

**Sandwell Metropolitan Borough Council**

**10 March 2020**

<b>Subject:</b>	West Midlands Combined Authority
<b>Presenting Cabinet Member:</b>	The Leader
<b>Director:</b>	Alison Knight
<b>Contribution towards Vision 2030:</b>	
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**DECISION RECOMMENDATIONS**

**That Council:**

1. Consider opportunities for the Borough arising from the West Midlands Combined Authority.

**1 PURPOSE OF THE REPORT**

- 1.1 To provide Council with an update in relation to West Midlands Combined Authority activity since the last update was provided to Council on 15 October 2019.
- 1.2 This report gives an overview of a number of issues, further detailed information about West Midlands Combined Authority, including key projects and initiatives, is available on the [WMCA website](#).

## **2 IMPLICATIONS FOR SANDWELL'S VISION**

- 2.1 Participation in West Midlands Combined Authority (WMCA) activity has the potential to help Sandwell deliver all of the ambitions contained in the Vision.

## **3 BACKGROUND AND MAIN CONSIDERATIONS**

### **3.1 HS2**

In 2019 the Government commissioned Douglas Oakervee to undertake a review of High Speed Two (HS2). The review was commissioned in order that the Government could consider whether and how to proceed with HS2 ahead of the Notice to Proceed decision for HS2 Phase One.

The outcome of the review was a recommendation to government that it proceed with HS2. Subsequently the government announced on 11 February that HS2 would go ahead.

Sandwell welcomes the outcome of the HS2 announcements, this will release capacity at Sandwell and Dudley station and provide significant development opportunity for the region. The Council looks forward to the WMCA taking a proactive role in ensuring that the whole region can access the opportunities created at Curzon Street and UK Central and will be working collaboratively to ensure that Sandwell sees its share of this important growth.

### **3.2 WMCA Draft Budget**

At its meeting on 17 January WMCA considered its draft budget as a basis for consultation.

The draft West Midlands Combined Authority Delivery revenue budget for 2020/21 is funded by £5.1 million of locally generated funds and £9.2 million of monies secured through the region's devolution deals.

The development of the West Midlands Combined Authority has sought to ensure that all the region benefits from both better outcomes as well as new investment with the intention of all areas benefitting from the delivery of Inclusive Growth. The key headlines for the draft budget are as follows:

- Significant proposals and strategies being delivered;
- No increase in constituent fees or levy for 2020/21;
- Increased additional funding into the region to deliver priorities;
- A draft capital delivery plan for the West Midlands Combined Authority that provides £378.9 million of direct capital investment for the West Midlands region in 2020/21.

The table below represents actual and proposed income and expenditure from the current financial year up to 2024/2025.

	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
	£m	£m	£m	£m	£m	£m
Constituent Members	4.6	4.6	4.6	4.6	4.6	4.6
Non-Constituent Members	0.4	0.4	0.4	0.4	0.4	0.4
Investment Income	1.7	1.8	1.8	1.9	2.1	2.3
Adult Education Budget	78.7	125.8	126.0	126.0	126.0	126.0
Devolution Funding	10.5	8.3	4.7	0.1	0.1	0.1
3rd Party Income	0.5	0.4	1.9	2.5	2.5	2.6
Use of Reserves	1.1	0.7	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>97.6</b>	<b>142.0</b>	<b>139.5</b>	<b>135.6</b>	<b>135.8</b>	<b>136.0</b>
Productivity and Skills	87.3	132.1	130.7	126.9	126.9	127.0
Housing & Land	2.4	2.5	2.5	2.6	2.6	2.7
Economy & Innovation	1.9	1.8	1.8	1.8	1.8	1.9
Culture & Digital	0.1	0.3	0.3	0.4	0.4	0.4
Wellbeing	0.7	0.9	0.8	0.8	0.9	0.9
PSR & Social Economy	1.1	0.7	0.8	0.8	0.9	0.9
Environment, Energy & HS2	0.2	0.3	0.4	0.4	0.4	0.4
Inclusive Communities	0.0	0.1	0.1	0.1	0.1	0.1
Leadership & Corporate Support	3.8	3.2	3.5	3.5	3.6	3.6
<b>Total Expenditure</b>	<b>97.6</b>	<b>142.0</b>	<b>141.0</b>	<b>137.3</b>	<b>137.6</b>	<b>137.8</b>
<b>Net Expenditure</b>	<b>0.0</b>	<b>0.0</b>	<b>-1.5</b>	<b>-1.7</b>	<b>-1.8</b>	<b>-1.8</b>

## Projects benefiting from Combined Authority funding in Sandwell

- 3.3 A number of opportunities have been secured for Sandwell from the Combined Authority. Details on key projects are set out below:
- 3.4 Delivery of a comprehensive residential redevelopment of Bescot/Friar Park, Wednesbury

SMBC and the WMCA entered into an agreement to work collaboratively to deliver a masterplan and disposal strategy for the 26ha Bescot/Friar Park site for comprehensive residential redevelopment. The Council and the WMCA also agreed work collaboratively to prepare a master plan for the site, jointly secure Outline Planning Permission and agree a detailed delivery and marketing strategy for the site. This agreement was set out in a Cabinet report on 5 June 2019.

The agreement was dependent on the acquisition and remediation of the former sewage works, owned by Severn Trent, by the WMCA and the assembly of a comprehensive redevelopment site, when combined with SMBC owned land. The overall site will have an approximate development capacity of over 750 dwellings which will make a significant contribution to the Council's housing delivery targets.

The Severn Trent site has now been acquired by the WMCA who have also allocated the funding necessary to remediate the site in readiness for residential development. A brief has been agreed between SMBC and the WMCA, to go out to competitive tender to seek support with the development of a comprehensive masterplan for the assembled site.

### 3.5 WMCA Housing First Pilot

On 10 May 2018, it was announced that the West Midlands Combined Authority (WMCA) would receive £9.6m to deliver a Housing First Pilot. The pilot will operate up to the close of March 2023. The Council has been allocated £935,137 of the funding with a view to facilitating up to 55 tenancies during the course of the pilot.

The provider leading on this work for SMBC is Accord Housing Association Ltd.

Accord have now mobilised their Housing First operations in Sandwell and good progress is now being made. We now have nine tenancies and nine individuals being supported in these tenancies. Other tenancies are also in the pipeline and it is hoped that there will be another six tenancies by the end of March, subject to properties being available.

### 3.6 Wednesbury to Brierley Hill metro extension

The Wednesbury to Brierley Hill extension to the West Midlands Metro network will provide a direct rapid transit link to Birmingham, West Bromwich, Wolverhampton, Dudley and Merry Hill/Brierley Hill. This will benefit residents and workers in the Golds Hill, Great Bridge, Horseley Heath and Dudley Port areas of Sandwell. There will be 17 stops including six in Sandwell at Golds Hill (provisional), Great Bridge, Horseley Road, Dudley Port (for interchange with rail), Sedgley Road East and Birmingham New Road.

Overall, the scheme will cost £449m. This is made up of £207m of Transforming Cities Fund, £103m of CA Investment Fund with the balance being made up of Prudential Borrowing against future fare box revenue.

Preparatory work is now underway with service diversions taking place in Dudley Town Centre to accommodate the street-running section, and at Castle Gate where the line runs past the proposed Light Rail Innovation Centre. The main works, including the Sandwell section of the route, are due to start later in the year. Tram services are scheduled to commence in 2023.

### 3.7 Bull Street, West Bromwich

The West Midlands Combined Authority (WMCA) Town Centre Programme is intended to provide funding, expertise and support from the WMCA and other partners to revitalise 5 selected pilot areas, one of which is West Bromwich Town Centre. A collective share of £20m between these areas will also assist Local Authorities to deliver tangible, capital regeneration interventions.

It was agreed by the Housing and Land Delivery Board (4<sup>th</sup> November) that the scope of the WMCA Town Centres Programme, launched in October 2018, be expanded to cover the whole of West Bromwich Town Centre rather than West Bromwich East only. It is considered that this widened geographical area will ensure any future opportunities outside of the West Bromwich East area are maximised.

Sandwell proposes to use this assistance to deliver major regeneration initiatives to the eastern most part of the High Street, which is an area suffering from acute retail decline and in need of swift reinvention. Upon obtaining a Cabinet Decision to proceed with the grant funding application to the WMCA, Sandwell has now entered into a Funding Agreement with the WMCA for circa £1.3m to demolish the Multi Storey Car Park at Bull Street. The funding agreement also places an obligation on the Council to produce a business case for submission back to the WMCA for a residential-led development on the cleared site accommodating in excess of 70 units, this proposed development is anticipated as a first phase of wider Town Centre regeneration activity in West Bromwich and will be complimentary to the wider master-planning exercise.

In addition to the major capital interventions, the Town Centre Programme will look to implement a number of 'softer' improvements to West Bromwich. As such a c.£220k initial proposal was submitted to the WMCA for public realm works to the top of Princess Parade, a key gateway site to the town. These will aim to transform the area from an uninspiring entrance to a vibrant, attractive and aspirational town centre arrival site and will also look to address a severe lack of urban greenery in the area. The initial bid submission has since been revised, due to the WMCA increasing the level of funds available for 'softer improvements', and Sandwell is now seeking a total of £500,000. This could not only see improved Public Realm to Princess Parade, but also smaller interventions such as more hanging baskets and tree planting, vacant shop front art, and a study of how pedestrian movement and connectivity can be improved across the town.

### 3.8 A34 Walsall to Birmingham Sprint Scheme

The A34 Walsall to Birmingham Sprint scheme is a Bus Rapid Transit proposal enhancing the link between Walsall Town Centre, Great Barr, the proposed Commonwealth Games Stadium and Birmingham City Centre, ultimately connecting to the HS2 station at Curzon Street. It is one of three routes currently being developed, the others being the A45 (Birmingham to Solihull and Airport), and Birmingham to Sutton Coldfield.

In order to reduce delivery risks, it is now proposed to deliver Sprint in the A34 and A45 corridors as a single, cross-city route. Delivery will be in two phases. Phase 1, which is fully funded, involves the provision of c70% of the infrastructure across all four local authority areas prior to the 2022 Commonwealth Games, whilst the remainder will be delivered as funding becomes available, currently expected to be in 2024.

The project will be delivered against the framework of an 'Enhanced Partnership' between Transport for West Midlands, the local authorities through which the scheme runs, and bus operators.

The business case for the scheme was approved at WMCA Board on 14<sup>th</sup> February and construction is expected to commence later this year.

## **4 STRATEGIC RESOURCE IMPLICATIONS**

- 4.1 The contribution to the Combined Authority from Sandwell Council for 2019/20 is £0.612 million.
- 4.2 Section 21 of the West Midlands Combined Authority (Functions and Amendments) Order 2017 has the effect that where costs are incurred by the Combined Authority and are not met from other sources of income, then they fall to be met by the seven constituent councils, including Sandwell.

## **5 LEGAL AND GOVERNANCE CONSIDERATIONS**

- 5.1 Part 6 of the Local Democracy, Economic Development and Construction Act 2009 ("the 2009 Act") provides for the establishment of combined authorities for the areas of two or more local authorities in England. Combined authorities are bodies corporate which may be given power to exercise specified functions of a local authority under sections 104 and 105 of the 2009 Act, and power to exercise specified functions of any other public authority under section 105A of the 2009 Act.

## **6 EQUALITY IMPACT ASSESSMENT**

- 6.1 The priorities of the West Midlands Combined Authority reflect the equality and diversity of the West Midlands, including striving to create prosperity through a strong and collective economic strategy and the policy aspiration to champion all that makes the West Midlands a Great Place to Live. The equality impact of any

specific proposals will need to be addressed in reports to the WMCA Board or the appropriate decision making body.

## **7 DATA PROTECTION IMPACT ASSESSMENT**

7.1 The recommendations in this report do not result in the collection or retention of personal data.

## **8 CRIME AND DISORDER AND RISK ASSESSMENT**

8.1 There are no Crime and Disorder issues arising from the recommendations set out in this report.

## **9 SUSTAINABILITY OF PROPOSALS**

9.1 The information in this report does not directly have any sustainability implications, however as schemes are delivered by the WMCA there is a need to ensure that the evidence that underlies decision making is robust, up-to-date and is in line with current planning and environmental legislation.

## **10 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)**

10.1 All constituent members of the WMCA are be better placed to contribute and influence the Health and Social Care offer for local residents and create:

- A more sustainable local health and care economy;
- Improved quality and experience of care;
- Improved population health.

## **11 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND**

11.1 There are no direct implications contained in this report.

## **12 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

12.1 Participation as a constituent member of the WMCA enables Sandwell to deliver improvements to the locality that would otherwise be more difficult to achieve. In addition, through WMCA activity, we can ensure that Sandwell residents have the skills to access new employment opportunities both here in Sandwell and across the region, with excellent public transport available connecting the whole of the West Midlands.

## **13 BACKGROUND PAPERS**

None.