

# The Investment Panel

Guide for WMCA Panel Members



**Strategic Hub**

Performance | Risk | Assurance | Support

## The purpose of the Investment Panel is to support the Investment Board

The purpose of the Investment Panel is to provide a purposeful support mechanism that will provide support for both the Investment Board and the WMCA Board in order to:

- drive the level of expertise and HMTs 5 case element criteria considerations within business cases and approval considerations
- strengthen delivery of the Single Assurance Framework principles and project lifecycle
- better support Elected Members in their Project and Programme approval roles for the Investment Programme and for Non-Investment Programme.

## The central purpose of the Investment Panel will be to review investment proposals going to the Investment Board in order to provide advice and guidance to Investment Board members.

The Investment Panel will review all proposals going to the Investment Board in order to undertake the following key functions to support Investment Board considerations of those proposals:

- 1. Review a proposal from a basis of HMTs five case model** - WMCA membership of the Panel has been appointed in order to represent each element of the five case model, therefore WMCA members of the Panel will review each proposal from that perspective of that case in order to ensure that it has been developed to an appropriate standard
- 2. Highlight key lines of enquiry** - The Investment Panel will identify the key issues, key questions and key areas of concern within a proposal in order to determine what the key lines of enquiry should be for the Investment Board when considering a proposal. Investment Panel members will be expected to not only push the key lines of enquiry relevant to their case element that they represent but also those relevant to producing a quality business case and in ensuring that agreed priorities of the WMCA such as inclusive Growth have been adequately addressed
- 3. Provide observations and recommendations to the Investment Board** - The Investment Panel will draw conclusions on the level of risk that it believes applies to approving a proposal and make observations and recommendations on that level of risk and how it can be improved

The Investment Panel terms of reference detail the functions of the Panel in more detail, the core role of all Investment Panel members is to deliver the key functions detailed within its terms of reference and to support the Investment Board in the delivery of its role and function.

## Your role on the Investment Panel

Your primary role on the Investment Panel is to review proposals that are going for consideration at Investment Board, to do this you will be required at each Investment Panel meeting to:

- identify key lines of enquiry for the Investment Board to focus on
- validate and challenge proposal content to ensure that the evidence base stacks up
- validate and challenge the external review that has been undertaken for each proposal
- validate and challenge the quality and robustness of the proposal content
- drive standards of development by ensuring a consistent approach to challenging HMTs 5 case elements within each and every Business Cases
- provide an examination of the proposals Assurance Observation report produced during development that highlights Case Maturity, compliance with guidelines and standards for business case development set out by the Strategic Hub and the Risk and Investment Appraisal that has been undertaken to see if any issues have been identified and how they have been responded to
- provide an examination of the key risks and investment considerations detailed within each Business Case

**Each WMCA Investment Panel member is there to represent an element of HMTs five case model, they are therefore recommended to familiarise themselves with HMTs 'Blue Book' which provides guidance on developing business cases to a Green Book standard, the 'blue Book' contains useful guidance on each of the five cases and the criteria and standards that are expected to be delivered for each of these cases. The Strategic Hub can provide copies of the 'Blue Book'.**

In addition each WMCA member is expected to be a champion for the WMCA specific requirements that the Single Assurance Framework seeks to be delivered in business case development, consideration and approval. This involves the following:

- Delivering the Golden Thread - ensuring that each business case will contribute towards delivering the strategic objectives of the WMCA
- Delivering Inclusive Growth - responding to each of the 4 Inclusive Growth tests (locking in wealth; universal design; sharing power; future generations)
- Delivering the WMCAs Major Policy Framework - ensuring proposals address creating a healthier, happier, better connected, more prosperous and green West Midlands

The Strategic Hub can provide guidance and training on each of the aspects above.

## What will the Investment Panel receive?

The Single Assurance Framework requires a suite of documents to be provided to the Investment Panel when it is reviewing a project proposal/ business case, each document is designed to assist the decision-making process in its deliberations.

Investment Panel members when considering a business case will receive the following documents:

### Board Friendly Business Case

The Board Friendly Business Case provides an executive summary of a proposal, answers some key questions relevant to that stage and provides an additional summary for each of the five case model elements. It will also provide embedded links to take you to each appendix that provides the detailed evidence to support that business case.

Panel members will need to review the Board Friendly Business Case and the embedded appendices in order to get a good understanding of the evidence base to support the business case. Panel members are advised to focus on the appendices relevant to the five case model element that they are representing.

### Business Case Appendices

As mentioned above each Board Friendly Business Case will provide embedded links to take you to each appendix that provides the detailed evidence to support that case. There will be a context appendix for each element of the five case model with every case that will set out key information. Additionally there will be appendices that are provided on WMCA templates and others that are not but are required to meet a set standard

Panel members will need to review the appendices, they are advised to focus on the appendices relevant to the five case model element that they will be representing. It is important that the appendices are reviewed by Panel members on behalf of the Investment Board to pick up and review the key detail and evidence that supports a case.

### Assurance Observations Report

The Assurance Observations Report provides a maturity assessment of a business case against HMT's Green Book and WMCA standards, it will also highlight red flags where it believes information is not mature enough or where it believes standards have not been met. It is produced by Assurance experts from within the Strategic Hub.

Panel members are asked to consider how a Directorate/ Sponsor responded to an Assurance Observations Report, if they ignored red flags or the business case was advanced without being sufficiently mature then this could increase the risk of approving such a proposal

### Executive Director Progression Sheet

The Executive Director Progression Sheet contains the comments provided by the appropriate lead WMCA Executive Director who agreed to progress the business case into the approvals phase after considering both it and the Assurance Observations Report.

Panel members are asked to review the comments contained within the progression sheet and consider how the Executive Director took on board the Assurance Observations Report.

### Risk & Investment Appraisal

The Risk & Investment Appraisal is undertaken by specialist appraisers within the Strategic Hub on all business cases requiring an approval over £1 Million. The appraisal seeks to review a business case against additional commercial and investment considerations and WMCA criteria and standards.

Panel members are asked to review the appraisal to see what key risks it may have identified and any actions or recommendations that it may be proposing. This can form a useful aid in preparing for a Panel meeting

## Your role on the Investment Panel

**As well as assisting the Investment board in its consideration of business case proposals you will have other tasks as an Investment Panel member, these will include:**

- Oversight of the Collective Investment Fund Dashboard
- Oversight of the revolving Investment Fund Dashboard
- Oversight of the Brownfield Land and property Fund Dashboard
- Oversight of the Land and Property Investment Fund Dashboard

The Strategic Hub can provide advice and training on each of these elements.

**In addition Investment Panel members also have a role in the Delivery Stages of projects and programmes to support the role and functions of the Investment Board, these can include the following:**

- Support Investment Board by providing oversight of performance and M&E plan
- Support Investment Board by providing oversight of or undertaking formal review of project if review determined to be required by the Investment Board
- Support Investment Board through review of rationale behind any material delay or change in a project
- Support Investment Board by instructing where reasonable completion of a change request (via the WMCA Assurance Process) following completion of a review

Again the Strategic Hub can provide advice and training on each of these elements.

## Expectations: What you need to do as a Panel member

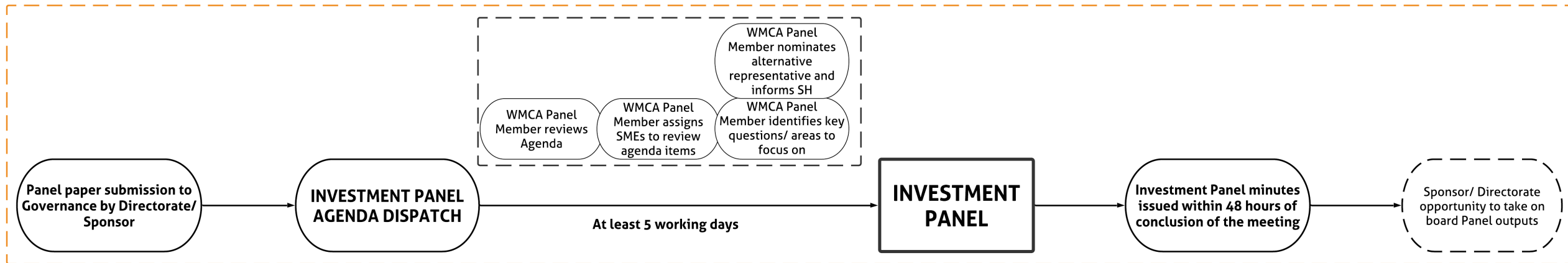
Your primary role on the Investment Panel is to review proposals that are going for consideration at Investment Board, to do this you will be required at each Investment Panel meeting to prepare. Additionally you will need to consider whether or not you are best suited to represent the five case element at each meeting or if you need to nominate someone.

The suggested preparation process for each meeting is as follows:

1. Ensure Investment Panel meetings are in your diary
2. Review the previous Panel minutes prior to each meeting in order to ensure any actions or tasks assigned to you have been dealt with and that you are in a position to confirm them as a true record
3. Read the agenda - make sure you are aware of what items are on each Panel agenda, this will allow you to then consider what support you may need to prepare for each Panel meeting. It is recommended that you assign review of business case proposals to Subject Matter Experts (SMEs) within your field, so for example if you are responsible for the Strategic Case element you may ask Policy specialists or Inclusive Growth specialists to review a business case and feedback to you
4. Decide who will attend the Panel meeting - your position on the Panel allows you to nominate someone else from within the WMCA to represent you if you feel that they may possess a more suitable skillset or knowledge of a particular business case proposal. It is your responsibility to inform the Strategic Hub if you are nominating someone else to represent you on a Panel meeting
5. Prepare - ensure you take on board briefings and feedback from SMEs and have questions and/or areas to focus upon at the Panel meeting

## Investment Panel Process

The process for the Investment Panel is set out below:



The Investment Panel will produce an output that will be forwarded to the Investment Board to assist them with their deliberations, this output will be produced by the Strategic Hub under the direction of the Panel and will contain the following:

- ☐ Key overview of the proposal and the observations of the Investment Panel on that proposal
- ☐ Key lines of enquiry for the Investment Board to focus on
- ☐ View on the level of risk in approving the proposal
- ☐ Recommendations to help mitigate risk level or to improve proposal