

Report to Cabinet

12 July 2023

Subject:	Regeneration Programme & Towns Fund Bi-Annual Update
Cabinet Member:	Cabinet Member Regeneration & WMCA Cabinet Member Cllr P Hughes
Director:	Director Regeneration & Growth, Tony McGovern
Key Decision:	No
Contact Officer:	Business Manager - Regeneration & Growth Jenna Langford jenna_langford@sandwell.gov.uk Towns Fund Programme Manager Rina Rahim rina_rahim@sandwell.gov.uk

1 Recommendations

- 1.1 That the progress made on projects within the Regeneration Project Pipeline Performance Report, including Towns Fund Programme, be received.
- 1.2 That the following amendments to the Regeneration Project Pipeline be approved:
 - Archives Centre, Smethwick project be added to the pipeline.
 - Netomnia Full Fibre project be added to the pipeline.
 - Brownfield Land One Public Estate (OPE) sites (if approved) be added to the pipeline.
 - Breakdown of programmes to articulate individual sites/projects (where appropriate).



- 1.3 That in connection with 1.2 above, the Director of Regeneration & Growth be authorised to implement the amendments to the Regeneration Project Pipeline and for this to be published on the council website.

2 Reasons for Recommendations

- 2.1 On the 23 March 2022, Cabinet approved the Regeneration Strategy, Regeneration Project Pipeline and the Inclusive Recovery Action Plan for Business. Taken together, they set out the corporate regeneration priorities for the period 2022 to 2027. The pipeline is a live document, and Cabinet resolved for it to be monitored via a report submitted to Cabinet every 6 months.
- 2.2 In addition, Cabinet resolved that approval be sought to make additions to the project pipeline and for updated pipelines to be published on the council website and the Regenerating Sandwell website.

3 How does this deliver objectives of the Corporate Plan?



Best start in life for children and young people

The diverse nature of the projects within the Regeneration Project Pipeline stand to contribute towards this objective.



People live well and age well

The diverse nature of the projects within the Regeneration Project Pipeline stand to contribute towards this objective.



Strong resilient communities

The diverse nature of the projects within the Regeneration Project Pipeline stand to contribute towards this objective.



Quality homes in thriving neighbourhoods

The diverse nature of the projects within the Regeneration Project Pipeline stand to contribute towards this objective.



A strong and inclusive economy

The diverse nature of the projects within the Regeneration Project Pipeline stand to contribute towards this objective.





A connected and accessible Sandwell

The diverse nature of the projects within the Regeneration Project Pipeline stand to contribute towards this objective.

4 Regeneration Programme and Pipeline Performance Update

4.1 The pipeline now comprises 67 live projects with an estimated total investment value of £2.8b by 2027, setting out the major investment projects that the Council, its partners, and the private sector intend to deliver. It identifies the infrastructure priorities for the council and establishes where resources will be focused.

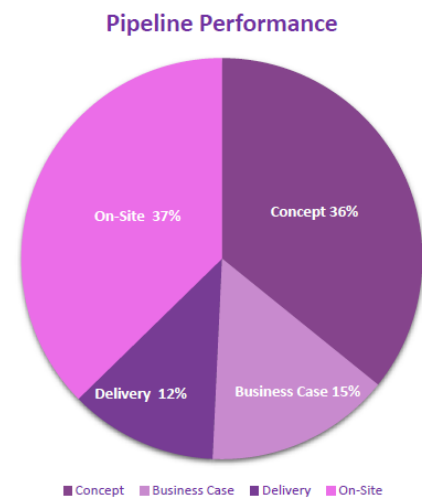
4.2 A summary of Pipeline Project Performance is provided below. More detailed information is available in Appendix A of this report.

67 Live Projects

- 24 in Concept Stage
- 10 in Business Case Stage
- 8 in Delivery Stage
- 25 On-site
- 20 sites with planning permission

3 Projects Complete

Concept – project in development
 Business Case – project has an approved business case, submitted for funding
 Delivery – project has funding approved and is progressing to being on-site
 On-site – project has commenced construction of the physical asset



4.3 The Regeneration Team in May 2023 published the Regeneration Pipeline Brochure, articulating the scale of regeneration opportunity Sandwell can deliver (Appendix B). In addition, the Regeneration & Growth team have also launched a new website – www.regeneratingsandwell.gov.uk which showcases the project pipeline and progress.

4.4 In addition to the progress made on the established pipeline, there has also been progress on other significant Regeneration opportunities for the



borough. Of note is the £88m bid to the Department of Levelling Up Homes & Communities (DLUHC) for Levelling Up Funding. The bid comprised proposals for Tipton, Smethwick, West Bromwich, and Rowley Regis and was submitted on the 2 August 2022. Funding has been announced and awarded to Rowley Regis for a new Leisure Centre, replacing Haden Hill and to Tipton for a town centre residential scheme. This represents a total investment value of circa £46m. As per resolution of the previous Cabinet Report these 2 approved LUF projects have been added to the pipeline.

4.5 Three sites have also been submitted the Governments One Public Estate (OPE) funding programme. Administered by the West Midlands Combined Authority (WMCA), the programme funds the remediation of publicly owned brownfield sites for them to be released to the market for residential development. This is known as the Brownfield Land Release Fund. Langley Baths, Oldbury; Carrington Road, Wednesbury; and Former Gas Showroom, High Street, West Bromwich have been submitted to the fund representing a total funding value of £1,371,193. A funding decision is expected Summer 2023 and if successful will help to address some of the viability issues surrounding the redevelopment of these sites. The site would deliver a total of 83 new homes. Should the funding decision be positive, it is recommended that these sites be added to the regeneration project pipeline (or included within the existing Council House Build Target within the pipeline where the sites are to be used to deliver new council homes).

4.6 The new Archives Centre in Smethwick was approved by Cabinet 16 October 2022. Cabinet resolved there is a need for a new archives centre, and the location of the new centre - the site to the rear of Smethwick Council House. Funding from National Archives was obtained for feasibility work, which identified the site. Consultants are now working with the council to develop the design, specification and funding strategy for the project.

It is estimated that the completed archives centres will represent an investment of circa £10-12m, but this will be refined as part of the funding strategy. It is anticipated that the specification and funding strategy will be available autumn 2023. It is recommended that this project be included on



the pipeline as a concept project. Cllr Padda has identified this as a priority project for Borough Economy.

- 4.7 Netomnia Broadband are investing £30m into Sandwell for Full Fibre Infrastructure to connect circa 120,000 homes across the borough. The Netomnia investment future-proofs the infrastructure from 'copper switch off', where 85% of the copper network will not be maintained from 2025. The works incur low disruption, as the installation predominantly utilises existing BT open-reach infrastructure. Engagement with the council's Highways Team has commenced. It is recommended that this be added to the project pipeline.
- 4.8 An Expression of Interest (EOI) has been submitted to the WMCA, seeking circa £20m in funding to bring forward a phase 1 scheme on the site of Chance Glass Works. Upon submission of the EOI, the council emphasised to the WMCA that this is Sandwell's priority project for Devolution Deal Funding. The council have supported Chance Heritage Trust to produce a business case to inform the EOI. The regeneration team secured £144k from the Black Country Local Enterprise Partnership to fund the business case. Chance Glass Works is already included on the pipeline as a concept project. Should the funding bid to the WMCA be approved, the project will progress to Business Case Stage on the pipeline.
- 4.9 The current pipeline includes programmes which comprise a number of individual sites. In order to accurately report project performance, it is recommended that a number of these programmes be broken down into the individual sites and articulated on the pipeline (where appropriate).
- 4.10 Proposed additions to the pipeline for Cabinet consideration:
- Archives Centre, Smethwick be added to the pipeline.
 - Netomnia Full Fibre be added to the pipeline.
 - Brownfield Land OPE sites (if approved) be added to the pipeline.
 - Breakdown of programmes to articulate individual sites/projects (where appropriate).



4.11 Towns Fund Programme Update

The pipeline also includes the £67.5m Towns Fund Programme which comprises 16 projects across Smethwick, Rowley Regis and West Bromwich. The funds for financial year 22/23 were released in late summer 22, enabling projects to proceed with delivery. Future funding payments will be released on an annual basis depending on project progress. The Programme spend forecast for financial year 23/24 is circa £37m subject to approvals. Ongoing monitoring will be undertaken throughout the year to ensure that slippage is kept to a minimum reducing the risk of audit reviews by Government. The Towns Fund Programme continues to be governed by SMBC and the three Towns Fund Boards, who meet on a quarterly basis to review project progress and approve financial returns to Government. Board members are committed to securing Social Value (local spend and jobs) from existing/new contractors and subcontractors as part of project delivery. The Towns Fund projects are in various stages of delivery. A summary of progress for each town is provided below, with more detailed information on progress and financial spend per town included in Appendix C of this report:

- Smethwick – At the end of March 2023, project spend of £3,779,521 (including commitments) was reported against a profile of 7,417,450 received to date. The remaining balance has been carried forward to 23/24 of which £2m was due to reprofiling funds for Grove Lane, as this was proceeding with a CPO process and therefore still flagged as a high risk. The largest project in Smethwick is Midland Met Learning Campus with works due to start in October 23, subject to planning permission.



- West Bromwich - At the end of March 2023, a total of £10,336,430 project spend was reported (including commitments) against a profile of £15,750,312 received to date. The remaining balance has been carried forward to 23/24. Slippage has occurred due to the reprofiling of funds for acquisition of Queens Square/Retail Diversification Project. A report is being prepared for September Cabinet to consider CPO enabling to bring this site forward. Works for the Town Hall Quarter and Indoor Market are ongoing and final costs are being agreed with contractors over the next quarter. Investigations to date have identified that a new substation is required for the Indoor Market, therefore the completion date has been pushed back to March 2024.
- Rowley Regis - At the end of March 2023, a total of £3,438,791 project spend was reported (including commitments) against a profile of £4,670,440 received to date. The remaining funds have been carried forward to 23/24. The Satellite Education Hub is a high risk due to deferral of planning decision to June 2023. There is a high risk that funds may need to be returned should a planning decision not be favourable. Britannia Park is delivering phases of works which has led to some residents raising concern of works not progressing at pace. Works on the Blackheath Bus Interchange need to progress to finalise the BCR calculation and final scheme design and costs.

5 Alternative Options

- 5.1 This is a bi-annual update requested by Cabinet on 23 March 2022. In accordance with the Cabinet Decision, Cabinet are to consider additions to the project pipeline. There is no alternative option.

6 Implications

Resources:	Resources have been identified and agreed by Budget Board. Recruitment to the approved posts is underway. Finance representatives attend the Regeneration Programme Board.
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Legal and Governance:	Legal representatives attend the Regeneration Programme Board. Governance has been approved for the Regeneration Programme Board.
Risk:	A programme risk register is being developed, with key risks being escalated to the Regeneration Programme Board.
Equality:	Equality Impact Assessments will be undertaken as and when required.
Health and Wellbeing:	Health and Wellbeing is a category of projects on the pipeline.
Social Value	Social Value is a priority within the Regeneration Programme and performance against Social Value outputs and outcomes will be monitored by the Regeneration Programme Board.
Climate Change:	Climate Change measures are considered as part of regeneration projects, with sustainability being a category of projects on the pipeline.
Corporate Parenting	There are no implications arising from this report. All projects to be added will be reviewed and assessed to ensure follows SMBC Corporate Parenting requirements

7. Appendices

- Appendix A – Regeneration Programme Performance Report June 2023
- Appendix B – Regeneration Brochure www.regeneratingsandwell.gov.uk
- Appendix C – Towns Fund Programme Update

8. Background Papers

There are no background papers.

