



West Midlands
Combined Authority

WMCA Board

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| Date | 8 November 2019 |
| Report title | Alexander Stadium Full Business Case |
| Portfolio Lead | Transport - Councillor Ian Ward |
| Accountable Chief Executive | Deborah Cadman, West Midlands Combined Authority email: deborah.cadman@wmca.org.uk tel: (0121) 214 7200 |
| Accountable Employees | Dave Wagg & Guy Olivant, Birmingham City Council |
| Report has been considered by | Technical Appraisal Panel - 1 July 2019 Investment Advisory Group - 2 September 2019 Strategic Leadership Team - 25 September 2019 Investment Board - 21 October 2019 Programme Board - 25 October 2019 |

Recommendation(s) for action or decision:

WMCA Board is recommended to:

Approve that the funding request of £25m for the redevelopment of Alexander Stadium to deliver the requirements set out in the Host City Contract in preparation for the Commonwealth Games 2022.

1. Purpose

- 1.1 This Full Business Case outlines the works required to facilitate track and field events and ceremonies during The Games in 2022, whilst providing the catalyst for broader investment into the stadium site, and wider West Midlands to deliver a positive legacy for the stadium.

2. Background

- 2.1 A key component of Birmingham's successful bid for the Commonwealth Games 2022 is the development of the Alexander Stadium which will host the opening and closing ceremonies along with the athletics competition.
- 2.2 In summary the works that are the subject of this report will deliver a new covered West Stand. The new stadium will increase the permanent capacity post games to approximately 17,000 from 12,700. During the Games period temporary structures will be put in to create up to a 40,000 seat stadium for the opening, closing ceremonies and athletics competition. In addition, a 400m, 6-lane outdoor practice running track will be laid at the High-Performance Centre.
- 2.3 An agreement has been made with Birmingham City University to become an anchor tenant and bring increased revenue and investment in terms of fit out of facilities post games.

3. Financial Implications

- 3.1 This FBC is requesting £25 million to support Phase 1 of the Alexander Stadium development project so the overall timelines for the Commonwealth 2022 Games can be met.
- 3.2 The Project Budget is £72,534,000 with spend from 2019/20 to 2021/22. The funding will be provided through the Commonwealth Games budget (24%), West Midlands Combined Authority (34%), GBSLEP (28%), and Service funded prudential borrowing (14%). The Service Funded Prudential Borrowing will be repaid over a 40-year period at an annual cost of £0.411million. The new stadium will leverage increased commercial opportunities for income generation that would support this repayment. Council officers and the professional advisors have been ensuring that the cost of the design and works are contained within the agreed £72.4 million budget included within the Host City Contract.

4. Legal Implications

- 4.1 Under Section 1 of the Localism Act 2011, Birmingham City Council has the power to enter into the arrangements set out in this report, which are within the remit and limits of the general power of competence in Sections 2 and 4 of the Localism Act 2011. The Combined Authority, by virtue of the West Midlands Combined Authority Order 2016, may exercise any of the powers of the Constituent Authorities under the above section where the purpose of that exercise of power is the economic development and regeneration of the area. This report (and in particular section 6 below) sets out the economic and regeneration benefits of the proposals to redevelop the stadium in connection with the Commonwealth Games event.

5. Equalities Implications

- 5.1 The Equality Act 2010 screening reference was undertaken on 3 May 2019 and identified that an Equality Assessment form was not required for this FBC.

6. Inclusive Growth Implications

- 6.1 The fundamental role of the WMCA is to create more jobs and grow the regional economy while continuing to increase the quality of life of the local people. To enable this, it is vital to increase the region's international and domestic trade and secure more private-sector investments to deliver inclusive growth across the West Midlands. The proposed redevelopment of the Alexander Stadium has a strong strategic fit with these objectives, as well as the visions for BCC, WMCA and the Local Growth Fund.
- 6.2 The Games seek to achieve the following five key benefits for Birmingham, the region and neighbouring Authorities. These key benefits, highlighted throughout the FBC, are:



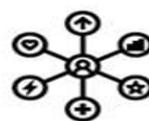
Bring people together
Embrace and champion the youth, diversity, humanity and pride of the city and Commonwealth



Improve health and well-being
Inspire, engage and connect communities and athletes to realise their full potential and live happier, healthier lives



Help the region to grow and succeed
Drive sustainable growth and aspiration: create opportunities through trade, investment, jobs and skills



Be a catalyst for change
Transform and strengthen local communities, working together to deliver new and improved homes, facilities and transport links



Put us on the map
Deliver an unforgettable, global Games in partnership, on time and on budget to showcase the best of Birmingham, the West Midlands and Commonwealth

7. Geographical Area of Report's Implications

- 7.1 Alexander Stadium is situated in Perry Barr which is deemed a fairly deprived area of Birmingham, therefore, this project will be a catalyst for regeneration as it is part of a wider collection of schemes, which include the Athletes Village in Perry Barr, the Midland's Sprint transport network, improved cycle infrastructure and a better-connected railway station.

8. Other Implications

- 8.1 The proposals outlined in the FBC will produce strong strategic and economic benefits to the WMCA beyond the Commonwealth Games. Significant investment is being made into the Athletes Village to provide a transformational residential site, while Birmingham City University are also investing into the site to provide accommodation and learning facilities for an expanded Sports and Exercise Science curriculum. These new facilities will provide direct legacy benefits for WMCA, which would not be realised without the investment sought.
- 8.2 Overall, an estimated £740 million will be contributed to the UK economy as a result of a successful Commonwealth Games.

9. Schedule of Background Papers

Appendix 1a – Full Business Case

Appendix 2 – WMCA Additional Appendix

Appendix 3 – Alexander Stadium Risk Register

Appendix 4 – Public Report