



Investment Board

Date: Monday 13 November 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 - 16 October 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
9.	Presentation :WM5G Update	Robert Franks	39 - 50
Business items for Consideration			
10.	Housing & Land Investment Programme Business Case	Rob Lamond/Rachel-Ann Atterbury	51 - 88
11.	Royal Sutton Coldfield Town Hall	John Godfrey/Martin Yardley	89 - 98
12.	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	Chair	None

	particular person (Including the authority holding that information)]		
Business Items for Consideration			
13.	Horgan Commercial Development Loan	Ed Bradburn/Nick Oakley	99 - 112
14.	Stone Yard Development Site	John Godfrey/Martin Yardley/Mark Nicholson	113 - 120
15.	Housing & Land Funds Programme Update	John Godfrey/Martin Yardley	121 - 132
Business Items for Noting			
16.	WMCA Commercial Investment Fund (CIF) - Dashboard	Nick Oakley	133 - 140
17.	WMCA Brownfield Land and Property Development Fund (BLPDF) - Dashboard	Nick Oakley	141 - 146
18.	WMCA Residential Investment Fund (RIF) - Dashboard	Nick Oakley	147 - 152
19.	Land and Property Investment Fund (LPIF)	For information only	153 - 156
Date of next meeting - 11 December 2023			

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Investment Board

Monday 16 October 2023 at 10.00 am

Minutes

Present

Councillor Adrian Andrew
Councillor Steve Clark
Councillor Matthew Dormer
Councillor Peter Hughes
Councillor Karen Grinsell
Gary Taylor

Walsall Metropolitan Borough Council
Dudley Metropolitan Borough Council
Non-Constituent Authorities
Sandwell Metropolitan Borough Council
Solihull Metropolitan Borough Council
Greater Birmingham & Solihull Local
Enterprise Partnership

In Attendance via MS Teams

Paul Brown
Councillor Ian Courts

Business Representative
Solihull Metropolitan Borough Council

Item Title No.

44. Apologies for Absence

Apologies for absence were received from Councillors Sleigh, Bird, O' Boyle and Simkins and Sue Summers.

Councillor Grinsell in the Chair

45. Notification of Substitutes

Councillor Bird had nominated Councillor Andrew to attend the meeting on his behalf.

Councillor Sleigh had nominated Councillor Courts to attend the meeting on his behalf.

46. Minutes - 24 July 2023

The minutes of the meeting held on 24 July 2023 were agreed as a true record.

47. 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 totals £835.7m as of 30 September 2023.

It was noted that two applications from the Commercial Investment Fund were approved since the last quorate meeting of the Investment Board on 24 July due to the need for commercial expediency. These were: Westbeech Developments (Westminster Industrial Estate) and Chancerygate (GKN Site, Erdington).

Resolved that:

1. 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 in 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 and
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 of the report) be noted.

48. WMCA Commercial Investment Fund (CIF) - Dashboard

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

Resolved: That the report be noted.

49. 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 October 2023.

Resolved: That the report be noted.

50. WMCA Residential Investment Fund (RIF) - Dashboard

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

Resolved: That the report be noted.

51. Global West Midlands - Full Business Case

The board considered a report of the Executive Director of Strategy, Integration and Net Zero, that sought approval of funding for the full business case for Global West Midlands.

The full business case outlined how West Midlands Growth Company would work in partnership with the WMCA, local authorities and other partners to build on the pipeline of leads from the Birmingham Commonwealth Games Business and Tourism Programme, run a full programme of international

promotion in key markets identified in the West Midlands International Strategy and deliver the Global West Midlands Programme.

The Chief Executive of West Midlands Growth Company, Neil Rami, highlighted key aspects from the report.

In relation to the monitoring and reporting of the Global West Midlands programme to Investment Board, the Chair asked that a six- monthly update be provided.

Resolved that:

1. The release of £12.2m of West Midlands Combined Authority funding to West Midlands Growth Company (WMGC) over the next two years to 31 March 2025 be approved. This is comprised of:

- a. £9.9m from the Commonwealth Games Legacy Enhancement Fund allocation, from the total £14.1m agreed by the 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 for 2024/25 with the same amount previously released for 2023/24 by the WMCA Board on 16 December 2022.
- c. £0.7m of WMCA core funding for 2024/25, with the same amount previously released for 2023/24 by the WMCA Board on 16 December 2022.

2. The appended Full Business Case and the total budget of £22.5m which includes all funding requesting in this report and approved at previous boards be noted and allocated as follows:

£21.8m for the West Midlands Growth Company with the WMCA providing £18m and the remaining £3.8m from commercial and other funding leveraged by the WMGC;

3.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 be noted:

- £14.1m from the Commonwealth Games Legacy Enhancement Fund, of which £0.7m has been granted to local authorities from the 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.The balance of WMGC budget is comprised of £3.8m of commercial and other funding leveraged by the WMGC be noted;

- 5.The WMGC's Business Plan 2023-2025 that was approved by the Economic Growth Board on 12 July 2023 be noted and
- 6.Agreed that Investment Board receive a six-monthly update report on the Global West Midlands Programme.

52. Commonwealth Games Legacy Enhancement Fund -Sandwell MBC Aquatic Energy Costs - Business Justification Case

The board considered a report of the Interim Director of Employment, Skills and Communities that sought approval of the Business Justification Case for the Sandwell Aquatic Centre Energy Costs from the Commonwealth Games Legacy Enhancement Fund. It was noted that it was agreed by the WMCA Board that all business justification cases funded from the Commonwealth Games Legacy Enhancement Fund would be submitted to Investment Board for approval.

The Assistant Director Borough Economy (Sandwell), Ben Percival, outlined the report and advised the board of the need for financial support from the WMCA due to the unprecedented rise in energy costs which posed significant challenges to the planned successful operation of the centre which was of regional importance.

He added that financial support was only being requested for the actual cost pressures and any underspends would result in undrawn funds that would be directed towards the regional Plan for Growth or Community Grants programme as set out in the WMCA Board report of 17 March 2023.

Councillor Courts reported that the WMCA Board strongly supports the facility but noted that the target objectives in the business case do not refer to the centre being a regional facility.

The Head of Health & Communities, Mubasshir Ajaz, reported that the facility was for the betterment of the region and agreed for the need to publicise it across the West Midlands.

The Assistant Director Borough Economy (Sandwell), Ben Percival, reported that from the 46 schools using the facility, 11 schools were non-Sandwell and advised that regional swimming events have been booked. Also, it was hoped the national diving competition and other major swimming events could be hosted at the venue. In relation to the business case not referencing the facility as a regional one, it was noted that this was not included as it would impact the modelling; if the funding was not available, other centres would need to close rather than the Aquatic Centre.

In relation to an enquiry from Councillor Dormer regarding the 46 schools using the facility and where these came from, Ben Percival undertook to look into the matter.

Councillor Andrew considered it was vitally important that regional events could be hosted at the Aquatic Centre and enquired whether the facility had adversely impacted other swimming facilities. The Assistant Director Borough Economy (Sandwell), reported that the detrimental impact was not being tracked but facilities had been closed at Langley and Smethwick

when the Aquatic Centre opened. The modelling with Sports England indicated the facility fulfils existing demand not over demand.

The Chair asked that changes in the demand and usage of the Aquatic Centre be tracked.

Resolved that:

1. The Sandwell Aquatic Centre Energy Cost uplift Business Justification Case for a maximum grant of £1,395,754 funded by the Commonwealth Games Legacy Enhancement Fund 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 be approved;
2. The release of £604,246 on the back of the previous March 2023 WMCA Board Commonwealth Games Legacy Enhancement Fund (CWGLEF) allocation be approved (such changes are in line with the WMCA's change control process, enabled by the Single Assurance Framework and signed off by the relevant boards of the WMCA and the change control process confirms that any underspends that emerge from the CWGLEF, are directed first towards the regional Plan for Growth or Community Grants programmes) be approved;
3. Subject to the approval of this investment, the WMCA pays a grant, quarterly in arrears, to Sandwell MBC from October 2023 based on monthly monitoring reports on actual spend and any additional underspends identified by 30 April 2024 be directed in line with the WMCA's change control process first towards the regional Plan for Growth or Community Grants programme be noted and
4. Sandwell MBC funds £515,323 of the energy costs and any overspend above the forecast of £1,911,077 be noted.

53. 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).

54. Birmingham Hippodrome - Southside Building

The board considered a report of West Midlands Development Capital (WMDC) that sought approval for loan funding from the Commercial Investment Fund for the sum specified in the report, to the 'Company', to assist with the purchase of the Southside Building enabling the refurbishment of the space at the 'Property'.

The loan would enable the 'Company' to undertake refurbishment works to elements of the 'Property' which have yet to be refurbished with the main aim being to provide further space to arts and culture businesses/individuals on flexible and minimal cost rents/terms.

The key terms were highlighted in section of 3 of the report and the loan would be fully secured by way of first charge over the property.

The Director of Commercial and Investment, Ian Martin, reported that he was supportive of the loan which was not a long-term debt and was less than £100 per square foot. He noted that the report confirmed that WMDC had spoken with the Borrower, and it was understood that the loan was facilitating purchase and development readiness with no expectation of the loan continuing after this initial term.

Resolved that:

1. The powers and ability of the WMCA to make the proposed loan be noted;
2. The loan investment from the Commercial Investment Fund for the amount specified in the report, to the 'Company' for a term of 5 years on the terms and conditions set out in the report be approved;
3. Authority be delegated to the Director of Commercial and Investment in consultation with the Section 151 Officer and Monitoring Officer to negotiate any other terms and conditions of the loan that are not set out in the report be agreed and
4. Authority be delegated to the Director of Commercial and Investment to exercise the rights granted to the WMCA under the terms of the loan to authorise the 'Company' on such terms as shall be considered appropriate to either (i) transfer any part of the development site, and/or (ii) grant any lease, easement, wayleave or other instrument in each case to either (a) any utility company and/or (b) any local authority in the exercise of its planning highway functions and (c) any third party in the discharge of any planning obligation be agreed.

55. Update on Shard End

Further to the report considered by Investment Board on 17 April 2023, the board received an update report from West Midlands Development Capital (WMDC) on the current position regarding £4.386m land remediation grant allocation (alongside matching request from HCA's Birmingham City Deal Programme) in respect of a contaminated site (former sewage works) with additional exceptional remediation and infrastructure costs to ultimately deliver 298 homes at the location at Shard End.

At the meeting on 17 April 2023, Investment Board agreed for the grant to be further extended and ring-fenced to Birmingham City Council until 31 August 2023, subject to 5 pre-conditions being met.

The board noted that the grant agreement had lapsed and whilst Birmingham City Council had made progress with the developer for a planned start on site before Christmas, there was no written confirmation from the Environment Agency on the proposed further revised remediation strategy and the resultant tax liability; the scheme would be undertaken at Birmingham's risk.

Gerald Ganaway (WMDC) reported that the Brownfield Land & Property Development Fund was oversubscribed, and the funding allocated to Birmingham for this scheme could be reallocated to other commercial schemes that require grant funding and are in a position to be delivered.

The Director of Commercial and Investment, Ian Martin, advised the board that there was no other WMCA funding Birmingham CC could apply for as the project did not meet the required intervention rate for housing under existing funds.

The board considered that it was unlikely Birmingham would receive a full review of the site from the Environment Agency within the next 4 weeks and Birmingham should therefore submit a new application (if they wished) for funding, given the grant agreement (approved October 2017) had lapsed.

Resolved that:

Birmingham City Council be advised that the grant funding agreement for Yardley Brook, Shard End has expired, and BCC be invited to submit a new (full) application for funding be agreed.

56. WMCA Commercial Investment Fund (CIF) - Dashboard

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

Nick Oakley, West Midlands Development Capital (WMDC) provided an update on 'live' schemes and informed the board that the Barberry, Rugby scheme had fallen away.

Resolved: That the report be noted.

57. 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 October 2023.

Nick Oakley, (WMDC) reported that the Mira Technology scheme would draw later this month.

Resolved: That the report be noted.

58. WMCA Residential Investment Fund (RIF) - Dashboard

The board considered a report detailing the Residential Fund dashboard (private iteration) as at 1 October 2023.

Nick Oakley, (WMDC) reported that Urban Splash – Port Loop scheme would draw later this month.

In relation to an enquiry from the Gary Taylor (Greater Birmingham & Solihull LEP) as to when the board could expect to receive a disposal strategy for housing, the Executive Director of Finance & Business Hub, Linda Horne,

reported that a full update on the three housing and land funds would be submitted to the next meeting.

Resolved: That the report be noted

59. Land and Property Investment Fund (LPIF)

The board considered a report detailing the Land and Property Investment Fund as at 4 October 2023.

Resolved: That the report be noted.

The meeting ended at 11.09 am.



WMCA Investment Board

Date	13 th November 2023
Report title	Investment Programme Update
Portfolio Lead	Councillor Bob Sleight - Finance & Investments
Accountable Chief Executive	Laura Shoaf Email: Laura.Shoaf@wmca.org.uk Tel 0121 214 7444
Accountable Employee	Ian Martin, Director of Commercial & Investment 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 that there have been no new approvals of business case submissions under delegated authority by WMCA Officers since the previous sitting of WMCA Investment Board (**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 31st October 2023 (no overall change from the last reporting to WMCA Investment Board of £853.7 million as at 30th September 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 as at 30th September 2023 totals £549.7 million. An analysis of funding drawn is provided at **Appendix 1**.

- 3.5 Since the previous full sitting of WMCA Investment Board on 16th October 2023, there have been no business case submissions approved under delegated powers in respect of grant funding.
- 3.6 **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 In March 2023, an update was provided to WMCA Board to provide an early warning of capital cost pressures emerging on projects within the rail and metro programmes, which are part-funded from the WMCA Investment Programme.
- 5.5 This was followed by a further update in June 2023 that provided additional information and indicative estimates of potential revised costs for completion for affected projects. Mitigation measures were considered, including the opportunity provided by DfT to agree a revised programme baseline for the CRSTS programme ('the CRSTS rebase').
- 5.6 Therefore, changes to the gross outturn presented in Table 1, **Appendix 1** are considered likely whilst further work is ongoing to review cost estimates and approve revised project budgets where necessary.
- 5.7 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; queries raised with project sponsor are currently outstanding.

- 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.

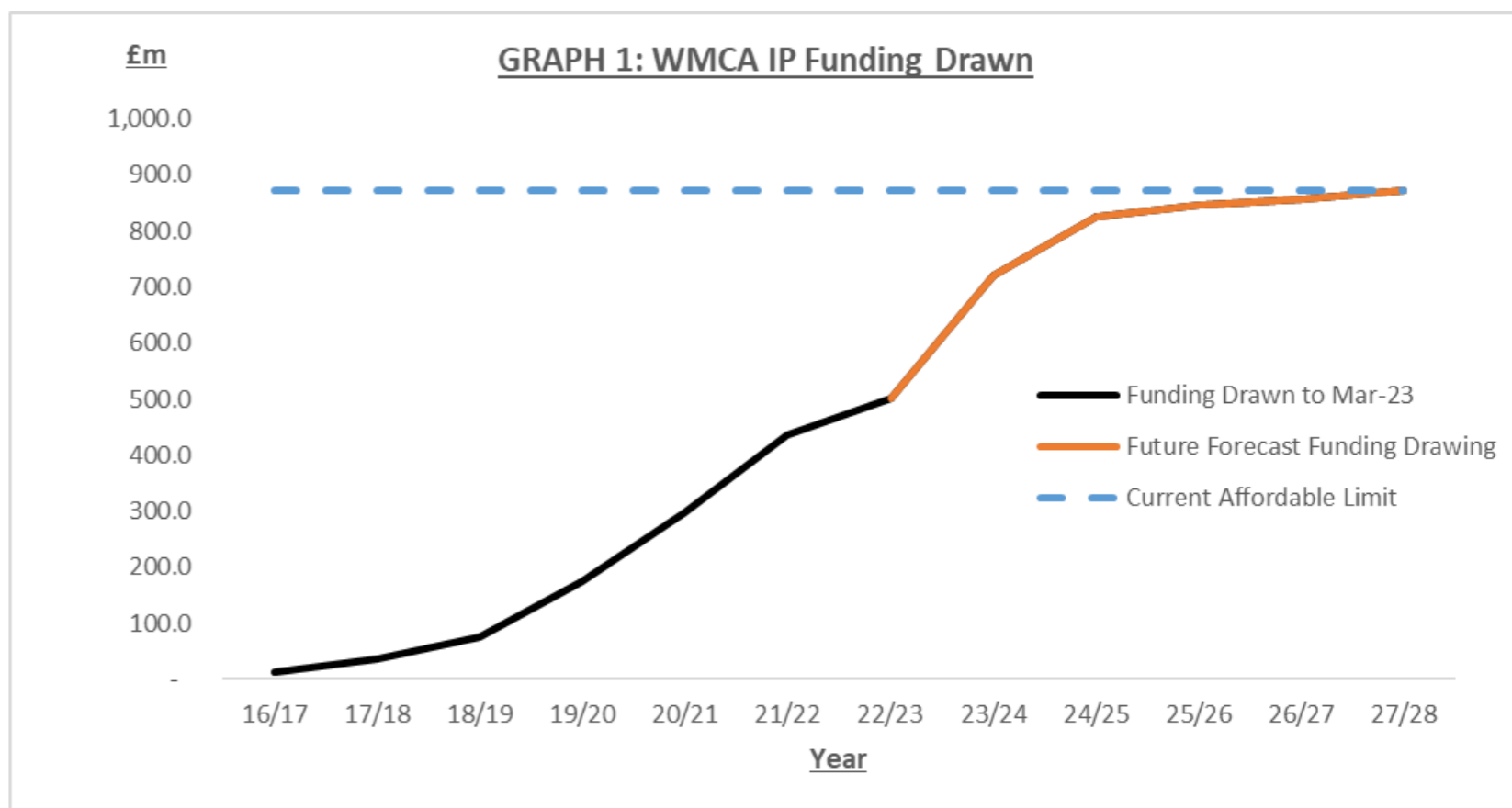
Appendix 2: WMCA Investment Programme Dashboard Report (as at 30th September 2023)

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

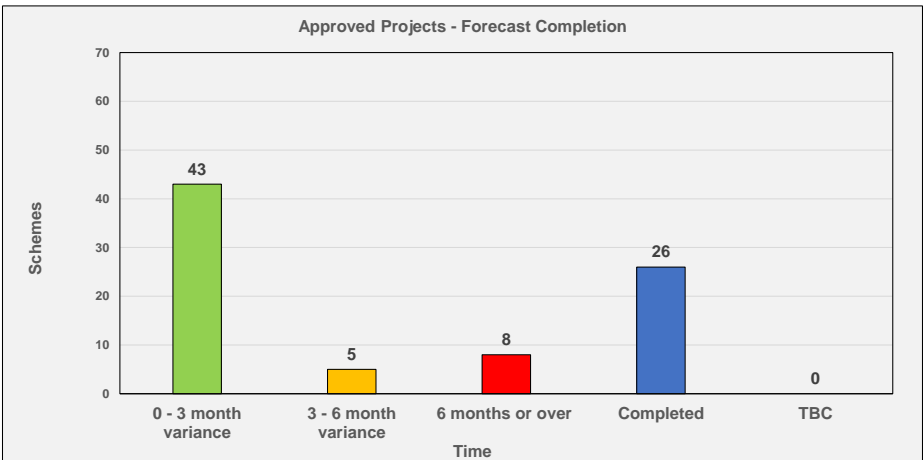
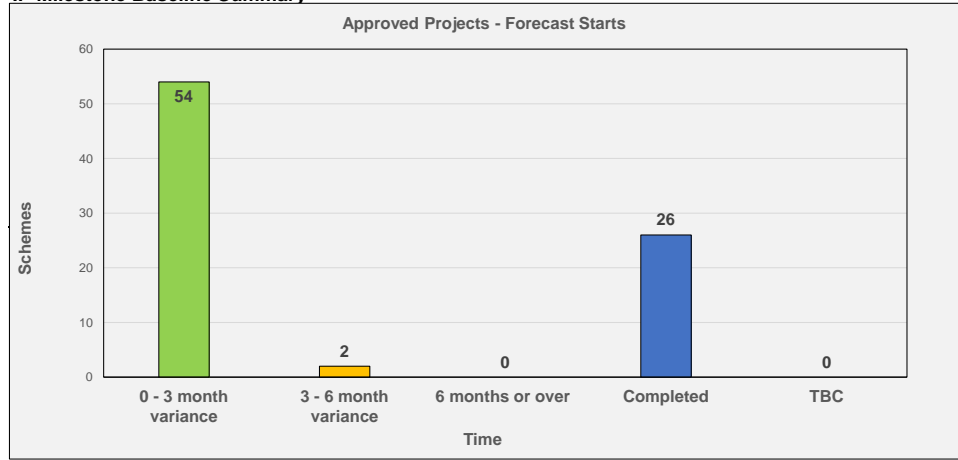
TABLE 1 (£'000)	Cost To Completion				Funding Summary														
	Programme	Prior Period	23/24 Outturn	Future Year Forecast	Total Forecast Outturn	WMCA IP	WMCA (Debt)	DfT	Enterprise Zone	Private Sector	LGF	DLUHC	Highways England	Network Rail	CIF	LA	Other	To Be Confirmed	Funding Total
Coventry UKC Plus	274,802	8,643	430,657	714,103	287,951	-	156,650	-	70,975	40,548	35,130	65,000	-	-	13,370	44,478	-	-	714,103
Sprint Programme	96,982	1,537	193,837	292,356	216,947	-	35,000	-	18,235	4,700	3,100	-	-	-	1,651	12,723	-	-	292,356
Rail Programme	73,367	56,755	104,242	234,364	113,907	-	59,413	-	-	1,600	14,200	-	15,668	-	11,789	35	17,753	-	234,364
Metro Programme	603,798	164,555	1,130,985	1,899,338	227,029	115,769	512,090	219,434	3,671	47,640	60,000	-	-	-	124,472	11,898	577,334	-	1,899,338
UK Central Infrastructure Package	220,076	19,320	1,126,238	1,365,634	288,000	-	46,595	-	757,623	-	-	-	-	-	39,474	233,943	-	-	1,365,634
UK Central HS2 Interchange	43,346	2,189	582,208	627,742	398,000	-	-	-	95,166	460	-	-	-	-	2,830	636	130,650	-	627,742
Subtotal - HS2 Growth Strategy	1,312,371	252,998	3,568,168	5,133,537	1,531,834	115,769	809,748	219,434	945,670	94,949	112,430	65,000	15,668	-	193,586	303,712	725,737	-	5,133,537
Coventry City Centre South Regeneration	87,587	19,583	263,445	370,615	149,955	-	-	-	-	-	-	-	-	-	220,660	-	-	-	370,615
Innovation Programme	43,265	2,044	151,630	196,939	49,999	-	-	-	-	4,849	-	-	-	-	1,693	27,088	113,310	-	196,939
Land Reclamation and Remediation	67,381	25,227	107,392	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	3,480	114,747	139,500	5,000	-	50,000	-	78,400	-	-	-	-	-	6,100	-	-	-	139,500
Regional Recovery & Risks	13,393	7,847	28,667	49,906	37,050	-	-	-	34	-	-	-	-	-	-	12,822	-	-	49,906
Collective Investment Fund	123,482	36,335	840,183	1,000,000	-	-	-	-	-	-	-	-	-	1,000,000	-	-	-	-	1,000,000
Subtotal - Other IP Schemes	458,573	95,932	1,524,751	2,079,256	489,603	-	50,000	-	78,434	24,849	-	-	-	1,000,000	238,453	84,607	113,310	-	2,079,256
Grand Total	1,770,945	348,930	5,092,919	7,212,793	2,021,437	115,769	859,748	219,434	1,024,104	119,798	112,430	65,000	15,668	1,000,000	432,039	388,319	839,047	-	7,212,793

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	94,344
Sprint Programme	217,400	47,034	43,080
Rail Programme	113,915	63,026	25,371
Metro Programme	227,030	227,030	115,722
UK Central Infrastructure Package	288,000	35,128	28,434
UK Central HS2 Interchange	398,000	57,539	42,552
Subtotal - HS2 Growth Strategy	1,532,395	524,562	349,503
Coventry City Centre South Regeneration	149,954	149,954	67,386
Innovation Programme	50,000	16,131	14,997
Land Reclamation and Remediation	200,000	103,040	73,672
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	2,094
Coventry Electric Bus City	5,000	5,000	604
Regional Recovery & Risks	37,050	26,150	15,132
Subtotal - Other IP Schemes	489,604	329,187	200,198
Grand Total	2,022,000	853,749	549,701



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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	9.67	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 currently ongoing.
HS2 Parallel Designs - Hub Movement and Connectivity	SOC	SLT	26/08/2020	OBC TBC	1.99	0.68	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 currently ongoing.
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 currently ongoing.
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 closure process currently 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	1.48	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	0.54	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	2.32	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	0.50	06/10/2017	06/10/2017	30/09/2023	31/03/2024	As per correspondence from project Sponsor: There has been a delay to timescales due to the consultation process being paused after the election period. The Business Case is being finalised and will be submitted 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
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 additional funding from the WMCA 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: A Full review will be undertaken and an update to be provided in advance of 31/03/24.
Accelerating Housing Delivery - Simon Digby	OBC	Investment Board	06/10/2017	FBC	1.13	1.07	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	0.71	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 has been experienced, allowing considerations with other workstreams. Business Case submission and / or update of way forward to be provided in advance of 31/03/24.
Solihull Station Integrated Transport Hub	SOC	Investment Board	20/08/2018	OBC	2.07	1.52	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.

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
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	0.01	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	0.76	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	0.51	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	0.09	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	1.72	15/06/2020	15/06/2020	31/07/2023	31/11/2023	Following correspondence with the Project Sponsor a Change Request will be submitted reflecting current delivery.
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	20.83	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	46.56	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 yet to be 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.

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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 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	0.60	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	0.47	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	19.43	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	0.10	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	21.60	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	4.62	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 process ongoing.
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	20.71	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	13.38	04/11/2019	04/11/2019	31/12/2023	TBC	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 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
Rail Programme											
Rail - Sutton Coldfield Gateway	SOC	SLT	27/10/2017	OBC	0.87	0.33	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	1.34	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	17.26	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	6.37	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	34.00	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	39.67	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	3.97	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	2.09	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	2.43	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	1.31	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	0.60	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				

N.B.
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: 1. Business Case / Change Request 2. Governance Board Approval 3. Funding Agreement / Deed of Variation

WMCA Commercial Investment Fund (CIF) - Dashboard

01 November 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	£4,053,526	£4,053,526
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	£3,550,000	£3,550,000
Holbrook Lane LLP - Phase 2	Commercial Property	295	6.74	0	149,458	£650,000	Coventry CC	£15,000,000	£12,712,864
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	£7,100,000
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
The Southside Building - Hippodrome	Commercial Property	20	0	0	4,162	-	Birmingham CC	£5,000,000	-

Live outputs	Transaction	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Loan Amount	Drawn Amount
	18	3,088	75	0	1,539,335	£6,276,680	£111,163,526	£55,033,633

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
	38	6,518	148	513	2,825,273	£11,372,673	£199,458,526

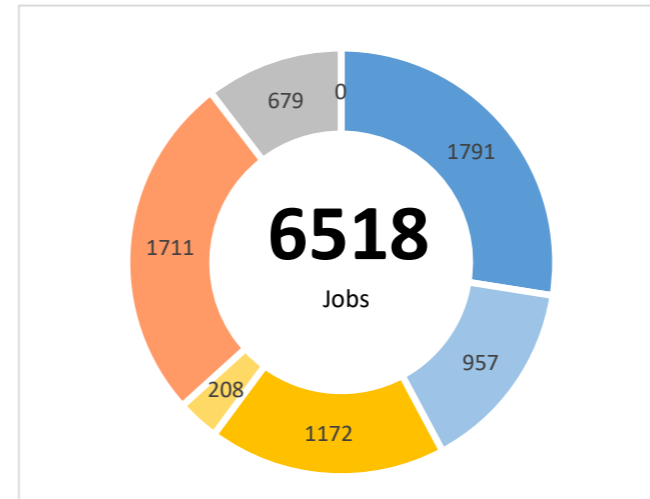
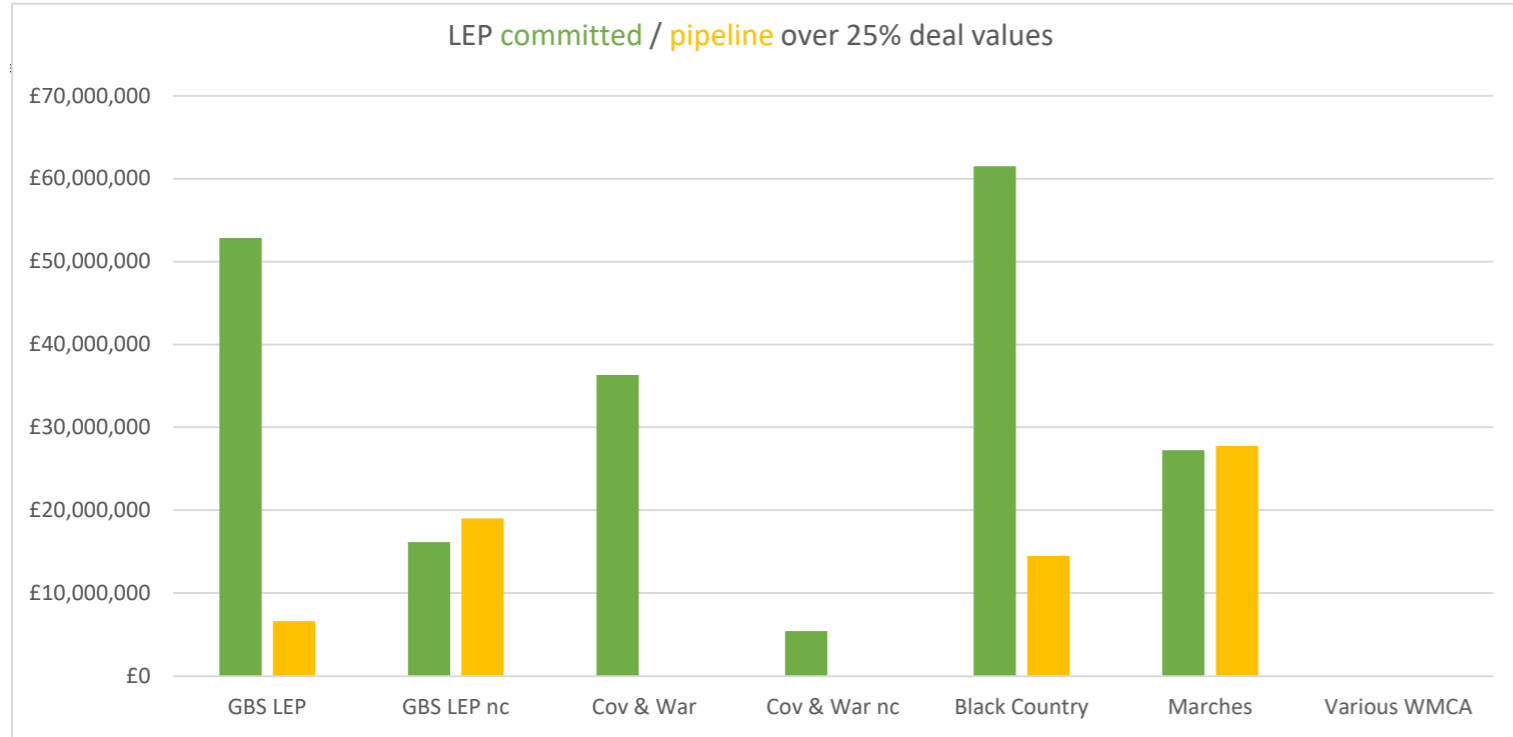
WMCA CIF - Investments Repaid

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



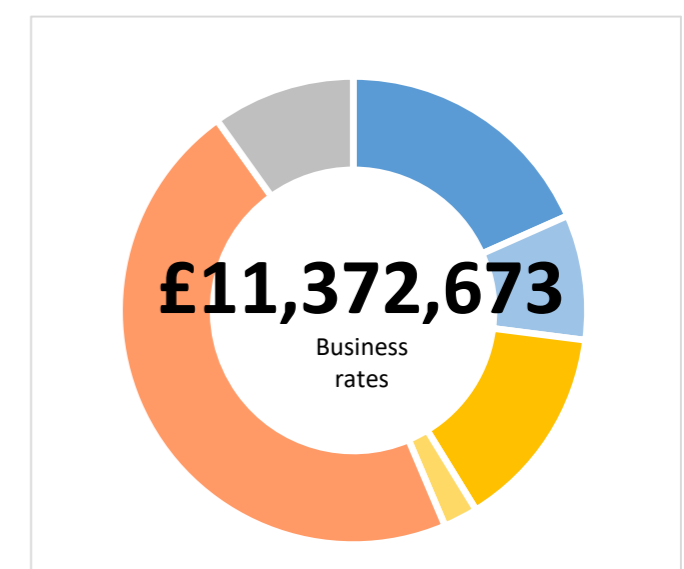
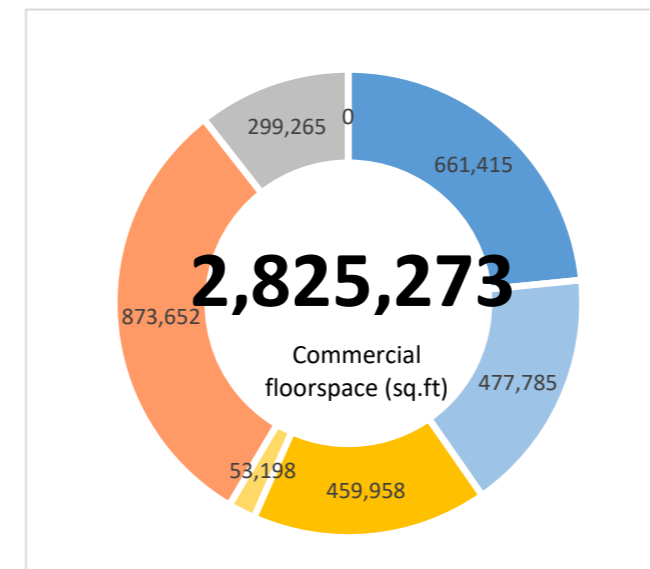
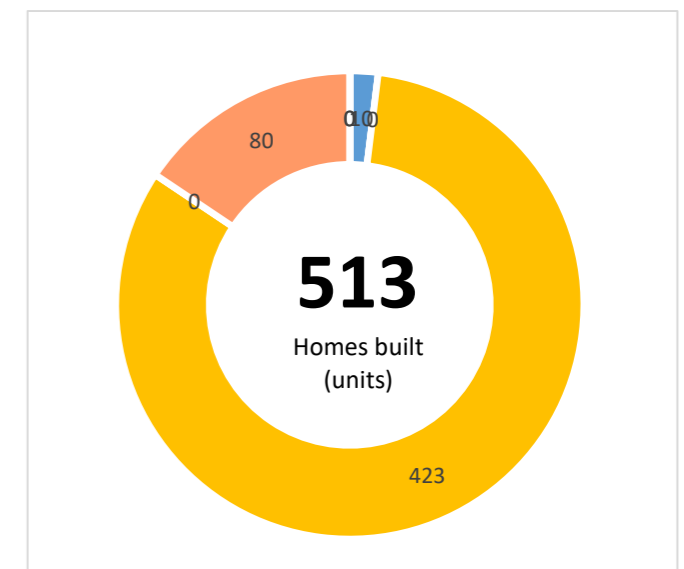
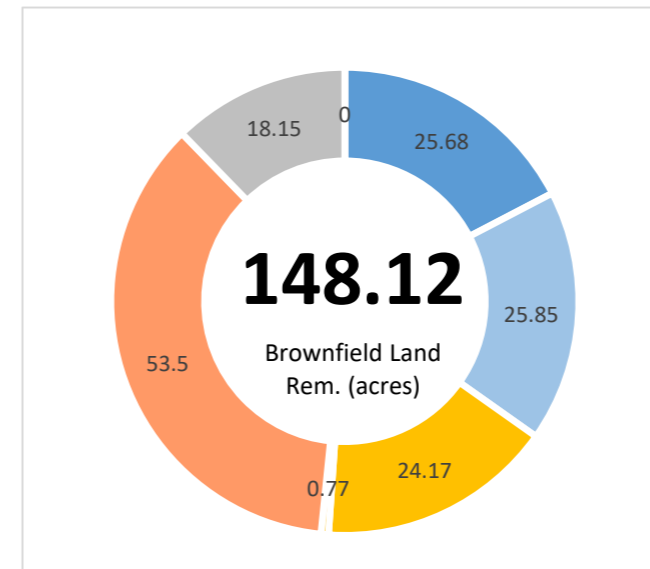
Committed / Completed

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	
£52,665,000	£0	£0	£0
£6,650,000	£0	£0	£0
Cannock		Redditch	Tamworth
£16,150,000	£0	£0	£0
£19,000,000	£0	£0	£0
Coventry			
£36,323,526			
£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	£12,000,000	£2,500,000
Telford	Shropshire	Various WMCA	
£13,215,000	£14,020,000	£0	
£25,250,000	£2,500,000	£0	



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

01 November 2023

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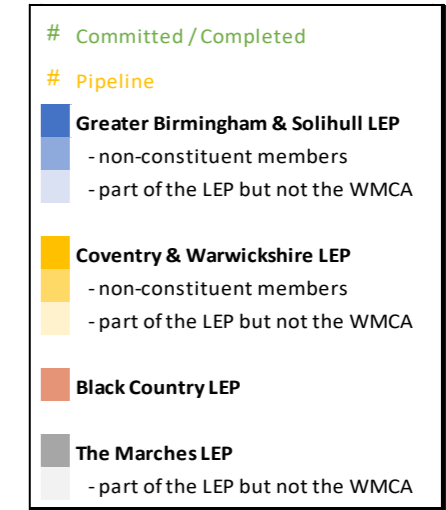
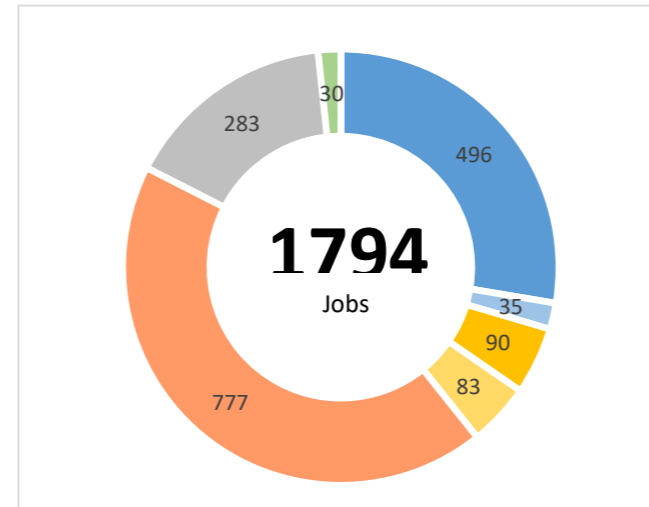
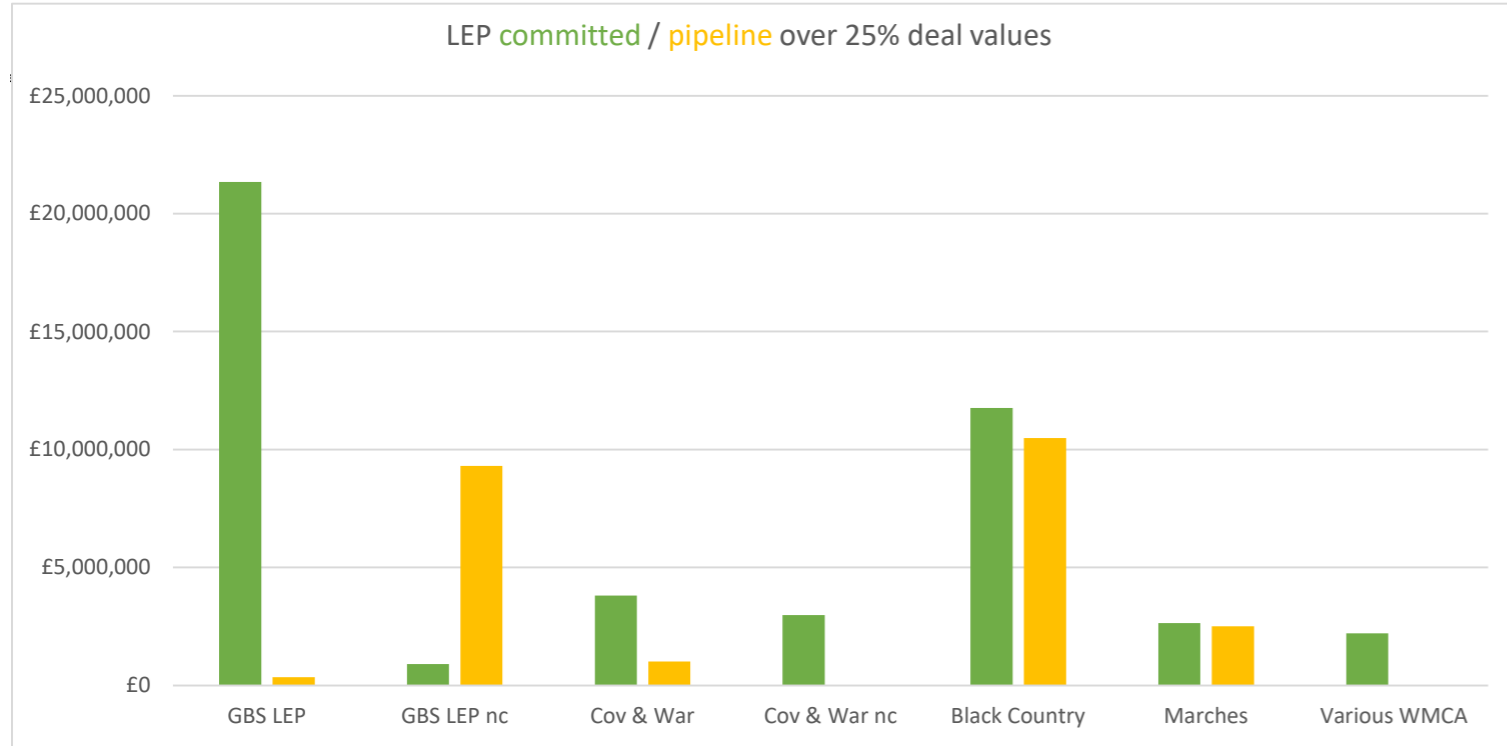
WMCA BLPDF - Investments committed and completed funds

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

Total

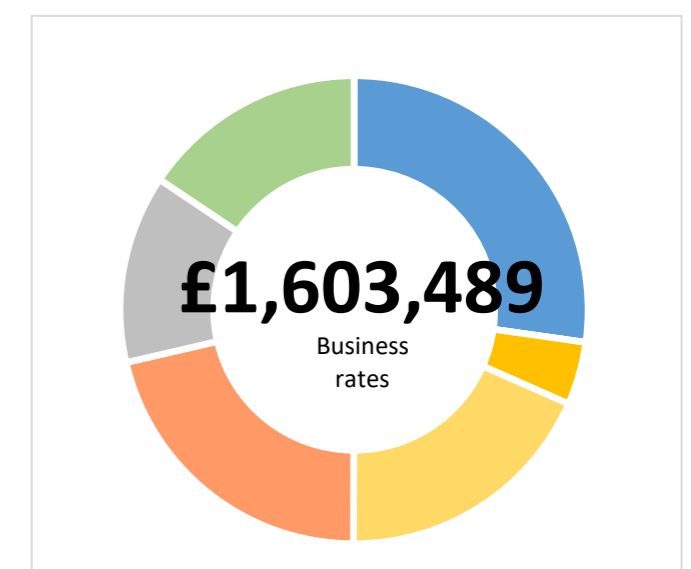
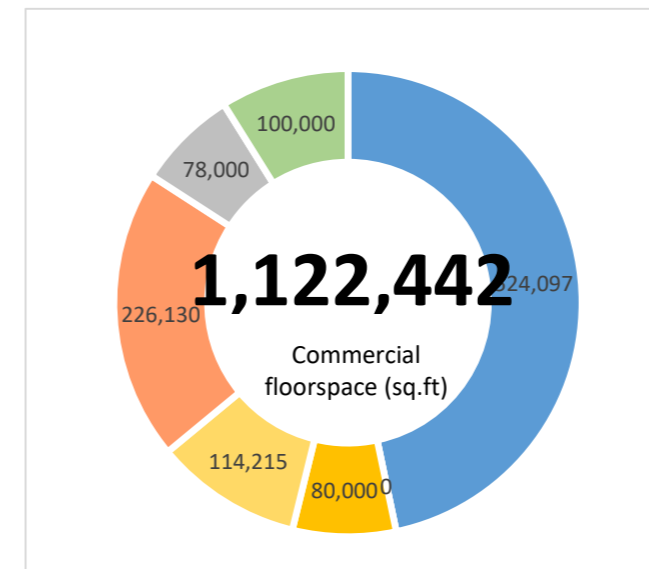
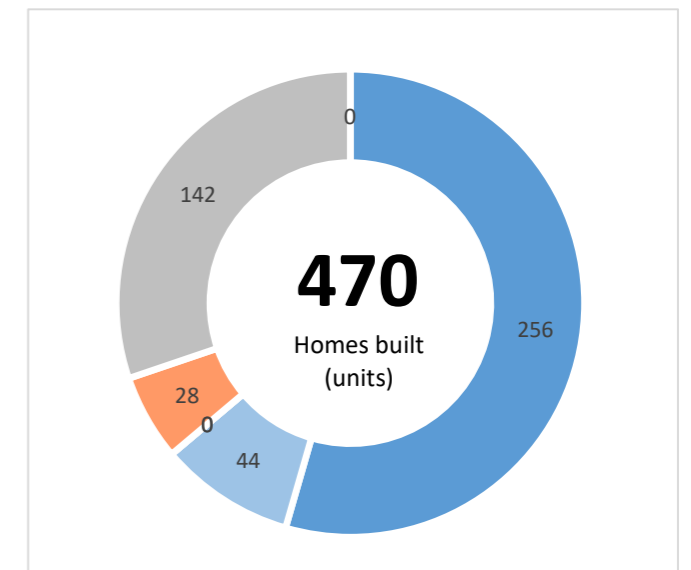
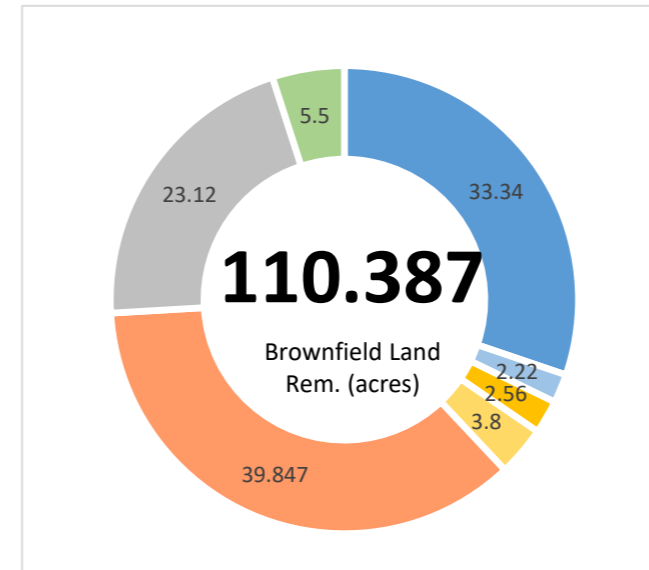
Transaction	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Grant Amount	Drawn amount
19	1,794	110	470	1,122,442	£1,603,489	£45,614,000	£39,441,871

WMCA BLPDF - Dashboard



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

Birmingham	Solihull			
£21,343,420	£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	£6,480,000	£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 November 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
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	£13,350,000	£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
	8	101	17	894	16,617	£0	£47,621,429	£12,958,989
Repaid	Transaction	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Loan Amount	Drawn Amount
	3	87	4	348	0	£0	£15,340,000	
Total	Transaction	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Loan Amount	Drawn Amount
	11	188	21	1,242	16,617	£0	£62,961,429	

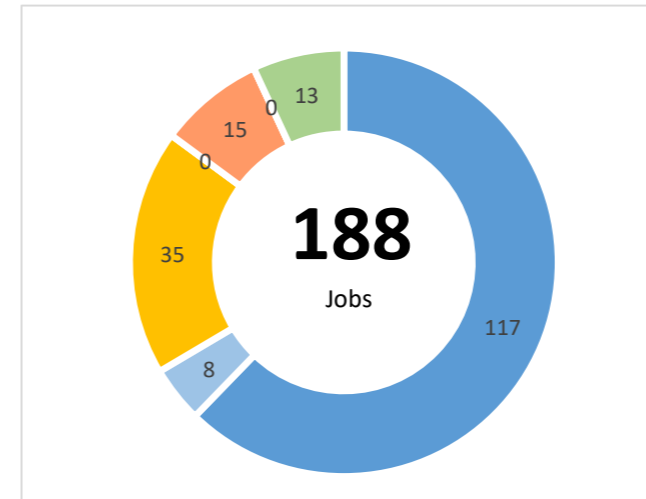
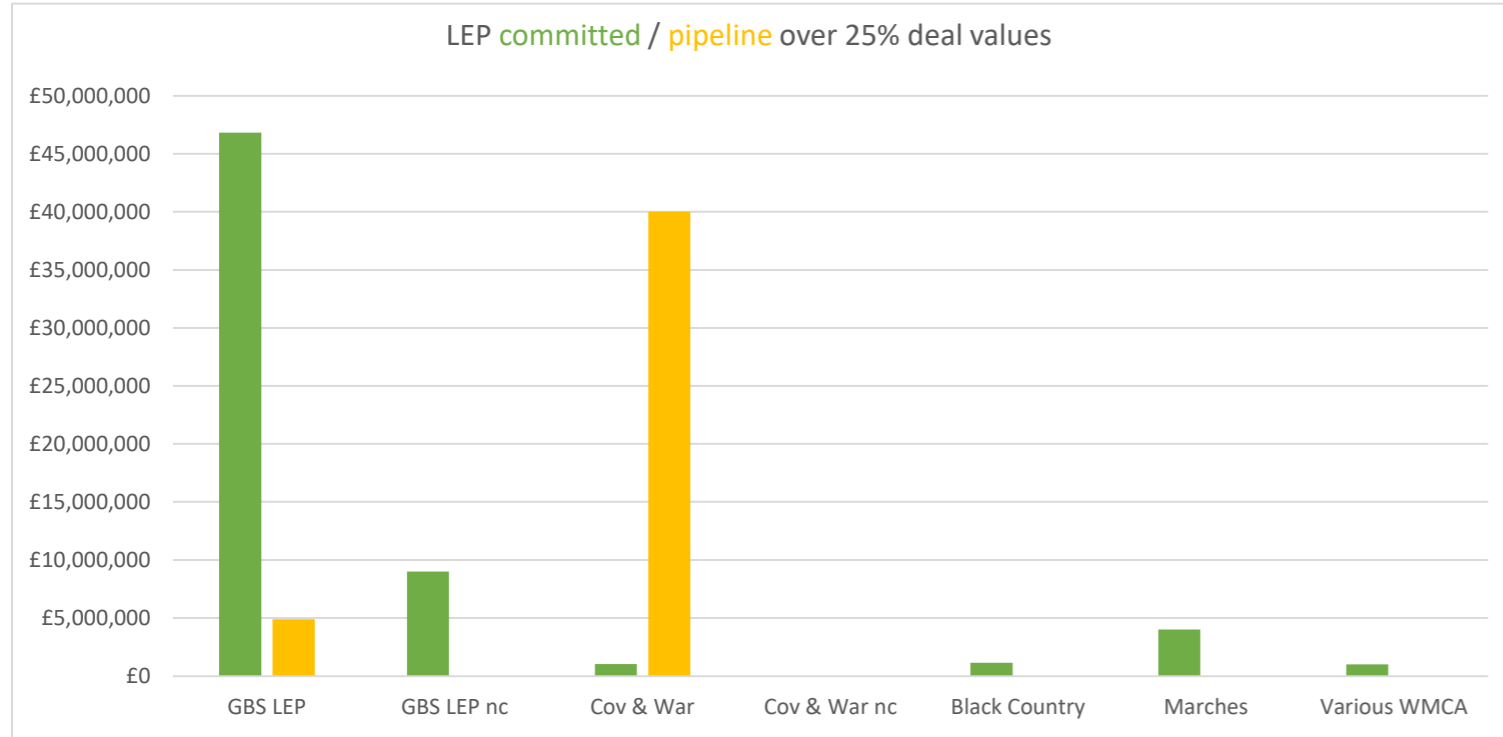
WMCA RIF - Investments Repaid

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
Urban Splash Homes - Port Loop	Residential Property	0	3	308	0	£0	Birmingham CC	£10,000,000

Repaid

Transaction	Jobs Created	Brownfield Land - Acres	Homes Created	Com. Space sq ft	Business Rates pa	Loan Amount
3	87	4	348	0	£0	£15,340,000

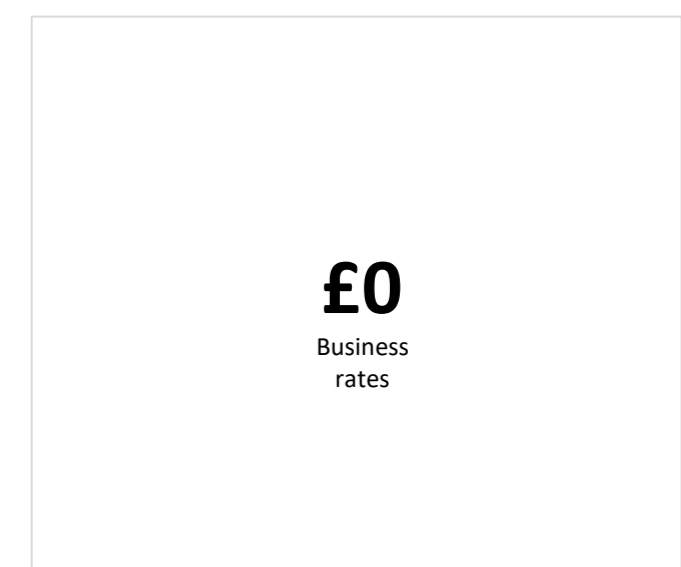
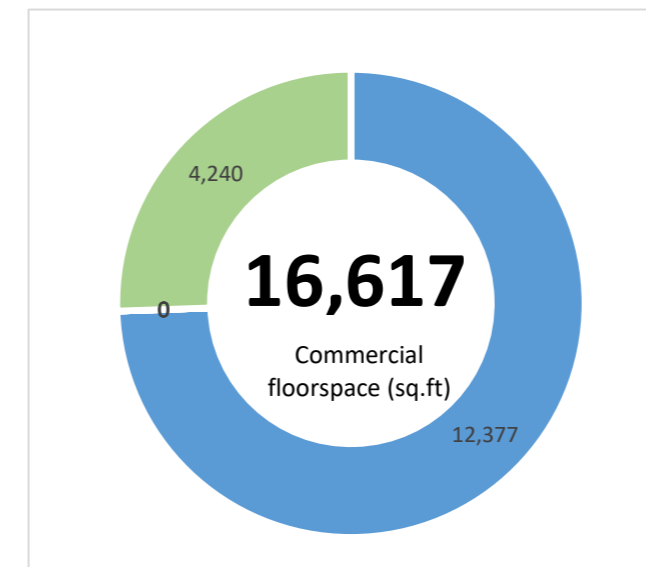
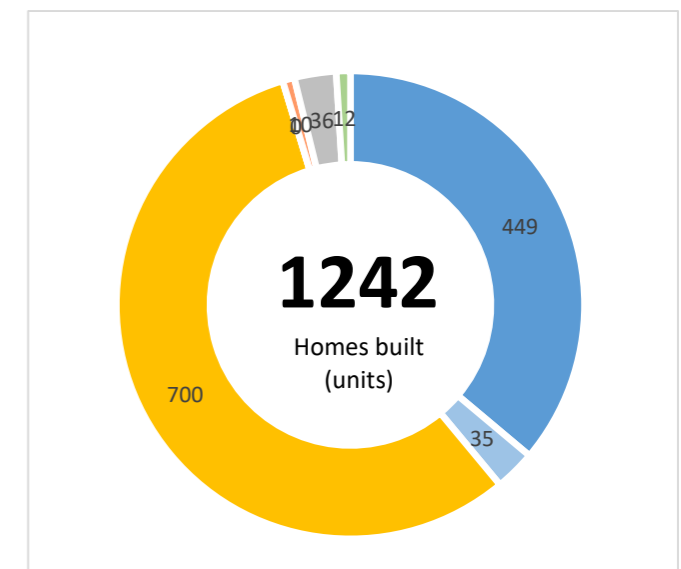
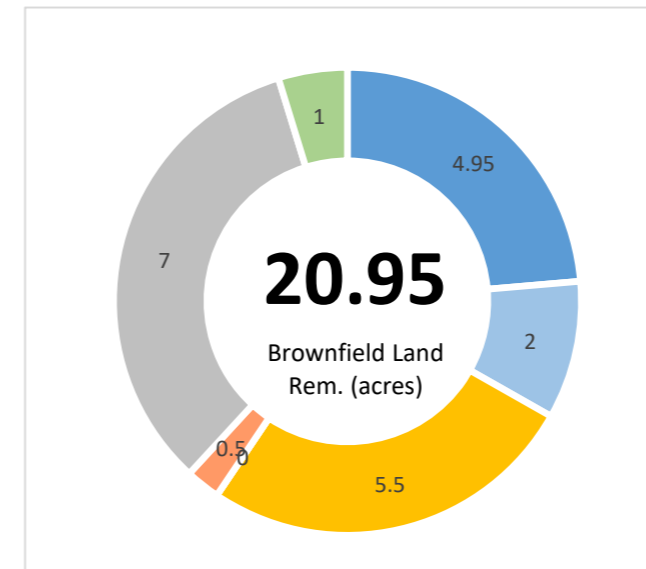
WMCA RIF - Dashboard



- # 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			
£46,200,000	£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		



WM5G

Investment Board update

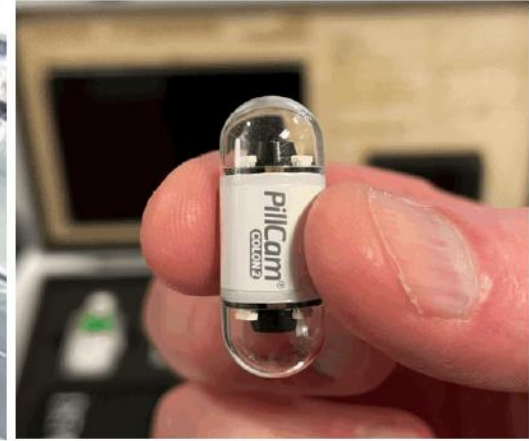
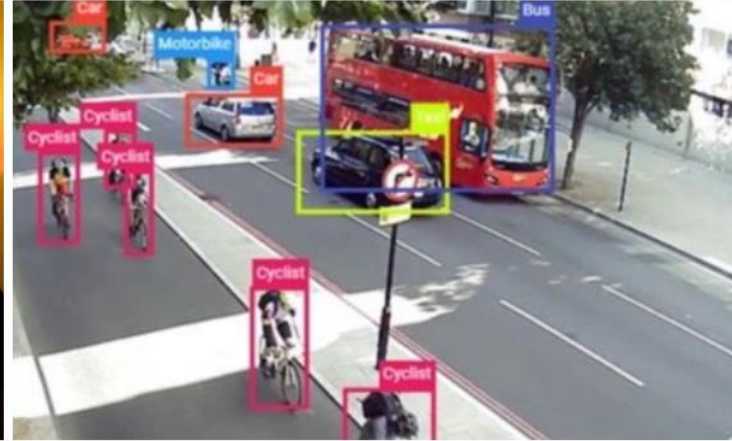
*Leading the 4th industrial revolution
to build a healthier, cleaner, fairer
and more prosperous West Midlands*

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13th November 2023



Agenda Item 9

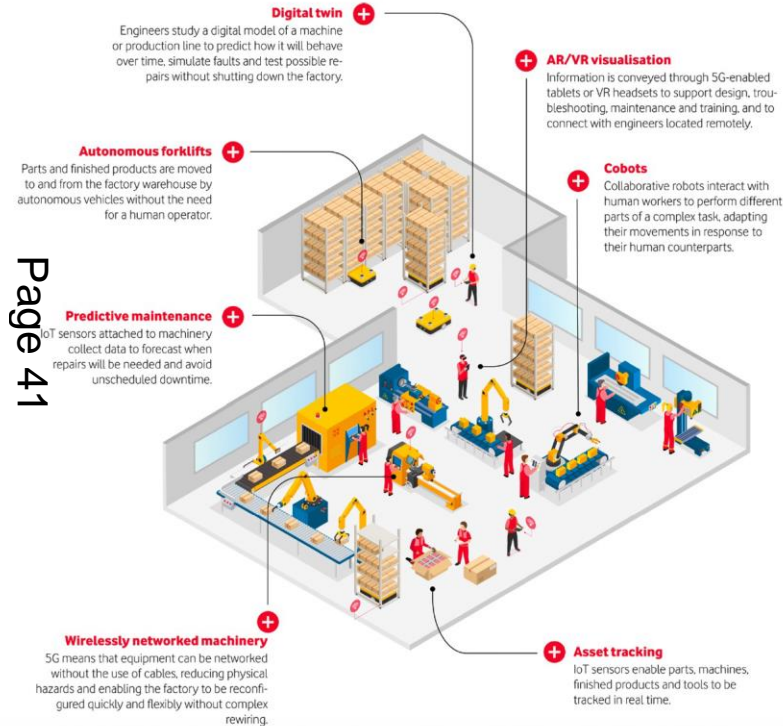


Digital technologies continue to transform the ways we live and work



WM5G was formed to accelerate economic growth via 5G leadership

For example: >£4 Billion GVA benefits forecast from accelerating 5G adoption in Manufacturing



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	Cumulative 2021-2025 (£ million)	Cumulative 2026-2030 (£ million)
Wales	500	1,500
West Midlands	1,000	3,250
East Midlands	750	2,500
North West	1,250	4,000
North East	250	1,250
Northern Ireland	250	750
Yorkshire and the Humber	750	2,500

Source: WPI Economics July 2021

Since then we've built the best connected region (outside of London) for 5G

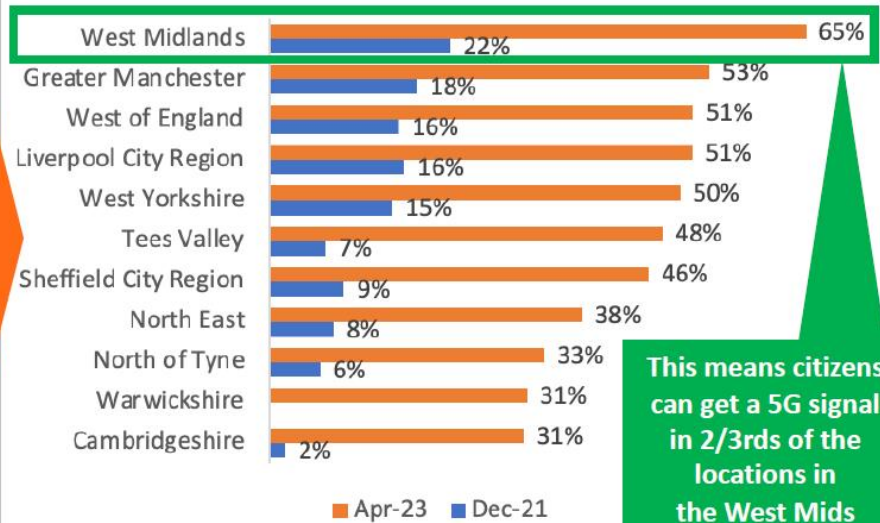
Pioneering barrier busting programme

Making public assets available
 Removing red tape between LA and Mobile Operators
 Lower costs & accelerate deployment time – accelerating investment



Best connected region (outside of London) for 5G

5G Geographic coverage % by CA region



This means citizens can get a 5G signal in 2/3rds of the locations in the West Mids

Source: Umlaut, April 2023

And delivered >£200M of transformational benefits in key sectors

Strategic Challenges:

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innovation

Health & social care

Improve care & prevention



- Pioneering early bowel cancer diagnosis trial
- Care home trial live in 8 care homes
- UK's 1st 5G connected ambulance trial
- Black Country Tower Block remote care with NHS Digital & BC ICB

Manufacturing

Improve productivity + jobs



- 1st real-time quality assurance trials
- High-value asset tracking trials
- Machine servitisation trials to boost ROCE
- UK's 1st SME adoption programme with MTC

Transport

Reduce congestion + pollution



- UK's first 5G road sensor network live at 270 junctions
- 1st 5G connected tram
- 14 projects developing new products to support road/rail infrastructure and traveller experience

SMEs & start-ups

Productivity + skilled jobs



- UK's first 5G Accelerators launched in three cities
- Supported over 700 SMEs with adoption
- Green innovation challenge completed
- Local Gov't smart cities challenge in progress

Now we've extended the benefits we deliver in three key areas

WM5G's missions:

Connectivity is a human right, not a nice to have

Hospitals are great, but there's no place like home

Boost SMEs growth as the backbone of our economy

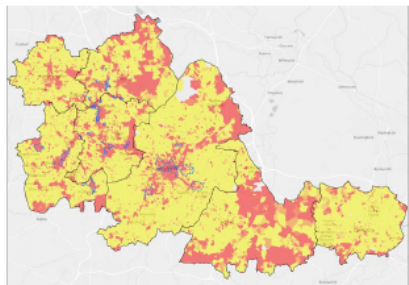
Strategic challenges:

Connectivity notspots and digital exclusion

Increasing waiting lists and health inequality

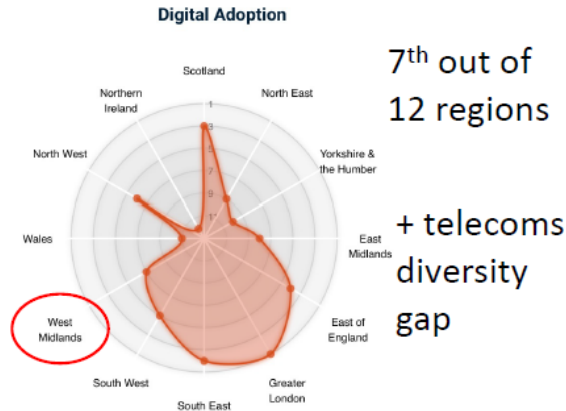
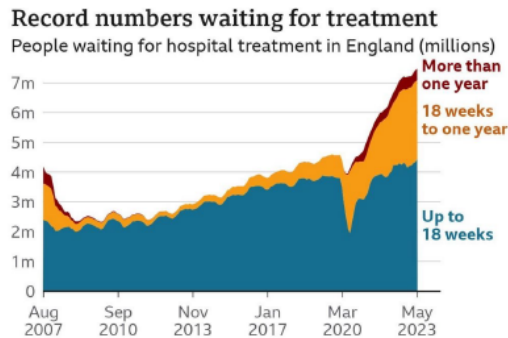
Digital adoption and skills gap

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Still locations with poor coverage

+ >30% of households struggling to afford connectivity



Additional priorities:

Connectivity incl. broadband + digital inclusion

Levelling-up health, care and wellness via tech

SME adoption & telecoms skills via UKTIN

And we're committed to deliver further critical benefits by March 2025

Key priorities:

Connectivity & inclusion

Wellness & productivity

Adoption & skills

Committed benefits:

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- 1. Mobile: Continue and grow W Mids leadership as best connected CA region** by accelerating rollout by >6 months (+>£100m GVA)
- 2. Broadband: Accelerate full fibre broadband to at least c.100k premises or c.160k citizens** by at least 1-3 years
- 3. Inclusion: Raise awareness and take-up of social tariffs by at least 10%**

- 4. Remote monitoring: Reduce pressure on NHS and care system by providing remote monitoring services for up to 5,000 adults** needing ongoing care
- 5. Diagnosis: Extend early diagnosis for bowel cancer** using home and mobile diagnostics units
- 6. Prevention: Complement other prevention programmes like Thrive at Work** by offering digital wellness solutions for up to 200,000 W Mids employees

- 7. Skills: Increase awareness, engagement and diversity to close telco engineer skills/job vacancy gaps**
- 8. Entrepreneurship: Accelerate development of regional telco RD&I clusters**
- 9. Adoption: Accelerate adoption of 5G, IoT and data benefits amongst businesses & public services** in key clusters

WM5G has unique specialisms. It has won over £27m of HMG Funding, £16.23m of private match and has £13.68m to come. £57m total for £6.8m.

New contract wins – last 12 months

West Midlands
Levelling Up Growth
Prospectus

£10m

Special Feature: WM Smart City Region

mobile news HOME NEWS FEATURES MAGAZINE

£1.5m

West Midlands 5G wins £10 million contract to create the UK Telecoms Innovation Network

£0.5m

WEST MIDLANDS WINS £500,000 TO BOOST REGIONS 5G CONNECTIVITY

Expected wins – next 6 months

£4m

5G Innovation Regions: £40 million funding now available

+ Telecoms skills development

£1m

Operating model

- Company limited by guarantee owned by WMCA
- 17 FTE split with deep connectivity, health-tech and adoption expertise + independent board

West Midlands 1st focus – collaborate elsewhere only if material value back & strategic fit

WM5G is committed to be self-funding. For each £1 WMCA invests, WM5G wins £8 in external funding and delivers £54 of benefits

Strategic benefits (recap)

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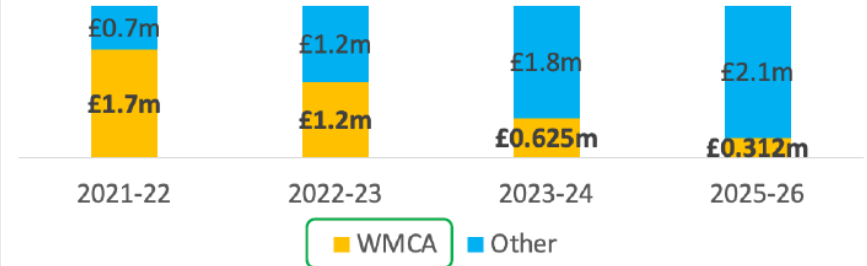
Best connected region (outside of London) – for mobile, broadband and inclusion

Increased wellness & productivity, reduced health inequality – via accelerated health-tech adoption

Increased skills jobs, diversity and sector productivity via accelerated adoption

Business model

WMCA funding of WM5G has fallen by 64% from £1.7m to £625k

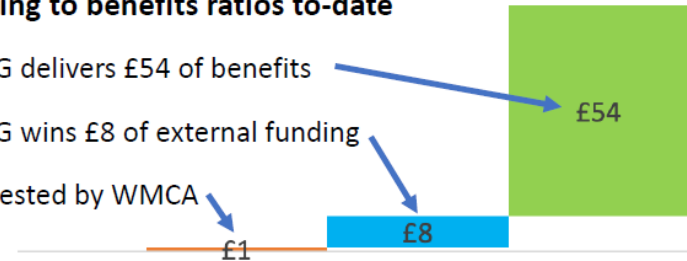


Funding to benefits ratios to-date

WM5G delivers £54 of benefits

WM5G wins £8 of external funding

£1 invested by WMCA



Key takeaways

- WM5G was formed to accelerate economic growth through 5G leadership
- Since then we've built the best connected region (outside of London) and delivered >£200m of benefits
- Now we're focussing on broadband, inclusion, health and adoption as well
- As a result we're on on-track to extend connectivity, wellness and productivity benefits
- WM5G is unique. It exists as a separate entity to house a team of experts
- For each £1 WMCA invests, WM5G wins £8 in external funding and delivers £54 of benefits

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Thank you

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WMCA Investment Board

Date	13 th November 2023
Report title	Housing & Land Investment Programme Business Case
Portfolio Lead	Councillor Ian Courts
Accountable Chief Executive	Laura Shoaf Email: Laura.Shoaf@wmca.org.uk Tel 0121 214 7444
Accountable Employee	John Godfrey Interim Executive Director, Housing, Property and Regeneration Tel 07393 757614
Report has been considered by	Investment Panel (1 st November 2023)

Recommendation(s) for action or decision:

The Investment Board is recommended to:

- (1) To agree the retrospective Programme Business Case (PBC) for the Housing & Land Funds, which sets out the overarching principles and approach for administering secured Housing & Land funds.
- (2) To note the PBC is to be updated in line with the revised programme set out in the funding programme update presented to this Investment Board as a separate agenda item .

1. Purpose

- 1.1 This report and the attached Programme Business Case (PBC) detail the overarching principles and approach for administering Housing & Land funds secured to date.
- 1.2 The programme incorporates three existing funding streams, which have been devolved to WMCA since 2018; the £100m Land Fund, £129m Brownfield Housing Fund and £24m National Competitive Fund.

2. Background

- 2.1 The WMCA Housing and Land (H&L) Investment Programme has been in operation since 2019, following receipt of the first tranche of the Land Fund. To date, £84.7m of this funding has been committed out of a total pot of £253m, unlocking 5,229 homes, 61.5k sqm commercial space and over 3,360 jobs.
- 2.2 The PBC details the systems and processes agreed historically to ensure that H&L grant funds within the programme are managed in compliance with the Single Assurance Framework and the funding conditions set by central government, whilst also prioritising delivery which aligns with WMCA's wider strategic objectives and the H&L Portfolio deliverables.

3. Strategic Aims and Objectives

- 3.1 The specific requirements set out by government and criteria which must be met on every project are detailed in the PBC – there is no flexibility for WMCA to depart from these requirements and criteria, which are weighted towards securing housing outputs. Grants are designed to address genuine and proven scheme viability issues where WMCA is *the funder of last resort*.
- 3.2 In addition to the conditions set by government, WMCA has established a number of additional essential and desirable requirements for any schemes supported by these funds, with direct and explicit links to key strategies and policies approved by WMCA Board, including but not limited to: Affordable Housing, the Regional Design Charter; the Advanced Manufacturing in Construction Routemap; the Zero Carbon Homes Charter and Routemap; the Public Land Charter; the Plan for Growth; the Inclusive Growth Framework; WM2041; and the Local Transport Plan.
- 3.3 The criteria, requirements, evaluation and monitoring processes currently in place are summarised within the Single Commissioning Framework (SCF), an end-to-end staged assessment process agreed by WMCA Board in March 2019, and applied in the directorate from that time. Development of the SCF was part of the conditions agreed with government in the 2018 Housing Deal, to demonstrate robust assurance, appraisal and due diligence processes for managing devolved housing and land funds.
- 3.4 The PBC describes the activities undertaken through the internal process to shape and develop project proposals into robust business cases which can satisfy the requirements of the Single Assurance Framework (SAF), developed in response to the 'National Local Growth Assurance Framework'. SAF applies to all existing and new funding and projects that place a financial liability onto the WMCA. Project Cases under the H&L funds Programme are already following the SAF process, with two projects agreed under this PBC during its development.

4. Next Steps

- 4.1 The following workstreams are in train and subject to another item on today's agenda which will have implications for the PBC:
 - a) Review of project allocations across funds – which, subject to approval by Investment Board, will result in funding programmes being realigned to maximise delivery of

- outputs within funding timescales. This is the subject of the Housing and Land Funds Programme Update paper which is also being presented at today's meeting.
- b) The retrospective PBC will be periodically revised and updated in line with the forward-looking approach as above to ensure currency and alignment with SAF best practice.
 - c) Project cases for individual investment approval will continue to be progressed through the SAF process in alignment with the overall PBC

5. Financial Implications

All Mayoral Combined Authorities are required to develop local assurance frameworks in accordance with MHCLG National Local Growth Assurance Framework.

The WMCA assurance framework, the Single Assurance framework (SAF) is used to develop and deliver projects that are compliant with HM Treasury Green Book, which includes 5 cases, including a Financial Case, as noted below:

- Provides strategic fit and is supported by a compelling case for change (Strategic Case)
- Will make the most of public value to society (Economic Case)
- Is commercially viable and attractive to the supply side (Commercial Case)
- Is reasonable and is affordable over time (Financial Case)
- Can be delivered successfully (Management Case)

The PBC aims to provide an overarching programme of activity with inter-related projects sitting beneath it. Each project will have its own Project Case, as noted in the body of the report.

Therefore, compliance with, and approval of, the SAF PBC will ensure that the Financial Case is reviewed and approved for each project, and associated risks identified and mitigated, along with the other cases noted above.

It is understood that the Housing PBC will remain under review in due course.

6. Legal Implications

- 6.1 There will be no legal implications if the recommendations of this report are implemented. The recommendations within this report if implemented will improve the quality of decision making and reduce the risk of either WMCA being judicially reviewed and/or grants being awarded that are inconsistent with funding conditions.

7. Equalities Implications

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

8. Inclusive Growth Implications

- 8.1 There are no inclusive growth implications as a result of the recommendations within this report, however the delivery of H&L funds via project approvals deliver significant Inclusive Growth measures on a case by case basis.

9. Geographical Area of Report's Implications

9.1 The programme will be delivered across the whole WMCA geography.

10. Other Implications

N/A

11. Schedule of Background Papers

1. Housing & Land Investment Programme Business Case
2. Housing & Land Investment Programme Risk & Investment Appraisal

Programme Business Case Guidance

Single Assurance Framework



Coventry
University



West Midlands
Combined Authority

PROGRAMME BUSINESS CASE

[Housing, Property and Regeneration Investment]

Version	1	Date	October 2023
Prepared By	Rachel Atterbury	Job Title	Senior Strategy Officer

Lead WMCA Directorate	Housing, Property and Regeneration
Lead WMCA Executive Director	John Godfrey

Has a BCAT been submitted to the Assurance & Appraisal Team?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Has this PBC been approved by Lead WMCA Executive Director?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

Approved By	
--------------------	--

Signature	
Date	

DETAILS			
Programme Name:	Housing, Property and Regeneration Investment	WMCA Finance Code: GVA2000	
Lead Organisation:	WMCA		
Lead Contact:	Rob Lamond	Job Title:	Head of Strategy and Analysis
Phone Number:		Email:	Rob.Lamond@WMCA.org.uk
Address:			
Local Authority Area (lead organisation)	All	Ward:	All
Other Organisations/ key stakeholders involved in programme:			

FACTUAL SUMMARY	
	PBC (£M)
Total Programme Costs	£253,381,582
WMCA Funding	£253,381,582
Funds Secured	£253,381,582
Funds Not Secured	-

To support better spending, investment decisions and better procurement, this Programme Business Case should be written using guidance from the Finance & Business Hub. If you require

any further information or support, please email saf@wmca.org.uk In addition, it is a requirement that all business cases submitted to WMCA are guided and based around HM Treasury's Green Book together with its Business Case guidance for programmes which can be found [here](#).

1 EXECUTIVE SUMMARY

Please provide a one-page summary of the proposed programme to include:

- a brief description of the programme
- how it aligns to WMCA strategic objectives and policies
- the programme objectives
- known/estimated costs
- funding source(s)
- expected outputs
- a summary of proposed projects to be included within the programme
- any known interdependencies with other Projects/Programmes.

Overview

West Midlands Combined Authority (WMCA) has a series of investment funds available for projects which increase the supply of readily-developable land to deliver high quality development schemes with new homes, commercial, retail and other employment space that would not otherwise come forwards without public sector intervention.

Fund	Unit Target	Total Funding Pot (£)	Date awarded	End Date
Land Fund	8,016	100,000,000	Jul-19	Mar-31
Brownfield Housing Fund	9,028	129,144,120	Dec-20 Mar-22	Mar-25 (Start on Site)
National Competitive Fund	1,714	24,186,047	Dec-20	Mar-25 (Start on Site)
Total	18,758	253,330,167		

Grant funding is offered to tackle site remediation challenges, infrastructure deficits, repurposing of derelict/underutilised properties, WMCA land acquisitions and other enabling requirements and is to address genuine scheme viability issues (excluding those which are a result of unrealistic land value expectations).

New applications for HPR funding are channelled through WMCA's Single Commissioning Framework (SCF) - the bespoke process through which WMCA invests its devolved housing and land funds into housing and regeneration projects through equity and grant. Central to this process is an assessment of the project's additionality, in terms of its performance against HPR and WMCA's strategic objectives and policies, such as increased affordable housing delivery, higher quality placemaking, construction innovation, social value, inclusive growth and net-zero carbon.

WMCA Strategy, Programme Objectives and Delivery

This Investment Programme, coupled with a suite of HPR policy and strategy programmes, underpins HPR's approach to delivering the Aims & Objectives in the WMCA Corporate Strategy. This Programme sits under **Aim 3 – 'Connect our communities by delivering transport and unlocking housing and regeneration schemes'**, though there are clear links to be made between the

additional benefits HPR investment may secure and the Corporate Strategy's wider Aims and Objectives.

The approach to achieving this aim is defined by High Level Deliverables under Aim 3.3 - '**Delivery of prescribed requirements, measures and output targets of the 2018 Housing Deal & subsequent funding deals and agreements with HMG**'. These requirements and targets are detailed in Table 1 at the end of this section, but are primarily focused on unlocking additional housing and affordable housing supply through brownfield land remediation.

The HPR Investment Programme ensures delivery of WMCA's Strategic Objectives through the Single Commissioning Framework (SCF). The SCF is a bespoke process developed by Housing, Property and Regeneration and endorsed by central Government. It includes a number of essential and desirable requirements for any schemes supported by these funds, with direct and explicit links back to key WMCA strategies and policies. These include, but are not limited to; the Regional Design Charter, the Zero Carbon Homes Charter and Route Map, the Advanced Manufacture in Construction Route Map the Public Land Charter, the Plan for Growth, the Inclusive Growth Framework, WM2041 and the Local Transport Plan. HPR maintains a list of measures which can be used to assess strategic fit of individual projects against existing WMCA strategies, policies and objectives, and which also form the basis of its strategic partnership agreements. These are included in Annex 1. As a minimum, projects must demonstrate delivery against the following essential and desirable output/outcome-based criteria:

Essential Criteria

- Schemes must deliver one or more of the following outputs:
 - i. Brownfield land remediated;
 - ii. New homes delivered; or
 - iii. New commercial, retail or employment space delivered
- Investment will be made in schemes that can clearly demonstrate **all** of the following:
 - i. A commitment to enhanced standards of design and quality as a contribution to wider placemaking, in line with WMCA's Regional Design Charter;
 - ii. A commitment to the use of local labour and local suppliers;
 - iii. A minimum of 20% affordable must be delivered as an integral part of residential schemes;
 - iv. At public transport nodes, along public transport corridors and in town and city centres

Desirable Criteria

- WMCA will work with the applicant to identify opportunities to refine the investment proposition in order to achieve the maximum alignment with WMCA's 'Inclusive Growth objectives' including:
 - Supporting the uptake of 'Advanced Methods of Construction' and associated supply chains
 - Improving connectivity and community accessibility by securing appropriate densities of development at public transport nodes and corridors and in town and city centres
 - Increasing the number of apprenticeships offered, young people employed in construction, and the percentage of people receiving on-going training in the workplace
- See Annex 1 for further examples.

The SCF is reviewed and updated on a regular basis to ensure its effectiveness in delivering WMCA's aims and objectives through HPR investments, and that it reflects agreed HPR policy which would change the essential criteria.

Requirement for Funding

Additionally, projects must meet the Pre-Qualification Criteria for Investment outlined in the SCF, and drawn from WMCA's funding agreements with HMG. These are as follows:

- i. The private sector is unable to bring an eligible scheme forward for delivery without public intervention; or
- ii. Public intervention will significantly expedite the delivery of an eligible stalled or stalling project; or
- iii. Without public intervention, there is a significant risk that the private sector would deliver a form of development on an individual site or sites which would prejudice the delivery and benefits realisation of a wider, comprehensive scheme; and
- iv. Where applicants can demonstrate that any WMCA investment would meet Subsidy Control requirements

Subsequently, funding will only be deployed under the HPR Investment Programme once all other public and private avenues have been explored and WMCA is the 'Funder of Last Resort' i.e. where the applicant can evidence they have exhausted all other borrowing or grant funding avenues. The presence of this funding directly enables **additional** land supply and residential, commercial and regeneration schemes to come forward and therefore achievement of the ambitions of WMCA's Corporate Strategy, the Levelling Up Agenda and the Housing Deal.

Location and Beneficiaries

Funding can be used to support projects in the WMCA area (all constituent and non-constituent local authorities). Funding is not restricted to specific groups and applications for HPR investment open to all public, private, charitable and third sector organisations, as well as individuals.

Funding Sources

The HPR Investment Programme* is funded through devolved Housing and Land funds secured by WMCA from central Government. At present, these funds total £253,330,167 across 3 funding pots, of which £84,136,621 has been committed.

Brownfield Housing Fund £7,450,230 committed

Tranche	Unit Target	Funding Allocated in Tranche (£)	Date awarded	End Date (Start on Site)
BHF Tranche 1	2,389	33,445,755	Dec-21	Mar-25
BHF Tranche 2	2,400	33,600,000	Dec-21	Mar-25
BHF Tranche 3	1,200	16,800,000	Dec-21	Mar-25
BHF Tranche 4	1,800	27,948,585	Mar-22	Mar-25
Additional 17.5m	1,239	17,349,780	Mar-22	Mar-22
Total	9,028	129,144,120		Mar-25

National Competitive Fund £6,516,512 committed

Tranche	Unit Target	Funding Allocated in Tranche (£)	Date awarded	End Date (Start on Site)
NCF Tranche 1	446	6,300,000	Dec-22	Mar-25
NCF Tranche 2	1,006	14,200,000	Dec-22	Mar-25
NCF Tranche 3	261	3,686,047	Dec-22	Mar-25
Total	1,714	24,186,047	Dec-22	Mar-25

Land Fund £70,805,967 committed

Tranche	Unit Target	Funding Allocated in Tranche (£)	Date awarded	End Date
Tranche 1		37,897,437	Jul-19	
Tranche 2		13,160,000	Jul-19	
Tranche 3		30,682,563	Dec-20	
Tranche 4		18,260,000	Apr-21	
Total	8,016	100,000,000	Jul-19	Mar-31

Each fund listed has its own conditions applied by Government, which are detailed in Table 1 below.

Table 1: Housing & Land Funds – Conditions applied by HM Government

Fund	HMG Conditions
Brownfield Housing Fund/ National Competitive Fund	<ul style="list-style-type: none"> • Projects are Green Book compliant with a BCR floor of 1, seeking the best possible Value for Money opportunities • Projects must have an evidenced market failure with WMCA being the funder of last resort. • Grant funding is available to, and the local plans requirements applies to, the whole WMCA area (constituent and non-constituent) • Projects must demonstrate they could not happen without the financial support of the funding, seeking to prioritise projects with the highest additionality • Homes brought forward will start on site before 31 March 2025 • Councils must either have an up to date Local Plan in place, or an agreed plan with MHCLG for getting a Local Plan in place, to receive funding • Adequate progress against key local plan milestones • Adequate progress against the spend profile and key delivery milestones • Projects are assessed through the WMCA Single Commissioning Framework (a requirement of the first Land Fund) and Single Assurance Framework (part of the required assurance to HM Government) • Funding is paid in tranches against acceptable performance <p>Additionally, WMCA is asked by HMG to:</p>

	<ul style="list-style-type: none"> • Consider projects that have an accelerated spending profile and apply this as a key criterion in decisions • Utilise this funding to support regional economic recovery/growth, for example, using local small and medium sized enterprises or local supply chains where practicable • Support provision of affordable housing, modular construction and zero carbon standards
<p>Housing Deal Land Fund</p>	<ul style="list-style-type: none"> • Funding not to be used for other forms of floorspace unless incidental to a residential scheme • Grant funding is available to and the local plans requirements applies to the whole WMCA area (constituent and non-constituent) • Adequate progress against key local plan milestones • Adequate progress against the spend profile and key delivery milestones • Funding is paid in tranches against acceptable performance • Projects are Green Book compliant with a BCR floor of 1.5 per project, seeking the best possible Value for Money opportunities • Projects must have an evidenced market failure with WMCA being the funder of last resort. • Projects must demonstrate they could not happen without the financial support of the Land Fund • Funding should be deployed via a new bespoke Single Commissioning Framework which WMCA will produce and will be agreed with Government <u>before any funding is deployed</u> (part of the required assurance to HM Government) • To be used for Brownfield Land and/or vacant buildings with change of use to residential only (must be net new homes) • Homes brought forward will start on site before 31 March 2025 <p>Additionally, conditions in the Housing Deal include delivery via the SCF to include:</p> <ul style="list-style-type: none"> • increasing delivery of affordable housing across a range of tenures • enhancing connectivity, by increasing housing supply along public transport corridors and where employment is concentrated • supporting modern methods of construction, housing innovation and enhanced quality standards <p>To note: BCR is assessed at project level i.e. every project in the programme must meet this requirement</p>

A number of other funding pots operate within the scope of the Single Commissioning Framework and under the Housing, Property and Regeneration remit – the Commercial Investment Fund, the Residential Investment Fund and the Brownfield Land and Property Development Fund. As these funds are administered by Frontier Development Capital, they have been omitted from this Programme. WMCA will continue to seek further funding from HM Government in the future to be administered through the Single Commissioning Framework. In the instance that further devolved Housing and Land Funds are secured, this document will be revised.

2 STRATEGIC CASE

2A - Programme Objectives – Outline the **SMART** (Specific, Measurable, Achievable, Relevant and Time-bound) objectives of the programme and how they will be measured within the table below. .

ID	Programme Objective inclusive of quantitative measurement	WMCA Strategic Alignment
01	Investment in development schemes across the WMCA geography will increase the supply of new homes in the region, enabling 18,758 additional homes to start on site by 2031.	<p>Aim 3 (Connect our communities by delivering transport and unlocking housing and regeneration schemes)</p> <p>Objective 3.3 (We will invest in and support housing and regeneration schemes, working closely with the private sector and local authorities to unlock and accelerate sustainable delivery)</p>
02	<p>By 2031, increase and diversify affordable housing supply and access in the West Midlands by applying investment criteria requiring all residential schemes to bring forward a minimum 20% of units as affordable housing, as per WMCA's affordable definition. At the time the criteria was introduced, the average affordable provision on development sites across the region was around 12.5%. <i>(Minimum 3,752, but may increase if total units increase)</i></p>	<p>Aim 3 (Connect our communities by delivering transport and unlocking housing and regeneration schemes)</p> <p>Objective 3.3 (We will invest in and support housing and regeneration schemes, working closely with the private sector and local authorities to unlock and accelerate sustainable delivery)</p> <p>Aim 2: To ensure everyone has the opportunity to benefit as the region recovers from COVID-19, improves resilience and tackles long-standing challenges</p>
03	<p>HPR investment will secure additionality by increasing the supply of readily developable land secure additionality by targeting investment towards schemes which bring brownfield sites in market failure back into use. <i>A minimum of 80% of new units and commercial space across the programme will be delivered on brownfield land.</i></p>	<p>Objective 3.3 (We will invest in and support housing and regeneration schemes, working closely with the private sector and local authorities to unlock and accelerate sustainable delivery)</p> <p>HLD 61 (Deliver our nationally leading brownfield regeneration and delivery programmes)</p> <p>Objective 4.2 We will be national pioneers in advanced methods of construction, zero carbon housing and brownfield regeneration and delivery, informed by research at the National Brownfield Institute</p>

2B – Strategic Objectives – Outline how the proposed programme will contribute to WMCA's Strategic Objective(s). Please ensure that specific proposed projects within the programme are referenced where applicable

Policy Aim	Alignment with Proposed Programme (and associated projects)
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<p>A healthier West Midlands, increasing healthy life expectancy and tackling health inequalities</p>	<p><i>Regional Design Charter, Inclusive Growth Framework, Zero Carbon Homes Routemap/Future Homes Strategy</i></p> <ul style="list-style-type: none"> • <i>Delivery of well-connected housing developments which reduce reliance on car use and encourage active travel.</i> • <i>Reducing fuel poverty and related health implications by delivering homes which meet the targets set out in WMCA's Zero Carbon Homes Routemap/emerging Future Homes Strategy.</i>
<p>A happier West Midlands, improving mental health and driving inclusion for all our communities</p>	<p><i>Inclusive Growth Framework, Regional Design Charter</i></p> <ul style="list-style-type: none"> • <i>Interventions which support and drive placemaking and connection e.g. delivery of mixed use schemes which incorporate housing and employment/commercial space in close proximity</i>
<p>A better-connected West Midlands, where transport connects all communities to opportunities</p>	<p><i>Movement for Growth, Regional Design Charter</i></p> <ul style="list-style-type: none"> • <i>Focusing housing developments and new employment space around transport nodes, along transport corridors and in town centres.</i> • <i>Support for essential infrastructure.</i>
<p>A more prosperous West Midlands, where everyone can contribute to and benefit from a globally competitive regional economy</p>	<p><i>Social Value Policy, Inclusive Growth Framework, Plan for Growth, Advanced Manufacture in Construction & Zero Carbon Homes Routemaps/Future Homes Strategy</i></p> <ul style="list-style-type: none"> • <i>Creation of new jobs and commercial floorspace and safeguarding existing jobs.</i> • <i>Support for growth clusters focused on advanced manufacture in construction and future homes – creating new skills and job pathways and building on regions existing strengths</i>
<p>A greener West Midlands, where we reduce carbon emissions to address the climate crisis</p>	<p><i>WM2041, Advanced Manufacture in Construction & Zero Carbon Homes Routemaps/Future Homes Strategy, Regional Design Charter, Plan for Growth, Circular Economy Routemap</i></p> <ul style="list-style-type: none"> • <i>Driving the transition towards whole life net zero carbon homes by applying operational and embodied carbon minimum requirements for schemes seeking investment.</i> • <i>Supporting uptake of green/zero carbon infrastructure on investments e.g. additional EV charging provision, energy networks</i> • <i>Supporting modal shift and encouraging walking, cycling and public transport use</i> • <i>Encouraging enhancement/creation of green infrastructure and biodiversity net gain on new development</i> • <i>Driving uptake of Advanced Manufacturing construction techniques through stringent AMC requirements, which limit emissions associated with site movements and construction waste</i>

<p>A fairer West Midlands, where we support marginalised and vulnerable groups</p>	<p><i>Regional Design Charter, Inclusive Growth Framework, Affordable Housing Definition & Policy</i></p> <p><i>Increased delivery of affordable housing and a wider array of affordable housing products making safe and good quality accommodation more accessible.</i></p>
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2C – Inclusive Growth – Outline how the proposed programme will align with the WMCA’s Inclusive Growth Objectives. Please ensure that specific proposed projects within the programme are referenced where applicable¹

The HPR investment programme will deliver positive inclusive growth outcomes by:

- Regenerating and repurposing derelict sites that would otherwise not be brought forward – creating new homes, employment opportunities and social infrastructure for residents across the entire WMCA geography.
- Creating new economic, employment and training opportunities - through both construction works and jobs created through delivery of new employment space.
- Creating new opportunities for the local construction and manufacturing supply chains through investment in schemes supporting construction innovation (e.g. AMC, Zero Carbon) which will create new upskilling/reskilling opportunities in both the built environment and other sectors
- Futureproofing new development – ensuring HPR investment supports homes and development which generate fewer emissions and cost less to occupy, limiting the impacts of poor air quality and fuel poverty on resident’s health
- Improving accessibility to affordable housing – and the right type of housing – for residents by requiring a minimum level of affordable housing on every site; that this mix appropriately reflects the needs of local residents; that housing is genuinely affordable in line with WMCA guidance and national legislation, and trialling new types of affordable housing based on local need e.g. Help to Own
- Improving access to work, schools, services and amenities for all residents by bringing forward new housing and mixed use schemes in proximity to town centres and public transport nodes, in turn encouraging active travel and its associated health outcomes.
- Rejuvenating struggling town centres and high streets by repurposing empty and underutilised sites and bringing forward new cultural, leisure, employment and residential opportunities which encourage footfall, support local business and create places for people to meet and socialise

Through the SCF process, WMCA officers will consider the extent to which individual projects align with WMCA’s inclusive growth objectives, and whether there are opportunities to secure more/better outcomes through the project. All applications for HPR grants are referred to the Inclusive Growth Decision Making Tool. On a project-by-project basis, officers engage the Inclusive Growth team where schemes are recognised to have potential to deliver significant inclusive growth benefits following triage/EoI development, to identify and maximise inclusive growth outcomes.

¹ Refer to guidance for Inclusive Growth definition

2D – COVID-19 Recovery – Please outline any specific measures included within the proposed programme to support COVID-19 recovery? Please ensure that specific proposed projects within the programme are referenced where applicable

- Covid19 catalysed existing challenges for the construction sector and built environment both in the West Midlands and nationally. Regionally, viability has historically prevented new development sites (especially brownfield sites) coming forward, hence the need for major public sector investment and intervention. While the level of construction output showed strong signs of recovery in 2021, the sector has continued to be impacted by material cost inflation, which in turn is impacting the value of new development in an industry where tight margins are common place. The HPR Investment Programme is ensuring new residential, employment and other development continues to be brought forward despite these challenges by providing gap funding for schemes where viability issues would otherwise preclude it.
- Similarly, town centres in our region have long been facing significant retail voids and declining rents. The HPR Investment Programme will support repurposing and diversification of town centres and high streets by investing in high quality schemes and strategic land acquisitions/disposals which support Local Authority aspirations by developing the local sense of place and creating provision for a more appropriate service offer.
- Alongside economic imperatives, the public standing and perception of key workers throughout the pandemic illustrates a changing public mood and recognition of the importance of such workers in society. Prior to the pandemic, the WMCA had established “key worker” housing as a criterion in its regional affordable housing definition, and housing specifically targeted at this cohort, such as, will continue to form a key pillar of the economic recovery in the region. In addition, delivery of a minimum of 20% affordable housing is an essential criteria in the SCF process for all of the sites acquired or through the HPR Investment Programme.

2E – Benefits and Outputs – Specify the main benefits / outputs associated with the achievements of the programme and component projects within the programme’s objectives

Benefits and Outputs	Cross-portfolio opportunities	Key partners/ stakeholders	WMCA Strategic Alignment
<p>Securing improved design quality and place-making in line with the Regional Design Charter</p>	<p>Inclusive growth – driving improved health and wellbeing outcomes, community resilience and long term place stewardship</p> <p>Transport – delivering safe, attractive walking and cycling routes, and connections to public transport</p> <p>Environment – incorporating climate adaptation measures, reducing greenhouse</p>	<p>Local Authorities</p> <p>Developers</p> <p>WMCA (TfWM, Environment, Health & Communities, Energy)</p>	<p>Aim 3 (Connect our communities by delivering transport and unlocking housing and regeneration schemes)</p> <p>Aim 4 (Reduce carbon emissions to net zero, enhance the environment and boost climate resilience)</p>

	gas emissions and supporting biodiversity net gain		
Leveraging new private sector investment through residential, commercial and mixed use development	Economic Growth – investment in local supply chain and new commercial development	Local Authorities Developers	Aim 3 (Connect our communities by delivering transport and unlocking housing and regeneration schemes) Objective 3.3 (We will invest in and support housing and regeneration schemes, working closely with the private sector and local authorities to unlock and accelerate sustainable delivery)
Accelerating delivery of new Future Homes and supporting growth of the region’s Manufacture for Future Housing cluster - significantly reducing carbon emissions and utilise advanced manufacturing techniques.	Economic Policy and Partnerships – supporting Plan for Growth (Manufacture of Future Housing) Environment – WM2041 Energy – reducing energy demand of new housing	Local Authorities Developers Future Homes Taskforce WMCA (Environment, Energy, Strategy) Universities/Colleges	Aim 4 (Reduce carbon emissions to net zero and enhance the environment) Objective 4.2 We will be national pioneers in advanced methods of construction, zero carbon housing and brownfield regeneration and delivery, informed by research at the National Brownfield Institute Aim 3 (Connect our communities by delivering transport and unlocking housing and regeneration schemes) Objective 3.4 We will support and deliver co-ordinated investment packages with our partners across key corridors and local, town, and city centres
Creating better connected communities, by investing in schemes at public transport nodes and corridors and within town and city centres.	Transport	Local Authorities Developers TfWM	Aim 3 (Connect our communities by delivering transport and unlocking housing and regeneration schemes) Objective 3.4 We will support and deliver co-ordinated investment packages with our partners across key

			corridors and local, town, and city centres
Supporting Levelling Up by creating/enhancing value in lower value areas through higher quality development at a pace and standard the market would not otherwise bring forward. This in turn supports affordable housing delivery, local job creation and other community benefits.	Inclusive growth Economic Growth	Local Authorities Developers WMCA (Economic Growth)	Aim 1 (Promote inclusive economic growth in every corner of the region and stimulate the creation of good jobs) Objective 1.1 (We will drive growth by developing regional strategies and plans focussed on priority clusters, boosting innovation, and securing investment)
Contributing to the re-purposing of town centres and high streets in line with Local Planning Authority aspirations	Transport	Local Authorities Developers Town Centre Taskforce	Aim 3 (Connect our communities by delivering transport and unlocking housing and regeneration schemes) Objective 3.4 We will support and deliver co-ordinated investment packages with our partners across key corridors and local, town, and city centres
Securing greater social value benefits, through local job creation and promoting use of the local supply chain, SMEs and social enterprise sector	Skills – job creation, upskilling and reskilling Inclusive growth – ensuring benefits are realised by local residents and underrepresented communities	Local Authorities Developers Supply Chain Organisations WMCA (Skills and Employment, Economic Growth)	Aim 1 (Promote inclusive economic growth in every corner of the region and stimulate the creation of good jobs)

2F – Key Risks – Specify the top risks (circa 3-5) associated with the achievement of the programme’s objectives and the proposed counter measures for avoidance, mitigation and management

Financial Risks

Devolved HPR funding is clawed back or future tranches are reduced/withheld due to delayed, reduced or non-delivery of agreed outputs.

Investment decisions by WMCA will only remain valid until the expiry date specified in the approved Project Case. Failure to contract the investment unconditionally by this date will trigger a re-appraisal and will require a new decision to be sought from WMCA, ensuring funds can be reallocated if projects do not progress.

Payment on delivery is the preferred and default approach to deploying funding. Where this is not possible, adequate security is sought for all WMCA investment (other than WMCA Constituent and non-Constituent local authorities where other mechanisms to recover underutilised investment or overage will be applied on a case by

case basis). WMCA's preference is for a first charge over the respective site or property subject to the investment, or first charge over an alternative asset of sufficient value – and any lower level of security offered may impact on the amount of investment which can be offered by WMCA or special terms being imposed. A clawback provision is allocated in the instance that the delivery partner fails to produce the agreed outputs within the agreed timescale, to be applied proportionate to the level of non-delivery.

An external Project Monitoring Surveyor is appointed to provide assurance that individual projects are meeting the terms of their Funding Agreement throughout the delivery and completion stages. Monitoring reports are provided for each funding utilisation application from the applicant and make a recommendation for the release of grant funding by WMCA based on a review of the overall project cost plan and confirmation that; the defined expenditure is eligible, the project remains on budget and the necessary funding is in place to complete the project.

Reputational Risks

Risk of reputational damage if WMCA scheme objectives and associated outcomes and outputs are not fully achieved due to poor or ineffective systems and controls supporting the Single Commissioning Framework.

The SCF undergoes regular external audits to seek assurance that its systems and controls are robust, and that it effectively supports achievement of the strategic objectives for HPR investments. The most recent of these, undertaken in 2021, was “satisfied that robust systems and controls have been established for the administration of the Land Fund within the Single Commissioning Framework to ensure the fund effectively supports achievement of the strategic objectives.”

Pre-approval due diligence will assess credibility and capability of developer to deliver outcomes prior to approval and Funding Agreement. Project Monitoring process to verify project progress and spend is in line with outcomes set out in Funding Agreement, and trigger clawback/change request process as detailed above.

Risk of reputational damage if WMCA are considered to have acted unfairly or unreasonably in its decisions on individual projects

All projects follow detailed, clear documented processes set out in the SCF and SAF, which are supported by standard templates to ensure consistency and transparency in decision making processes. A pre completion checklist approach is in place for reviewing all projects prior to delegated sign off and execution of legal agreements. Fortnightly SCF Investments meetings and Weekly Pre-Application Group meetings take place in the directorate for monitoring and tracking all projects (for all funds). These meetings are minuted to record any issues and recommendations. SCF Investment Project Business Cases are subject to out of directorate assurance and appraisal prior to approval to ensure these are robust (i.e. Green Book compliant, legally compliant, drive the best value for money investment and ensure project/programme objectives and benefits are achieved.)

Delivery Risks

Impact of national and international matters that materially affect value, housing demand and risk appetite of contractors and developers (e.g. cost inflation)

Outside the control of WMCA. Monitoring of position will allow WMCA and partners to positively respond (if appropriate).

Supported projects are either delayed or cannot be implemented due to planning issues e.g. delays or failure to secure the necessary planning or other statutory approvals consents, constraints imposed that result in changes to the scope of the scheme

Early engagement with Planning departments on new applications is undertaken by WMCA officers in the early stages of the SCF process. Project Cases will only be brought forward for investment approval where a positive planning position and planning certainty can be established.

Capacity Risks

The required resource needed to manage projects and acquisitions/developments is not in place (or additional resource cannot be recruited quickly enough) to fulfil the needs of the programme due to high demand for these skills in the sector.

Resource requirements have been identified at the point of each funding bid and incorporated into HPR's structure. There is sufficient capacity in the approved HP&R structure to deliver the outputs required by the programme, as well as on-going and call-off external consultancy support to ensure projects continue to move forward if HPR's capacity is reduced.

Please complete the sections listed below within the PBC Appendix to support the Strategic Case:

Strategic Case Supporting Questions	
2G	Organisational Overview (Guidance – Page 6)
2H	Constraints (Guidance – Page 7)
2I	Organisation Business Needs / Services Gaps (Guidance – Page 7)
2J	Full Risk Register (Guidance – Page 7)

3 ECONOMIC CASE

3A – Key Deliverables and Critical Success Factors – Set out the intended key deliverables and critical success factors of the programme that will contribute towards delivery of the strategic objectives

Objective	Related Project(s)	CSF	Measure of success	Date required by (Start on site)	Baseline Measure	Start Date
Increase housing supply in the West Midlands	Land Fund	Active engagement with LPAs, developers and investors to identify pipeline of housing sites which would not be brought forward without public sector intervention	18,758 units starting on site by 2031	2031	0	2018
	BHF			2025		2021
	NCF			2025		2021
Increase affordable housing supply and access in the West Midlands	Land Fund	Implementation of minimum affordable criteria through SCF	% total units delivered meeting WMCA affordable criteria	2031	0	2018
	BHF	Monitoring and review of WMCA affordable housing definition and criteria, to ensure these continue to deliver additionality		2025		2021
	NCF			2025		2021
Increase provision for additional housing on brownfield sites	Land Fund	Engagement with LPAs and developers to identify sufficient supply of brownfield sites to deliver housing targets set out for each fund.	Minimum 80% new development delivered on brownfield land	2031	0	2018
	BHF			2025		2021
	NCF			2025		2021
High quality job creation	Land Fund	Investment in high value/low intervention rate residential schemes, to create	No. FTE jobs (including apprenticeships) created; On site [x]	2031	0	2018
	BHF			2025		2021

	NCF	contingency to support new commercial projects.	Legacy [x] (Performance comparison: cost per job vs Homes England Cost per Job Best Practice)	2025		2021
Support local supply chain growth	Land Fund	Social Value outputs embedded in procurement processes for site disposals/acquisitions.	[x] sq ft additional commercial/enterprise etc delivered (Baseline = 0, commercial space is additional unless new funding secured)	2031	0	2018
	BHF			2025		2021
	NCF			2025		2021

3B – Shortlisted Options – Describe how proposals for delivering the Programme objectives (projects) have been shortlisted together with the preferred way forward which will progress through to the development of future project Business Case Stages.

The Land Fund, Brownfield Housing Fund and National Competitive Fund are “open funds”, with no investment having been ring-fenced or pre-allocated as part of their establishment. This approach has been agreed with HMG.

In addition to meeting the conditions applied by HMG to HPR’s investments, the pre-qualification criteria and eligibility requirements set out in the SCF, and additional benefits in terms of the SCF desirable criteria, HPR will consider whether projects:

- Have been identified as local priorities through engagement with the Local Authority
- Are located in geographic locations agreed by WMCA as regional priorities for investment e.g. town centres, growth corridors
- Offer programme-level investment opportunities which reflect WMCA-wide priorities and which are not location specific, such as the diversification and introduction of new residential tenures and a step-change in the provision of affordable homes across the region, or programmes of investment which support inclusive growth (subject to a ‘market scheme’ scenario first being assessed and market failure demonstrated)
- Schemes which meet **specific programme requirements** relating to the timing of the delivery of programme outputs and value for money requirements, or enable flexibility in the remaining funding programme to deliver additional outputs beyond housing.

A Benefits Management Plan is provided in Appendix 2 with further detail how projects are shortlisted against the programme objectives and identified benefits.

Please complete the sections listed below within the PBC Appendix to support the Economic Case:

Economic Case Supporting Questions	
3C	Long List of Options (Guidance – Page 8)
3D	NPSC/NPSV Findings (Guidance – Page 8)

4 COMMERCIAL CASE

At PBC stage, the Commercial Case is not expected to be matured. However, the nature of work required to sound out the market and inform the procurement process of the future project business case submissions, should be identified. With this in mind, please complete the sections listed below within the PBC Appendices to support the Commercial Case:

Commercial Case Supporting Questions	
4A	Overview of Commercial Case (Guidance – Page 9)
4B	Overview of Commercial Strategy (Guidance – Page 9)

5 FINANCIAL CASE

5A – Capital Funding – Provide an overview of the proposed funding package to deliver the programme within the table below. Please provide written confirmation of all confirmed funding with details of any conditions etc.

Funder	Amount	% of Total	Status (Confirmed/ Pending Approval)	Details of Funding Status / Timing / Conditions etc.	Committed (to 1-Aug-23)	Expenditure (to 1-Aug-23)
DLUHC	£100,000,000	39.5	Confirmed	Land Fund: March 2031.	£70,555,129	£40,809,978
DLUHC	£24,186,047	9.5	Confirmed	National Competitive Fund: March 2025.	£6,516,512	£6,378,178
DLUHC	£83,845,755	33.1	Confirmed	Brownfield Housing Fund: March 2025.		
DLUHC	£17,349,780	6.8	Confirmed	Brownfield Housing Fund Additional Funding: March 2025	£7,064,980	£1,815,838
DLUHC	£28,000,000	11.1	Confirmed	Brownfield Housing Fund Levelling Up White Paper Award: March 2025		
Total	£253,330,167				£84,136,621	£ 49,003,994

5B – Revenue Funding – If applicable, outline any ongoing revenue funding required in support of the programme and the source of this funding

Grants listed in 5A are for capital expenditure only.

The Brownfield Housing Fund incorporated a £2,826,498m revenue allowance.

Additionally, allowances for costs of WMCA and enabling services are incorporated into WMCA investment approvals and capitalised against the committed project when funding is drawn down by the applicant. This allowance is typically 5% of the grant ask, but the exact level will be determined on a project-by-project basis to ensure this is proportionate to the complexity of the project and the resource requirements for progressing the application.

Please complete the sections listed below within the PBC Appendix to support the Financial Case:

Financial Case Supporting Questions

5C	Overview of Financial Model (Guidance – Page 9)
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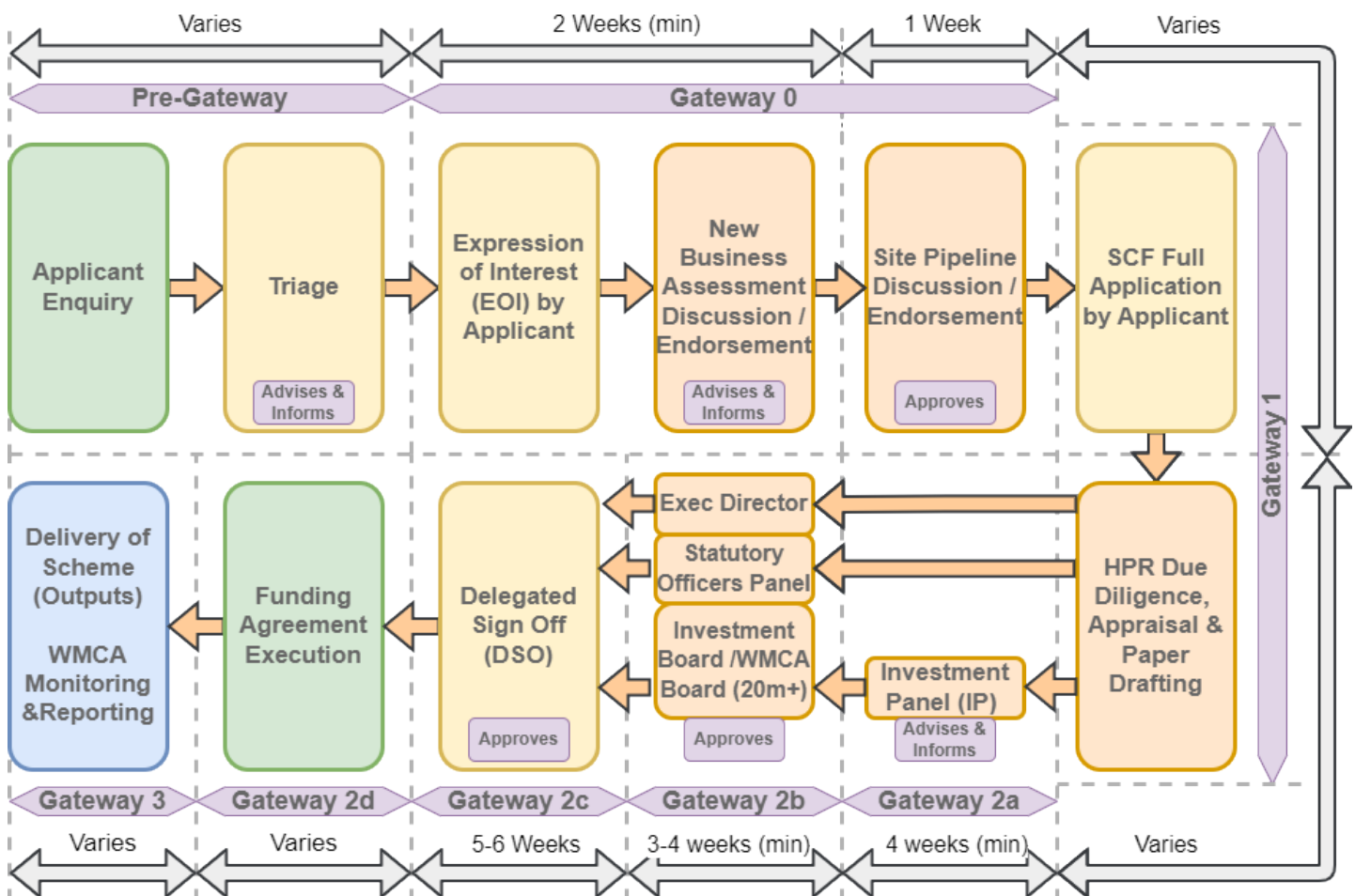
6 MANAGEMENT CASE

6A – Management and Governance – Provide an overview of the necessary management and governance arrangements that will be established/are in place for development and oversight of the Programme and proposed Business Cases, through to delivery and operation/project closure

SCF Process

In March 2019, Housing and Land Delivery Board agreed the key operational principles of the SCF document, which had been prepared collectively by officers of WMCA, local authorities, LEPs and other organisations. The SCF acts as a single portal for accessing WMCA funding and provides a streamlined and consistent approval process with explicit links to WMCA’s Housing and Land deliverables.

In recognition of the dynamic nature of the construction and real estate sectors, it was agreed that the SCF would be subject to a process of continuous review and amendment (as necessary) would be agreed by Housing and Land Delivery Board. This would ensure the SCF process could respond to legislative, technical and financial changes which would impact future delivery whilst also enabling WMCA to continue to align its investment criteria with its policy ambitions.



Applications for HPR Investment

Dedicated officers from HPR's team of Development Managers (majority chartered or following route to chartership) are appointed to oversee the pre-application, full business case and approvals and monitoring and closure stages.

Alongside preparation of individual Project Business Cases, the Development Manager will lead on technical due diligence, appraisals, delivery strategies and negotiation of transactions, ensuring risks are minimised and mitigated, investment is safeguard, projects are delivered on time and to budget and that HPR maximises outcomes from its funding.

Applications will be subject to detailed scrutiny by WMCA Finance and Legal officers as well as external legal and valuation advisors as part of this process. Detailed reviews of specific projects where greater assurance is required to support decision making are undertaken with the wider HPR and consultancy teams as needed.

Projects in Delivery

Once projects are on-site, and up to Practical Completion, WMCA will appoint an independent, suitably qualified Project Monitoring Surveyor. The Project Monitoring Surveyor will report into the Development Manager on project progress and verify actual delivery against the outputs and outcomes set for the project as part of the WMCA approval to invest.

Change Management

Investment decisions by WMCA are only valid until the expiry date specified in the relevant WMCA Board approval, and failure to contract the investment **unconditionally** by this date will trigger a re-appraisal and will require a new decision to be sought from WMCA.

The WMCA Director of Housing and Regeneration will consider changes involving a reduction of individual outputs attributable to WMCA investment of up to a maximum of 10%, subject to the scheme remaining value for money; or to the slippage of individual outputs by 10% in any one year to a subsequent year

Proposed reductions or slippage in outputs above this level, and **any proposed increases in investment**, require referral to the approving authority who made the original investment decision. Change requests relating to the amount of grant/investment are considered and approved in line with the Single Assurance Framework by default.

Any reduction of WMCA investment required or forecast increases in outputs must be reported to WMCA within 28 calendar days of these becoming known to the applicant.

The WMCA Accountable Director will consider if other proposed changes to a scheme are significant in so far as they would adversely impact the value for money assessment underpinning the original WMCA approval, and refer for full reappraisal by WMCA as necessary.

Programme Closure

Following the conclusion of each individual fund's programme, WMCA are required to provide an evaluation report to HMG. These will consider:

1. What outputs the fund delivered
2. Whether the fund/brownfield remediation delivered VfM in low demand areas
3. Whether the fund was combined with other HMG funding, and whether there were any additional regeneration benefits as a result of this

4. Whether any short term macroeconomic benefits were provided by the fund
5. Lessons learned which could inform approaches to future devolved housing funding e.g. pace of delivery, value for money processes, RDEL requirements, allocation methodology, ease of combining with other funding, regeneration impacts in a place, such as increased attractiveness of place, satisfaction of residents, the strategic benefits of being able to combine funding etc.

6B – Monitoring and Evaluation – Set out a summary of how success of the proposed programme will be measured, monitored and evaluated in delivering towards WMCA strategic objectives

Capturing and Recording Outputs

Project level data relating to outputs and milestones is captured and refined at each stage of the SCF process and recorded in HPR's Master Schedule. This data is verified through the Monitoring Reports undertaken by the Project Monitoring Surveyor.

HMG Reporting

HPR officers provide a quarterly report to demonstrate progress against key milestones and adherence to fund principles, and an annual statement.

The quarterly report includes the following information for committed and future projects:

- Spend against the allocated profiles at a programme level
- Timescales for WMCA investment approvals, starts on site and practical completion
- Quantum of housing, jobs and commercial space created
- Where applicable this will include risks, by exception, and any mitigating action being or to be taken.

The annual statement includes (but is not limited to):

- Performance against the baseline milestones and outputs outlined in sections 2A and 2E.
 - Spend
 - Amount of remediated brownfield land readied for development
 - Housing starts and completions
 - Additionality
 - Benefit Cost Ratios for each project
 - Delivery risks
 - Market failures addressed
 - Timing of housing outputs and assurance to avoid double counting with other Government investment programmes
 - S.73 officer approval
 - An update on Local Plans

Performance Monitoring

HPR's Strategy and Analysis team maintain, monitor and review the performance of each fund at its programme level, focusing on:

- Programme Risk - in terms of under delivery against HMG targets or milestones for individual funds, as well as emerging themes relating to external factors which could become a risk to HPR's wider investment programme e.g. supply chain issues, skills shortages, changing legislation, cost inflation

- Programme management - in terms of appropriate allocation of projects to each funds pipeline, ensuring they are on track to deliver against the outputs agreed with HMG.
- Reporting to SCF Investments Pipeline, HLDB and IB on overall performance against outputs and benefits outlined in sections 2A and 2E and progress of committed schemes in delivery.
- Quarterly and annual reporting to DLUHC

Please complete the sections listed below within the PBC Appendix to support the Management Case:

Management Case Supporting Questions	
6C	Programme Organogram (Guidance – Page 10)
6D	Programme Delivery – Roles & Responsibilities (Guidance – Page 10)
6E	Initial Stakeholder & Communication Strategy (Guidance – Page 11)



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 and Investment Appraisal

The purpose of this report is to:

- Provide a high-level summary of the risks (project and strategic), commercial viability and Value for Money (VfM) of the investment and the opportunities it brings forward,
- Determine if and how the proposal is aligned to WMCA Aims and Objectives and other regional Policy,
- and act as an informative tool for decision-makers that accompanies the business case through to an approval decision.

Housing, Property & Regeneration (HPR)
Investment

Housing PBC

August 2023

Appraisal by Cara McCarthy

1 EXECUTIVE SUMMARY

This PBC has been submitted by Rob Lamond, Head of Strategy & Analysis from Housing Property & Regeneration.

Exec Board are required to make a decision on the programme of works within the business case, which aims to unlock and pump prime brownfield land, so it is more financially viable to private companies in the commercial sector to deliver high quality development schemes that meet the needs of the local community.

Under this PBC, the following Project Cases have already been funded:

- 1) Wallows Road - £5,400,000 total requested through cocktail funding of which £695,000.00 of this amount is gap funded by WMCA through this housing PBC (Housing, Property & Regeneration (HPR) Investment).**
- 2) Former Stirchley Leisure Centre - £18,078,344 total requested through cocktail funding of which £412,353.00 of this amount is gap funded by WMCA through this housing PBC (Housing, Property & Regeneration (HPR) Investment).**

West Midlands Combined Authority (WMCA) has a series of investment funds available for projects that increase the supply of readily developable land to deliver high quality development schemes with new homes, commercial, retail and other employment space that would not otherwise come forwards without public sector intervention.

This Programme Business Case (PBC) has been developed, describing how these funds will be used to contribute to Housing, Property and Regeneration Directorate objectives.

The HPR Investment Programme is funded through devolved Housing and Land funds secured by WMCA from central Government. At present, these funds total £253,330,167 across 3 funding pots, of which £84,136,621 has been committed.

The funds are outlined in the table below:

Funding Stream	Amount
Land Fund	£100,000,000.00
Brownfield Housing Fund	£129,144,120.00
National Competitive Fund	£24,186,047.00
Combined Total:	£253,330,167.00

This Grant funding is offered to tackle site remediation challenges, infrastructure deficits, repurposing of derelict / underutilised properties, WMCA land acquisitions and other enabling requirements and is to address genuine scheme viability issues (excluding those which are a result of unrealistic land value expectations).

New applications for Housing, Property & Regeneration (HPR) Investment are channelled through WMCA's Single Commissioning Framework (SCF). Central to this process is an assessment of the project's additionality, in terms of its contribution towards HPR and WMCA's strategic objectives and policies. These include:

- Increased affordable housing delivery.
- Higher quality placemaking.
- Construction innovation.
- Social value.
- Inclusive growth and net-zero carbon.

The WMCA investment funds are a key part of the region's strategy to increase the supply of housing and employment space, and to deliver high quality development schemes that meet the needs of the local community.

1.1 Appraisal Recommendation

The PBC was rated Green / Amber in the BCAT, scoring 64%.

Following the BCAT (and appraisal), further detail has been added to the business case which provides more confidence that this programme can deliver its objectives successfully. The economic case would still benefit from further development, but it is noted that the Project Cases aligned to this PBC will be able to provide further evidence of VfM for each investment, as and when they are submitted into the SAF.

The financial asks within the project cases which are already in delivery (Wallows Road and Stirchley Leisure Centre) may be perceived as vague, and consequently, misleading. It is important that more clarity is provided around the financial summary and funding streams for any future project cases coming forward.

The appraisal activity concludes that the PBC should be approved by Exec Board as the programme is an integral part of WMCA's strategy to address the housing crisis (this is reinforced by WMCA's strategic risk register which highlights our duty to the citizens of the West Midlands to deliver HPR activity). However, it is noted that this business case entered the SAF after some of its projects were already in flight, so it is recommended as a condition of approval that the Housing Team works with Programme Assurance to undergo regular health checks on the projects and engage with PAA to develop future applications for external funding.

Please see key risks in section 1.2 of this report, and approval caveats as follows:

1. Project team should attend SAF training courses, available via Learning Pool. Please note there are several SAF related courses, of which one module is mandatory for all staff and one module is mandatory for all Project Managers. This will provide a deeper understanding of the assurance, appraisal, and approvals process.
2. Ensure the future Project Case's aligned with this PBC are submitted into SAF and that they include transparent financial summaries.
3. Engage with Programme Assurance to arrange programme health checks on projects in flight.
4. Engage with Programme Assurance for support with future applications for external funding.
5. Ensure affordable housing quotas are continued to be fulfilled in future Project Case submissions.

1.2 Key Risks

It is recommended that the business case author:

- a) responds to the following lines of enquiry in the table below and
- b) updates the business case (where relevant) to strengthen the PBC submission.

Any instances where the business case has been updated should be indicated in the project response column.

Updates to the business case should use tracked changes or discernible font.

Risk	Project Response
<p>Delivery Risk: Is any recruitment required to support this PBC? If so, how much progress has been made with this activity?</p>	<p>The programme can be resourced through the existing HPR structure and arrangements detailed in the Programme Business Case.</p> <p>Significant responsibility for the day to day management of project cases and funding programmes sits in the Development and Delivery team, under the Head of Service post which was vacant at the time of writing the appraised iteration of the PBC. A Head of Development and Delivery has now been appointed to oversee management of the programme.</p>

Risk & Investment Appraisal

Single Assurance Framework

	Sections 2F and 2I have been updated.
Delivery Risk: It will be difficult to assess the impact / M&E of the PBC when the project cases haven't been contained in the detail.	<p>HPR's grants are awarded through a Continuous Market Engagement approach. Where indicative pipelines have been identified to support WMCA's bid for funding, the schemes included are not sufficiently developed to produce a project case, nor will the grant required/attribution outputs be verified at this stage.</p> <p>Programme impact is closely monitored, evaluated and reported accordingly and on an ongoing basis. Reporting dashboards are produced and reviewed for each Investment Board and Housing & Land Delivery Boards, alongside quarterly and annual reports to HMG as a condition of WMCA's funding agreement. These provide data aligned to the outcomes and benefits in the PBC and performance to date. A further dashboard has been produced for the Section 151 officer/Executive Board, with support from HPR's Finance Business Partner and WMCA's Performance Manager with a specific focus on in flight delivery and risk.</p>
Financial Risk: Is the funding for capital or revenue expenditure? Has any expenditure incurred to date?	<p>Funding is for capital expenditure, with a small revenue allocation awarded alongside the BHF.</p> <p>Section 5A updated to include existing approvals and expenditure to date.</p>
Financial Risk: Has the cashflow accounted for inflation? How was inflation calculated? Commentary of how inflation is incorporated into nominal costs should be provided.	<p>The funding profile (tranche payment profile) is "final", subject to WMCA demonstrating sufficient delivery progress in its quarterly and annual reports to DLUHC.</p> <p>Due diligence is undertaken on every project by HP&R and independent advisors. This includes assessing whether the costs within the development appraisal, including any allowance for inflation, are reasonable and justified.</p> <p>Grant investment is provided as a fixed envelope with an upper limit, with any additional costs to be borne by the applicant.</p> <p>Section 5C updated.</p>
Reputational Risk: The PBC appears to be aligned with our Inclusive Growth objectives. Has anybody engaged with the Inclusive Growth team to discuss alignment with our Inclusive Growth strategies and make use of the tool kits available?	<p>Annex 1 – SCF Measures and Performance Monitoring Matrix includes a list of metrics HPR use to assess individual scheme performance and demonstrate outcome delivery across the programme, with links to existing WMCA strategies. At the time of production, the Inclusive Growth team, via the Applied Inclusive Growth group, were engaged on these measures.</p> <p>All applications for HPR grants are referred to the Inclusive Growth Decision Making Tool. On a project-by-project basis, officers engage the Inclusive Growth team where schemes are recognised to have potential to deliver significant inclusive growth benefits following triage/EoI development, to identify and maximise inclusive growth outcomes.</p>

	Section 2C updated.
<p>Delivery Risk: The PBC submission did not contain an appendix for the risk register, so it is unclear how the project are recording and managing their risks. The risk register should evidence the status of each risk and be updated, maintained, and reviewed on a regular basis.</p> <p>It is noted that 7 risks have been copied into the context appendix and the HPR intend to engage Peter Astrella on production of full risk register for directorate and its programmes. When is this targeted to happen? The programme already has projects in flight so the risk register should be a live document at this point.</p>	<p>A risk register is in place for the funding programme and reviewed at fortnightly site pipeline meetings. Individual project risk registers are maintained by Development Managers, and risks flagged to the Exec Director and Heads of Service through weekly programme updates.</p> <p>Work is progressing to develop an operational/Directorate risk register, which will identify directorate wide risks and mitigations, to be incorporated into the PBC risk register as appropriate. This will also provide a route for escalation of risks in this programme.</p> <p>Section 2J updated/Risk Register appended.</p>
<p>Financial Risk: Is land sold to investors / developers for profit? If so, where does this profit go?</p>	<p>In line with the Fund agreements in place with HMG, in the instance that a receipt was recovered for the disposal of land acquired, this funding would be recycled to facilitate the delivery of additional housing under the same governance and assurance arrangements.</p> <p>Section 4B updated.</p>
<p>Economic Risk: As the Project Case's are submitted, care must be taken to adjust for the additionality of the intervention and to avoid double counting of other impacts – particularly amenity and transport impacts (if the scheme includes new transport provision).</p>	<p>Outputs typically attributable to HPR grant include housing units enabled, brownfield remediated, commercial floor space and jobs.</p> <p>Avoidance of double counting is of paramount importance and potential for double counting is considered at every stage of the application process. Applicants provide a full breakdown of equity and loan contributions alongside any outputs claimed by other funders. Grant sources are also identified within the Financial Appraisal, and Development Managers will seek evidence of the funder's confirmation of claimed outputs and approval of the approach to output sharing.</p> <p>Section 5C updated.</p>
<p>Delivery / Reputational Risk: Consider congestion costs to existing individuals within identified areas. Will traffic congestion be picked up in the planning permission for individual sites? Will it be addressed to local authorities at that point?</p>	<p>The approach to transport and travel management is determined and approved through the planning process. WMCA does not have formal planning powers and these rest with Local Planning Authorities (LPA).</p> <p>The applicant is responsible for securing planning permission and adhering to planning processes and requirements. There is a risk of delayed or non-delivery of outputs/outcomes if planning is not secured. This risk is managed or avoided by requiring strong planning certainty prior to governance approvals, with evidence of the planning approval or a statement of support for the scheme from the LPA. Local Planning Authorities (LPAs) are engaged on all projects in their area to ensure alignment across their and WMCA's approach.</p> <p>HPR manages its exposure to reputational risks associated with poor quality development by requiring developers to demonstrate deliver against its policies related to good place-making. Proximity to public transport nodes, or location in</p>

Risk & Investment Appraisal

Single Assurance Framework

	<p>public transport corridors, towns and city centres is identified as an essential criteria in the Single Commissioning Framework, and sustainable travel and connectivity are considered within the holistic appraisal of each scheme's outcomes and benefits, and assessed against relevant WMCA policies, including the Regional Design Charter.</p>
<p>Delivery / Operational Risk: Are the housing team engaged with TfWM for additional transport provisions / ancillary measures / adjustments to existing routes and network? Will this be addressed during planning permission for individual sites? Will this be raised as part of the new Network Management Forum?</p>	<p>See previous response.</p>
<p>Delivery Risk: Is the programme utilising any Lesson's Learnt from similar projects or programmes?</p>	<p>The Single Commissioning Framework process was co-developed with Local Authorities, LEPs and West Midlands Development Capital and informed by best practice for similar regional and national programmes. The process is monitored, evaluated and amended as appropriate on an ongoing basis, including through internal audit.</p>
<p>Delivery / Reputational Risk: How does the programme mitigate the environmental costs of the development to society? E.g. tree removal, noise pollution?</p>	<p>The Zero Carbon Homes Charter, Regional Design Charter and Advanced Manufacture in Construction routemap set out WMCA's expectations and aspirations of developers in terms of limiting environmental impacts on development, and applications for funding are required to demonstrate and evidence their performance against these.</p>
<p>Delivery / Reputational Risk: Regeneration can cause house prices to increase, however on the flipside this can cause displacement of people from their local area when they can no longer afford to live there. Does the programme have a duty of care to ensure people are not being displaced from their area? How will this impact be measured?</p>	<p>The programme seeks to improve access to homes for all residents by investing to unlock additional housing supply on schemes which could not come forward without public sector intervention. In doing so, HPR will work with applicants and local authorities bring forward a mix of housing types and tenures which responds to local housing need and placemaking aspirations.</p> <p>The primary mechanism through which WMCA can ensure access to local, affordable housing is in its funding agreements. Residential schemes must include a minimum of 20% affordable housing (or the local defined requirement, if higher), defined as either:</p> <ul style="list-style-type: none"> • 'WMCA locally affordable homes' - homes meeting a specific need in the relevant local area (e.g., keyworker homes) and with the assessment of affordability based upon 35% of lower quartile household income levels in the local areas. • "Affordable Housing" as per the glossary of terms set out in Annex 2 of the National Planning Policy Framework. <p>Any combination of NPPF defined and WMCA locally affordable defined affordable housing is acceptable, but in all cases the minimum 20% requirement must be delivered as an integral part of the scheme i.e. on site.</p> <p>Measurement of this impact is addressed in the PBC.</p>
<p>Delivery / Reputational Risk: DLUHC has a mission to provide a path to home ownership for first-time buyers and improve the standard of housing in the UK (Source: <i>Levelling Up White Paper</i>). What mitigations are in place to prevent / monitor investors from purchasing new homes for rental purposes</p>	<p>Local Planning Authorities are responsible for setting policies for the mix and tenure of developments within their Local Plans and through planning obligations. WMCA may work with the LPA and applicants to address market failures preventing specific housing products or tenure mixes coming forward in identified areas of need.</p>

<p>(essentially reducing the number / type of homes available to first time buyers)?</p>	<p>Where WMCA requires delivery of specific housing products or additional delivery beyond that secured through planning, provisions will be made in the legal agreement and secured against a legal charge where appropriate.</p> <p>During the delivery phase, assurance that the project is being delivered in accordance with the terms of the legal agreement is provided through Project Monitoring Surveyor reports.</p>
<p>Economic Risk: The PBC claims to align to our Net Zero targets but does not evidence how and why. What specific activities will contribute to reducing our carbon emissions through the delivery of this PBC?</p>	<p>Both operational and embodied carbon reduction targets as well as thermal performance targets have been established in the Zero Carbon Homes Routemap and schemes brought forward for HPR grant are expected to demonstrate performance against these – referenced in Section 2b and language strengthened.</p> <p>Other potential carbon reduction benefits to be delivered through application of policies referenced in 2b:</p> <ul style="list-style-type: none"> - Application of the principles in the Regional Design Charter, focused on connectivity and sustainability, which could enable residents to adopt less carbon-intensive behaviours. - Adoption of Advanced Manufacture in Construction, which reduces emissions associated with material production by limiting construction waste and the emissions associated with vehicular movements by reducing the number of these required to site.

1.3 Key Opportunities

- Supports our aim to ‘Connect our communities by delivering transport and unlocking housing and regeneration schemes’, specifically, unlocking additional housing and affordable housing supply through brownfield land remediation.
- Contributes to resolving the housing shortage in the West Midlands.
- New houses can support regeneration by increasing a local area’s desirability. (*Source: DLUHC Appraisal Guide*).
- If the West Midlands is a nicer place to live and visit, it could attract further investment to our region in the long-term.

1.4 Inclusive Growth

This PBC will contribute towards Inclusive Growth within the West Midlands by increasing affordable housing delivery. The PBC is committed to supporting our Inclusive Growth objectives.

1.5 #WM2041 Net Zero

WMCA declared a climate emergency in 2019 and identified a target date of 2041 by which the region should reduce their emissions to Net Zero.

Although references to Net Zero were made, unfortunately there were no significant benefits in the PBC that would contribute to #WM2041. The project team could consider agreeing investment with private companies that have a focus on green ethics and energy, e.g. developers that will incorporate cycle storage that encourages greener travel or; implementing living green roofs that absorb carbon emissions or; incorporating solar panels to reduce running costs and energy bills etc.

2 HIGH RATED ASSURANCE OBSERVATIONS

Assurance rated the overall maturity of this business case as 64% 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.

Set out below is the project response to the 'high-rated priorities' set out in the Assurance Observations Report.

Recommendation	SRO Comment
Update objectives to include key performance indicators, showing timescales and baseline measurements versus programme outputs.	Agreed: Objectives to be amended to reflect SMART criteria.
Produce a Benefits Realisation Plan and include the type and ranking of each benefit.	Agreed.
Ensure all potential options/interventions are detailed, analysed and appraised, to present the programme's overall preferred way forward, linked to CSFs. The business case should demonstrate how funds will be used to ensure the best value for money option is taken forward.	Disagreed: Process has already been agreed with government and is a condition of funding agreement. New schemes are identified through continuous market engagement i.e. there is not a long list or ranking system. Projects are brought forward providing they meet all of the minimum criteria – with VFM and outcomes assessed on a project-by-project basis through robust and consistent due diligence process.
Liaise with Legal/Procurement business partners/subject matter experts (SMEs) to ensure detail regarding how Subsidy Control requirements will be managed is included in the PBC and appendices.	Agreed: Mark Nicholson (Property Solicitor) to be engaged who has provided revised wording on subsidy control.
Liaise with the Performance team (within the Business Improvement Team of the Finance & Business Hub) and SMEs, to develop and implement a detailed Monitoring and Evaluation Plan.	Evaluation ongoing in line with HMG reporting, and to follow completion of programme

3 SUBJECT MATTER EXPERT (SME) INVOLVEMENT AND NEXT STEPS

The SME's who were consulted on this business case include:

- Rob Lamond, SRO / Head of Strategy & Analysis
- Rachel-Ann Atterbury, Project Manager / Senior Strategy Officer
- Mark Nicholson, Legal Business Partner for Property & Regeneration
- Jo Snell, Finance Business Partner

Detailed below is the approval route to obtain a decision for this business case:

Approval / Endorsement Body	Comments / Conditions	Date
Exec Board	Tbc by appraisal after decision	30/08/2023



Investment Board

Date	13 November 2023
Report title	Royal Sutton Coldfield Town Hall
Portfolio Lead	Councillor Ian Courts
Accountable Chief Executive	Laura Shoaf
Accountable Employee	John Godfrey, interim Executive Director of Housing, Property and Regeneration
Report has been considered by	Investment Panel (1 November)

Recommendation(s) for action or decision:

The Investment Board is recommended to:

- 1.1 Approve WMCA investment of a maximum of £1m for the carrying out of emergency and enabling works to the Royal Sutton Coldfield Town Hall taking into account the assessment of doing so, and not doing so, as set out in the body of the report
- 2.1 Delegate authority to the Interim Executive Director of Housing, Property & Regeneration in consultation with the Executive Director of Finance and Business Hub and the Director of Law and Governance to agree the terms of the investment to be made with the Royal Sutton Coldfield Town Hall Community Trust (RSCTHCT) in accordance with the terms of this report and as approved by the Investment Board.
- 3.1 Note that the funding is required for the emergency and enabling works to proceed

Funding Conditions:

- a) To ensure delivery of any long-term obligations would require a legal charge or alternative adequate security. It should be noted that no security will be required for the delivery of the short-term obligations, i.e., delivery of the outputs noted below, as fund transfers in relation to these are to be made in arrears. The conditions do not propose a clawback mechanism for the short-term obligations, as a result of this.
- b) Funding agreement should contain standard obligations to be generally found in WMCA Funding Agreements
- c) Payment of funds to the applicant will be in arrears, based on costs incurred as evidenced by supporting invoices. WMCA reserve the right to request an independent review of the claims submitted at any time. In the event of any over claims or incorrectly supported claims being identified, further claims from WMCA are at risk of being withheld from the applicant until these matters are resolved
- d) Should the joint partnership option in **section 1.5.1** be pursued, WMCA will procure legal advice on the structure of the funding agreement.
- e) The funding agreement will give the following rights to WMCA:
 - Approval of the appointment of Project Manager, Contractor and Professional consultants
 - Requirement to receive access to all documentation in relation to the works and to visit site within reasonable notice
 - Rights to all significant decision making in relation to the works
- f) The funding agreement will contain an obligation upon the applicant to repay the grant if it disposes of the property or any part of it (other than by way of short-term lease) within a mutually agreed, reasonable time frame no less than 5 years. As an alternative the applicant shall have the right to procure that any disponent agrees with WMCA to observe and perform any long-term obligations in lieu of repaying the grant.

Pre-Conditions:

- a) Subject to securing necessary consents and satisfaction of trust covenant position/capacity prior to start on site (and general ability to implement the project).
- b) WMCA will undertake the appropriate due diligence checks in terms of the costs and appoint construction and project management specialists to undertake a review of the cost plan and all associated quotes submitted by RSCTHCT in the Application Form before the funding agreement is signed and any funds transferred.
- c) The review of the cost plan and associated quotes will be based on market-facing assumptions. This is to confirm that the level of support which has been requested, as noted above, is justifiable and required to enable the scheme to proceed. The costs associated with undertaking this work will be covered by the total budget of £1.0m.
- d) Overall, this cost plan Due Diligence review will determine if, based upon the present status of the scheme, that the investment of up-to £1.0m can be supported and complies with the terms as outlined above and in line with the IB-approved position.

e) The transfer of funds will be based on agreed milestones / deliverables, paid out in arrears and will be supported by invoices as independently verified by an appropriate Project Monitoring Surveyor or similar, prior to any payments being made.

1. Purpose

1.1 To ask Investment Board to consider approving a maximum of £1m funding to be made available from the Brownfield Land and Property Development Fund or similar fund to support the “Emergency and Enabling Works” to be carried out at the Royal Sutton Coldfield Town Hall (RSCTH)

1.2 This investment will enable The Royal Sutton Coldfield Townhall Community Trust (RSCTHCT) (**The Applicant**) which is the organisation responsible for delivery, to:
 Protect the existing 6 FTE operations¹ and 10 casual² venue staff
 Expand its operations team by 4 FTE staff including new 1-2 Apprenticeship posts and a further additional 5 FTE Casual Staff.
 In addition, to the venue jobs being protected/created, the independent office suite will employ 10 FTE posts who will operate the base plus create 7 new jobs and up to 20 apprenticeships. Details of the nature of these office suite jobs can be found in **section 2.7 - 2.8**.
 (Figures calculated by the applicant using the Employment Densities guide).

1.3 This application relates to priority emergency/enabling works comprising:

- 1.3.1 The critical replacement of the slate roof, felt, guttering and restoration of crumbling balustrades to prevent ongoing leaking and deterioration. Protecting 530sqm of employment floor space; safeguarding 16 FTE jobs and creating further 9 FTE jobs.
- 1.3.2 creation of a new anchor tenant facility providing 110sqm of Employment floorspace and 17 FTE jobs, plus up to 20 apprenticeships
- 1.3.3 Opening up and improving the public open space with a landscaped pedestrian walkway for commuters/visitors/commerce connecting Sutton Coldfield Railway Station/nearby Town Centre to the High Street, improving local connectivity.

Without this funding these works cannot progress. The table below notes the value for money impact from the use of WMCA grant by listing all outputs in relation to each grant funded package of works.

Roof	Anchor Office Suite	Landscaping
6 FTE operations staff safeguarded	17 FTE jobs created	Improving local connectivity
10 FTE casual staff safeguarded	Up to 20 apprenticeships created	
4 FTE operations staff (inc. 2 apprentices) created	100 sqm commercial space created from venue space to be used as a community hub (including café)	Approx. 92 sqm of land improved
5 FTE Casual staff created		
Improving quality of life		

1.4 If approved, it is intended that transfer of funds to the applicant will be in arrears, based on costs incurred as evidenced by supporting invoices. WMCA reserve the right to request an independent

¹ Operations staff can consist of: sales, marketing, event management/support, project development; creative programmes, maintenance, Finance, IT, general support

² Casual staff can consist of: Duty Managers, Bar Manager, bar/cellar staff, tea/coffee bar staff, building sets, event preparation

review of the claims submitted at any time. In the event of any over claims or incorrectly supported claims being identified, further claims from WMCA are at risk of being withheld from the applicant until these matters are resolved. This will justify that the expenditure is eligible prior to payment.

1.5 There are two potential delivery options under consideration which provide alternative risk mitigation and **security** measures. These are set out below:

1.5.1 A Joint delivery arrangement in which:

- Following a competitive tender process, WMCA and the Trust appoint a Project Manager to generally advise on construction costs, coordinate the completion of specification/scheme documentation, manage the procurement and implementation of constructions works (monitoring, CDM/Health & Safety, quality assurance, client reporting, advising on variations, approving completion of work packages and draw downs, managing practical completion and handover).
- WMCA will have rights to require an assignment of the benefit of all construction contracts and consultant appointments in the event of either the insolvency of the applicant or a failure of the applicant to complete the grant funded works.
- Funds are drawn down and paid in arrears upon completed work packages/milestones (pre-agreed and documented by way of a delivery programme and authorised at the point of draw down by both the Trust and WMCA)
- The proposed phased draw down is intended to facilitate project delivery and mitigates a significant (and potentially unsustainable) financial burden on the Trust in the event WMCA was to require a traditional funding allocation arrangement upon practical completion.
- In the event the Trust became exposed to significant financial/operational difficulties during construction, the scheme would continue to completion. In these circumstances WMCA would immediately step into the lead client role. (It would be expressly agreed that WMCA would have no liability for future ownership/operation of the building post scheme completion)
- The Trust would be prohibited from disposing/restructuring of its interests during construction and would be under an obligation to notify WMCA of any circumstances which impact on its ability to perform its joint client responsibilities.
- Pre-conditions to be met inter alia include securing necessary consents and satisfaction of trust covenant position/capacity prior to start on site (and general ability to implement the project).

1.5.2 Although a legal charge is usually the preferred security. In these special circumstances where WMCA grant is being utilised to fund the entire construction project, this option may not be considered suitable particularly if WMCA is faced with a scenario where the Trust fails, and construction works (including major roof repairs) are left partially completed. In these circumstances, the value of this partially completed site may be insufficient to cover the costs incurred and drawdowns made by the applicant at that time.

1.5.3 The joint delivery structure (1.5.1) is the preferred option. The joint client arrangement effectively mitigates delivery risk and ensures scheme completion through direct WMCA intervention if absolutely necessary. WMCA will seek external legal advice on the structuring of this arrangement.

1.6 The costs of the Project Monitoring Surveyor, Project Manager and any other external consultant are factored into the total project budget and form part of the approved costs.

1.7 The applicant is requesting £789k to cover the costs, as noted above (which exclude VAT) and the uplift in grant ask to £1.0m is to cover costs of project delivery by WMCA and relevant external advice; setting up the Partnership referred to above and potential uplift to costs for inflation which may be required once the project costs are fully assessed. The request of a maximum of £1.0m is to mitigate the need to come back to investment board for further funding once a full cost assessment has been completed.

2. Background

2.1 The Royal Sutton Coldfield Townhall is located on Upper Clifton Road, a high profile building within Sutton Coldfield with significant importance to the community. It is within the Sutton Coldfield High Street Conservation Area on a prominent hill overlooking the town and Sutton Park and adjacent to Sutton Coldfield Railway Station. It is a multi-purpose community-led Cultural/Arts/Performance Venue comprising 4 main function rooms currently used for local productions; national touring productions; arts exhibitions; business meetings and conferences; weddings and wakes; Youth Theatre and dance school; amateur drama. It has recently been used to serve the community in the form of COVID-19 vaccination centre and food distribution centre.

2.2 This is a heritage Building (Locally listed Grade A). In 2018 there was Community Asset Transfer of the Freehold from BCC to the Trust (applicant). The building was in operational deficit and the trust achieved breakeven by 2020. BCC sold the adjoining council offices for residential development in 2014.

2.3 This scheme is an opportunity for job creation and the delivery of inclusive growth, including the remediation and the restoration of an important community building within Sutton Coldfield. The building is less than 0.5 miles from Grace church shopping centre, for which an EOI is awaited related to a 700 residential unit and 500sqft commercial scheme, this presents a potential significant placemaking opportunity for the community which will supplement the Sutton Coldfield Town Centre Regeneration Masterplan 2020 of which RSCTH is part of.

2.4 The trust (applicant) owns the freehold via the Community Asset Transfer from Birmingham City Council who previously occupied the whole building for council offices/services and venue hire. In the early 2000s, the City Council disposed of the adjoining Council House which was sold and converted into residential apartments with additional land for private parking. The Council also disposed of another piece of incorporated land for the development of four town houses. The remainder of the building (venue/function space) was saved by a public campaign.

2.5 It is currently in need of emergency roof works and other upgrade elements, to safeguard current jobs; provide new jobs and continue to serve the community. The WMCA application consists of 3 discrete work packages.

2.6 This application relates to priority "emergency/enabling works" comprising replacement slate roof and restoration of stone balustrades in the Edwardian part of the building to prevent further leaking and deterioration; creation of a new anchor office tenant facility; and opening the public open space with a landscaped pedestrian walkway for commuters/visitors/commerce connecting Sutton Coldfield Railway Station/nearby Town Centre to the High Street, improving local connectivity. A planning application is not required for these works.

2.7 Lindridge Enterprises (LE) has been identified as the anchor tenant for the independent office suite. LE will create and develop a Community Hub that will service local communities and develop a centre that enables disadvantaged young people to follow a journey into employment. Lindridge Enterprises is the charitable arm of Trinity Specialist College. There is substantial potential of joint working with the RSCTHC Trust in a range of partnership projects to support employment and training.

2.8 This venture will respond positively to the RSCTHCT's commitment to engage positively with the local community and will provide LE with a safe space to bring forward a vital community service. The Community Hub will provide many opportunities including:

- Core team of 10 FTE outreach employees operating from this hub plus creating 6 new jobs for disadvantaged people and up to 20 new Apprenticeships
- a meeting place for information, advice, guidance and support for disabled/disadvantaged youth in all aspects of daily living
- a cafe where young people will volunteer or be employed and this will be an asset to the Town Hall and open to the public
- apprenticeships and partnerships with other local service providers to maximise the potential for work experience, education and employment
- to explore additional training offers in areas social media and the arts including theatre

This will be the flagship undertaking for LE. LE will work with many other organisations to develop this project over time in a phased approach including West Midlands Combined Authority, Sutton Coldfield Charitable Trust and Sutton Coldfield Town Council.

2.9 For context the Applicant has a full strategy that includes the modernisation of the whole building. This is a new comprehensive refurbishment/modernisation scheme which will open up extra function/exhibition space, anchor tenant facility, & Makers Spaces for micro-SMEs in allied arts sector industry. This future element of the Applicant's strategy is contingent on the "Emergency and Enabling works" from the WMCA funding. However, to be clear, this does **not** from part of the application and WMCA is **not** funding this.

2.10 This was originally brought forward under the Single Commissioning Framework (SCF). An expression of interest (EOI) was submitted in 2021 and a Full Application was submitted in July 2023. WMCA sent a 'letter of comfort' to the applicant in July 2023 which stated that 'WMCA has programmed an "in-principle" funding agreement this financial year, subject to progressing through the SCF gateway stages'. It is important to note that the letter of comfort is not legally binding and the Board could decide not to proceed with this investment. Such a decision not to proceed poses risks to the reputation of the authority as the applicant was given to believe that investment would be forthcoming.

3. Strategic Aims and Objectives

3.1 The scheme will have a profound benefit on the local economy, saving and providing many jobs including professional team advisers, apprentices, manufacturers, and supply chain partners.

3.2 The scheme responds to the aspirations of the Regional Design Charter alongside other WMCA quality objectives. Specifically, the proposed scheme would serve as an exemplar of the following Design Charter themes:

Character: The proposed development would revitalise significant parts of this historic building, enhancing the historic and cultural distinctiveness of the local area.

Connectivity and Mobility: The scheme supports sustainable intensification of commercial, residential and employment opportunities within Sutton Coldfield Town Centre. Its location at the heart of a major regional public transport node will encourage occupiers and users to prioritise active and sustainable methods of travel.

Future Readiness: Repurposing buildings and materials limits waste and the embodied carbon emissions of demolition and virgin material manufacture.

Engagement and Stewardship: The long-term management and maintenance of the development has been considered. Furthermore, the scheme secures long term maintenance of a culturally significant building currently in disrepair.

4. Financial Implications

4.1 The RSCTHCT Project Appraisal (July 2023) identifies the following costs to deliver this project:

Description	Construction Quote (£K)	Professional Fees (£K)	Total (£K)
Roof repair and restoration	484	18	502
Anchor Office Suite	229	8	237
Landscape works and footpath	48	2	50
Totals (exc. VAT)	761	28	789

4.2 Note these costs include 10% contingency within the construction costs quoted and, therefore, in the total costs. The applicant is requesting £789k to cover the costs, as noted above (which exclude VAT) and the uplift in grant ask to £1.0m is to cover costs of project delivery by WMCA and relevant external advice; setting up the Partnership referred to above and potential uplift to costs for inflation which may be required once the project costs are fully assessed. The request of a maximum of £1.0m is to mitigate the need to come back to investment board for further funding once a full cost assessment has been completed.

4.3 WMCA will undertake the appropriate cost estimate due diligence and appoint construction and project management specialists to undertake a review of the cost plan and all associated quotes submitted by RSCTHCT in the Application Form before the funding agreement is signed and any funds transferred.

4.4 The review of the cost plan and associated quotes will be based on market-facing assumptions. This is to confirm that the level of support which has been requested, as noted above, is justifiable and required to enable the scheme to proceed. The costs associated with undertaking this work will be covered by the total budget of £1.0m.

4.5 Overall, this cost plan Due Diligence review will determine if, based upon the present status of the scheme, that the investment of up-to £1.0m can be supported and complies with the terms as outlined above and in line with the IB-approved position.

4.6 The transfer of funds will be based on agreed milestones / deliverables, paid out in arrears and will be supported by invoices as independently verified by an appropriate Project Monitoring Surveyor or similar, prior to any payments being made.

5. Legal Implications

5.1 WMCA has the power to make this investment 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 is being made under the WMCA's economic development and regeneration function to promote and accelerate further the achievement/fulfilment of the following WMCA objectives:

- 1) Increase creation of good jobs.
- 2) Increase the availability of enhanced reasonably priced office space
- 3) Support the regeneration of town centres.
- 4) Support levelling up objectives including supporting the sustainability of community organisations

The making of the investment will promote and further the achievement/fulfilment of these objectives because the funding will firstly be likely to create enhanced reasonably priced office space and secondly because it will be likely to lead to a more sustainable community organisation that operates the Town Hall.

The applicant is a business – albeit a charitable community-based business and therefore the investment will need to be consistent with the provisions of the Subsidy Control Act 2022. Officers consider it likely that the funding will comply with the Subsidy Control Act 2022 but this cannot be confirmed until the terms and conditions of the funding agreement have been finalised. Internal legal advice will be taken on compliance with this aspect.

It is important to note as set out in para 2.10 above that the letter of comfort provided is not legally binding, and the Board could decide not to proceed with this funding. It is also important to note that this investment will deliver no housing units. It is possible to use the proposed funding sources for this project, but doing so will have an impact on other projects that could be delivered with those funds. The Combined Authority has the power to make the investment requested, but in considering whether to do so the Board should consider the risks involved as set out in this report.

6. Single Assurance Framework Implications

6.1 BLPDF grant terms & conditions include the following requirements:

- 6.1.1 The BLPDF was designed to support the delivery of key projects by de-risking private sector investment and addressing project challenges including market failure, adverse ground conditions, poor infrastructure, abnormal site remediation costs and providing gap funding to bridge the viability shortfalls on schemes.
- 6.1.2 The Fund aimed to deploy its resources to maximise the future level of economic activity on brownfield sites and the supply of modern floorspace within buildings.
- 6.1.3 Each application to the Fund for resources must demonstrate it is directly delivering or securing a clear pathway to securing economic activity. This is measured by economic outputs and associated outcomes.
- 6.1.4 The direct output measurements for the Fund are:
 - a. New Houses constructed
 - b. New Jobs Created
 - c. New commercial floorspace
 - d. Commercial floorspace returned to Economic use

- e. Private Sector leverage
- f. Acres of land remediated, regenerated & improved

A further original stated aim of improving Quality of Life Outcomes was not directly measurable and therefore is not reported on.

- 6.1.5 The Fund also has the remit to invest in projects that indirectly deliver key outputs.
- 6.1.6 Applicants to the Fund have been required to establish a GVA (gross value added) calculation to assess the overall impact of a scheme level investment on the local or regional economy. This has been measured using a HMG approved formula of Jobs Created x £46,000 for the GVA output.
- 6.1.7 The Fund of £50m has been operational from 2017, with an anticipation that it would be fully invested by 2021. The Fund was aligned with the target outcomes of Black Country Land and Property Investment Fund “LPIF” and looked to deliver similar levels of outputs through deployment of the full £50m of the Fund;
 - g. 1600 New Jobs
 - h. 800 Houses
 - i. 200,000 sqm of Commercial floorspace
 - j. Significant private sector funding leveraged
- 6.1.8 Furthermore, the BLPDF Appraisal Model requires the following:
- 6.1.9 The Fund will use Finance Birmingham as Fund Manager to conduct robust interrogation of project appraisals are completed ahead of any investment decisions.
- 6.1.10 Scheme bids will be evaluated against:
 - Alignment to Strategic priorities,
 - “Value For Money” (including Financial returns) in generating outputs (see 3 above),
 - Wider Economic impact on the Local & Regional economy.
 - Ability & track record of Bidders
 - Robustness and deliverability of the overall scheme (Issues & Risks)
 - All Scheme bids must demonstrate compliance with State Aid Regulations and detail the precise and specific exemption under which the bid can be provided.
 - Scheme bids should normally demonstrate at least 70% contribution toward meeting Eligible Costs. “

6.2 There is no detailed business case to review in this instance by either WMCA Appraisal and Assurance Team or the Fund Manager. The details of the ask are set out in this paper as is the case for the ask and benefits to be delivered.

6.3 Approval of this investment will reduce the amount remaining within the overall fund to deliver other schemes in the Fund Manager Pipeline

6.4 The WMCA HPR team will undertake due diligence on the costs quoted from an assurance perspective in terms of value for money, validity of requirements and deliverables.

7. Equalities Implications

The grant will benefit all users of the Town Hall facilities. In particular the grant will lead to a community hub aimed at assisting those who are disabled and disadvantaged (**Section 2.7-2.8**)

The implications of the Public Sector Equality Duty have been considered, this grant will be likely to promote equality.

8. Inclusive Growth Implications

The HPR investment programme will deliver positive inclusive growth outcomes by:

- 1) Providing employment opportunities including new office space and social infrastructure for residents across the entire WMCA geography.

- 2) Enhancing cultural and leisure facilities for people to meet and socialise
- 3) Through the SCF process, WMCA officers will consider the extent to which individual projects align with WMCA's inclusive growth objectives, and whether there are opportunities to secure more/better outcomes through the project.

9. Geographical Area of Report's Implications

This report is relevant to the Sutton Coldfield area of the West Midlands region. The building is included in the Sutton Coldfield Town Centre Regeneration 2020 Masterplan.

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