

# Wednesbury to Brierley Hill Extension

**Evidence Given on Behalf of the Applicant: WMCA  
Scheme Overview  
Second Supplementary Proof of Evidence  
Peter Adams**



Transport and Works Act 1992

The Transport and Works

(Inquiries Procedure) Rules 2004



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- 1.4 In this Supplementary Proof of Evidence therefore I update the Inquiry on issues related to the following matters in the Statement of Matters issued by the Secretary of State for Transport, being the matters about which the Secretary of State particularly wishes to be informed for the purposes of his consideration of this application [GEN3]:-
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  - 4d – measures proposed by WMCA to mitigate any significant adverse impacts arising from the exercise of the powers in the proposed Order, and whether any such measures are appropriate and sufficient to enable land owners, tenants, occupiers and statutory undertakers to carry on their business and undertakings effectively and safely and to comply with any statutory obligations applying to their operations, and
  - 5c – Availability of Funding.

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- 1.5 The evidence I shall give is true, given in good faith and represents my professional opinion regarding the merits of the Order proposal and I have carried out my assessment in accordance with the Code of Professional Conduct of the Institution of Civil Engineers.

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- 2.1 As noted in my first Supplementary Proof of Evidence [APP/P1.4], in preparing the Final Business Case (FBC), WMCA has carried out, through the MMA, a thorough estimate of the costs for implementing the project in order to ensure it provides a comprehensive, robust and reliable basis for the consideration of the Financial and Value for Money (Economic) Cases. The estimated capital cost for the extension, net of any value engineering savings, is £449.5 million.
- 2.2 As I note in paragraph 1.1 of this Proof of Evidence, this revised cost, together with the FBC [WBHE/D3/A and B, WBHE/D4/B and C, WBHE/D5/B and C, WBHE/D6/B and C and WBHE/D7/B and C], forms the basis for further reporting in accordance with the WMCA's governance processes. The funding package supporting the revised cost of £449.5 million obtained approval via the WMCA Investment Board at its meeting on 11 March 2019, and a final approval is to be sought at the main WMCA Board meeting on 22 March 2019. Copies of the minutes of the WMCA Investment Board meeting on 11 March 2019, and the published WMCA Board report to be considered at the meeting on 22 March 2019 are provided as Appendices 1 and 2 to this Proof of Evidence respectively [APP/P1.7]. The WMCA Board report sets out the funding proposals for the WBHE, together with other items of programme expenditure relating to the expansion of the West Midlands Metro. I summarise this below in respect of the WBHE.
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  - Central Government Grant
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**Table 2.1: Annual Funding Requirements (£M)**

	£m							Total
	Actuals to date	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
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<b>Funded by:</b>								
<i>BCLGF</i>	<i>0.4</i>							<i>0.4</i>
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- 3.2 The FBC confirms that, with the revised capital cost outlined in section 2 of this Proof of Evidence, the WBHE continues to provide high value for money, with a Benefit to Cost ratio of 2.03:1. This demonstrates that there remains a compelling case in the public interest to justify conferring on WCMA powers to compulsorily acquire and use land for the purposes of the scheme, as set out in Section 5 of the WMCA Statement of Case [WBHE/F5], "The Case for the Order".
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4.1 On 11 March 2019, WMCA published details of a Midland Metro Construction – Business Support Package via the MMA website<sup>2</sup>. A publicity leaflet, and a plan showing the defined area within which the package will apply in respect of the WBHE, form Appendices 3 and 4 to this Proof of Evidence respectively [APP/P1.7].

4.2 This package has been developed to provide additional non-statutory support to smaller firms and retailers directly affected by the construction of the extension to the Metro network. It is limited to the impact of works undertaken by WMCA pursuant to its powers to construct Metro works under the relevant Transport and Work Act Orders.

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- Working with local business groups to develop a district-based approach
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- Provision of marketing support and creative agency input to provide high impact campaigns
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4.7 The Midland Metro Construction – Business Support Package, taken with the mitigation measures described in the WMCA's Proofs of Evidence, are together appropriate and sufficient to enable land owners, tenants, occupiers and statutory undertakers to carry on their business and undertakings effectively and safely and to comply with any statutory obligations applying to their operations.

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4.7 The Midland Metro Construction – Business Support Package, taken with the mitigation measures described in the WMCA's Proofs of Evidence, are together appropriate and sufficient to enable land owners, tenants, occupiers and statutory undertakers to carry on their business and undertakings effectively and safely and to comply with any statutory obligations applying to their operations.

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**Statement of Matters**

- 1.4 In this Supplementary Proof of Evidence therefore I update the Inquiry on issues related to the following matters in the Statement of Matters issued by the Secretary of State for Transport, being the matters about which the Secretary of State particularly wishes to be informed for the purposes of his consideration of this application [GEN3]:-
- 1 – Justification for the Proposed Order,
  - 3 – The anticipated benefits of the scheme, having regard to the criteria for justifying powers in paragraphs 12 to 15 of the Ministry of Housing, Communities and Local Government Guidance, as amended,
  - 4d – measures proposed by WMCA to mitigate any significant adverse impacts arising from the exercise of the powers in the proposed Order, and whether any such measures are appropriate and sufficient to enable land owners, tenants, occupiers and statutory undertakers to carry on their business and undertakings effectively and safely and to comply with any statutory obligations applying to their operations, and
  - 5c – Availability of Funding.

**Witness Declaration**

- 1.5 The evidence I shall give is true, given in good faith and represents my professional opinion regarding the merits of the Order proposal and I have carried out my assessment in accordance with the Code of Professional Conduct of the Institution of Civil Engineers.

**2 Estimated Capital Cost and Funding**

- 2.1 As noted in my first Supplementary Proof of Evidence [APP/P1.4], in preparing the Final Business Case (FBC), WMCA has carried out, through the MMA, a thorough estimate of the costs for implementing the project in order to ensure it provides a comprehensive, robust and reliable basis for the consideration of the Financial and Value for Money (Economic) Cases. The estimated capital cost for the extension, net of any value engineering savings, is £449.5 million.
- 2.2 As I note in paragraph 1.1 of this Proof of Evidence, this revised cost, together with the FBC [WBHE/D3/A and B, WBHE/D4/B and C, WBHE/D5/B and C, WBHE/D6/B and C and WBHE/D7/B and C], forms the basis for further reporting in accordance with the WMCA's governance processes. The funding package supporting the revised cost of £449.5 million obtained approval via the WMCA Investment Board at its meeting on 11 March 2019, and a final approval is to be sought at the main WMCA Board meeting on 22 March 2019. Copies of the minutes of the WMCA Investment Board meeting on 11 March 2019, and the published WMCA Board report to be considered at the meeting on 22 March 2019 are provided as Appendices 1 and 2 to this Proof of Evidence respectively [APP/P1.7]. The WMCA Board report sets out the funding proposals for the WBHE, together with other items of programme expenditure relating to the expansion of the West Midlands Metro. I summarise this below in respect of the WBHE.
- 2.3 The WBHE will be funded from the following sources:-
- Black Country Local Enterprise Board Local Growth Funding
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2.5 The funding of the revised estimated outturn costs of the WBHE is shown in Table 2.1 below. The various elements of funding are explained in the report.

**Table 2.1: Annual Funding Requirements (£M)**

	£m							Total
	Actuals to date	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
<b>Estimated Capital Cost (QCE)</b>	<b>7.4</b>	<b>13.4</b>	<b>37.1</b>	<b>92.0</b>	<b>105.0</b>	<b>114.4</b>	<b>80.2</b>	<b>449.5</b>
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