

Covid-19: Economic recovery asks and funding

- Of the 31 asks in 'Recharge the West Midlands', **18 propositions** have been either allocated funding or are in policy areas where we believe the Government has allocated money and we will continue to push for the swift confirmation of funding for the West Midlands.
- In addition to the schemes which were part of our £3.2 billion recovery plan, we estimate the Government has provided **c£4.82bn of further support** for the West Midlands over the last few months through schemes like grants for small businesses, furloughing and additional funding for councils.
- We expect there to be **further announcements of additional financial support for the West Midlands in the coming months**, particularly at the Comprehensive Spending Review in the autumn.

The four tables below outline government funding announcements related to the West Midlands' economic recovery.

Table 1 – Funding related to 'Recharge the West Midlands'

| Get Britain Building, A Plan for Jobs and departmental announcements – West Midlands implications | |
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| Regional asks | Funding package, statements and indications [GBB = £66m allocation for Get Britain Building] |
| Create green manufacturing jobs <ul style="list-style-type: none"> • Operation Paperclip (£85m) • Gigafactory (£250m) • EV charging (£35m) • Very Light Rail - VLR (£114m) • Fuel poverty and regional retrofit programme (£100m) • Repowering the black country (£30m) | <ul style="list-style-type: none"> • Verbal support for the Gigafactory proposal – the Prime Minister said: "the whole of the West Midlands is now a global centre of battery technology and batteries for EVs and that is the vision of Mayor Andy Street, and we will back that vision". • £1bn national Automotive Transformation Fund • £500m national programme for electric vehicle charging • £14.115m for VLR schemes in Dudley and Coventry [GBB] • A national £2bn "green homes grant" programme to help make homes more energy efficient. • £1bn to improve energy efficiency of public buildings. |
| Maximise job creation <ul style="list-style-type: none"> • UK Central (£95m) • Curzon Street / Digbeth (£131m) • Cultural Catalyst (£80m) | <ul style="list-style-type: none"> • £9.96m for completing the cultural capital project in Coventry and the Commonwealth Games economic legacy for the Ricoh Arena [GBB] • £1.57bn national package for cultural and heritage organisations |
| Invest in healthcare innovation <ul style="list-style-type: none"> • Birmingham Life Sciences Park (£60m) • ReSCue (£54m) • Grand Central Diagnostic Hub (£13m) • Radical Health Prevention Fund (£10m) | <ul style="list-style-type: none"> • £10.86m – Precision Health Tech Accelerator (part of Birmingham Life Sciences Park) [GBB] |
| Build better digital and transport links <ul style="list-style-type: none"> • Metro (£101m) • Sprint (£61) • WMRP (£84m) • Local connectivity (£86m) • Fibre (£16m) • 5G Accelerator (£28m) | <ul style="list-style-type: none"> • £15.1m for University Station [GBB] • £1m for WM5G application accelerator [GBB] • £4.2bn for mayoral combined authorities from 2022/3 |
| Regenerate brownfield sites and build new homes <ul style="list-style-type: none"> • Urban Transformation Fund (£200m) • National Brownfield Institute (£24m) • Affordable Housing (£400m) • Advanced Methods of Construction (£50m) | <ul style="list-style-type: none"> • £14.875m for National Brownfield Land Institute [GBB] • £84m to support the building of up to 7,500 new homes secured from a pot of £400m brownfield fund. To be deployed via WMCA Single Commissioning Framework. • £12bn national programme to build 180,000 new affordable homes |
| Get people back into work <ul style="list-style-type: none"> • Supporting young people - one off support (training, tracking, wage subsidy) (£272m) • Getting the West Midlands back to work (£33m) • Future Skills, Future Jobs (£60m) • Future Skills, Future Jobs (FE capital plan) (£185m) | <p>A Plan for Jobs 2020 speech:</p> <ul style="list-style-type: none"> • Kickstart Scheme – £2bn work experience programme for 16-24 year olds that have been unemployed for more than six months. • New payment of £2,000 to employers in England for each new apprentice they hire aged under 25, and a £1,500 payment for each new apprentice they hire aged 25 and over. |

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| | <ul style="list-style-type: none"> £200m for college improvements. £111m extra will be added to the traineeship budget, employers will be paid £1,000 per trainee. £100m for more places on level 2 and 3 courses. £32m over two years for the National Careers Service to fund careers advice for 269,000 more people. £17m to expand sector based work academies, tripling the number of places. |
| Back our region's businesses <ul style="list-style-type: none"> Speed to Scale Region (£382m) Restart, reposition and transform (£60m) Productivity Factory (£90m) Enterprise Investment Growth Fund | <ul style="list-style-type: none"> Discussions about extending the 'Made Smarter' pilot to the West Midlands |
| Total | £150m secured directly for the West Midlands, plus opportunities to secure more investment via national programmes |

Table 2 – West Midlands funding unrelated to 'Recharge the West Midlands'

| Get Britain Building and A Plan for Jobs – West Midlands implications | |
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| Area | Funding package, statements and indications |
| Travel | £25m local package to support bus services (using the WMCA transport levy). <ul style="list-style-type: none"> Light Rail Support: £3.7m (17th March to 4th August 2020) Pothole and Challenge Fund: £17.862m Emergency Active Travel Fund: £17.34m |
| Roadworks | £15m for West Midlands secured from a pot of £100m for 29 road network projects. <ul style="list-style-type: none"> Swanswell Viaduct Phase 2 Dudley St Bridge repairs Filongley Bridge maintenance Arthur St Bridge repairs |
| Total | £40m |

Table 3 - West Midlands uptake of Covid-19 national interventions (March to June – lockdown period)

| West Midlands uptake of Covid-19 national interventions (March to June) | |
|--|---|
| Area | Funding package, statements and indications |
| Self-employment support | <ul style="list-style-type: none"> £221.2m worth of claims. |
| Furlough support | <ul style="list-style-type: none"> £1.3bn in furlough payments |
| Business grants payments by Local Authorities | <ul style="list-style-type: none"> Grants paid by WMCA Local Authorities - £561m Discretionary Grants - £28m |
| Local Authority Emergency Funding allocations | <ul style="list-style-type: none"> WMCA Local Authorities - £177.4m |
| CBILS and Bounce Back Loans | <ul style="list-style-type: none"> CBILS - £633m <ul style="list-style-type: none"> Black Country - £165.3m Coventry and Warwickshire - £151.3m Greater Birmingham and Solihull - £316.6m Bounce Back Loans - £1.9bn <ul style="list-style-type: none"> Black Country - £505.7m Coventry and Warwickshire - £407.1m Greater Birmingham and Solihull - £977.3m |
| Business rates relief | <ul style="list-style-type: none"> WM details to follow |
| Total | £4.8bn |

Grand total for all funding

£4.82bn, plus opportunities to secure more investment via national programmes

Table 4 - Post lockdown announcements (June onwards)

| Post lockdown announcements (June onwards) | |
|---|---|
| Area | Funding package, statements and indications |
| Town centres | National announcements, WM details to follow: <ul style="list-style-type: none"> £500,000 - £1m for each area in the towns fund to spend on improvements to parks, high street and transport. |
| Hospitals | National announcements, WM details to follow: <ul style="list-style-type: none"> £1.5bn for hospital maintenance, eradicating mental health dormitories, enabling hospital building and improving A&E capacity. |
| Jobs Retention Bonus | National announcements, WM details to follow <ul style="list-style-type: none"> £1,000 to be paid to businesses that retain furlough staff from November to January, staff must be paid £520 per month at minimum. This could equate to £9bn funding. |
| Hospitality sector | National announcements, WM details to follow <ul style="list-style-type: none"> “Eat out to help out” vouchers that will give diners 50% off their meals out, with conditions, for August. Temporary cut to VAT on food, accommodation and attractions from 20% to 5% for six months |
| Criminal Justice System | National announcements, WM details to follow <ul style="list-style-type: none"> £83m for maintenance of prisons and youth offender facilities, and £60m for temporary prison places |
| Schools | National announcements, WM details to follow: <ul style="list-style-type: none"> £1bn to fund a schools building projects. 560m and £200m for repairs and upgrades to schools and FE colleges respectively. |
| Competitive Brownfield Fund | National announcements, WM details to follow: <ul style="list-style-type: none"> £40m competitive fund – MCAs invited to bid. |
| Brownfield Fund | National announcements, WM details to follow: <ul style="list-style-type: none"> £8m to help MCAs accelerate brownfield development |
| Digital skills funding | <ul style="list-style-type: none"> £1.5m for West Midlands digital retraining |
| Additional AEB to MCAs/GLAs | <ul style="list-style-type: none"> £5.2m for West Midlands AEB for 2020/21 <ul style="list-style-type: none"> £2.6m for high value courses for 18 and 19 year olds £2.6m for sector based work academies |
| Growth Hubs | <ul style="list-style-type: none"> £20m for Growth Hubs <ul style="list-style-type: none"> £1.5m allocated to West Midlands LEPs/Growth Hubs. |
| Total | £7.2m |