

WBHE UPDATE

DMBC SCRUTINY MARCH 23

M. ANDERSON - TfWM



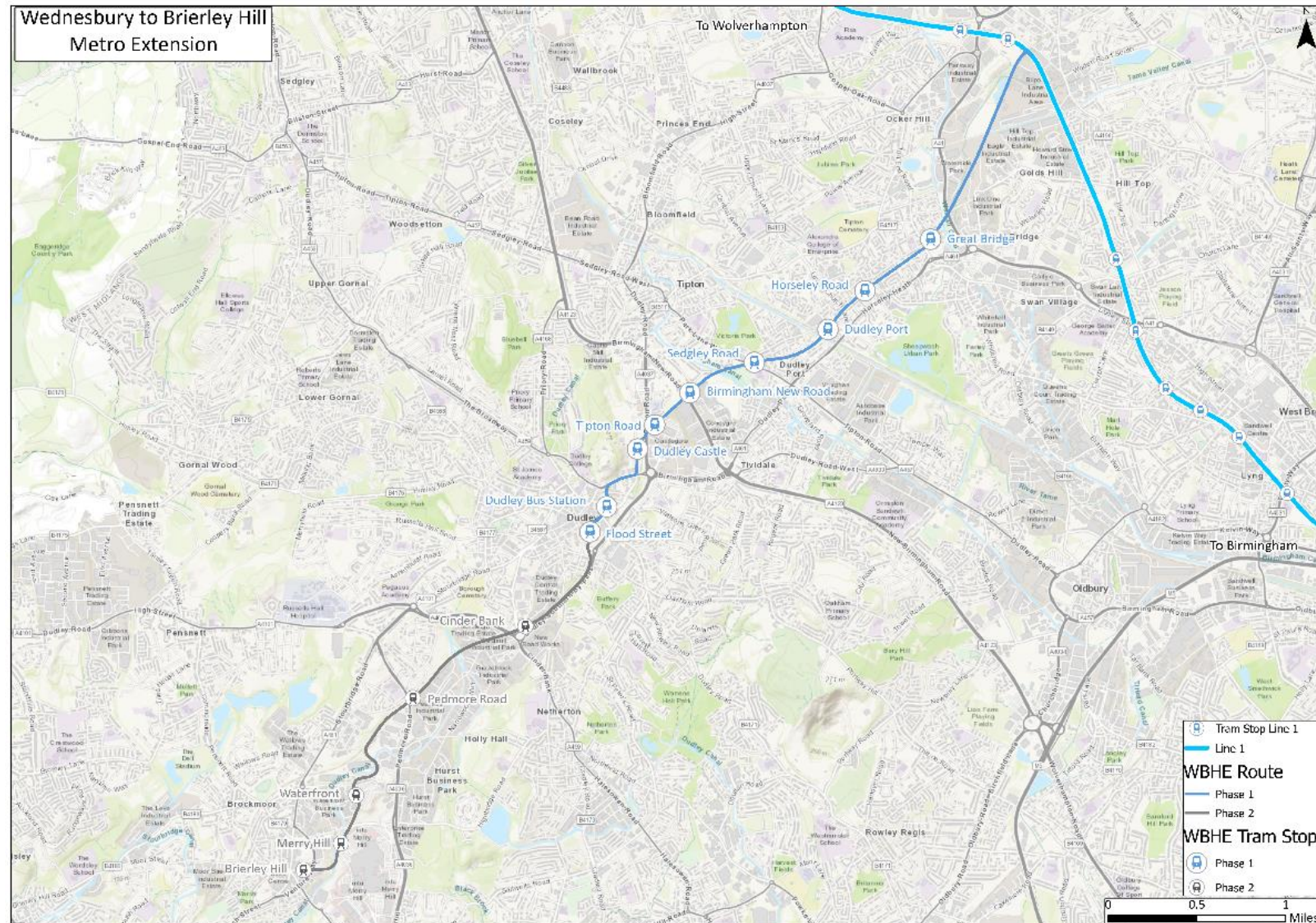
Overview

WBHE delivery to be phased.

First phase from
Wednesbury to Flood
Street, Dudley

Second phase from Flood
Street, Dudley to Brierley
Hill

Main construction works
ongoing in first phase.
Parkhead Viaduct
strengthening and
refurbishment ongoing in
second phase



High Level Schedule

Key works completed

Castle Hill – Jan 2023 completion opened to traffic in both directions

Flood Street carriageway completed

All structures either refurbished or structural works close to completion

Key ongoing Works

Delta junction structure

Parkhead Viaduct ongoing

Flood Street metro works

King Street first – removal of splitter island and associated utilities ongoing

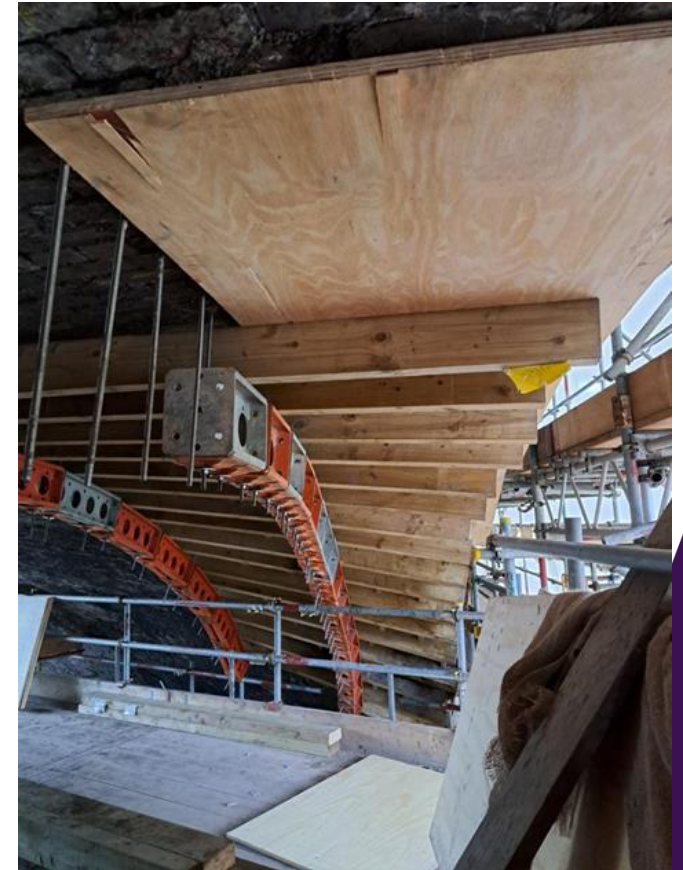
- Park Lane East by Dudley Port Train Station is closed for strengthening work on the bridge
- Birmingham New Road tram stop – work to commence March 2023
- Open to passenger service Ph1 Autumn 2024



Flood Street footway paving works completed



Key Milestone - Castle Hill – Open to the public in both directions



Parkhead Viaduct refurbishment works

COST / FUNDING

In 2019 a TC1 costing, (based on preliminary design from Midland Metro Alliance), of £449m was accepted by TfWM.

In December 2021, WMCA Finance identified pressures on the funding model which put into question the viability of the model. (£137m needed to be borrowed from future revenue for WBHE)

The three drivers of the model were all headed in the wrong direction:

1. Cost of construction (Full line delivery estimated at £512m largely driven by inflation)
2. Cost of operation of the Metro system (eg £2m increase in Power supply costs)
3. Revenue receipts reduced from Metro operation due to Covid and other factors

As a result, in June a paper was taken to WMCA Board in July 2022 to identify the pressures, and to propose funding solutions.

At this Board it was agreed:

- To proceed with Phase 1 of the scheme from Wednesbury to Dudley Town Centre
- To commit to finding financing for the second phase to Brierley Hill
- To note that the cost of £385m for Phase 1 excluded 'extraordinary' inflation

TfWM signed TC2 with MMA for £385m for the delivery of “Phase 1” to Dudley Town Centre.

The scope includes:

- All of the delivery through to an initial terminus at Flood Street in Dudley
- Design of the full scheme through to Brierley Hill
- Completion of some key delivery beyond Flood Street including the refurbishment of Parkhead Viaduct to make it safe and ready for tram operations, the completion of works at Round Oak at the interface with Network Rail and some utility diversions which were already in the ground in the second half of the scheme.



King Street splitter island removal

PHASE 2 – Beyond Dudley Town Centre

- Delivering the full WBHE scheme remains a key commitment for TfWM
- The borrowing capacity has not improved since 2021.
- We have been working together with DMBC colleagues to find funding solutions to enable us to deliver the second stage of this scheme.
- One of the key opportunities lies in the Trailblazer Devolution Deal. We hope to have a clearer picture on that March/April.
- Other possibilities investigated include:
 1. Investment Zones.
 2. Contribution from existing or extended DY5 EZ
 3. Land Value Uplift Recovery
 4. Levelling Up Funds/corridors Round 2/3.

As we seek additional funding we are also looking at progressive options. A possible Phase 2A has been suggested:
This would deliver tram operations to Waterfront or Merry Hill.

Birmingham Street North works

