

## Investment Board

<b>Date</b>	Monday 24 <sup>th</sup> July 2023
<b>Report title</b>	Major Events Fund – Programme Business Case
<b>Portfolio Lead</b>	Economy and Innovation
<b>Accountable Chief Executive</b>	Neil Rami Chief Executive, West Midlands Growth Company Ed Cox Executive Director – Strategy, Integration and Net Zero
<b>Accountable Employee</b>	Pip Abercromby Director of Finance & Commercial, West Midlands Growth Company Jonathan Skinner Head of Economic Policy and Partnerships, WMCA
<b>Report has been considered by</b>	Investment Panel – 26 <sup>h</sup> June 2023

### Recommendation(s) for action or decision:

The Investment Board is recommended to:

- (1) Approve the appended Programme Business Case (PBC) which seeks £6m from the Legacy Enhancement Fund to establish a Major Events Fund;
- (2) Agree the proposed governance arrangements to ensure that the Major Events Fund is administered in a collaborative and transparent manner; and
- (3) Agree to delegate authority, following Economic Growth Board approval on the shortlisted major event opportunities, to the Interim Director of Employment, Skills, Health and Communities, in consultation with the Executive Director of Strategy, Inclusions and Net Zero, WMCA Section 151 Officer and WMCA Monitoring Officer to onward award funding.
- (4) Note that a decision on SportAccord is being considered in parallel.

### 1. Purpose

The key purpose of this PBC is to:

- Set out the high-level ambitions, objectives and governance for the Major Events Fund.

## 2. Background

- 2.1. At its meeting on 17<sup>th</sup> March 2023, the WMCA Board agreed (inter alia) to allocate £6m from the Legacy Enhancement Fund to enable the hosting and staging of major sporting, business and cultural events that will deliver regional economic impact. These events will require competitive bids to be developed and won, and financial and operational commitments from Local Authorities (LAs) to host.
- 2.2. At the same meeting, a report presented on the West Midlands Growth Company Review, set out the role the West Midlands Growth Company (WMGC) would provide under the MICE Function – raising the profile of the region as a destination to host world-class sporting, cultural and business events, and bidding to win high-priority events. Which relates in part to the ‘major events’ programme as activities as set out in the Programme Business Case. More specifically section 6.34 of the March reports, sets out the role the WMGC would provide taking on secretariat function for the Major Events Fund programme.
- 2.3. WMGC will also provide wrap-around support such as marcomms, familiarisation visits and investor engagement and, where appropriate international promotion, through its Global West Midlands Programme to ensure the economic, social and international profile benefits of hosting events are maximised.
- 2.4. WMCA will remain the accountable body for the funds and will grant them to LAs to host and stage priority events agreed through back-to-back funding agreements, aligned to the process set out below.

## 3. Strategic Aims and Objectives

- 3.1. Throughout the Commonwealth Games and the Business & Tourism Programme (BATP), WMGC has met with event owners and rights holders who have expressed an interest in hosting major events in the West Midlands. The region has thus built a healthy pipeline of events, but lacks the funds required to land those which are of an international scale and reach. Accordingly, WMGC has prioritised attracting events of a smaller scale and impact that do not require significant additional host funding. This means the region risks losing out on major event opportunities to other domestic and international competitors.
- 3.2. The Major Events Fund seeks to address this risk by providing the region with the means to attract, host and stage up to eight major events. It is anticipated that each event will require at least £250,000 of financial support to meet hosting costs; events under this threshold will be referred to the Community Grants Fund. These eight events are over and above the 23 business conferences and sporting events that will be attracted through the WMGC’s Global West Midlands programme.
- 3.3. Aligned with a package of promotion delivered by WMGC, major events staged through this fund will help level up economic performance in the West Midlands by:
  - Raising the national and international profile of the region and its conference and events assets in places throughout the region.
  - Sustaining an increase in domestic and international visitors.
  - Boosting inward investment right across the region, including in primary and nascent clusters in the [West Midlands Plan for Growth](#).
  - Creating and/or safeguard good quality jobs across the region, including supporting high-growth firms in clusters prioritised in the West Midlands Plan for Growth.
  - Brokering new international relationships and trade opportunities for regional businesses.

- 3.4. The role of WMGC is to promote the West Midlands region as a potential host of Major Events, generate interest from International Federations and Rights Holders and develop a pipeline of Major Event opportunities, and support LAs in the negotiation and bidding process.
- 3.5. In addition, WMGC will establish and provide secretariat functions for a West Midlands Major Events Advisory Group (WM-MEAG), as an advisory group of the Economic Growth Board, which will be made up of local authorities from across the region as well as private sector experts. The Advisory Group will also include representation from existing bodies to ensure alignment with other activity where appropriate, for example the Tourism Board and the Wellbeing Thematic Board that is leading on the allocation of £2m of Community Grants funding – some of which will be to stage local events. This will help to ensure optimum outcomes and value for money are achieved across the two funds. The aim of the Advisory Group will be to provide expert input and advise on developing bids and funding applications.
- 3.6. WMGC will administer the process to allocate funding from the Major Events Fund. To do so, and in order to objectively assess and prioritise Major Event opportunities, WMGC has commissioned a Major Event Evaluation Framework (MEEF). The MEEF will be based on regional priorities and international best practice from UK Sport and the International Association of Event Hosts (IAEH). The guiding principles and key criteria are attached as Appendix A.
- 3.7. Section 5.1 of the PBC proposes a number of steps to ensure that the Major Events Fund is administered in a collaborative and transparent manner. An outline process and timetable is shown below:

By end July	<ul style="list-style-type: none"> <li>• Circulate the draft Major Events Evaluation Framework (MEEF) to partners for comment and feedback – WMGC/WMCA.</li> <li>• Establish a Regional Advisory Group.</li> </ul>
By end August	<ul style="list-style-type: none"> <li>• Regional Advisory Group to review and approve the Major Events Evaluation Framework, bid Submission process and template.</li> <li>• Call out to Local Authorities to identify potential bids for major sport, business and cultural events.</li> <li>• Bid Submission template (online) to be completed by LA hosts with support from WMGC – currently being developed for ease and consistent input of information necessary to assess.</li> <li>• All events submitted via the bid template to be evaluated and scored through the MEEF.</li> <li>• Prioritised list of events to be proposed and discussed by Regional Advisory Group.</li> <li>• Regional Advisory Group to agree the ‘shortlisted’ Major Event opportunities.</li> <li>• ‘Shortlisted’ Major Event opportunities to provide more detailed proposals (aligned to SAF project case)</li> </ul>

End September	<ul style="list-style-type: none"> <li>Detailed proposals/prioritised list of events to be reviewed and approved by EGB 22<sup>nd</sup> September</li> </ul>
---------------	--

- 3.8. MEEF will also provide the basis for the evaluation of major events that receive funding from the Major Events Fund.
- 3.9. Each individual event having been through the framework, which ensures the best compliance with the key criteria, will address other factors and the Benefits Cost Ratio for the event in each individual submission of their Project Business Case.
- 3.10. Risk will also be managed by each LA host for each individual event and the process and key risks will be highlighted in each Project Business Case.
- 3.11. There is currently one major event opportunity that required a more urgent decision from the region. SportAccord – the major conference promoted by the Association of Summer Olympic International Federations (ASOIF) – is due to make a decision about its 2024 location in July, and there is currently extremely strong interest from ASOIF in hosting the event in the West Midlands. SportAccord includes a three-day main conference programme, conference exhibition, opening, closing and awards ceremonies, catering lunches and VIP dinners, and will require £3m from the Major Events Fund. It will also provide an unrivalled opportunity to promote the region’s assets and lay the foundation for the next 10 years and beyond of attracting major sporting and business events.
- 3.12. UK Sport’s assessment is that whilst there is an expected direct and indirect economic impact on the local economy, SportAccord is a unique hosting proposition with a targeted global profile within the world of sport and the key benefits are around soft power, international relations and reputation. It is also a chance to set the agenda for such an influential global conference, allowing West Midlands and the UK to advance its objectives around, for example: trade and investment through sport, sports tourism, the hosting of major sporting events and delivering sustainable impacts.
- 3.13. SportAccord has been briefed by WMGC to the Directors of Economic Development and Finance Directors across the region and BCC are briefing and obtaining written support from the Mayor and Chief Execs across the region. DCMS have also been briefed and are fully supportive of this event being held in the West Midlands.
- 3.14. Given the potential impact of the conference, WMCA has agreed to a process to enable funding approval alongside this PBC. A project business case has been completed by Birmingham City Council and submitted to the WMCA Assurance Team for review. If appropriate, the project business case will be considered by WMCA’s Executive Board for approval, in line with delegations for projects with a value between £1m - £5m. The Executive Board will take account of the strength of support from the region for this bid when making their decision.

#### 4. Financial Implications

- 4.1. The PBC is seeking approval of £6m revenue from the Legacy Enhancement Fund. The funding was committed by the WMCA Board at its meeting on 17<sup>th</sup> March 2023. At present, it is unclear what the profile of spend may be but any restrictions across the Legacy Enhancement Fund as a whole will be taken into account when prioritising the pipeline of events.

- 4.2. Within this funding, approval is being sought in parallel to commit £3m of this funding for the SportsAccord event. The remaining funding is not yet allocated. Costs for monitoring and reporting of the Fund will be absorbed through the wider capacity and processes.
- 4.3. The procurement of services will follow WMCA governance processes, with any onward contracts or agreements including appropriate clauses to protect WMCA finances and mitigate risk by fully flowing down DCMS grant conditions.

## **5. Legal Implications**

- 5.1. There are no new legal implications for WMCA resulting from this report. The implications of individual grant allocations in particular in relation to the Subsidy Control Act 2023 will need to be assessed at the time the grant award.

## **6. Single Assurance Framework Implications**

- 6.1. This PBC has been appraised by the PAA team and is SAF compliant.
- 6.2. Based on review by appraisal this case is recommended for approval. Please refer to the Risk and Investment report for the full recommendation and caveats.
- 6.3. As above, it is proposed that the funding sought in this PBC is allocated from the Legacy Enhancement Fund.

## **7. Equalities Implications**

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

## **8. Inclusive Growth Implications**

- 8.1. The MEEF guiding principles includes criteria that will aim to ensure events are prioritised based on the values of the region, including those which are welcoming; inclusive; diverse; youthful; innovative; collaborative; and sustainable. Further information is set out at Appendix A.

## **9. Geographical Area of Report's Implications**

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

## **10. Other Implications**

- 10.1. None.

## **11. Schedule of Background Papers**

Appendix A – guiding principles for the MEEF

## Appendix A – guiding principles for the MEEF

Guiding principles for assessing event potential / suitability		
Strategic Priority	Criteria	Definition
Vision	<b>Become known globally for being a great host of Major International Events</b>	
Definitions	<b>Sporting Events</b>	Sporting events of national and international significance which focus eyes of the world onto our region and draw new visitors to our cities, towns and villages and building a region where our citizens, businesses and communities thrive.
	<b>Cultural Events</b>	Cultural Events, Awards and Festivals of national and international significance which focus the eyes of the world on our region, attract visitors and deliver positive outcomes for our citizens, communities and businesses (incl. music, performing arts, visual arts, crafts, literature, film, screen and digital culture)
	<b>Business Events</b>	Business Meetings and Conferences which draw new delegates into the region and drive economic impact and help promote our key sectors and strengths.
Alignment to stated priorities around Major Events	<b>Welcoming</b>	Events which are culturally inclusive, accessible and promote West Midlands as a welcoming event city region globally and across the UK
	<b>Inclusive</b>	Proactively engages communities, and provides opportunities for residents and visitors to spectate and participate in large scale events
	<b>Diverse</b>	Promotes engagement amongst protected groups/characteristics and strengthens social cohesion and cultural engagement
	<b>Youthful</b>	Target non-traditional audiences and appeal to the younger audiences especially building on the strength of our universities sector
	<b>Innovative</b>	Target events and formats which are new, innovative and emerging

	<b>Collaborative</b>	Work collaboratively across the region for shared interest and benefits for all stakeholders across the public, private and voluntary community sectors
	<b>Sustainable</b>	Develop sustainable opportunities and outcomes for long term sustainable impact
<b>Strengthens Our Regional Events Portfolio</b>	<b>Sports, Cultural and Business Sectors</b>	Hosting major events which align with our priority sports, cultural sector strengths and key business sectors and working with partners to identify new and emerging opportunities
	<b>Venues</b>	Working with primary venues and event hosts to consider gaps in the major event calendar targeting those which can help increase utilisation
	<b>Seasonality</b>	Achieving a year-round offer of major events which take place both indoor and outdoor venues during the summer and winter months
	<b>Size</b>	Targeting events that vary in scale from smaller niche events which might attract a strong and loyal following to major events which include large numbers of spectators or participants
	<b>Frequency</b>	A good blend of recurring, annual or bi-annual events which become a firm fixture on the major event calendar, complemented by one-off mega event hosting opportunities
<b>Contributes to WM Regional Outcomes</b>	<b>Media Profile and Image</b>	Events which enhance our status nationally and internationally as a major events region and help promote our unique assets and expertise
	<b>Business and Economy</b>	Events which provide opportunities for businesses, the economy and help stimulate economic and employment growth
	<b>Engagement and Participation</b>	Events which encourage citizens of all abilities and ages to take part and improve their mental and physical health and wellbeing.

	<b>Environment and Infrastructure</b>	Events which promote our regional host venues and assets, enhance our environments, infrastructure and improve facilities and support sustainable practices in event delivery.
	<b>Employment and Skills</b>	Events which develop and promote volunteering, leadership and apprenticeship opportunities to enhance the skills, capacity and employability of our communities.
	<b>Social Inclusion and Diversity</b>	Events which work with our diverse communities to ensure they are inclusive and connect with our citizens in a way that helps to deliver civic pride.
	<b>Power and Partnerships</b>	Events that enhance our reputation, leverage and soft power and support our partnerships regionally, nationally and internationally, support good governance and are ethical and sustainable.
<b>Feasibility</b> Our ability to host event both operationally and financially	<b>Viability</b>	Realistic hosting opportunity due to cost, available funding, venue suitability, timeframes
	<b>Value for Money</b>	Does it present good value for money when compared to similar events in scale and size
	<b>Transport and Infrastructure</b>	Are there any significant impacts on transport and infrastructure which need to be factored in
	<b>Return on Investment</b>	Does the event present a good (ROI) return on investment for the region with revenues generated for region
	<b>Match Funding</b>	Does the Host/Sponsor Local Authority have match funding or Value in Kind to support event.
	<b>Quality</b>	Status and track record of organisers/rights holder to deliver a quality high profile event
	<b>Risk</b>	Reputational risk of event not being delivered or organisers cancelling