus on the best, longer-term outcomes for the region over the short-term benefits for the Company
- Monitoring performance against delivery, and implementing change control where necessary

The Leadership Team will also ensure accurate and transparent reporting to the WMGC Board, Economic Growth Board, and Company members.

WMGC Board

The WMGC Board is responsible for setting the direction of the business and for holding the Leadership Team to account for performance. The Board is supported by the Strategy & Planning Committee; Audit & Risk Committee; and Nominations & Remuneration Committee (and other task & finish groups as required).

As noted above, as part of the WMGC Review and to increase transparency and accountability to Company members, it was agreed that each of the WMCA and its seven constituent authorities would be entitled to make appointments to the WMGC Board.

Company Members

The West Midlands Growth Company is constituted as a company limited by guarantee, wholly owned by the WMCA and its seven constituent members. As per its Articles of Association, Company members retain overall control of the Company through "member reserved" matters:

- changes to the Company's core business;
- approval of the Company's annual business plan;
- any decision which deviates from the agreed annual business plan;
- the admission of new Members;
- any variation to the Articles of Association;
- any acquisitions, assimilations or asset transfers by or to the Company;
- the appointment and removal of Directors and their terms;
- any decisions relating to the strategic objectives of the Company (to the extent that these are not in any case reflected by the Company's annual business plan); and
- any other significant decisions of the Company

Tourism and Hospitality Board

The West Midlands Tourism and Hospitality Advisory Board (THAB) represents, and speaks on behalf of, the tourism and hospitality sector in the West Midlands, responding to national and regional

consultations and policy documents. In doing so, it advises the WMCA and WMGC, reporting through the WMGC Board and Economic Growth Board. Once Destination Development Partnership (DDP) status is confirmed, WMGC as the lead accountable body will invite a VisitBritain representative to attend both the THAB and WMGC Board meetings for DDP agenda items.

Economic Growth Board

The Economic Growth Board exists to provide strong, democratically accountable leadership to the strategic oversight of the region's approach to driving green and inclusive economic growth.

The WMGC Review recognised the importance of the West Midlands Growth Company remaining operationally independent of the WMCA, but also concluded that more formal strategic alignment would be beneficial. The Economic Growth Board is therefore now accountable for WMGC and will help to ensure that, along with the Innovation Board, Create Central, Cultural Leadership Board and Energy Capital Board, we are united in delivering the region's economic and levelling up ambitions.

As part of reporting to the Economic Growth Board, WMGC will also report to the Directors of Economic Development.

Finances

The table below sets out how WMGC will deliver a balanced budget in both years of this Planning period.

	Total Budget 23/24	Total Budget 24/25	Total Budget TOTAL
Regional Contribution			
West Midlands Combined Authority	8,250,000	9,750,000	18,000,000
Other			
University Contributions	140,000	140,000	280,000
DBT Key Account Management	171,000	171,000	342,000
GBSLEP Proftech	9,296	0	9,296
	320,296	311,000	631,296
Commercial	807,510	2,367,332	3,174,842
Corporate Partners	375,000	450,000	825,000
Tourism Partners	90,000	100,000	190,000
Convention Bureau	80,000	120,000	200,000
BATP Sponsorship	262,510	1,697,332	1,959,842
Other - Research, WMT, BCC Grant	0	0	0
	807,510	2,367,332	3,174,842
Total Revenue	9,377,806	12,428,332	21,806,138
Staff Costs			
Direct Staff	4,302,313	6,135,097	10,437,410
Indirect Staff	602,498	650,806	1,253,303
Overheads	1,319,648	1,319,648	2,639,295
Third Party Costs			
Regional Contribution			
West Midlands Combined Authority	3,080,432	4,249,882	7,330,314
Other			
DBT Key Account Management	15	0	15
GBSLEP Proftech	2,100	2,100	4,200
	2,115	2,100	4,215
Commercial	70,800	70,800	141,600
Corporate Partners	24,900	24,900	49,800
Tourism Partners	24,900	24,900	49,800
Convention Bureau	21,000	21,000	42,000
West Midlands India Partnership	0	0	0
Meeting Show	0	0	0
BATP Sponsorship	0	0	0
Other	0	0	0
	70,800	70,800	141,600
Total Expenditure	9,377,806	12,428,332	21,806,138
Surplus/(Deficit)	(0)	(0)	(0)

Finances are subject to final agreement with the WMCA through the Global West Midlands full business case. In addition, WMGC has commenced work with regional stakeholders on sustainable funding beyond this business planning period.

DRAFT

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West Midlands Combined Authority

The Risk & Investment Appraisal has been completed to support better and more informed spending and investment decisions at the WMCA

RISK & INVESTMENT APPRAISAL BOARD REPORT

16 OCTOBER 2023

**CWG LEGACY – TRADE, BUSINESS,
TOURISM AND INVESTMENT (GLOBAL
WEST MIDLANDS) FBC**

The purpose of this report is to:

- Provide a high-level summary of the outcome of the independent Assurance and Appraisal activity including any notable risks (project and strategic), commercial viability and Value for Money (VfM) of the investment and the opportunities it brings forward,
 - Put forward approval conditions assigned at both Programme and Project level which will form the basis of agreements post the approval decision. These have been summarised in Appendix I which is available upon request,
 - and act as an informative tool for decision-makers that accompanies the business case through to an approval decision.
-

TRADE BUSINESS, TOURISM AND INVESTMENT (GLOBAL WEST MIDLANDS)

FBC

CWG LEGACY

Appraisal Recommendation

This project is recommended to be APPROVED with the following conditions:

1. WMCG continues to work with WMCA key stakeholders and the appointed senior officer to review and monitor progress against the deliverables, milestones, outputs and financials on a monthly basis. This should include any reporting to funding bodies.
2. A clause is included in the funding agreement relating to the remaining amount of commercial income still to be secured and evidenced.
3. This project and its delivery leads will form part of the WMCA Assurance-led Health Check to be conducted across the CWGLEF programme.

Key Risks

- **Financial/Operational Risk:** WMGC has been operating as a going concern for 2023/24. Future operations are reliant on the funding allocations. WMCA Board agreed on 17 March 2023 that the preferred operating model should be 'consolidation' and maintaining funds at £12m per annum. The total allocation from CWGLF does not yield this budget although the total funds for the two years are just under the £12m. While the majority of the funding is secured, some commercial income is still to be secured. This could affect the delivery of the proposed programmes and outputs could be at risk if the WMGC has to scale back its operations. The project has stated that this income is based on high volume but low value transactions, therefore failure to realise these funds would require a significant number of commercial partners to withdraw from the programme which is considered highly unlikely.
- **Political/Economic Risk:** Political and economic uncertainties may impact on the delivery of this programme.
- **Political/Reputational Risk:** In order to maintain support from all Local Authorities, WMGC needs to continue to demonstrate that its future plans will result in growth for the West Midlands as a region.
- **Delivery Risk:** There will be a need for the Global WM programme to respond flexibly to changing external factors which could impact on delivery. To mitigate this, the project has demonstrated through the FBC an approach to change management and the inclusion of a draft change management plan.
- **Delivery Risk:** The baseline data used in setting the objectives is stated as highly optimistic due to the use of recent data and the positive impacts from the Commonwealth Games and the Business and Tourism Programme (BASP). This could impact on the projected deliverables and the project achieving its full objectives as set out in the business case. Optimism bias has been applied to the NPSV and BCR figures.

Key Opportunities

- Investment will allow WMCG to continue to build on the work undertaken to date and the current on-going evaluation of the Business and Tourism Programme (BASP) will provide independent insight to help refine the programme moving forward.
- Opportunity to invest in a programme which will promote the region's business and domestic tourism opportunities to key markets and events.

- There is opportunity to exploit the economic legacy and benefits of an enhanced profile and reputation of the region following the Commonwealth Games. Interest from investors and tourists will be high.
- Increased employment opportunities for West Midlands residents
- Opportunity to attract further international events.
- Increased inward investment into the region.
- Enable the formation of a second national pilot Destination Development Partnership

Inclusive Growth Alignment

This Project will contribute towards Inclusive Growth within the West Midlands by:

- Creating and sustaining good jobs for local people through the project objective of attracting 117 inward investment projects by 31st March 2025.
- Promoting inclusive growth across the West Midlands through attracting various events, boosting tourism and increasing employment through inward investment

#WM2041 Net Zero Contribution

This business case will contribute towards #WM2041 by:

- Encouraging investors to consider taking space in retrofitted buildings.
- Increasing the take up of low carbon real estate.
- Focus on attracting investment in low carbon new builds and retrofit projects.
- Improving supply of low carbon new build and retrofit space.
- Encouraging investors to look to develop new hotel accommodation and tourist attractions with strong net zero credentials.
- Working with Destination Management Organisations to benchmark sustainability performance against other destinations.

WMCA Appraisal RAG rating

Strategic Case	Blue/Resolved
Economic Case	Blue/Resolved
Commercial Case	Blue/Resolved
Financial Case	Blue/Resolved
Management Case	Blue/Resolved

Resolved	Resolved Risk : Project have responded to and/or mitigated the risks raised by updating the business case or the project response within this report has answered the query raised
High Risk	Project must resolve / update the business case ahead of delivery. Any unresolved, red-rated risks will be highlighted to the decision maker when the business case is submitted for approval. If ignored, successful delivery will not be possible.
Medium Risk	Project should resolve business case ahead of next submission or delivery. If ignored, they may impact chances of successful delivery.
Low Risk	Project could resolve the business case ahead of next submission or delivery. If responded to, they will improve chances of successful delivery.

WMCA Assurance - **note this score was derived from a review of the draft business case.*

WMCA Assurance rated the overall maturity of this business case as 77%* which is defined as:

Green - Amber 60 – 79%: Successful delivery appears probable. However, constant attention will be needed to ensure risks do not materialise into major issues threatening delivery.

All high rated observations have been responded to and addressed by the project.

Risk & Investment Appraisal

Single Assurance Framework

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INVESTMENT BOARD

Date	16 October 2023
Report title	CWG Legacy and Enhancement Fund -Sandwell MBC Aquatic Centre Energy Costs Business Justification Case
Portfolio Lead	Councillor Izzy Seccombe OBE – Wellbeing Portfolio Holder.
Accountable Chief Executive	Laura Shoaf CBE Chief Executive West Midlands Combined Authority Laura.Shoaf@wmca.org.uk
Accountable Employee	Clare Hatton Interim Director of Employment, Skills and Communities email: Clare.Hatton@wmca.org.uk Simon Hall Strategic Lead for Wellbeing and Prevention email: SimonHall@wmca.org.uk
Report has been considered by	Ben Percival, Assistant Director Borough Economy – Contracts, Projects, Strategy and Policy Sandwell MBC. Cat Orchard, Head of Commonwealth Games Legacy and Enhancement Funding. Mubasshir Ajaz Head of Health and Communities

Recommendation for decision:

The Investment Board is recommended to:

- (1) Approve the Sandwell Aquatic Centre Energy Cost uplift Business Justification Case for a maximum grant £1,395,754 funded by the Commonwealth Games Legacy and Enhancement Funding (CWGLEF) and subject to the terms and conditions of the funding agreement in place between DCMS and the WMCA and additional clawback clauses if there is an additional expected underspend.
- (2) Approve the release of £604,246 back of the previous March 2023 WMCA Board £2m CWG LEF allocation. Such changes are in line with the WMCA's change control process, enabled by the Single Assurance Framework and signed off by the relevant governance boards of the WMCA. This change control process confirms that any underspends that emerge across the CWGLEF, are directed first towards either the regional Plan for Growth or Community Grants programmes.

- (3) Note, subject to approval of this investment, WMCA will pay a grant quarterly in arrears to Sandwell MBC from October 2023 based on monthly monitoring reports on actual spend. Any additional underspends identified by 30 April 2024 will also be directed in line with the WMCA's Change control process first towards the regional plan for growth or community grants programme
- (4) Note that Sandwell MBC will fund £515,323 of the energy costs and any overspend above the forecast of £1,911,077.

1. Purpose

The WMCA Board agreed that all Commonwealth Games Legacy and Enhancement Funding (CWG LEF) Business Justification Cases would come to the Investment Board for approval. The Sandwell Aquatic Centre (SAC) Energy Cost project sets out the Business Justification Case for investment which will contribute towards the energy cost uplift forecasting for the SAC until 31 March 2025. In response to cost pressures, including the fluctuating energy market, this investment enables Sandwell MBC to continue to provide quality leisure provision at this Games venue and across the Borough delivering positive health, wellbeing, education, and employment outcomes.

2. Background

- 2.1 A paper was taken to WMCA Board in December 2022 to approve the WMCA as the accountable body for the receipt of up to £70m of the Commonwealth Games Legacy Fund, granted by the Department for Digital, Culture, Media & Sport from 75% of the unallocated contingency funding in the Commonwealth Games budget. The funding allocation was agreed to be split across four pillars, one of which is Wellbeing and Sustainability. The WMCA Board at its March 2023 meeting, approved the amendment to the CWG LEF Wellbeing and Sustainability Pillar to include a £2m allocation to The SAC project building on the CWG delivery and the investment to redesign and open the "state of the art" SAC to the community at a time of significant cost pressures.
- 2.2 A venue conceived and built for the 2022 Commonwealth Games, modified and recently opened as a key community local facility and a hub for swimming across the region, operated by the Sandwell Leisure Trust (SLT), the Council's Leisure Management Contractors. A legacy facility for the community, replacing the ageing leisure facilities at Smethwick and Langley and a swimming competition venue for the West Midlands
- 2.3 In planning for this conversion into a state of the art leisure facility for the community and the region, Sandwell MBC had asked the WMCA for financial support due to the unprecedented rise in energy costs which has posed significant challenges to the planned successful operation of the centre. Whilst Sandwell Leisure Trust (SLT) (the Council's SAC management contractor) had fixed utility costs for all existing sites, this contract could not be extended to the SAC. Also, as it is a new facility, the venue was ineligible for the Government and Sport England's Swimming Pool Support Fund¹. The WMCA Board approved this ask at its March 2023 meeting with an initial allocation of £2,000,000.

¹ The Government's Swimming Pool Support Fund (SPSF) provides a total of £60 million to local authorities in England as a support package for public leisure facilities with swimming pools.

- 2.4 If this allocation was not approved, the deficit created by the increase in energy costs at the SAC, Sandwell MBC and the Sandwell Leisure Trust could have been forced to make savings elsewhere such as temporarily closing a facility until such time as energy prices had been reduced or savings could be found. The Leisure facilities options analysis included in this business case, modelled Sandwell MBC closing one of its neighbouring centres which had the potential to run at a deficit broadly equivalent to the projected increase in utility costs at the SAC. This would have negated the positive impact on the opening of the SAC to provide sufficient quality leisure facilities for Sandwell and neighbouring residents to lead healthier, happier and longer lives.
- 2.5 Sandwell MBC appointed energy experts and consultants to forecast & independently verify the energy costs until 31 March 2025. These were remodelled and verified as energy prices changed and Sandwell MBC and the Sandwell Leisure Trust worked towards the SAC's Community opening in July 2023. This modelling was driven the Council's approach to secure the SAC's energy cost long term (in line with the approach at other Council venues) and the Business Justification Case for CWG legacy and enhancement funding investment.
- 2.6 Working with the WMCA and Sandwell MBC, the consultants have forecasted the energy units required until 31 March 2025 including the contingency for any potential increases in the number of units that are required or an increase in the market cost. Sandwell MBC's intention is 50% of the energy is to be forward purchased and 50% purchased at variable rates. This is summarised in Table 1 below taken from Table 22 of the WMCA SAC business justification case.

Table 22 – Two Year Cashflow (£)								
Year	Total	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Income (£)								
Original Budget (Based on 300k P.A.)	£515,323	£65,323	£75,000	£75,000	£75,000	£75,000	£75,000	£75,000
CWGLEF	£1,395,754	£0	£372,139	£198,902	£198,902	£206,178	£419,633	£0
Expenditure (£)								
Revenue (Npower Forecast)	£1,462,481	£183,454	£210,632	£210,632	£210,632	£214,441	£216,345	£216,345
Revenue (Utilities Contingency)	£448,596	£55,106	£63,270	£63,270	£63,270	£66,738	£68,471	£68,471
Capital	£0	£0	£0	£0	£0	£0	£0	£0
Cumulative Net position	£0	-£173,237	£0	£0	£0	£0	£284,816	£0

Table 1 – Summary of the 2 year cashflow including CWGLEF expenditure.

- 2.7 The energy and financial cost modelling used determined the final financial cost forecast for the project of £1,911,077 (the energy cost uplift) until 31 March 2025. Sandwell MBC has confirmed in writing to the WMCA that they are committing £515,213 towards this cost leaving an anticipated shortfall of £1,395,754, which is the CWLG LEF Business Justification Case ask of the WMCA.

- 2.8 This modelling has resulted in Sandwell MBC asking for approximately £600,000 less than the original WMCA Board allocation to the SAC Energy Costs of £2m (March 2023) Sandwell MBC and the WMCA has agreed the £1,395,754 as the final and maximum funding request. If approved, the WMCA will grant fund Sandwell MBC quarterly in arrears against actual spend. Actual expenditure means the amount of money that has been paid by Sandwell Leisure Trust (to its energy supplier against forecast spend by Sandwell MBC and WMCA grant. This will be set out in the grant agreement between Sandwell MBC and the WMCA and monitored monthly.
- 2.9 In line with the March 2023 WMCA Board approved CWG LEF change control policy, the £604,246 CWG LEF underspend, is directed first towards either the Plan for Growth or Community Grants programme for the region and the responsibility of the WMCA's Head of Commonwealth Games Legacy and Enhancement Funding.
- 2.10 Decisions on any additional or expected underspend of the CWG LEF grant ~~including any additional clawback~~ will be reported to future Investment Board and continue to be dispersed in line with the above Change Control policy led by the WMCA's Head of Commonwealth Games Legacy and Enhancement Funding. This will be reflected in additional CWGLEF clauses in the WMCA grant agreement between WMCA and Sandwell MBC, if the SAC project is approved.
- 2.11. Sandwell MBC has confirmed in writing that the Council will underwrite the energy costs post April 2025 and agreed that the £1,395,754 is the maximum grant that can be awarded.

3. Strategic Aims and Objectives

- 3.1 The aim and objectives of the SAC Business Case closely align to the WMCA's strategic priorities for:
- 3.1.1 ensuring everyone has the opportunity to benefit.
- 3.1.2 promoting inclusive growth in every corner of the region.
- 3.2 This will be achieved by:
- 3.2.1 Improving the quality of public services in terms of the effectiveness of the delivery of health, wellbeing, employment, and education outcomes by supporting the SAC's operation, ensuring there is no loss of services throughout the rest of the Sandwell's Leisure portfolio, retaining a high quality of service for all residents in the Borough and neighbouring areas. This is in line with both the WMCA and Sandwell's vision and Health inequalities programme.
- 3.2.2 To re-procure services to avert service failure(replacement). CWG LEF funding will ensure the SAC operation is appropriately funded, fully operational and able to procure energy services. This will avert service failure service failure including the loss of jobs which would impact on other facilities and residents access to local, high quality facilities and opportunities.

4. Financial Implications

- 4.1 The paper is requesting approval for a maximum £1,385,754 of CWGLEF grant funding through to 31 March 2025, subject to the terms and conditions of the grant agreement in place between the WMCA and DCMS.
- 4.2 Please note that Sandwell MBC has agreed to cover any overspend above the £1,911,077 resulting in £604,246 of the previously WMCA Board approved £2m to be

released back to the CWG funding pot as per the March 2023 WMCA Board approved change control process enabled by the Single Assurance Framework.

4.3 The funding summary is outlined below:

Finance Summary	Business Justification Case (£)
WMCA Board approved allocation:	£2,000,000
Total Project Cost:	£1,911,073
WMCA Funding Required:	£1,395,754
WMCA Funding Stream:	Commonwealth Games Legacy Fund
Funds secured:	£515,323
Funding Stream:	Sandwell MBC
Balance against WMCA Board approved allocation	£604,246
WMCA Board approved Change Control Dispersal Policy	Directed first towards either the Plan for Growth or Community Grants programme

Table 2 – Financial Summary

4.4 Sandwell MBC will be required to cashflow this project as the grant conditions from DCMS stipulate funding must be claimed quarterly in arrears.

4.5 In the Business Justification Case, Sandwell Leisure Trust and Sandwell MBC sets out the risk management of the SAC and this funding, the following are the main risks to the WMCA relating to this funding and the mitigation (summarising the WMCA risk register and mitigation), which will be monitored monthly alongside spend:

Identified Risk	Risk Mitigation
Energy costs rise and Sandwell MBC ask WMCA for additional funding.	This paper is seeking approval for a maximum grant and has been agreed with Sandwell MBC. This will also be reflected in the grant agreement. Grant funding will be provided retrospectively.
WMCA is not able to spend the £604k underspend or additional underspends that may arise by 31 March 2025.	This paper is seeking approval for the release of the £604k of the original £2m allocation for which the Head of CWG legacy & enhancement funding will be responsible to ensure delivery in line with the change control process to first the regional plan for growth and community grants. Any additional underspend will be identified by 31 March 2024, leaving 12 months for spend.
Sandwell MBC grant sets the precedence for WMCA being a funder of the last resort for additional costs for operating facilities.	This indicative funding allocation was approved by the WMCA Board and reflected in the DCMS contract to the WMCA given the community use of the SAC is instrumental in delivering the games legacy. There are no additional funding through this or other funds.

Table 3 – Headline WMCA identified risks and mitigation.

5. Legal Implications

5.1 WMCA has the power to provide this funding under Section 113(1)(a) of the Local Democracy, Economic Development and Construction Act 2009. This statute gives WMCA a power of competence appropriate for the purposes of carrying out any of its functions. This funding is being provided by the WMCA under its economic development

and regeneration function to promote and further the achievement/fulfilment of the following WMCA objectives:

- Ensure everyone has the opportunity to benefit.
- Promote inclusive growth in every corner of the region.

- 5.2 The provision of this funding will promote and further the achievement of these objectives because the CWG LEF grant will enhance leisure provision in Sandwell and the region, giving all residents the option to use accessible local, high quality facilities supporting the WMCA and Sandwell MBC health inequalities priorities and by providing a world class facility that will deliver the CWG legacy of inclusion and growth across the region.
- 5.3. The operation of leisure centres [by SMBC] does not constitute an economic activity and therefore the proposed grant is not subject to the requirements of the Subsidy Control Act 2022 and is therefore lawful. (Mark Nicholson WMCA)
- 5.4 The grant funding conditions relating to the Commonwealth Games Legacy and Enhancement Fund as imposed on West Midlands Combined Authority by DCMS will need to be incorporated into the necessary grant funding agreement with Sandwell MBC This is to ensure that any risks and obligations imposed on WMCA by virtue of the funding agreement are transferred to Sandwell MBC.
- 5.5 It should also be noted that the funding agreement between WMCA and Sandwell MBC will contain strictly non-negotiable, private and confidential extracts from the agreement between DCMS and WMCA which cannot be shared with anyone apart from the parties to it. The agreement will provide for a situation where there are further underspends or any actual overspend, ensuring that WMCA will not make payments in excess of the actual expenditure, taking into account the maximum grant figure which WMCA has committed to pay.
- 5.6 In addition, the grant agreement with Sandwell MBC should be executed by both parties prior to any payments being released. (Angela Willis WMCA)

6. Single Assurance Framework Implications

- 6.1 The funding source is the Commonwealth Games Legacy Funding that WMCA Board has agreed WMCA to be the accountable body for. The BJC has been completed in accordance with the SAF process and colleagues in Programme Assurance and Appraisal.

7. Equalities Implications

- 7.1 The SAC is in Smethwick, which is in the top 30% deprived areas in the Country and as above Sandwell average number of residents from ethnic minorities. Sandwell also has one of lowest levels physical inactivity and inequalities in physical activity in the region and the SAC investment enables the Council and its partners to ensure that the facilities and activities are inclusive and accessible and contribute to improving health, wellbeing, education, and employment opportunities.

8. Inclusive Growth Implications

- 8.1. This report aligns to several of the WMCA's Inclusive Growth fundamentals, which are identified as a catalyst for improved and sustained outcomes for people and place, co-designed with partners and beneficiaries.
- 8.2 Health and wellbeing and Education and Learning are the most prominent fundamentals for this project:

Fundamental	Intended IG Metrics	Justification	Intended Impact
Education and Learning	Young people not in education, training or employment by enabling Sandwell Leisure Trust provide accessible jobs for those looking to get into the leisure industry.	Employment that is accessible to young people as their first full time job, paying the real living wage or higher	CWG LEF funding to SAC ensures there is no reduction in staffing levels – maintaining the same level of employment opportunities for residents.
	Improved level of skills for all to flourish by Sandwell Leisure Trust providing apprenticeships to local people and have a dedicated training budget.	Increased no. Of people receiving on-going on the job informal training or formal training in the workplace. Increase the number of people with vocational qualifications inc. Functional skills in sustainable jobs	CWG LEF will enable Sandwell Leisure Trust to retain the existing training budget for vocational training for existing or new staff.
Health and Wellbeing	Personal wellbeing - User numbers per month for Tipton Leisure Centre (Oct-Marc) was 1,942 inc. 831 junior, 155 concessions, 745 65-year-old & 211 disabled people visits	Create the opportunities to lower the barriers to accessing health & care services	CWG LEF will ensure that there is no loss in any other leisure centre.
	Healthy life expectancy -Across Sandwell's 2021 School Swimming programme, 369 schools have booked in with 60 having not attended due to the pandemic. Total number of school pupils attending session is 19,597.	Prioritise early intervention and prevention in a way that confronts the root causes of ill health	Maintain access to school swimming programme for local schools. This will keep school children more active, increasing the opportunity to continue to stay active and improving health outcomes.
	Healthy life expectancy- SLT currently operates 7 Leisure Facilities accessible to 334k+ Sandwell residents. SAC is centre no. 8 Tipton Leisure Centre as an example has an estimated population catchment of 27,334.	Improve access to green space and opportunities for physical activity.	CWG LEF ensures no service loss in other leisure centres or provision, which would have resulted in residents having to commute to other health and wellbeing activities.

Table 4 – SAC's contribution and impact on the WMCA's inclusive Growth Framework fundamentals.

9. Geographical Area of Report's Implications

9.1 Principally this project focuses on the area of Smethwick and the Borough of Sandwell. The SAC also attracts users from neighbouring local authorities.

- 9.2. In addition, due to the state-of-the-art swimming offer at the SAC, it is also a regional to national training and competition venue for swimming and diving.
- 9.3 The identified and any future underspends related to the SAC BJC will be dispersed across the region in line with the WMCA's CWG LEF Change control process first to the plan for growth and community grants projects.

10. Other Implications

There are no additional implications.

11. Schedule of Background Papers

- Birmingham 2022 Commonwealth Games legacy report
- Sandwell Aquatics Energy Cost Business Justification Case
- Sandwell Aquatics Energy Cost Risk and Investment appraisal.

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](#).

PROJECT DETAIL			
Project Name:	Sandwell Aquatic Energy		
Programme Name (if applicable)			
Directorate (if WMCA internal):			
Organisation (if WMCA external):	Sandwell MBC		
GOVERNANCE			
If external to WMCA, when was this project approved by your internal governance?	15 th February 2023 – Cabinet Budget Approval		
STAKEHOLDER INVOLVEMENT			
Provide the names of the following stakeholders who have been sighted on this business case prior to submission, note this is a mandatory requirement:			
Senior Responsible Owner (SRO):	Ben Percival (SMBC)		
Programme SRO (if applicable)	Simon Hall		
WMCA Executive Director:	Clare Hatton		
Finance Lead:	Phil Cole (WMCA)		
Legal Representative:	Angela Willis (WMCA)		
Procurement Lead:	Mark Braithwaite (SLT)		
Other (i.e. HR / Health & Safety):	Brad Benson (WMCA Procurement)		
VERSION CONTROL			
Version:	06	Date:	11/09/2023
BJC Prepared by:	Harry Felgate, Mott MacDonald	Job Title:	Economic Consultant

EXECUTIVE SUMMARY

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

- A BRIEF PROJECT DESCRIPTION AND WHY IT IS NECESSARY
- TARGET OBJECTIVES
- ASSOCIATED OUTPUTS

Sandwell Aquatic Centre (SAC) has the potential to provide local residents with state-of-the-art facilities to engage in a range of physical activities. The Centre's offering will be attractive to both active residents and those currently disengaged with sports as the pool offers a world-class facility unique to the area. The Aquatics Centre includes a competition-standard 50m pool, 1,000 spectator seats and a competition diving pool and tower. The SAC will provide competitive diving facilities and a new competition venue for the West Midlands and at a national level, but also a community facility that supports residents.

Conceived and built for the 2022 Commonwealth Games, once the Games were finished the centre would be modified to become a legacy facility providing for Sandwell's communities to replace the ageing facilities at Smethwick and Langley. The centre would not just be a key local facility, but a hub for swimming across the region. The legacy phase of the construction is drawing to a close and the SAC is due to open for community use on 24 July 2023, operated by the Sandwell Leisure Trust (SLT) on behalf of Sandwell Metropolitan Borough Council (SMBC).

External factors have, however, led to an unprecedented rise in energy costs which is posing challenges to the successful operation of the centre. While SLT has fixed utility rates for all existing sites, this contract cannot be extended to the newly opening SAC. In response to the deficit created by the increase in energy costs at SAC, SMBC and SLT would be forced to make savings elsewhere. This would entail temporarily closing a facility until such time as energy prices have been reduced or savings can be found. For the purpose of options analysis in this business case, the theoretical facility closure has been modelled as Tipton Leisure Centre (TLC), as this is currently running a deficit that is broadly equivalent to the projected increase in utility costs at SAC.

This would negate the positive impact forecast from the opening of SAC as it would reduce the public leisure offering, which in turn would limit the ability of SMBC to provide sufficient leisure facilities for Sandwell's residents to lead happier, healthier, and longer lives. This would adversely impact the physical and mental well-being of the local community.

Target Objectives – State the 'big picture goals that are planned to be achieved'

- Enhance leisure provision in Sandwell, giving all residents the option to use accessible local, high-quality facilities supporting the objectives of Sandwell's Health Inequalities Programme.
- Open and fully fund the initial operation of the Sandwell Aquatic Centre, a world-class leisure facility located in Sandwell, that will support the legacy of inclusion and growth created by the 2022 Commonwealth Games.
- Support the Sandwell Vision 2030, particularly Ambition 2: "Sandwell is a place where we live healthy lives and live them for longer, and where those of us who are vulnerable feel respected and cared for", through enhanced local leisure facility provision.

Associated Outputs – State the tangible and direct results of the project

Without Commonwealth Games Legacy Fund (CWGLEF) the cost pressures would have to be absorbed elsewhere in Sandwell, which will result in the closure of other leisure facilities causing;

- A reduction in the ability for residents to access local facilities, producing negative Health, Wellbeing and Educational outcomes; and
- Loss of local Employment in the centres affected.

FINANCE SUMMARY

- *Total Project Cost – The sum of the entire project cost (as known), including all funding sources identified*
- *WMCA Funding Required – The amount of funding being requested from WMCA (i.e., the financial ask of this business case)*
- *WMCA Funding Source – State the funding source of the WMCA Funding being requested (e.g., City Region Sustainable Transport Settlement – CRSTS)*
- *Funds Secured – The amount of funding that has already been officially secured; this should be demonstrated by confirmation of funding appended to the business case.*
- *Funds Unsecured - The amount of funding that has not yet been officially secured, this should include the financial ask of this business case (i.e., the amount in the WMCA Funding Required column).*

Table 1	
Finance Summary	BJC (£)
Total Project Cost:	£1,911,077
WMCA Funding Required:	£1,395,754
WMCA Funding Stream:	Commonwealth Games Legacy Fund
Funds Secured:	£515,323
Funds Not Secured:	£1,395,754

1 - STRATEGIC CASE

PROVIDING STRATEGIC FIT SUPPORTED BY A COMPELLING CASE FOR CHANGE

1.1 PROJECT SPENDING OBJECTIVES AND ALIGNMENT TO WMCA AIMS

Sandwell Aquatic Energy will address two of the following drivers for intervention, as presented in the guidance for BJs;

- To improve the quality of public services in terms of the delivery of agreed outcomes (effectiveness). For example, by supporting the operation of the SAC, ensuring there is no loss of services throughout the rest of the Sandwell Leisure portfolio, retaining a high quality of service. This BJC, therefore, supports the aims of the Sandwell 2030 vision and Sandwell's Health Inequalities Programme.
- To re-procure services to avert service failure (replacement). Funding through the CWGLEF will ensure SAC operation is appropriately funded and is able to procure energy services. This will avert service failure which will impact on other Sandwell leisure facilities.

SINGLE ASSURANCE FRAMEWORK

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.	Secure energy supply for SAC	SAC has yet to open, so baseline is zero.	<p>Number of units required by SAC (forecasted)</p> <ul style="list-style-type: none"> 7,981,557 kWh Gas 2,440,571 kWh Electricity <p>A contingency is also required for the potential for increases in the number of units required, or an increase in the market cost. The currently level of contingency (calculated using the non-commodity price) is equivalent to;</p> <ul style="list-style-type: none"> 3,064,059 kWh Gas 638,001 kWh Electricity 	<ul style="list-style-type: none"> SLT to procure energy for SAC, in line with approach taken for other centres SMBC to provide assurance that Council will underwrite energy costs post-April 2025 50% of energy to be forward purchased, 50% purchased at variable rates 	<ul style="list-style-type: none"> Secure affordable energy for SAC, enabling the centre to remain open for community benefit / wellbeing Maximising access to leisure facilities 	Ensure everyone has the opportunity to benefit

SINGLE ASSURANCE FRAMEWORK

<p>2.</p>	<p>Maintain access and opportunities to reduce inactivity.</p> <p>Specific alignment to WMCA inclusive growth framework & strategic priorities is shown in Table 2a</p>	<p>SLT currently operates 7 leisure facilities accessible to 341,800 Sandwell residents. SAC will be centre no.8.</p> <p>TLC, used as an example, has an estimated population catchment of 27,334.</p>	<ul style="list-style-type: none"> • 341,800 Sandwell residents retain access to leisure facilities • 2.928m West Midland residents gain access to a new leisure facility of regional importance 	<ul style="list-style-type: none"> • Secure CWGLEF funding to ensure there is no loss of service in any other leisure centre, which would require a resident to commute further for health and wellbeing facilities 	<ul style="list-style-type: none"> • Maximising access to leisure facilities • Provided a local leisure centre within walking or cycling distance, to ensure everyone has an equal opportunity health 	<p>Promote inclusive economic growth in every corner of the region</p>
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SINGLE ASSURANCE FRAMEWORK

Sandwell Aquatic Energy shows strong alignment to WMCA inclusive growth framework¹, supporting employment, [skills](#) and health outcomes.

Table 2a – Appraisal			
Fundamental	Metric	Justification	Intended Impact
Employment	SLT provide accessible jobs for those looking to get into the leisure industry	<ul style="list-style-type: none"> • Employment that is accessible to young people as their first full time job, paying the Real Living Wage or higher 	CWGLEF funding to SAC will ensure there is no reduction in staffing levels – maintaining the same level of employment opportunities for local residents
Skills	SLT provides apprenticeship roles to local people and have a dedicated training budget	<ul style="list-style-type: none"> • Increase the number of people receiving on-going, ‘on-the-job’ (informal) or formal training in the work place • Increase the number of people with vocational qualifications, including functional skills, in sustainable employment 	CWGLEF funding will maintain existing training budgets at SLT and opportunities for vocational qualifications for existing and future staff members
Health	User numbers for TLC per month (October to March 2023) has a total of 1,942 visits made up of : <ul style="list-style-type: none"> • 831 Juniors visits • 155 Concessionary visits • 745 65+ visits • 211 Disabled visits 	<ul style="list-style-type: none"> • Create opportunities to lower barriers to accessing health and care services 	CWGLEF funding to SAC will ensure there is no loss of service in any other leisure centre
Health	Across Sandwell’s 2021 School Swimming Programme, 369 schools have booked in with 60	<ul style="list-style-type: none"> • Prioritise early intervention and prevention in a way that confronts the root causes of ill health 	Maintain access to school swimming programme for local schools. This will keep school children more active, increasing their opportunity to continue staying

¹ [Inclusive Growth Decision-making Tool \(wmca.org.uk\)](http://wmca.org.uk)

SINGLE ASSURANCE FRAMEWORK

	<p>having not attended due to Covid-19.</p> <p>Total number of school pupils attending lessons: 19,597</p> <p>TLC swim school had 1,242 visits in March 2023.</p>		<p>active to older ages and improving health outcomes.</p>
Health	<p>SLT currently operates 7 leisure facilities accessible to 341,800 Sandwell residents. SAC will be centre no.8.</p> <p>TLC, used as an example, has an estimated population catchment of 27,334</p>	<ul style="list-style-type: none"> • Improve access to green space and opportunities for physical activity 	<p>CWGLEF to SAC will ensure there is no loss of service in any other leisure centre, which would require a resident to commute further for health and wellbeing facilities.</p>

SINGLE ASSURANCE FRAMEWORK

Table 2b Alignment to WMCA Strategic priorities	Rationale
Ensure everyone <u>has the opportunity to benefit</u>	This Energy Cost investment will ensure there is no loss of services in any other centres, avoiding costly travel and enable delivery of an inclusive aquatic, fitness and leisure programme including memberships for residents largely in a 30 min. peak drive time area of the aquatic centre.
Promoting inclusive growth in every corner of the Region	The Aquatic Centre <u>is located in</u> one of England's 30% most deprived wards, with 56% of the population from ethnic minorities (greater % than Sandwell as a Borough). This investment prevents any service loss and enables to encourage greater use by the local community.

1.2 EXISTING ARRANGEMENTS AND BUSINESS NEEDS

Provide a complete summary of the organisation's current service model referring to its Business as Usual (BAU) offer, this may also include elements of services provided within the organisation's external environment. Also, state the deficiencies associated with the current provision and the implications if the project does not proceed.

- Include suitable quantification of needs/demands where possible.
- Provide details around the service gap – i.e. the difference between current provision and where the business wants to be in line with the spending objectives of this proposal.
- Why is public sector investment required?

PROVIDE A BRIEF SUMMARY THAT DETAILS THE CURRENT SITUATION AND RANGE OF SERVICES PRESENTLY BEING PROVIDED BY THE ORGANISATION.

Sandwell Leisure Trust (SLT) is a registered charity (no 1102431) a social enterprise, and a company limited by guarantee (no: 05011501), set up in January 2004 to manage sport and leisure facilities on behalf of and in partnership with SMBC. SLT will be the tenant and operator of SAC until (at least) 31 March 2027.

SLT is the Council's chosen operator of leisure services. The Management and Funding Agreement to operate the centres was due to terminate on 1 May 2023 (because the Business Plan for 2021-2024 was not agreed), however due in part to the pressure on utility tariffs and the fixed utility rates for the existing sites secured by SLT, the agreement has now been extended to March 2027. These fixed rates unfortunately cannot be extended to SAC as a new facility.

The purpose of SLT is to encourage and increase participation in physical activity, and leisure by the whole community. SLT is non-profit distributing, reinvesting 100% of any surplus to improve, maintain and deliver quality services for the whole community to enjoy, socialise in and become more active.

The direct benefits that flow from SLT's overall purpose are to improve the health and well-being of the wider community in Sandwell, reduce the social isolation of Sandwell's citizens through group physical activity and deliver sustainable sport and leisure services for future generations to enjoy. The public benefits that flow from this purpose are:

- An enhanced quality of life and sense of well-being through engagement with and participation in activities and events that bring people together, leading to improvements in physical and emotional well-being, quality of life and a more stable and cohesive community;
- Increased opportunities to engage in new physical activities that bring people together, leading to greater social cohesion and fulfilment; and
- Enhanced active citizenship and involvement in community life.

Leisure Operator

SLT is SMBC's chosen operator of leisure services. SLT is both an independent company limited by guarantee and a registered charity. Having been established in 2004 it currently operates 7 leisure centres in Sandwell.

The SLT annual report (2021/22)¹ shows the centres are in recovery post-Covid with 327,000 active and 343,000 fairly active individuals attending leisure centres in Sandwell. Of these, 45% of participants fall within Groups 1 or 2 from the Indices of Multiple Deprivation (i.e., the most deprived 10 or 20% of the population).

The recovery of the centres is further highlighted through membership numbers. In 2022², SLT's centres had an overall membership of 75,667 (up from 59,117 in 2021). Attendances at sports and leisure centres increased to 2,038,379 (well above attendance figures of 426,459 in 2021, which was due to the impact of the Covid-19 pandemic). Whilst swimming for all ages in Sandwell continues to remain popular, free-swimming registrations slightly decreased in 2022 to 44,634 (46,963 in 2021).

SLT manages the following centres;

- Haden Hill Leisure Centre, B64 7HA
- Hadley Stadium Leisure Centre, B66 4ND
- Harry Mitchell Leisure Centre, B67 7DH
- Portway Lifestyle Centre, B69 1HE
- Tipton Leisure Centre, DY4 8TA
- Tipton Sports academy, DY4 0BS
- Wednesbury Leisure Centre, WS10 7HP.

Energy Purchasing Arrangements

At present SLT procure their own energy for the centres they manage – as outlined previously, this has led to SLT securing competitive fixed tariffs, which unfortunately cannot be extended to SAC. At this stage an assessment is being undertaken to determine whether the Council is in a position to procure more competitive rates for SAC via its partnership with the Eastern Shires Purchasing Organisation (ESPO).

PROVIDE DETAILS AROUND THE SERVICE GAP – I.E. THE DIFFERENCE BETWEEN CURRENT PROVISION AND WHERE THE BUSINESS WANTS TO BE IN LINE WITH THE SPENDING OBJECTIVES OF THIS PROPOSAL.

The spending objectives of the project result in the provision of two outcomes. Firstly, the CWGLEF will cover the funding gap at the SAC due to the increase in energy costs, with a description of the services expected from SAC described in the following section. The funding will also ensure there is no loss of service in other areas of SLT operation.

For the purpose of this business case, the reduction of service has been modelled on the closure of TLC, as the current operational deficit is approximately equal to the increase in utilities cost. The impacts of this is addressed in the section 'What Are the Implications if the Project Does not Proceed'.

¹ [SLT Annual Report 21-22.pdf \(slt-leisure.co.uk\)](#)

² [charity-search \(charitycommission.gov.uk\)](#)

Sandwell Aquatic Centre

Two existing swimming centres, Langley Swimming Centre and Smethwick Swimming Centre have reached the end of their economic lives. These facilities were in a poor condition, as detailed in the public consultation completed in Spring 2017 and have recently closed.

To replace these centres SMBC developed proposals for the SAC, to be opened for the 2022 Commonwealth Games. The Aquatic Centre includes a 50m pool, 5,000 spectator seats (4,000 temporary) and a competition diving pool and tower.

Once the Games were finished, the centre would be modified to become a legacy facility providing both community provision to replace the no longer fit-for-purpose facilities at Smethwick and Langley and also an aquatics competition venue for the West Midlands. The legacy-phase of the construction is drawing to a close and the Sandwell Aquatic Centre is due to re-open to the public on 24 July 2023.

The SAC will provide competitive swimming and diving facilities at a regional and national level and also community facilities that support local residents. The facilities include:

- 50m 10 lane competition swimming pool
- Competition diving structure with dive boards at 3m, 5m, 7m and 10m
- 5m deep diving pool
- Dry diving centre with trampolines, cameras and screens
- 1,000 permanent seats
- Lobby and Reception Desk
- Community swimming pool (20m x 10m)
- Three 150sqm activity studios
- Two 4-court sports halls (690sqm each)
- 108-station fitness gym
- 25-station ladies-only fitness gym
- 33-station indoor cycling studio
- Changing village for up to 600
- Sauna/steam room
- New outdoor football pitch and changing facilities
- New urban park and children's play area
- Parking for up to 300 vehicles
- Café.

The demand for such a facility has been identified through public consultation, the work completed by Swim England in their West Midlands Competitive Facility Framework and by Sport England's Facilities Planning Model. Due to the size of SAC and its regional importance, it is expected that even with high energy costs this facility would remain open.

Increase in Energy Costs

A combination of factors have led to the increase to the spike in energy prices in 2022, with energy prices still remaining high. Prior to Russia's full-scale invasion of Ukraine in February 2022 there was an increase in demand for oil and gas as economies around the world came out of lockdown. Supply did not keep pace with the higher demand, increasing gas prices which also fed through to increased electricity prices.

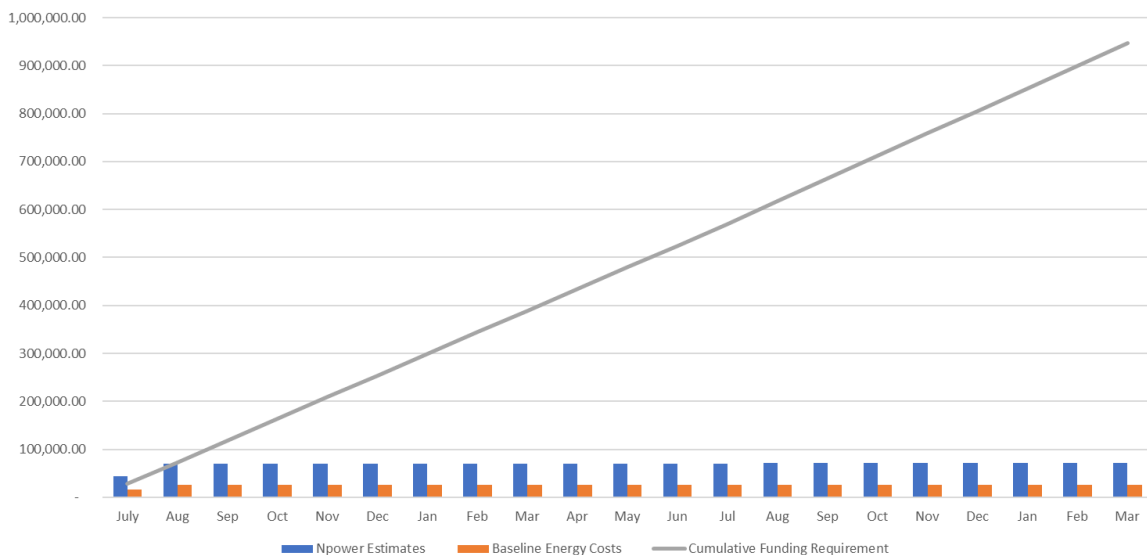
Sanctions on Russia, the embargo on Russian oil, a potential embargo on Russian gas and cuts in Russian gas supply to Europe have pushed oil and gas prices up further still. The price of electricity

produced from gas has increased in line with gas prices and effectively sets the price for all power on wholesale markets. Lower electricity production in some sectors has also helped to push up power prices. Drought in parts of Europe have led to lower hydroelectric output and a large number of French Nuclear reactors were offline in late summer. Prices, therefore, have the potential to rise again based on a change in these external factors through 2023/24 and 2024/25.

Utilities for the SAC had been originally estimated and budgeted for £300,000 p.a. Subsequent forecasts for energy costs completed in February 2023 (Annex J) and by Npower in May 2023 (Annex D and E) both show a significant increase on this figure. In February 2023 the annual cost for gas and electricity was forecasted at £1.41m p.a., whilst this figure had reduced to £0.85m p.a. in May 2023 this still represents a 183% increase on the previously expected cost, and an additional £45,000 per month of utilities spending.

Figure 1 presents the increase in SAC energy costs (May 2023 Forecast), utilities cost is calculated from 13/07/2023 to align with the requirement of WMCA. A full breakdown is presented in the financial case.

Figure 1: Utilities Spending – Planned and Expected



Source: Mott MacDonald analysis

Draft revenue projections were provided by SLT in 2023, and have been updated with both forecasts and the original budgeted amount of £300k p.a. The low-risk financial position has been used for SAC to represent Year 1 and Year 2 of public opening (Year 1 occurs from April 2023 to March 2024), with values in Year 1 having been reduced by 33%, to account for the opening date of SAC in July 2023.

For Year 3 and Year 4 the medium risk financial position is used, as the SAC reaches Maturity. The projection show that with the original budget the SAC makes a loss of approximately £335k over the first two years of operation, before producing an annual service profit of £89k in Years 3 and 4 in the medium risk financial scenario.

However, energy forecasts create a large deficit across the first 4 years of centre operations. Using the February 2023 forecast, this totals £2.25m across Years 1 and 2, whilst the May 2023 forecast (with reduced energy costs) there still is a significant deficit in Years 1 and 2 of £1.25m, with the centre continuing to remain loss making once it reaches maturity in Years 3 and 4.

The projections show that the external rise in energy costs have moved SAC from a position of financial stability to now running a significant operational deficit, for which SMBC will have to find alternative funding sources.

Inflation has not been included in these the draft revenue projections.

Table 3 - Draft revenue projections				
Income				
	Year 1 (2023/24)	Year 2 (2024/25)	Year 3 (2025/26)	Year 4 (2026/27)
Memberships	1,014,088	1,521,131	2,028,175	2,028,175
Swimming	1,179,937	1,769,905	1,513,655	1,513,655
Other Income	416,125	624,187	624,187	624,187
Total Income	2,610,149	3,915,224	4,166,017	4,166,017
Expenditure				
Staff Expenditure	1,696,597	2,544,895	2,499,610	2,499,610
Other Expenditure	847,578	1,271,367	1,277,358	1,277,358
Total Expenditure	3,148,893	4,674,026	4,603,495	4,554,572
Operating Surplus				
SAC with 2018 Estimate	(149,349)	(201,039)	89,049	89,049
SAC with May 2023 Revised Estimate	(538,744)	(758,802)	(437,478)	(388,555)
SAC with February 2023 Revised Estimate	(947,208)	(1,312,663)	(1,022,575)	(1,022,575)

Source: Sandwell LATC Review (2023) Sandwell Leisure Trust

WHAT ARE THE IMPLICATIONS IF THE PROJECT DOES NOT PROCEED

Accounting for the timeframe relevant to this business case (Utilities costs have been calculated from 13th July 2023 to March 2025), as the centre is not open for all of year 1, the latest utilities forecast from SAC is £1,462,481 (Annex D and E). The forecast completed in February 2023, at a time when energy prices were higher, placed the figure at £2,424,806 (Annex J). This represents a substantial cost increase from the original baseline budget of £515,323.

It is financially unsustainable for SLT to run this increased deficit for SAC, whilst maintaining provision at the rest of the leisure centres. To reduce total operational costs, SLT would be required to temporarily close facilities until the energy cost pressure has been reduced or cost saving through other efficiencies could be found. Due to the need for a short-term response this business case is modelling the closing of Tipton Leisure Centre for two years, until a longer-term option is found. The Base Financial position for Tipton Leisure Centre is presented in **Table 4**, with the position shown for Y1 (8 Month) and Y2 (12 Months).

Table 4 – Tipton Leisure Centre Draft Revenue Projection		
Income		
	Y1 (2023/24)	Y2 (2024/25)
Fitness	332,445	498,667
Swimming	343,804	515,707
Sports	1,278	1,918
Secondary	11,622	17,433
Total	689,149	1,033,724
Expenditure		

Staffing	556,483	834,724
Utilities	252,597	378,896
Other	270,551	405,826
Total	1,079,631	1,619,446
Operating Surplus		
Operating Surplus	-390,481	-585,722

Source: Sandwell LATC Review (2023) Sandwell Leisure Trust

Taking the assumption that once closed there are no costs associated with the leisure centre, the closure of TLC would save SLT £976,203 over Year 1 and Year 2, which provides savings that are approximately equal to the increase of energy costs from the original budget to the forecasted energy cost of £947,158 (May 2023 forecast).

The ask for this business case has added a contingency to this forecast. There are two sources of uncertainty, in the market price of energy and energy units required for the legacy phase of SAC. The cost of energy consumption remains an estimate, therefore a contingency for an increase in cost has been added and is detailed in full in the financial case.

A closure of a service such as TLC is therefore a likely outcome if CWGLEF funding is not received.

Maximising Access to Leisure Locally

SLT maintaining operation of all the leisure centres is vital to maximising local access. TLC opened in April 2013, to provide service to the local community in Tipton. Managed by SLT, the centre provides a range of affordable swimming activities, swimming lessons across a large and small pool, with fitness classes and a fitness gym facility. The centre also hosts a range of sports and activity clubs including swimming, water polo and martial arts.

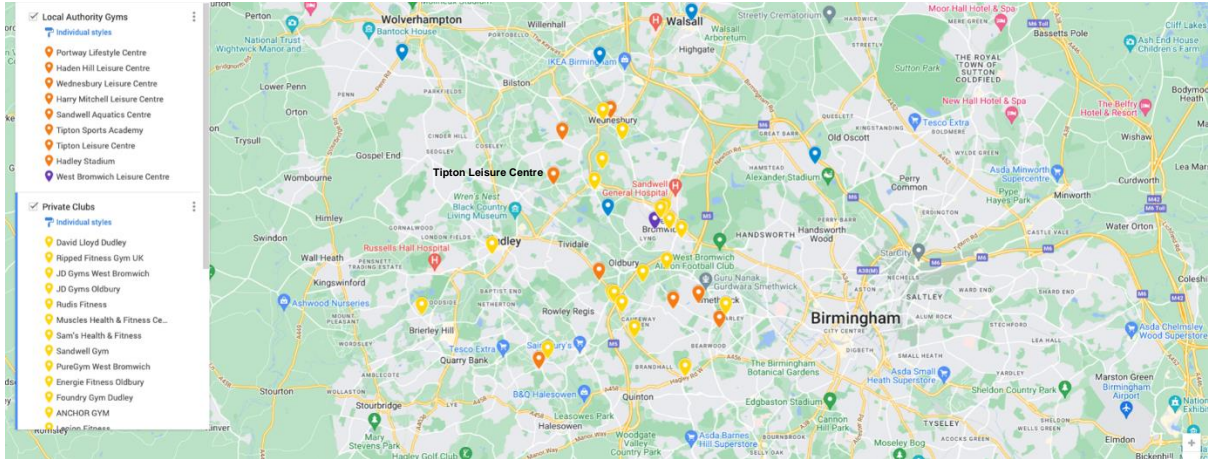
As shown in **Table 5**, Tipton caters for approximately 7% of Sandwell's population, with a target fitness population of 19,800 residents.

Table 5- Tipton Catchment		
	Tipton	Sandwell
Total Catchment Population	27,344	391,800
Age range - under age - 0-14	3,744	53,646
Age range - target age - 15-64	17,672	253,214
Age range - extended age limit - 65-74	2,128	30,491
Target Fitness Population	19,800	283,705

Source: Sandwell LATC Review

The location of the leisure centre, however, means that there are few other local alternatives for all activities, especially swimming. Tipton is, therefore, a key local resource for the community.

Figure 2: Tipton Leisure Centre Location

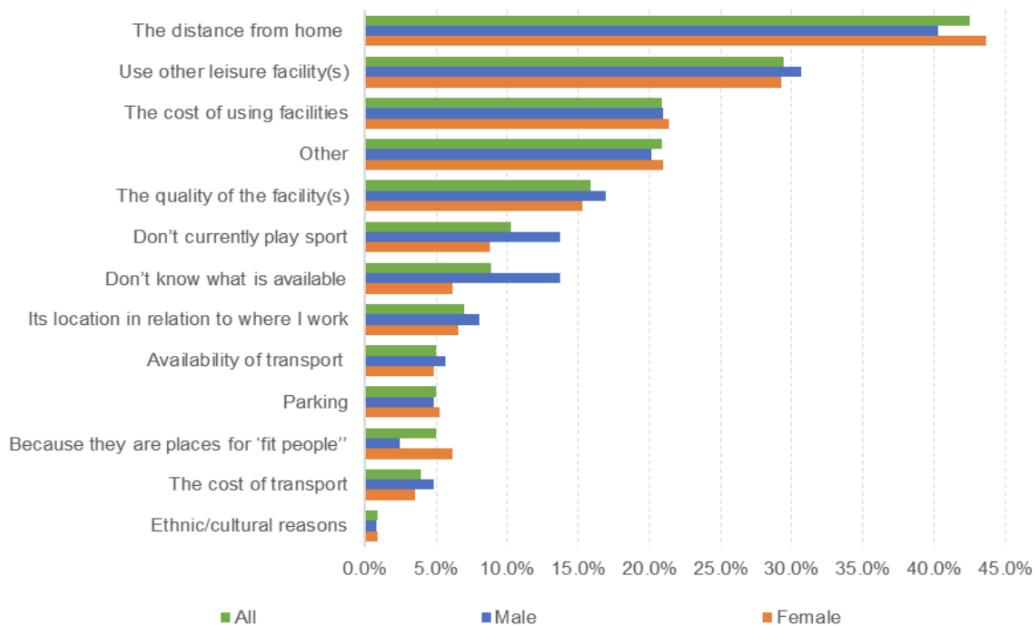


Source: Sandwell LATC Review

SAC and Tipton Leisure Centre are therefore in a key position to increase activity in Sandwell to help meet Ambition 2 of the Sandwell 2030 vision *“Sandwell is a place where we live healthy lives and live them for longer, and where those of us who are vulnerable feel respected and cared for”*.

Access to local facilities is a deciding factor behind residents’ decision to use the facilities and lead healthy lives. A survey completed by Knight Kavanagh & Page in 2017 to inform Sandwell’s Sport & Leisure Built Facilities Strategy³ identified the key reasons why Sandwell residents were not using / visiting facilities.

Figure 3: Reasons given for not using/visiting facilities



Source: KKP (2017) SPORT AND LEISURE FACILITIES CONSULTATION

³ Sport and Leisure Built Facilities Strategy, 2018

As well as competition from other facilities, the core factors were distance, cost and quality. Distance was the most cited factor. This reflects that a focus on local centres is an important consideration for Sandwell residents, with household car ownership relatively low.

In Sandwell, 33% of residents do not have access to a car, based on 2011 Census data. The West Midlands Region average is 28.6% and for England, 24.9% of the population does not have access to a car. For these residents, a network of locally accessible swimming pools is important to encourage swimming participation. In the Strategic Assessment Provision of Swimming Pools by Sport England it was estimated that 34% of all visits, or just over one in three of all visits to pools, are made by walking or public transport.

When lined up alongside the next two most significant issues; cost of use and the quality of the venue (which are normally closely related), this would suggest that access to a high-quality, affordable and local venue would satisfy the needs of a substantial proportion of survey respondents.

If CWGLEF funding is not forthcoming for the excess energy costs, the alternative option would be to close an existing leisure centre. This has been modelled as Tipton Leisure Centre for the purpose of this business case. Tipton is a relatively new centre (opened in 2013) and the only swimming centre located in Tipton, however it has the second largest operational deficit out of all centres, behind Portway Lifestyle Centre. Tipton has a far smaller population catchment, 27,00 compared to Portway's 68,000 making it a more likely centre to be temporarily closed.

As such, it is of vital importance to the local community and meaning if the centre is closed residents may have a greater difficulty accessing an alternative centre.

Local Demand

There is a clear demand for additional leisure facilities in Sandwell. As shown below, demand for pool space is highest amongst all leisure centre amenities considered.

When Sandwell residents were asked which type of facilities they would like to see as part of any remodelling/new development within the borough, facilities for swimming, sports hall, fitness gym and group exercise studios were the top four requested.

Figure 4: Facilities Desired by Local Residents

Amenity?	All	Male	Female	All %	Male %	Female %
Base	771	269	492			
Swimming pool (for competitive swimming/events)	395	135	255	51.2	50.2	51.8
Swimming pool (for teaching/learning to swim)	476	164	304	61.7	61.0	61.8
Diving pool	172	70	100	22.3	26.0	20.3
Sports hall (for badminton, basketball netball etc.)	334	145	187	43.3	53.9	38.0
Indoor cricket nets	75	39	34	9.7	14.5	6.9
Volleyball court	68	34	34	8.8	12.6	6.9
Fitness gym	455	176	275	59.0	65.4	55.9
Studios for fitness classes	419	133	281	54.3	49.4	57.1
Spin/indoor cycling studios	302	97	203	39.2	36.1	41.3
Studio spaces for judo/martial arts	172	81	90	22.3	30.1	18.3
Squash/racketball courts	140	60	76	18.2	22.3	15.4
Artificial grass pitch (for football) – full sized	122	61	59	15.8	22.7	12.0
Artificial grass pitches (for football) – 5-a-side	136	65	70	17.6	24.2	14.2
Athletics track	174	66	107	22.6	24.5	21.7
Tennis courts (indoor)	134	55	78	17.4	20.4	15.9

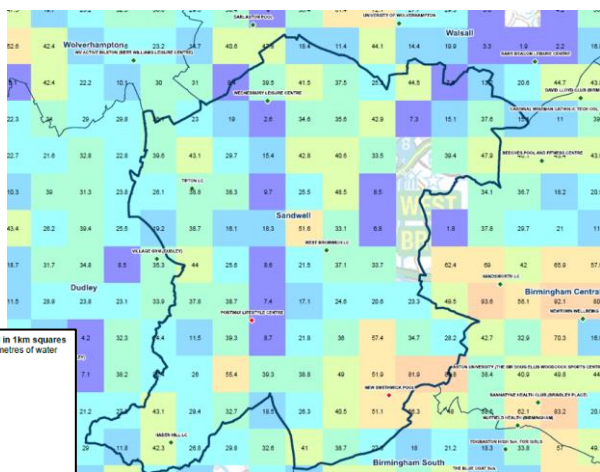
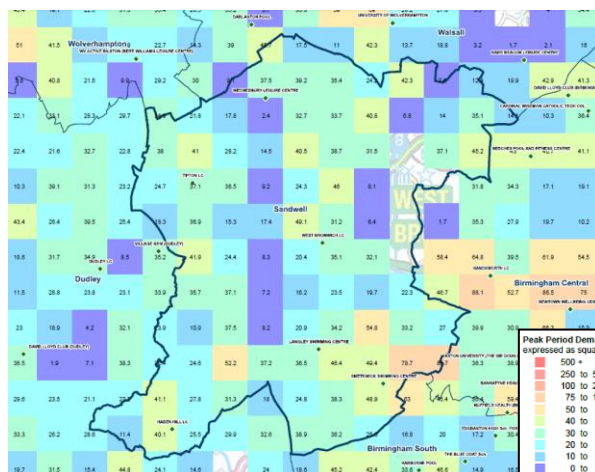
Source: KKP (2017) SPORT AND LEISURE FACILITIES CONSULTATION

The closure of an alternative local facility would result in residents being unable to walk to a pool and, considering the low car ownership rates locally, this would make swimming more difficult for many.

In addition, pools in Sandwell are already nearly at capacity. In 2019, Sandwell’s swimming pools were estimated to be 93% full on average at peak times. The closure of TLC would mean locals would have to travel further to use leisure facilities, and increased pressure on the remaining pool space. This will reduce accessibility and fail to meet the target objectives of the Sandwell 2030 Vision.

Figure 5: 2019 Peak Demand for Pool Spaces

Figure 6: 2031 Peak Demand for Pool Spaces



Source: Sport England Facilities Planning (2020) Strategic Assessment Provision of Swimming Pools

Source: Sport England Facilities Planning (2020) Strategic Assessment Provision of Swimming Pools

Reputational Risk

Discussions with Elected Members in the context of remodelled / redeveloped facilities highlighted that accessibility and affordability were critical factors, with a specific issue raised around bank holiday closures when demand is high. Closure of a relatively new centre (TLC opened in 2013) would create reputational risk for SMBC as there would be reduced accessibility to leisure facilities for Sandwell's residents. It would also create reputational risk for the legacy of the Commonwealth Games, as no increase in leisure provision and accessibility would be forthcoming.

Being unable to access a local facility could also result in residents being unable to create regular patterns of usage which may result in a failure to meet longer-term health ambitions as well as a failure to restore membership levels across SLT's portfolio to pre-pandemic levels.

WHY IS PUBLIC SECTOR INVESTMENT REQUIRED?

Public sector investment is required to address an unprecedented rise in energy prices. The public sector investment is not being used as a long-term solution, but a short-term requirement until 2024/25 to ensure the public launch of the Sandwell Aquatic Centre is successful, and residents get full opportunity to use the world class facilities on their doorstep.

The public sector investment is complementary to ongoing investment since 2009. SMBC has been committed to delivering a capital programme focused on replacing aged facilities across the borough to ensure an attractive and sustainable leisure offer is provided for local communities. New centres have opened:

- Tipton Leisure Centre (2013)
- Oldbury Portway Lifestyle Centre (2013)
- West Bromwich Leisure Centre (2014) and;
- Wednesbury Leisure Centre (2015).

Sandwell Aquatic Centre will help ensure a comprehensive leisure offer across the borough, providing all residents with access to high-quality community leisure facilities.

Access to leisure services is considered a public good. There are several associated positive consumption externalities (i.e. where a third party outside of the transaction benefits from the exchange between the consumer and the leisure centre operator). In this instance, the West Midlands NHS Trust could benefit from the potential reduction in costs of medical treatment associated with physical inactivity.

Evidence from the Sandwell Health Inequalities Programme (SHIP), show that overall more should be done for local residents to ensure physical activity and the realisation of associated benefits are available to all, irrespective of their socio-economic circumstance or ethnicity. In the year to

November 2021, Sandwell's inactivity rate amongst residents in the lowest socio-economic category was 47%, 16 percentage points higher than those in the highest socio-economic category⁴.

These challenges are particularly acute for Sandwell. Public health data from the Office for Health Improvement and Disparities shows that 30% of Sandwell's population is unemployed, meaning they are 59% more likely to be inactive when compared to those in employed full or part-time⁵. Relative income can also impact sports participation.

1.3 PROJECT SCOPE AND SERVICES

In order to deliver potential service improvements, it is useful to classify needs / requirements. For this project, please outline the requirements of the project based on the following hierarchy:

Table 6 – Project Scope and Services	
<p>The 'Essential' requirements</p> <p><i>Without these requirements, the project would not be judged to be a success i.e. the 'must have'</i></p>	<p>For this project to be a success it must fund the gap caused by an increase in energy prices. Funding from this project, alongside the original budget will be used to procure.</p> <p style="text-align: center;">Number of units required by SAC (forecasted)</p> <ul style="list-style-type: none"> ● 7,981,557 kWh Gas ● 2,440,571 kWh Electricity <p>The project must also procure a contingency. The currently level of contingency (calculated using the non-commodity price) is equivalent to;</p> <ul style="list-style-type: none"> ● 3,064,059 kWh Gas ● 638,001 kWh Electricity <p>The procurement of this will ensure there is no reduction in the leisure services for Sandwell.</p>
<p>The 'Desirable' requirements</p> <p><i>The project may justify these requirements on a value for money basis i.e. the 'could have'</i></p>	<p>SLT will identify costs saving when purchasing at the market rate in order to reduce the level of CWGLEF required.</p>
<p>The 'Optimum' or 'Highly Desirable' requirements</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>Secure preferential energy supply for SAC post-April 2025 to ensure there is no reduction of services across SLT managed leisure centres.</p>

1.4 KEY RISKS

⁴ [Active Lives | Results \(sportengland.org\)](https://www.sportengland.org/active-lives/results)

⁵ [West Midlands Mental Health Commission \(wmca.org.uk\)](https://www.wmca.org.uk/)

**Specify the main risks associated with the achievement of the project’s objectives.
Outline the proposed counter measures for avoidance, mitigation, and management.**

A risk register for the SAC has been attached in **Annex A – Sandwell Leisure Trust SAC Risk Log**. This risk log will be reviewed monthly at meetings with the WMCA.

The risk register shows red financial and physical / operational risk for SAC, linked to the potential rise in cost and subsequent budgetary pressures. The headline risks are shown in the table below.

Table 7 – Headline Risks						
ID	Risk	Impact (1-5)	Probability (1-5)	RAG Rating	Risk Owner	Mitigation
F4/22	<i>Increase in tariff and consumption changes at all leisure sites in SLT portfolio</i>	3	3	Red	S Dillion	Energy consumption (gas and electricity) for all sites including SAC will be routinely monitored and formally reported monthly to the SMBC / SLT Contract Management Meeting. Compare utility consumption to industry standards to ensure that consumption is within the industry benchmarks for comparable facilities. Anomalies will be investigated and escalated / mitigated as appropriate.
O4/23	<i>Increased energy costs elsewhere result in closure of Tipton Leisure Centre</i>	3	3	Red	Leadership Team	Funding through the CWGLEF will ensure SAC operation is appropriately funded and is able to procure energy services. This will avert service failure which will impact on other Sandwell leisure facilities.

1.5 CONSTRAINTS

Specify any constraints that have been placed on the project.

The following constraints have been placed on the project;

- CWGLEF funding can only be used to bridge the gap between what the utilities were originally budgeted to cost (£300k p.a.) and what they will actually cost – not the whole energy cost, nor the whole deficit for SAC. Given tariff volatility and uncertainty regarding the level of consumption (SAC has never operated in legacy form) a level contingency has been added to the May 2023 Npower forecasts. Funds will be claimed quarterly in arrears based on actual expenditure.
- A review of spend and the cost of Utilities will occur at the end of Q4 2023, and at the end of Q1 2024.
- After the completion of Q1 2024 all underspend to that point will be released for reallocation. Underspend is considered the difference between the energy cost forecast with contingency, and actual expenditure.
- For the remaining period to the project end date (March 31st, 2025), an updated forecast is to be produced, which should more accurately account for units and energy prices required for the remaining year. From this forecast, any CWGLEF funding that is now forecast to be unspent is released, subject to a contingency agreement between WMCA and SMBC. Any remaining unspent will be released at the end of Q4 2024.
- There is no requirement to fund beyond March 2025 and as part of the project. Quarterly payments in arrears will mean that no payment can be made after the December 2024 quarter, as funding needs to be spent by 31 March 2025.

- Sandwell Council will continue to monitor utility markets and will include necessary provision or mitigation in the Council's Medium-Term Financial Strategy to ensure an effective exit from the CWGLEF support from 1 April 2025.

1.6 DEPENDENCIES

Specify any dependencies outside the scope of the project upon which the success of the project is dependent.

Interdependencies

- The total cost of the budget is dependent on the opening to public date of the Aquatic Centre. The full timeline is presented in **Annex B (SAC Mobilisation Plan)** and the centre is currently expected to open on 24th July 2023. If the Aquatic Centre was to open late, this would reduce the expected cost of utilities and the end date would remain the end of the financial year 2024/25, with no allowance for additional days.
- The level of energy consumption remains an estimate – only once the centre is operated in post-games “legacy mode” will consumption be clear.

External Dependencies

- The total cost of utilities, and so the increased costs covered by the funding for the CWGLEF, is dependent on current and future energy prices.
- Energy is expected to be purchased using a mixture of forward buying and market risk. This will fix the cost per unit of a portion of the energy cost in 2023/24 and 2024/25, with the remaining being purchased at market rate. This approach mitigates SAC against further price rises and limits the potential total energy spend.
- The funding ask will remain unchanged, independent of future price changes at £1,395,754. In the event that the rise of utilities is beyond this, SMBC is committed to covering the additional cost.

ECONOMIC CASE

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

2.1 CRITICAL SUCCESS FACTORS

List the critical success factors i.e. what must this project achieve to be successful?

Critical success factors are those outputs or outcomes of the project that, if not met, would mean the project had not been successful. They can be used to eliminate options from the short list, even those options that perform well financially or economically but do not satisfy all CSFs.

- An optional, ‘nice to have’ or non-critical output or outcome should not be listed as a CSF.
- CSFs are not the same as project objectives or outcomes, which should still be defined separately.
- Each CSF should indicate how it aligns with the project objectives – showing how meeting the Objectives contributes to meeting the CSF. This means that each CSF should align with one or more objectives.

Table 8 – Critical Success Factors		
#	Critical Success Factor (CSF)	Alignment to Project Objectives
1	Supplier capacity and capability: The project should deliver a sufficient number of units to cover the forecasted level, with an additional contingency for a higher level of use than forecasted.	<p>Aligns strongly with Objective 1 – to secure energy supply for SAC.</p> <p>CWGLEF funding – alongside existing budgets – is required to deliver for 2023/24 and 2024/25</p> <ul style="list-style-type: none"> • 7,981,557 kWh Gas • 2,440,571 kWh Electricity <p>A contingency is also required for the potential for increases in the number of units required, or an increase in the market cost. The current level of contingency (calculated using the non-commodity price) is equivalent to;</p> <ul style="list-style-type: none"> • 2,440,571 kWh Gas • 638,001 kWh Electricity
2	Affordability: The project should deliver the lowest possible cost per unit, with a level of mitigation against future price rises to reduce the risk on SMBC.	<p>Aligns with Objective 1 and 2</p> <p>The project should provide a low energy unit cost, to allow for the funding of other CWGLEF to create inclusive growth throughout the region.</p> <p>A low energy cost whilst mitigating risk can be achieved though working with brokers to</p>

		<p>ensure the most advantageous purchasing strategy.</p> <p>Given the recent volatility in energy markets it is not possible to determine maximum SMBC tolerances for leisure centre utility costs. However, it is unlikely that the overall spend on leisure services can exceed current levels and as such any additional costs above the parameters established in this BJC will need to be met from mitigation elsewhere in the leisure portfolio.</p> <p>In addition, Sandwell Council will maximise opportunities to reduce energy consumption at SAC over the period of support. This may be housekeeping measures and / or capital improvements with support from such schemes as the Public Sector Decarbonisation Scheme (PSDS).</p>
3	<p>Achievability: The project needs to ensure there is no gap in utilities funding, which could cause a reduction in service. Continuing with or securing a new energy deal before or immediately after the CWGLEF 31/03/2025 deadline.</p>	<p>Aligns strongly with Objective 2 – to secure energy supply for SAC.</p> <p>The project means that can SAC provide a world-class leisure facility to all 341,000 Sandwell residents, as well as a facility of regional importance for the wider West Midlands.</p> <p>Maintaining a full service (and avoiding the closure of TLC) will ensure that SLT can support health and wellbeing targets in Sandwell.</p>

2.2 BENEFITS APPRAISAL

A detailed appraisal of benefits is set out in **Annex C – Sandwell Aquatic Centre Technical Note** that accompanies this BJC.

#	Benefit	Benefit Type	Beneficiary
1.	Benefits from Health, Education and Crime reduction	Quantifiable benefit	General public, NHS
2.	The well-being benefits from engagement in physical activity	Quantifiable benefit	General public
3.	The full-time equivalent (FTE) jobs safeguarded	Quantifiable benefit	General public

2.3 VALUE FOR MONEY ASSESSMENT

Complete the table below to provide decision-makers with a summative VfM assessment:

A detailed appraisal of the VfM assessment conducted on the proposed intervention is set out in the **Annex C – Sandwell Aquatic Centre Technical Note** that accompanies this BJC.

Table 10 – VfM Assessment		
VFM of the Preferred Option		
Social Benefits and Costs (with ranges)	<p>Listed below are the three benefits assessed to benefit accrued to Sandwell’s residents due to TLC remaining open for the remainder of 2023/24 and 2024/25.</p> <ul style="list-style-type: none"> ● Benefits from Health, Education and Crime reduction⁶. <ul style="list-style-type: none"> – Present Value of additional benefit: £226,014 ● The wellbeing benefits from engagement in physical activity⁷. <ul style="list-style-type: none"> – Present Value of additional benefit: £3,078,599 ● The Full-time equivalent (FTE) jobs safeguarded. <ul style="list-style-type: none"> – Present Value of additional benefit: £351,609 	
Whole Life Public Sector Costs of Preferred Option (£m) (aligned to Section 3.2 below)	<p>CWGLEF funding is the sole source of funding source for this project, contributing £1,342,933 (PV, real) prices. This figure is based on the revised energy estimates received February 2023.</p> <p>An optimism bias figure of 10% has been applied, bringing total public sector costs to £1,477,227.</p>	
Value for Money Judgement	<p>HM Treasury considers a BCR of >2.0 to be high VfM. This project delivers a BCR of 2.48 therefore can be considered to offer high VfM.</p>	
VFM All Options		
Option	BCR	NPSV
Intermediate Option	2.05	£888,864
Do Something	2.48	£2,178,995
Do Maximum	3.52	£2,616,066
Do Maximum with Contingency	2.44	£2,154,994
Sensitivity 1	1.58	£862,468

⁶ [Measuring impact | Sport England](#)

⁷ [Quantifying and Valuing the Wellbeing Impacts of Culture and Sport](#)

2.4 OPTIONS ANALYSIS AND APPRAISAL

Analysis – Please identify a minimum of 4 options and complete a shortlisting exercise within the table below; options must include ‘BAU/Do Nothing’ and ‘Do Minimum’.

A full appraisal of the two options, do-nothing and do-something, considered is set out in **Annex C – Sandwell Aquatic Centre Technical Note** accompanying this BJC.

Table 11 – Options			
Option	Description	Shortlisted (S) / Rejected	Meets Objectives? (Y/N)
1. Do-nothing (closure)	SAC does not receive CWGLEF funding, SAC does not open until preferential rates are found	(R)	N
2. Do-nothing (part closure)	SAC does not receive CWGLEF funding, SAC have a reduced service until preferential rates are found	(R)	N
3. Do-nothing (retain current service)	SAC does not receive CWGLEF funding, SAC to maintain the current level of service	(R)	N
4. Do-nothing (Counterfactual)	SAC does not receive CWGLEF funding, TLC is closed for two years to recover the cost.	(S)	N
5. Intermediate Option	SAC receives does not receive CWGLEF funding, TLC is closed for a period of time until partnership funding can be found.	(S)	N
6. Do-something	SAC receives CWGLEF funding and forward purchased 50% of forecasted energy units. TLC remains open and operates at the current baseline.	(S)	Y
7. Do maximum	SAC receives CWGLEF funding and forward purchased 100% of forecasted energy units. TLC remains open and operates at the current baseline.	(R)	Y
8. Do maximum with contingency	SAC receives CWGLEF funding and forward purchased 100% of forecasted energy units, with an additional 30% in contingency, TLC remains open and operates at the current baseline.	(S)	N
9. Sensitivity 1	SAC receives CWGLEF funding, TLC remains open and operates at the current baseline. An increase in displacement is used to model a greater number of Tipton users are able to access alternative leisure facilities.	(S)	Y

Appraisal – Using the same option numbering above, complete the following options appraisal summary:

All economic benefits that arise will be due to:

- Quality Adjusted Life Years (QALYs) gained and reduced NHS expenditure

- Wellbeing
- Jobs Safeguarded

Table 12 – Appraisal

Option	Net Costs (capex and opex)	Benefits that arise (Monetary and non-monetary)	Risks associated.
1. Do-nothing (Closure of SAC)	£0	Cost saving to SLT of £1,297,547 The closing of SAC has no associated economic benefits.	<ul style="list-style-type: none"> • Reputational risk – closing a recently opened leisure centre. • Not meeting critical success factor 1
2. Do-nothing (Part time closure of SAC)	£0	These options would not create the cost saving required. There would be limited reduction in the cost of utilities, as the pool would have to remain heated for the days that SAC would be in use. Any cost saving through other utilities or staff would also be mitigated through lost revenues	<ul style="list-style-type: none"> • Reputational risk – closing a recently opened leisure centre. • Lower revenues could result in the deficit remaining. • Not meeting critical success factor 1, 2 and 3
3. Do-nothing (Retain the current level of service)	£1,477,227	£3,656,221	<ul style="list-style-type: none"> • Increased level of deficit at SAC would not be sustainable and would create risk of further centre closures (e.g. Tipton) to cover higher losses. • Not meeting critical success factor 1 and 2
4. Do-nothing (Counterfactual)	£0	Cost saving to SLT of £976,203 The closing of TLC has no associated economic benefits.	<ul style="list-style-type: none"> • Reputational risk – closing a recently opened leisure centre. • Not meeting critical success factor 1 • As the DN scenario meeting the most success factors and keeping SAC this is selected as the counterfactual.
5. Intermediate Option	£844,882	£1,737,945	<ul style="list-style-type: none"> • Reputational risk – closing a recently opened leisure centre. • Not meeting critical success factor 3, partnership funding may not be found, and TLC remains closed during 24/25
6. Do-something (Preferred Option)	£1,477,227	£3,656,221	<ul style="list-style-type: none"> • Cost increased due to energy purchased at market rates – mitigated through a continent and review process. • Meets critical success factors
7. Do maximum	£945,596	£3,656,221	<ul style="list-style-type: none"> • Does not meet critical success factor 2
8. Do maximum with contingency	£1,501,277	£3,656,221	<ul style="list-style-type: none"> • Meets mostly critical success factors, only partly meeting factor 2
9. Sensitivity 1	£1,477,227	£2,339,982	

2.5 RECOMMENDED/PREFERRED OPTION

Please confirm which Option you deem to be the preferred option. Conclusions should be drawn on each of the different options considered in terms of cost, benefit, risk and its ability to meet the spending objectives.

As detailed in **Annex C – Sandwell Aquatic Centre Technical Note**, the do-something option, which sees SAC receive CWGLEF funding, generates a BCR of 2.48. This BCR has been reached using cautious assessments of health, wellbeing and job creation benefits, associated with SAC's opening and all existing Sandwell leisure facilities also remaining open. This option (6) is the Preferred Scenario.

A do maximum with contingency option (8) does meet most of the Critical Success Factors, however the lack of ability to buy energy at a lower market rate and reduce the overall spending of the project means it is not the preferred option.

A sensitivity is also run where displacement is increased to 60%, suggesting that 60% of the users of Tipton are able to access another leisure centre with the closing of Tipton. In this scenario, the do-something approach still has a medium BCR of 1.58, also providing value for money.

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:

Table 13 – Output	
Output 1	<p>SLT to procure energy supply. CWGLEF funding can only be used to bridge the gap between what the utilities were originally budgeted to cost (£300k p.a.) and what they're now projected to cost. A total increase of £1,395,754 over 2023/24 and 2024/25 is forecast.</p> <p>This is the only good that will be procured as part of the preferred option.</p>

The number of units forecasted to be procured for SAC using both the existing budget, and CWGLEF funding is shown in the table below. The number of units to be procured in the contingency line, is calculated using the total contingency for that quarter and divided by the forecasted commodity price at the time.

Table 14 – Energy Units							
Year	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Gas (kWh)							
Commodity	505,873	580,817	580,817	580,817	580,817	580,817	580,817
Non-Commodity	505,874	580,818	580,818	580,818	580,818	580,818	580,818
Contingency	388,402	445,943	445,943	445,943	445,943	445,943	445,943
Total	1,400,149	1,607,578	1,607,578	1,607,578	1,607,578	1,607,578	1,607,578
Electricity (kWh)							
Commodity	154,684	177,600	177,600	177,600	177,600	177,600	177,600
Non-Commodity	154,684	177,600	177,600	177,600	177,600	177,600	177,600
Contingency	80,873	92,855	92,855	92,855	92,855	92,855	92,855
Total	390,242	448,055	448,055	448,055	448,055	448,055	448,055

3.2 ROUTE TO PROCUREMENT AND EXISTING RULES AND REGULATIONS

State the ability of the marketplace to provide the required goods or services and the attractiveness of this proposal to potential service providers. Also include detail on how the respective procurement and legal teams have been consulted with regards to the impact of subsidy control on the project (including HR/IT personnel implications).

Under the Council's agreement with SLT, the Trust procures energy supply. SLT has an agreement with Northern Gas and Power as brokers for the supply of gas and electricity to 2027 for all facilities that they currently manage. This does not, however, extend to new facilities, such as SAC.

The energy contract for SAC will be procured through a flexible purchase contract which enables energy to be purchased in tranches of a maximum of 2 trades per month to secure the best prices available in the prevailing market conditions. SLT will work with traders whose sole job is to monitor the markets on a daily basis to develop an agreed strategy. At present, the chosen strategy is to forward buy 50% of the anticipated SAC energy requirements to March 2025 to lock-in current (more favourable) prices whilst retaining the potential to benefit from further market reductions.

To offer a competitive procurement alternative and secure the best value, SMBC are currently assessing whether their partnership with ESPO can secure more competitive energy tariffs. If this is the case and can be executed compliantly, SMBC will lease SAC to SLT inclusive of energy supply and recharge accordingly.

The final agreed procurement route will be compliant with the public contracts regulations (PCR) and any relevant legislation.

Subsidy Control

SMBC have concluded the subsidy control assessment based on revised counsel advice. This has indicated that the operation of the leisure centres is not within the scope of the Subsidy Control Act 2022 as it does not confer an economic advantage on the operator.

3.3 CHARGING MECHANISM

State how the project intends to make payment for its key services and outputs over the expected lifespan of the contract(s) and to tie down risks in the charging mechanism. Include details of the contract for the deal.

The agreed payment method is payment via Direct Debit to the energy supplier Npower. SLT manages the contract for SAC through a leasing facility (as is the current arrangement at the other facilities) and so it would be SLT who are responsible for the payment of the direct debit to Npower.

3.4 RISK APPORTIONMENT

Clarify the potential risk apportionment and identify how the service risks in the design, build, funding and operational (DBFO) phases of the project may be apportioned between the public and private sectors.

This should align to the Risk Register appended to this BJC.

During the operational phase, SLT are primarily responsible for the risk.

SLT have an established system for identifying, evaluating and managing the significant risks faced by the charitable company and a risk log is an integral part of the annual operational plan which is agreed by the Board.

Board Members have been actively involved in identifying and managing the risks to which SLT are exposed. The SLT risk log is reviewed by the Executive team every quarter and an updated version is presented to the Board every six months.

A risk register prepared by SLT for SAC has been attached in **Annex A**. This risk log will be reviewed monthly at meetings with the WMCA.

At SMBC, the progress of the leisure service and SAC is reported on a regular basis to the Cabinet Member who has broad delegated authority. The SAC is also reported to the Safer Neighbourhoods and Active Communities Scrutiny Panel.

4 FINANCIAL CASE

AFFORDABLE AND FUNDABLE OVER TIME

4.1 CAPITAL AND REVENUE FUNDING STATEMENT

A summary of the overall affordability of the project and the funding that has been secured to date must be provided.

All secured funding identified below should be verified by a written confirmation attached to this BJC with details of any conditions etc.

Table 15 – Overall Funding Required		
	Status (Secured / Not Secured)	£M
Gross Costs		
Revenue	(£515,323) Secured – Budgeted as part of the original SAC utilities projection (£1,395,754) Not secured – the purpose of this application	£1,911,077
Capital	N/A	-
Total		£1,911,077

Table 16 – Sources of Funding				
Funder	Amount	% of Total	Status (Secured / Not Secured)	Details of Funding Status / Timing / Conditions etc.
Sandwell Metropolitan Borough Council	£515,323	27	Secured	Budgeted as part of the original SAC utilities projection
WMCA (CWGLEF)	£1,395,754	73	Not secured	Purpose of this BJC. The specific amount is calculated by the increases in SAC energy costs from the original £300k p.a. budget.
Total	£1,911,077	100.0		

4.2 OVERVIEW OF FUNDING AND AFFORDABILITY SUMMARY

A written summary of the overall affordability of the project and the funding that has been secured to date must be provided. Where there is a shortfall in available funding, provide details of how this will be addressed, and the level of contingency included.

FUNDING OVERVIEW

Sandwell Aquatic Centre has the potential to provide local residents with state-of-the-art facilities to engage in a range of physical activities. The Centre's offering is attractive to both active residents and those currently disengaged with sports. CWGLEF is considered the funder of last resort, supporting SAC with current cost pressures that cannot be mitigated by other means. For instance, SAC will look to Sport England's £63m swimming pools fund, as announced in 2023's Spring Budget. The fund will potentially be used to further support inflated energy costs and facilitate carbon reduction schemes.

In addition, SMBC has commissioned energy efficiency audits of all Council-owned sites including SAC and will implement recommendations where practicable. SMBC and SLT continue to closely monitor energy markets and will seek to secure the most efficient supply contracts.

However, the swimming pools fund is not yet active, and the audit is ongoing, therefore there is no short-term options aside from a reduction in other services from SLT, to reduce SAC's current financial deficit.

This BJC is to secure £1,395,754 of funding, to cover the impact of cost pressure, from the CWGLEF. The funding itself is constrained in use, being only available to bridge the gap between what the utilities were originally assessed as an actual cost to be incurred in 2023/24 and 2024/25.

AFFORDABILITY SUMMARY

SLT has now progressed supply contracts to cover the first 2 years of operation, which indicates costs will exceed the budgeted cost (£300k p.a.) The strategy is to secure 50% of supply at current market tariffs, leaving 50% variable to benefit from potential further market reductions.

The latest estimates for these contracts have been attached as Annexes D and E. The forecasts start 01/08/2023 and have been presented yearly. The forecasts have been reprofiled to align with financial years, to match the end date for eligible CWGLEF spending on 31st March 2025. The start date for Utilities spend is modelled as the 13th July. As such, **Table 17** (presented below) will not directly align with the cost estimates provided in Annexes D and E.

The total annual spending for Years 1 and 2 is presented in the table below. The latest forecast show that energy cost is more than £850k p.a. in Year 2, a £550,000 increase on the original utilities budget used for the 2018 business plan.

Table 17 – Npower Energy Forecast (Npower - May 2023)		
	Year 1 (2023/24)	Year 2 (2024/25)
Electricity		
Commodity	£142,946	£190,286
Non-Commodity	£152,463	£212,420
Total Annual Spend	£295,409	£402,706
Gas		
Commodity	£139,244	£218,112
Non-Commodity	£150,743	£210,024
Standing Charge	£19,322	£26,921
Total Annual Spend	£309,309	£455,057

This is a cost increase from the original baseline budget of £947,158. This figure would represent the total spend of the project if the energy forecasts are 100% accurate.

Table 18			
Year	Total	Original Budget (Based on 300k P.A.)	Cost Increase
2023/24 (Commencing 13/07/2023)	£604,718	£215,323	£389,395
2024/25	£857,763	£300,000	£557,763
Total	£1,462,481	£515,323	£947,158

As the energy forecast provided to SMBC notes:

- these prices represent our indicative view of the offer prices available in wholesale energy markets at the time of publication relative to the prices from our previous report. As such actual prices quoted to you may differ significantly from the prices stated. This applies particularly where there is a delay between time of publication and quote and also at times of high market volatility.

The forecast therefore has two sources of uncertainty, both in the market price of energy and in energy units required. The level of energy consumption remains an estimate, only once the centre is operated in post-games “legacy mode” will consumption be clear.

To build a contingency for price changes or the level of energy required in 2023/24 and 2024/25, the May 2023 Npower forecast (Annexes D and E) is compared to an earlier forecast, completed in February 2023 (Annex J) at a time of higher energy prices. **Table 19** shows the total forecast for Gas and Electricity cost in 2023/24 and 2024/25.

Table 19 – Energy Forecast Comparison			
	Npower Energy Forecast (May 2023)	Energy forecast (Feb 2023)	% Increase
Gas	£764,366	£1,357,684	77%
Electricity	£698,115	£1,067,121	52%
Total	£1,462,481	£2,424,805	

In a scenario where total energy cost increase from the May forecast to the level of the previous February 2023 forecast (where energy prices were higher), SAC could see an increase of 77% in gas costs and 52% in electricity cost. Given the uncertainty over price and consumption, a contingency has been included in this BJC.

The total ask for this business case therefore includes an 77% increase in the total cost of all Gas brought at the market rates, and a 52% increase in total cost of all electricity brought at the market rate, with the 50% of energy that has been forward purchased costing the same as the Npower Forecast (May 2023). Energy purchases at the market rate at the time is labelled as ‘commodity’ in the table below and in Annexes D and E.

A summary of the implications for this contingency is presented in the table below.

Table 20 – Npower Energy Forecast (May 2023)		
	Npower Forecast	Npower Forecast with Contingency
Electricity		
Commodity	£333,232	£507,455
Non-Commodity	£364,883	£364,883
Total Annual Spend	£698,115	£872,338
Gas		
Commodity	£357,356	£631,729
Non-Commodity	£360,767	£360,767
Standing Charge	£46,243	£46,243
Total Annual Spend	£764,366	£1,038,739
Total		
Total Utilities Cost	£1,462,481	£1,911,077
Original Budget	£515,323	£515,323
BJC Ask	£947,158	£1,395,754

A contingency allowance brings the total cost forecast to £1,911,077 for 2023/24 and 2024/25. Subtraction of the utilities covered by the original budget gives the ask for this business case of £1,395,754.

In event of a cost increase in utilities over this amount, SMBC would be accountable for the remaining energy costs.

FUTURE FUNDING STREAM

Work to secure a long-term solution to utilities costs will remain ongoing throughout the project. Some of the key actions that will be undertaken include:

- Leisure Energy have been commissioned to conduct energy efficiency audits and assessments of all the current facilities plus SAC.
- Early engagement with Sport England, Swim England and DCMS regarding the utility cost pressures. The Sport England “Swimming Pool Support Fund”⁸ may offer future funding opportunities.

⁸ [Managing the impact of higher energy costs on community leisure provision | Sport England](#)

SLT is also committed to reducing its carbon footprint and incorporating green technologies. SLT have installed Combined Heat and Power (CHP) units at some leisure facilities. These units enable energy to be used more efficiently by converting excess heat into power to support the running of the facility. Using this and other innovative technology, SLT and SMBC will continue to benchmark within the leisure industry to develop new ways of working and adopt best practice, helping to reduce costs⁹.

This work will process the long-term reduction in utilities costs and provide a route to all leisure centres having long term financial sustainability.

Complete the table below to provide an overview of WMCA funding:

Table 21 – WMCA Funding Overview	
Funding Type <i>Grant / Cashflow (repayable) / Underwrite</i>	<i>Grant</i>
Funding Commencement Date	31/12/2023 Funding will commence following DCMS and WMCA Investment Board approval and the SAF process has been complete. With this approval expected in October or November 2023, the first payment would be expected at the end of the December 2023 quarter.
Funding Completion Date	31/12/2024 Quarterly payments in arrears will mean that no payment can be made after the December 2024 quarter, as funding needs to be spent by 31 March 2025
Basis of Reimbursement <i>Quarterly in arrears of expenditure incurred (WMCA Standard)</i>	Quarterly arrears payments are expected for this business case. There is not expected to be a cashflow issue for SMBC.
Any Conditions Precedent? <i>e.g. securing DfT funding. Include any spend deadlines, eligible spend outputs and high priority items likely to be included in any Conditional Grant offers or development agreements in principle (Heads of Terms)</i>	The grant from the Commonwealth Games Legacy Fund can only be used to bridge the gap between what the utilities were originally budgeted to cost (£300k p.a.) and the actual expenditure. This spending can only occur within the financial years 2023/24 and 2024/25. The total payment for each quarter is claimed quarterly in arrears based on actual expenditure. <ul style="list-style-type: none">• A review of spend and the cost of Utilities will occur at the end of Q4 2023, and at the end of Q1 2024.

⁹[charity-search \(charitycommission.gov.uk\)](https://www.charity-commission.gov.uk/charity-search)

	<ul style="list-style-type: none"> • After the completion of Q1 2024 all underspend to that point will be released for reallocation. Underspend is considered the difference between the energy cost forecast with contingency, and actual expenditure. • For the remaining period to the project end date (March 31st, 2025), an updated forecast is to be produced, which should more accurately account for units and energy prices required for the remaining year. From this forecast, any CWGLEF funding that is now forecast to be unspent is released, subject to a contingency agreement between WMCA and SMBC. Any remaining unspent will be released at the end of Q4 2024. <p>Quarterly in arrears payments to Sandwell MBC will be made in receipt of actual spend and variance in the last quarter. This will mean that no payment can be made after the December 2024 quarter, therefore funding for Q1 2025 will have to also be agreed at that time, based upon forecasts at that time. Subject to Investment Board approval of the BJC his will be reflected in the WMCA grant award. The grant agreement will reflect the DCMS grant conditions to the WMCA appropriate to this project including potential clawback of any underspend. This will be redistributed in line with the WMCA's Investment Board agreement on change control policy.</p>
<p>Order in which WMCA Funding is to be drawn</p> <p><i>1st/2nd/3rd</i></p>	1 st
<p>Work streams for which WMCA Funding is available to be drawn against</p> <p><i>e.g. all / workstream 1, 3 and 4 etc.</i></p>	All

4.3 BORROWING SUMMARY

Please state if any element of the project costs is to be financed by borrowing.

No borrowing is required.

4.4 CASHFLOW

Complete the cash flow table below setting out both income and expenditure. Amend fiscal year dates as required and number of funding sources.

The cash flow presented refers only to the utility cost for the Sandwell Aquatic Centre. Cashflow for the full operation of the Sandwell Aquatic Centre is presented in Annex F.

Table 22 – Two Year Cashflow (£)								
Year	Total	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Income (£)								
Original Budget (Based on 300k P.A.)	£515,323	£65,323	£75,000	£75,000	£75,000	£75,000	£75,000	£75,000
CWGLEF	£1,395,754	£0	£372,139	£198,902	£198,902	£206,178	£419,633	£0
Expenditure (£)								
Revenue (Npower Forecast)	£1,462,481	£183,454	£210,632	£210,632	£210,632	£214,441	£216,345	£216,345
Revenue (Utilities Contingency)	£448,596	£55,106	£63,270	£63,270	£63,270	£66,738	£68,471	£68,471
Capital	£0	£0	£0	£0	£0	£0	£0	£0
Cumulative Net position	£0	- £173,237	£0	£0	£0	£0	£284,816	£0

4.5 STAKEHOLDER SUPPORT

Evidence of stakeholder support must be provided where other public sector organisations are funding the project's outputs and services.

Ongoing support from SMBC is provided in Minute no 18/23 from the SMBC Cabinet Meeting (15 February 2023). Item 6 requests Cabinet approval for the 2023/24 budget appendices. The management fee budget is shown within the Borough Economy appendix. The minute relates to Cabinet approval of Directorate budgets – which includes the leisure management fee.

5 MANAGEMENT CASE

CAN BE DELIVERED SUCCESSFULLY BY THE ORGANISATION AND ITS PARTNERS

5.1 MANAGEMENT AND GOVERNANCE

Provide an overview of the necessary management and governance arrangements both in the delivery phase and in operation i.e., include detail on: Governance and decision-making arrangements; Change management arrangements (inc. reference to WMCA Change Process); Benefits realisation arrangements and plans, including benefits register; Contract management arrangements; Post evaluation arrangements.

• GOVERNANCE AND DECISION-MAKING ARRANGEMENTS

Delivery Phase

During the delivery phase, from SMBC the key roles are;

- Ben Percival – Senior Responsible Officer
- Mark Braithwaite – SLT Chief Executive Officer
- David Wilcock and Mark Bodley – Legal
- Rebecca Maher – Finance

Operation Phase

SLT will lead the operation phase and make operational decisions. SLT report on performance monthly at officer level. There are performance boards, which include financial reconciliation and escalation of issues. If the CWGLEF requires additional governance, this will be complied with¹⁰.

The SLT Board is responsible for matters of key strategic importance and delegates financial authority to the Chief Executive and other Trust Managers via a clearly defined scheme of delegation. In addition, the Board has delegated authority to the Remuneration Sub-Committee and the Chief Executive and agreed Sub-Committees will be brought together to deal with finance/employment and governance matters as required.

The SLT board is formed of¹¹;

- Lynda Bateman (Chair)
- Penny Venables (Trustee)
- Paul Piddock (Trustee)
- Pamela Kaur (Trustee)
- Tom Barter (Trustee)

¹⁰ [charity-search \(charitycommission.gov.uk\)](https://www.charity-commission.gov.uk/charity-search)

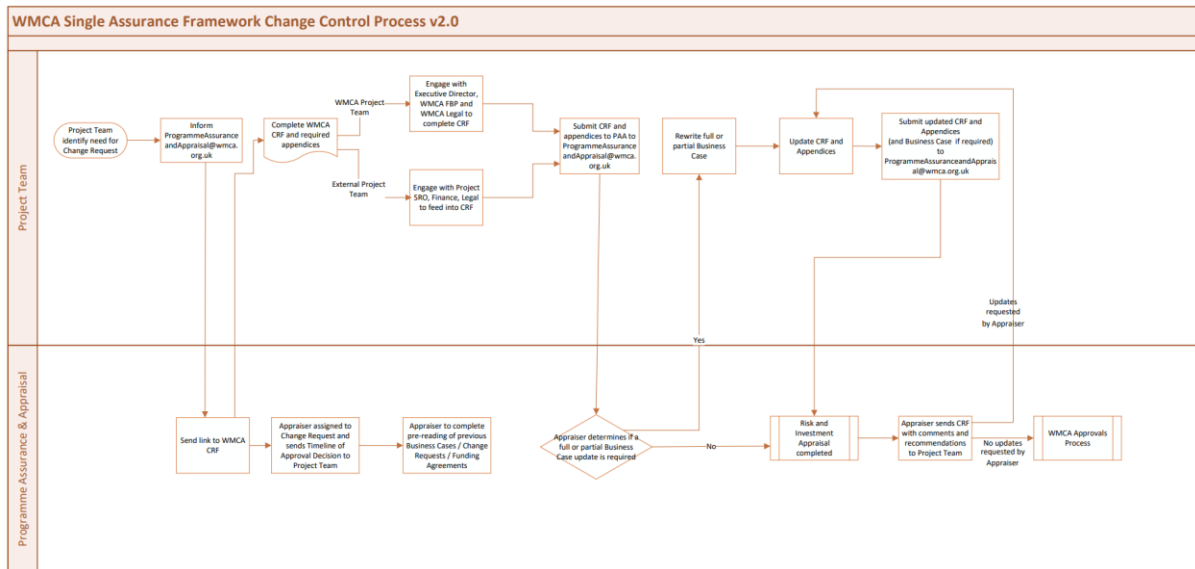
¹¹ [Trustees, SANDWELL LEISURE TRUST - 1102431, Register of Charities - The Charity Commission](https://www.charity-commission.gov.uk/register-of-charities/sandwell-leisure-trust-1102431)

- Valerie McFarland (Employee representative)
- Cllr Richard McVittie (Sandwell Council representative)

• CHANGE MANAGEMENT ARRANGEMENTS (INC. REFERENCE TO WMCA CHANGE PROCESS)

In the event there is a change requirement to the business case it will be the role of SMBC Senior Responsible officer to manage the change process, using the change process below as a guide.

Figure 7: WMCA Single Assurance Framework Change Control Process



Source: Visio-SAF Governance Flowcharts.vsdx (wmca.org.uk)

• BENEFITS REALISATION ARRANGEMENTS AND PLANS, INCLUDING BENEFITS REGISTER

Identifying and monitoring benefits and beneficiaries will be an ongoing process throughout the project period and post completion. SLT will use an XN platform to monitor a number of key indicators of the SAC, including beneficiaries to understand the level and type of use at SAC. Full detail is provided in Section 5.10.

• CONTRACT MANAGEMENT ARRANGEMENTS

With the approval of the proposal, two agreements will need to be in place before the release of any funds, currently stated at the end of the quarter December 2023.

- A grant funding agreement between SMBC and WMCA
- The agreement will include consequential flow-down of funding conditions imposed on WMCA by DCMS.

The direct award of the operation of SAC to SLT was in accordance with the extant Management and Funding Agreement between Sandwell Council and SLT, which is attached in full to this BJC as **Annex H**.

The contract between SLT and Sandwell Council will be managed as outlined above as part of established monthly and quarterly contract monitoring meetings.

Operationally SLT are lead and make operational decisions. SLT report on performance monthly at officer level. Quarterly there are performance boards, which include financial reconciliation and escalation of issues. If the CWGLEF requires additional governance, this will be complied with.

• **POST EVALUATION ARRANGEMENTS**

Post project evaluations will be ongoing during and after the project. SLT will use an XN platform to monitor a number of key indicators of the SAC. Full detail is provided in section 5.10.

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.

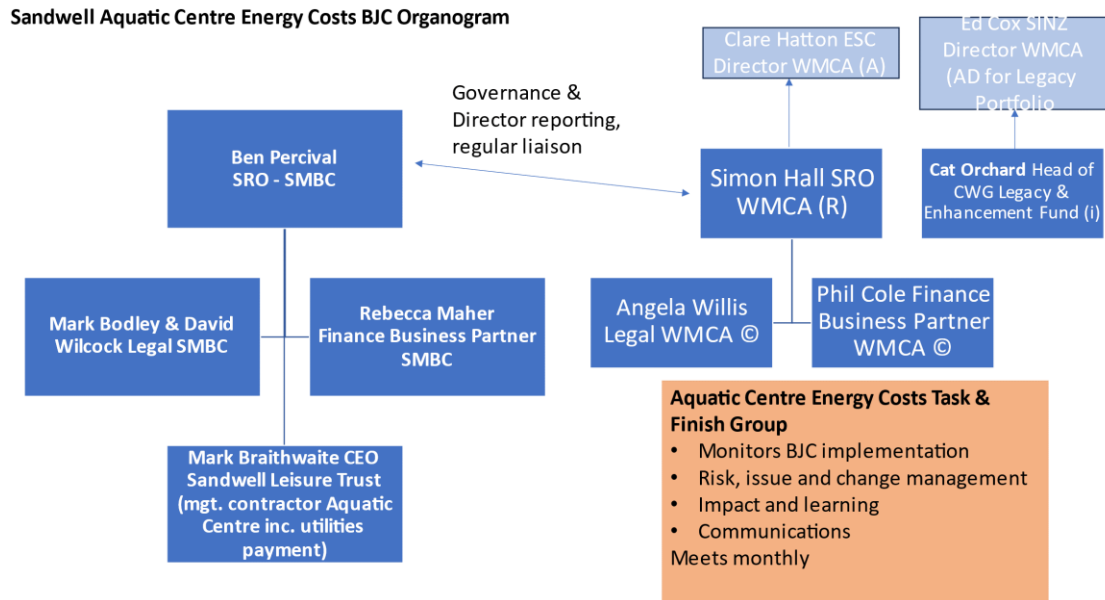
In addition to the delivery schedules listed in the table, both the delivery and mobilisation plan for the Sandwell Aquatic Centre are provided in **Annex A** and **Annex G**.

Table 23 - Project Milestones			
#	Milestone	Start Date	End Date
1.	First Draft Provided to WMCA	23/05/2023	23/05/2023
2.	WMCA Legal and Procurement Comments	23/05/2023	05/06/2023
3.	Final submission for SAF assessment	06/06/2023	17/07/2023
4.	CWGLEF Investment Panel	October 2023	November 2023
5.	CWGLEF Investment Board	October 2023	November 2023
5.	Handover of Sandwell Aquatic Centre from contractor	13 th July 2023	n/a
6.	Sandwell Aquatic Centre opens to the public	24 th July	n/a
7.	Draw down funding from CWGLEF to cover abnormal Utilities costs – Note the start date is dependent on the Timing of the CWGLEF investment board. This date is an estimate	31/12/2023	31/12/2025
8	Quarterly reporting to Leisure Contract Review Board	01/11/23	31/03/25
9	Monthly utility consumption review to Leisure Contract Management Meeting	01/11/23	31/03/25
10	Project review – year 1	01/04/24	01/04/24
11	6-monthly review of energy tariffs / buying strategy with brokers	01/02/24	31/03/25
12.	Longstop date for claims period*		31/12/2025

**There is an agreement between SMBC, SLT and WMCA that there will be no requirement to fund beyond March 2025. As part of the project the Council will develop an exit strategy to be informed by the performance of the leisure portfolio and movements in energy markets. Quarterly payments in arrears will mean that no payment can be made after the December 2024 quarter, as funding needs to be spent by 31 March 2025.*

5.3 PROJECT ORGANOGRAM

Figure 8: Development / Delivery Phase Project Organogram



Source: SMBC

Operational Phase Project Organogram – see Annex K.

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).

Responsible - The individual(s) with responsibility for the task or deliverable is typically responsible for developing the deliverable or completing the activity. The persons responsible are typically working-level project team members, such as the project manager, business analyst, developers, or those who create marketing material and technical documentation, for example. These are the doers.

Accountable - The accountable party is typically the person or group responsible for ensuring the work is complete and suitable. This is usually someone with signature authority or the decision-maker. The accountable parties are typically the business owner, business sponsor, steering committee, key stakeholders, information security or governance bodies, or the manager of the key responsible party.

Consulted - Consulted individuals are those from whom feedback and input should be solicited. Consulted parties could be legal, information security, compliance, and subject matter experts (SMEs) from other departments in the organisation that could be impacted. If you are working on new product development, this could essentially be the entire organisation.

Informed - Informed persons are those you simply want to keep in the loop. These individuals do not have to be consulted or be a part of the decision making. Keep this group on your cc list for awareness of topics, decisions, and progress. Also, invite this group as optional attendees for kick-off meetings and project demos.

Table 24 – RACI Matrix							
	SLT CEO	SMBC SRO	SMBC Legal & Finance	WMCA SRO	WMCA Director	WMCA Legal & Finance	WMCA Head of CWGLEF
Agree revised energy supplier contract for SAC	R	A	C	C	I	I	I
Utilities payments for SAC	R	A	C	I	I	I	I
Change process for CWGLEF funding	R	I	A	C	I	I	I
Risk monitoring and management	R	A	C	C	I	I	I
Monitoring of outputs/outcomes	R	A	C	R	A	C	I
Project Assurance	R	A	C	R	A	C	I

At this stage it is difficult to prepare a detailed RACI chart. Fundamentally this is funding to underwrite a specific cost pressure associated to an existing project. As such there isn't really a Work Breakdown Structure (WBS) or discrete work packages. We have therefore provided a high-level chart centred on operational decisions (including energy supplier contracting), change and risk management (should energy prices necessitate further discussions between SMBC and WMCA), reporting and realisation of expected benefits.

5.5 USE OF SPECIALIST ADVISERS

Specify what support and SME advice is required from outside the project team. Include both resources inside your organisation (e.g. legal and finance) and those outside (e.g. technical consultants)

Financial

- Phil Cole, WMCA ESC Directorate Business Partner – assessed and advised on the energy tariffs and cash flow forecast as well reprofiling the finance.

Legal

- SMBC have evaluated their position on subsidy control with Bevan Brittan as their legal advisers. SMBC have concluded the subsidy control assessment based on revised counsel advice. This has indicated that the operation of the leisure centres is not within the scope of the Subsidy Control Act 2022 as it does not confer an economic advantage on the operator. Angela Willis – WMCA Legal has had the opportunity to comment on the legal issues that this BJC

raises. Given the nature of the project, she has deferred the legal requirements to Sandwell MBC prior to any grant agreement.

Procurement

- Sandwell MBC's procurement of energy supply, technical expertise and of Sandwell Leisure Trust management of the Aquatic Centre is in accordance with Council Policy and Practice.
- WMCA procurement team (Brad Benson) has been consulted as part of the development of the Business Justification and sought clarification on the Council's procurement Strategy and management as described above as well as how the Council would make payments from this grant to Sandwell Leisure Trust. This has been outlined in the Business Justification Case.

Technical and Programme

- Leisure Energy has been commissioned to conduct energy efficiency audits and assessments of all the current facilities plus SAC
- Mott MacDonald has been commissioned by SMBC to provide a BJC to support the funding application.
- The WMCA has allocated Simon Hall the Accountable officer role given his responsibilities and experience in the sport sector.

Project management

- SMBC has commissioned external advice from Prominent TLS to develop the business case for the leisure operation – which has been used to verify the management fee to be paid to SLT.

5.6 RISK AND ISSUE MANAGEMENT

State how risk is managed and confirm that the risk register is an integral part of project management meetings. The information provided should align to the Risk Register and Issue Log attached with this BJC.

Sandwell Leisure Trust has developed a risk log to help the Board and Management team identify and minimise any risk facing SAC. The full risk register is presented in **Annex A**.

The Risk Log is reviewed internally, with the finding presented during board meetings to provide a clear and up-to-date account of the risk the project faces, and the mitigation strategies in place. The log is structured so the primary risk score takes account of the existing control measures and their effectiveness/ Where a residual risk score is red, it is expected that the contingency / falling plans are in preparation or in place. Where the residual risk is amber, it is expected that monitoring arrangements are in place to ensure the score does not increase. This risk log will be reviewed monthly at meetings with the WMCA.

During the operation of the SAC, SLT will operate a rigorous business planning process whereby corporate objectives and targets directed by the Board and agreed upon SMBC cascade down the Trust's Business Plan, Action Plans and employees' personal objectives. This process is fully embedded into SLT planning and budgeting cycles and is an integral part of our operation and performance.

SLT has an established system for identifying, evaluating and managing the significant risks faced by the charitable company and a risk log is an integral part of the annual operational plan which is

agreed by the Board. The Board Members have been actively involved in identifying and managing the risks to which we are exposed.

In addition the board's current policy is to maintain uncommitted reserves of £500k to protect against downside cost risks identified in the risk register.

5.7 PROJECT ASSURANCE

• ONGOING QUALITY ASSURANCE, MONITORING AND REPORTING - MEETINGS IN PLACE AND FREQUENCY OF PROGRESS REPORTING.

SLT is the operational lead and is responsible for decision-making. SLT report on performance monthly at the officer level. Quarterly there are performance boards, which include financial reconciliation and escalation of issues. If the CWGLEF requires additional governance, this will be complied with.

The contract between SLT and Sandwell Council will be managed as outlined above as part of established monthly and quarterly contract monitoring meetings.

Progress will be reported against the SLT mobilisation plan.

The overall updated and agreed terms of reference for the Audit and Risks Assurance Committee is presented in **Annex I**.

• PLANNED OUT OF DIRECTORATE HEALTH CHECKS UNDERTAKEN BY THE WMCA PROGRAMME ASSURANCE AND APPRAISAL TEAM OR OTHER 2ND LINE OF DEFENCE ASSURANCE TEAMS - THE PLAN TO SEEK INDEPENDENT SUPPORT AND GUIDANCE OUTSIDE OF THE PROJECT TEAM

WMCA programme assurance team have agreed this BJC is to be assured using the following programme;

- Sandwell MBC's legal, finance and procurement
- WMCA, Legal and Procurement comments
- A formal review of this draft with all relevant stakeholders
- Review by the Programme Investment Board.
- Monthly monitoring meetings between Sandwell MBC and WMCA
- Budget review March 2024

• EXTERNAL AND INTERNAL AUDIT/GOVERNMENT REVIEWS - PLANNED AUDITS THAT MAY BE A REQUIREMENT OF THE FUNDER/S

N/A

• POST EVALUATION AND IMPLEMENTATION REVIEWS

Identifying and monitoring benefits and beneficiaries will be an ongoing process throughout the project period and post completion. SLT will use an XN platform to monitor a number of key indicators of the SAC, including beneficiaries to understand the level and type of use at SAC. Full detail is provided in section 5.10.

5.8 CONTINGENCY ARRANGEMENTS

Set out the contingency plans in the event of any delays or disruptions to anticipated services.

Though the agreed payment method is payment via Direct Debit to the energy supplier Npower, there remains a low risk that there will be the non-delivery of utilities to the SAC.

Budgets are closely monitored by SLT and updated through regular meetings with SMBC. Corrective action will be taken as necessary to keep within the agreed financial parameters.

A contingency has been added to the ask of this business case, to account for an increase in energy prices or greater-than-expected energy requirements. A full breakdown on the calculation of this contingency is presented in the financial case.

In the event there are energy cost increased beyond the ask of this business justification case SMBC would be accountable for the remaining energy costs.

5.9 LESSONS LEARNT**Detail how Lessons Learnt have been considered during the development of this proposal and plans for capturing Lessons Learnt during this project.**

The progress of the leisure service and SAC is reported on a regular basis to the Cabinet Member who has broad delegated authority. The utility risk associated with the leisure facilities has been briefed to Sandwell Council's executive and leadership team on a regular basis since autumn 2022. Seeking external support for the pressure relating to SAC – because of its regional / national role and significance – was identified as a key mitigating action. The broader approach to the utility pressure is scheduled to be reported to SMBC Cabinet 18 October 2023 and will be available at <https://sandwell.moderngov.co.uk>.

The progress of this project will be reported to the quarterly SMBC / SLT Leisure Contract Review Board. This will be both the risk escalation route for the project and also the forum to capture lessons learned. This group will report to SMBC Cabinet as appropriate.

The SAC is also reported to the Safer Neighbourhoods and Active Communities Scrutiny Panel.

5.10 MONITORING AND EVALUATION

SLT will use an XN platform to monitor a number of key indicators. The service will provide a range of monitoring tools that can inform the SLT on the progress of the leisure centre against KPIs, based on the existing Service Agreement between SLT and SMBC. This service has already been included within the operating budget and will commence when SAC open to the general public and will continue post-completion. Visit numbers for TLC will also be continually monitored.

Energy consumption (gas and electricity) for all sites including SAC will be routinely monitored and formally reported on a monthly basis to the SMBC / SLT Contract Management Meeting. This will compare utility consumption to industry standards to ensure that consumption is within the industry benchmarks for comparable facilities. Any anomalies will be investigated and escalated / mitigated as appropriate.

Table 25 presents the services provided by the XN membership, including the GM dashboard.

Table 25

Item	Project	Cost	Timeframe	ROI	Benefit
1	Course Hub – Swim Lesson Booking online	£1k p.a / site	10/07/23	Staff savings – automated processes	Customers can book LTS directly via website/portal
2	GM Dashboard	none	18/04/23	Reduction in reporting time	Automated dashboard and reports – including KPI's, participation, m/ship info
3	Staff Portal	£600 one-off	18/04/23	Improved customer journey	Ability for staff to emulate a customers Leisure Hub Account, to improve sign up experience in club and allow sales of site only membership as well as a tool for customer training and queue busting
4	Ticket Hub	2.5% per transaction	Available from go live of 2.27 LH. April 2023	Tbc	Facilitates casual swim bookings and children's activities more easily
5	Xn Pay Wallet	None	Available from go live of 2.27 LH. April 2023	Tbc	Allows customers to save card details allowing for a smoother check out and fewer dropped transactions
6	Reoccurring Card Payments / XN Pay	£495 Set up fee plus £0.12p per transaction	30/06/23	Reduced DD rejections	Reduces membership admin, automated recollection, reduces bank charges, allows payment via credit card

An example of the indicators available on the Dashboard available are presented below.

Figure 9: Dashboard Monitoring Example



Source: SMBC



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	Y
Project Schedule	Y
If Investment Programme, Project Delivery Plan on a Page (POAP)	
If CRSTS, DfT Additional Appendix	

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West Midlands Combined Authority

The Risk & Investment Appraisal has been completed to support better and more informed spending and investment decisions at the WMCA

RISK & INVESTMENT APPRAISAL BOARD REPORT

SANDWELL AQUATICS ENERGY

The purpose of this report is to:

- Provide a high-level summary of the outcome of the independent Assurance and Appraisal activity including any notable risks (project and strategic), commercial viability and Value for Money (VfM) of the investment and the opportunities it brings forward,
- Put forward approval conditions assigned at both Programme and Project level which will form the basis of agreements post the approval decision. These have been summarised in Appendix I which is available upon request,
- and act as an informative tool for decision-makers that accompanies the business case through to an approval decision.

BUSINESS JUSTIFICATION CASE, SANDWELL AQUATICS ENERGY

ASK OF £1,395,754 FROM COMMONWEALTH GAMES LEGACY ENHANCEMENT FUND (CWGLEF)

Appraisal Recommendation

This project is recommended to be approved for an investment of £1,395,754 to facilitate the procurement of a suitable energy supply contract for SAC and therefore safeguard leisure operations until March 2025.

The project is also seeking approval for the release of the £604k underspend from the original £2m allocation via an impending change control.

Key Risks

- **Governance Risk:** Strategic Case 1.4, Economic Case 3.4 & Management Case 5.6 - The risks within the risk register should be specific to the context of this BJC submission where possible. The risks within the risk register alongside those mentioned within the risk apportionment and risk & issue management sections should also be reviewed at more regular intervals to ensure risks are being proactively managed.
- **Economic Risk:** Strategic Case 1.6 External dependencies – Due to its nature the project is susceptible to a range of external dependencies, namely the actual level of energy consumption as well as current and future energy prices.
- **Governance Risk:** Management case 5.2 Project Schedule for Delivery – Indicative project milestones related to SAC energy procurement, monitoring and reporting could also be included where possible.
- **Governance Risk:** Management Case 5.10 – Monitoring and evaluation tasks should be linked to SAC Energy project.

Key Opportunities

- The Sandwell Aquatic Energy project proposes a financial intervention to facilitate the procurement of a suitable energy supply contract.
- Leisure operations at the newly opened SAC will be safeguarded which will support the legacy of inclusion and growth created by the 2022 Commonwealth Games.

Inclusive Growth Alignment

By safeguarding leisure operations at the newly opened SAC this project will contribute towards Inclusive Growth within the West Midlands by:

- Providing accessible jobs for those looking to get into the leisure industry.
- Providing apprenticeship roles with a dedicated training budget to local people.
- Creating opportunities to lower barriers to accessing health and care services.
- Improving access to green space and opportunities for physical activity.

#WM2041 Net Zero Contribution

Due to the specific nature of this project, there were no significant benefits in the business case that would directly contribute to #WM2041. This is accepted due to the nature of the project.

However, it is noted that Sandwell Leisure Trust have installed Combined Heat and Power units (CHP) at some leisure facilities to enable energy to be used more efficiently by converting excess heat into power to support the running of the facility. Using CHPs and other innovative technology, SLT and SMBC will seek to continue to benchmark within the leisure industry to develop new ways of working and adopt best practice, which may help to reduce costs in the future operation of SAC.

WMCA Appraisal RAG rating

Strategic Case	
Economic Case	

Commercial Case	
Financial Case	
Management Case	

Resolved	Resolved Risk : Project have responded to and/or mitigated the risks raised by updating the business case or the project response within this report has answered the query raised
High Risk	Project must resolve / update the business case ahead of delivery. Any unresolved, red-rated risks will be highlighted to the decision maker when the business case is submitted for approval. If ignored, successful delivery will not be possible.
Medium Risk	Project should resolve business case ahead of next submission or delivery. If ignored, they may impact chances of successful delivery.
Low Risk	Project could resolve the business case ahead of next submission or delivery. If responded to, they will improve chances of successful delivery.

WMCA Assurance - **note this score was derived from a review of the draft business case*

WMCA Assurance rated the overall maturity of this business case as 87% which is defined as:

Green 80 – 100% Successful delivery of the project / programme to time, cost and benefits realisation appears highly likely and there are no major outstanding issues that at this stage appear to threaten delivery.

There were no high rated observations for this project.

Risk & Investment Appraisal

Single Assurance Framework

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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