

24 October 2023

The following summary report relates to those minutes of the Cabinet which contain a recommendation to the Council.

Meeting Date	Subject
13 September 2023	Levelling Up Partnership.



Report to Cabinet

24 October 2023

Subject:	Levelling Up Partnership
Cabinet Member:	Leader
	Councillor Kerrie Carmichael
Director:	Director of Regeneration and Growth
	Tony McGovern
	Director of Borough Economy Alice Davey
	Director of Finance
	Simone Hines
	Director of Law and Governance Surjit Tour
	Interim Director of Public Health
	Liann Brookes-Smith
Key Decision:	Yes
Contact Officer:	Senior Lead Officer
	Rebecca Jenkins
	rebecca_jenkins@sandwell.gov.uk

1 Recommendations

- 1.1 That approval be given to the geographical focus for Sandwell LUP as Wednesbury Town (Wednesbury North, Wednesbury South and Friar Park)
- 1.2 That the Director of Regeneration and Growth and S151 Officer in consultation with the Leader be authorised to review and formally accept the LUP offer / grant conditions from DLUHC

- 1.3 That approval be given to commence delivery of Levelling Up Partnership interventions (paragraph 2.5), subject to S151 Officer authorisation and acceptance of grant conditions from DLUHC as set out in recommendation 1.2.
- 1.4 That approval be given for the Council to act as the Accountable Body for the Levelling Up Partnership Programme, adopt programme governance arrangements (paragraphs 4.20-4.24) and establish a Wednesbury Levelling Up Partnership Board and associated Terms of Reference (appendix 3).
- 1.5 That the Director Law and Governance in consultation with the Director of Regeneration and Growth and the Leader be authorised to make any changes to the Wednesbury Levelling up Partnership Board Terms of Reference to respond to any Government guidance or requirements.
- 1.6 That the Director of Regeneration and Growth in consultation with the Leader be authorised to invite expressions of interest and conduct any necessary selection processes to make appointments to the Wednesbury Levelling Up Partnership Board.
- 1.7 That subject to acceptance of grant conditions as per recommendation 1.2, that in relation to Levelling Up Partnership interventions, that the following capital expenditure be approved and added to the Capital Programme for 2023/24 and 2024/25:
 - 1.7.1 In relation to Friar Park Urban Village project, that capital expenditure of up to £11.5m be authorised to bring forward the Friar Park Urban Village Scheme, as per the recently approved Masterplan for this site and that officers are authorised to renegotiate the current Joint Venture Agreement (JVA) with West Midlands Combined Authority to reflect the nature of this significant investment and to deal with related commercial matters that impact on the JVA now that the Council is the primary funder using LUP resources.
 - 1.7.2 In relation to Wednesbury Town Centre Improvement project, that capital expenditure of up to £4.45m be approved for site improvement, acquisition and public realm improvement works
 - 1.7.3 In relation to the Wednesbury Community Safety project that capital expenditure of up to £0.4m be approved for CCTV scheme improvements, mobile cameras for flytipping and

installation of low level bike inhibitors as deterrents to ASB and crime

- 1.7.4 In relation to the Greenspaces project that capital expenditure of up to £1.65m be approved for improvements to green spaces in Wednesbury
- 1.7.5 In relation to the Friar Park Millennium Centre extension, approval is requested for an appropriate scheme to be designed; planning consent to be obtained; procurement of a construction partner to deliver the scheme; capital expenditure of up to £2m be authorised for the scheme to be delivered; and all relevant agreements and actions be taken to ensure this project is delivered that enhances the community offer (this approval updates the previous Cabinet approval for this scheme of 15/03/2023).
- 1.8 That subject to acceptance of grant conditions as per recommendation 1.2, that approval be given to expend up to £100,000 revenue in relation to the Wednesbury Community Safety Project and up to £250,000 revenue in relation to Wednesbury Masterplanning and Levelling Up Partnership Programme Management and that the appropriate budget virements are actioned, funded from Levelling Up Grant.
- 1.9 That the Director Regeneration and Growth, in consultation with the Cabinet Member for Regeneration and WMCA be authorised to approve public consultation in relation to Wednesbury Masterplanning for the purposes of Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations (2012).
- 1.10 That the Director Regeneration and Growth, in consultation with the S151 Officer and Cabinet Member for Regeneration and WMCA, be authorised to approve:
 - 1.10.1 a decrease/ increase of grant funds to be drawn down by individual projects of up to £250,000 within the overall Levelling Up Partnership capital allocation
 - 1.10.2 Any decrease to mandatory indicators of outputs and outcomes of the Levelling Up Partnership projects.
 - 1.10.3 Slippage of outcomes and/ or grant claim profile up to £1m requiring re-profiling across future financial years with no overall material change to project outcomes

- 1.11 That the Director Regeneration and Growth, in consultation with Director Law and Governance, be authorised to undertake all necessary steps/actions,to acquire relevant sites in Wednesbury and Friar Park in line with the Council's land and property portfolio.
- 1.12 That the Director Regeneration and Growth, Director Borough Economy and Director Law and Governance in agreement with the Section 151 Officer, be authorised to enter into any necessary legal agreements, submit any necessary planning applications/agreements, undertake all necessary procurement processes (including entering into contracts for the provision of goods and services and any direct contract awards), and undertake/exercise all other necessary action/powers necessary to deliver the Levelling Up Partnership interventions.
- 1.13 That subject to acceptance of grant conditions as per recommendation 1.2, that the capital allocation to the Council from the Levelling Up Partnership be managed within the Council's overall capital programme to allow carry forward of other funding sources into 2024/25 for delivery of the Levelling Up Partnership Interventions.
- 1.14 That Cabinet approve the Wednesbury Town Centre Improvement project to be added to the Regeneration Project Pipeline
- 1.15 That Cabinet receive a report on the performance of the Levelling Up Partnership Programme after 6 months

2 Reasons for Recommendations

- 2.1 In March 2023, the Chancellor of the Exchequer announced that Sandwell was one of 20 places to be invited to form a Levelling Up Partnership (LUP).
- 2.2 Levelling Up Partnerships are targeted interventions designed to identify practical, tangible actions to support priority places to 'level up' and to help government develop a more holistic understanding of place. Up to £20m capital funding is available for the 20 places.
- 2.3 The development of a LUP between Government and Sandwell has been led by the Department for Levelling Up Housing and Communities (DLUHC). An initial deep dive has been conducted including place engagement, field work and developing priority actions.

- 2.4 The initial deep dive activity included joint exploration between DLUHC and Cabinet Members of the target geographical area for Sandwell's LUP taking into account a range of factors including the indicators used to select major opportunities for capital spend to deliver against the levelling up missions. The geographical area focused on during the initial deep dive has been Wednesbury with a focus on Friar Park and this is proposed for Cabinet's approval.
- 2.5 A series of priority interventions have been discussed and agreed between Sandwell Metropolitan Borough Council and DLUHC for the LUP and a funding offer of £20m capital and £350K revenue is agreed. A Grant Funding Agreement is expected to be made imminently to Sandwell to confirm the delivery of 5 interventions as follows:
 - Friar Park Urban Village
 - Wednesbury Community Safety Scheme
 - Wednesbury Town Centre Improvements
 - Wednesbury Greenspaces Improvements
 - Friar Park Millennium Centre expansion
- 2.6 The proposed interventions will enable:
 - 630 new homes (157 affordable)
 - Land acquisition for future housing delivery
 - New and upgraded CCTV and environmental cameras
 - Nuisance bike inhibitors
 - Improvements to 4 green spaces and 10ha new public open space for sport and recreational use
 - An extended community centre offer in Friar Park
 - Improved public realm
- 2.7 Indication of the contents of the formal offer / grant conditions from DLUHC are that the capital allocation to Sandwell is predominantly for expenditure in financial year 2023-24. In order to deliver the LUP interventions within the two-year delivery timetable, as set out in the Chancellor's announcement for the Levelling Up Programme, the grant will be managed within the Council's overall capital allocation. Existing schemes in the Council's Capital Programme have been identified that can be funded from the LUP grant in 2023/24 and Council resources will then be used to deliver the remaining LUP projects in 2024/25.
- 2.8 A formal LUP offer and/or grant conditions have not yet been received from DLUHC but are expected imminently. Indications have been given to the amount of funding and interventions that will be supported by

DLUHC. In order to prevent delays to the establishment of the LUP programme and the delivery of interventions to the ambitious timescale, Cabinet approval is sought to delegate approval of the grant conditions to the S151 Officer, and Director of Regeneration and Growth in consultation with the Leader.

2.9 The establishment of the LUP and delivery of its interventions is an ambitious programme within a short delivery period. Delivery of the LUP interventions will be managed as a programme. To bring partners together to oversee the LUP programme, and to develop a shared understanding of the Levelling up needs in Wednesbury to shape future planning, the proposal is for a LUP Board to be established. This is based on learning from the Towns Fund Programme governance model. Terms of Reference and Membership are set out in appendix 3.

3 How does this deliver objectives of the Corporate Plan?

The formation of a Levelling Up Partnership and delivery of the interventions within the LUP will contribute to all objectives of the corporate plan



The Best Start in Life for Children and Young People

Opportunities for children and young people will be strengthened through an extended offer at Millennium Centre, Friar Park; a significant number of new homes and improved quality and safety of public spaces and greenspaces in Wednesbury.



People Live Well and Age Well

The interventions proposed for inclusion within the LUP will strengthen the quality and safety of greenspaces and public spaces in Wednesbury; encouraging physical activity. The interventions will enable a significant number of new quality homes.



Strong Resilient Communities

The interventions proposed for inclusion within the LUP will strengthen the deterrents for crime and ASB in Wednesbury.

	Quality Homes in Thriving Neighbourhoods
	The interventions proposed for inclusion within the LUP will
	enable a significant number of new homes to be delivered
	and will improve the quality of neighbourhoods through
	improvements and enhanced safety measures in green
	spaces and public spaces.
	A Strong and Inclusive Economy
(23)	A Strong and inclusive Economy
	The interventions proposed for inclusion within the LUP will
	increase the adult skills offer in Wednesbury and will improve
	the quality of public spaces in Wednesbury Town Centre;
	helping the town to thrive and retain and attract businesses. A Connected and Accessible Sandwell
	A Connected and Accessible Gandwell
	The interventions proposed for inclusion within the LUP will
	enable better connections through green spaces for walking
	and cycling and improvements to routes between
	Wednesbury Town Centre and the Metro.

4 Context and Key Issues

Background to Levelling Up Partnerships (LUP)

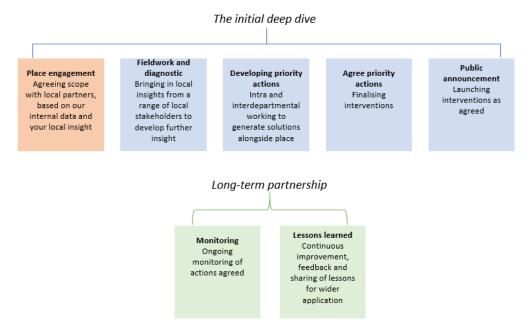
- 4.1 The Chancellor of the Exchequer made several new announcements as part of the Spring Budget on 15th March that are intended to benefit local government and local communities as part of the Government's Levelling Up agenda. These included:
 - Two Devolution Deals with West Midlands MCA and Greater Manchester MCA. The centrepiece of these Deals are beneficial agreements for business rates retention with the benefits shared between LA's and the MCA.

- Twelve Investment Zones across the U.K. including one guaranteed for the West Midlands. These will be focused on promoting growth and will normally be based around a research institution / university. (location unknown at this stage and will be decided by WMCA).
- A Regeneration Fund of £211m to fund 16 local projects which includes confirmation that the £20m for the regeneration of Tipton will be funded (previously unsuccessful bid in Round 2 of the Levelling Up Fund).
- Confirmation that there will be a Round 3 of the Levelling Up Fund bidding process.
- Twenty places in England selected as a Levelling Up Partnership area
- 4.2 Levelling Up Partnerships are targeted interventions designed to identify practical, tangible actions to support priority places to 'level up' and to help government develop a more holistic understanding of place. The aim is to development a deeper understanding of the unique challenges and opportunities in priority areas, and via a partnership approach harness collective powers to tackle the most pressing issues.
- 4.3 The LUP approach is to put place at the heart of levelling up by;
 - Understanding local barriers and opportunities including; local performance against levelling up indicators/ local growth potential and a place's unique selling points
 - Aligning cross Government activity in place; to ensure that central government, local government and private resources are used most efficiently.
 - Unlocking powers, resources, or flexibilities; to empower local leaders to drive progress against the missions and secure local growth.
- 4.4 Sandwell Metropolitan Borough Council is one of the twenty places in England selected to have a Levelling Up Partnership.
- 4.5 The twenty places were selected based on the following four indicators using a three-year average generally across January 2019 to December 2021:
 - NVQ Level 3+ (% of total population)
 - Healthy Life Expectancy
 - Median Gross Weekly Pay (£)

- Gross Value Added (GVA) per Hour Worked (ONS 2018 to 2020)
- 4.6 The priority list of twenty places were selected as they are all in the bottom quartile for three or more of the four indicators above. £400m has been set aside to support the 20 LUP areas so on average, each place could expect to secure up to £20m (capital) for in financial years 2023/24 and 2024/25.

Developing the Partnership

4.7 The development of a Levelling Up Partnership (LUP) between Government and Sandwell has been led by the Department for Levelling Up Housing and Communities (DLUHC). The development of the LUP has been set out in two phases.



- 4.8 Civil Servants have been active in Sandwell engaging with a range of key stakeholders, partners, SMBC Cabinet Members and Officers to support the initial deep dive activity.
- 4.9 The initial deep dive activity included joint exploration between DLUHC and Cabinet Members of the target geographical area for Sandwell's LUP taking into account the indicators used to select Levelling Up Partnership areas, areas that may require cross government support to successfully deliver positive outcomes, major opportunities for capital spend to deliver against the levelling up missions, LUP funding criteria

- and local insight. The geographical area focused on during the initial deep dive has been Wednesbury with a focus on Friar Park.
- 4.10 To shape emerging thinking around the priority actions for the LUP, a set of themes and a long list of interventions was produced by council Officers taking into account the levelling up challenges for Wednesbury with a focus on Friar Park, the Council's strategic priorities, work already underway the likely amount of capital available and the ambitious two year LUP delivery programme.
- 4.11 Public Health programmes that contribute to levelling up are set out in appendix 1 and include a focus on:
 - Life expectancy: healthy aging app and anticipatory care
 - Infant mortality: healthy pregnancy
 - Obesity: reception age and year 6 obesity
 - Economic wellbeing Worklessness: preventing and tacking economic inactivity and Sandwell Language network
 - Mental wellbeing of children: Wellbeing in vulnerable groups and wellbeing in children with SEND
- 4.12 Sandwell's 7 Family Hubs were launched in 2023. They aim to help families to thrive by providing the right support, in the right place, at the right time so that parents and carers can nurture their babies and children, improving health and education outcomes for all. This offer will contribute to a reduction in inequalities in health and education outcomes for babies, children and families across England by ensuring that support provided is communicated to all parents and carers, including those who are hardest to reach and/or most in need of it.
- 4.15 In Wednesbury, the Family Hub already offers a wide range of services including access to Health visitors, welfare rights, benefit advice, parenting and many groups for families to attend. A satellite site in North Wednesbury is also delivering services to families and there are lots of opportunities to develop this site further to become a Levelling up Family Hub spoke.
- 4.13 A formal offer and/or grant conditions are expected to be issued to the Council following DLUHC's internal business case processes. It is expected to include an offer of £20m capital and £350,000 revenue for 5 interventions that build on current approaches to levelling up in

Wednesbury. The interventions are summarised below and contained in appendix 2.

LUP Priorities

- 4.14 The LUP offers a unique partnership between Government and local stakeholders in Sandwell to build on current interventions and approaches being undertaken to level up. The opportunity through the 5 identified interventions is for the LUP, with the active support of stakeholders to facilitate:
 - Good quality housing in Friar Park and be en-route to delivering more
 - Improvement to long-standing derelict land in Friar Park and create new green spaces
 - Improved residents' perceptions of crime and safety through reducing crime, and strengthening partnerships to address ASB and crime issues into the future
 - Better health outcomes through revitalised green spaces in Wednesbury
 - Improvements in residents' skills and attainment through increasing the skills offer to Wednesbury residents
 - More capacity for community facilities to support a growing population
- 4.16 5 interventions are expected to be included in DLUHC's offer to Sandwell which are proposed for Cabinet's approval.

	Summary	LUP Funding Offer
Friar Park Urban Village	Fund land remediation viability gap to deliver Friar Park Urban Village Scheme enabling c.630 new homes.	£11.5m
Community Safety Scheme	Build on partnership work to tackle crime and anti-social behaviour by increasing the deterrents to crime and anti-social behaviour in Wednesbury.	£0.4m
	This will include installing new and upgrading CCTV infrastructure in Wednesbury Town Centre and Friar Park, providing deployable cameras to tackle fly-tipping across	

	Wednesbury, implementing a radio link scheme, and installing nuisance bike inhibitors.	
Friar Park Millennium Centre Expansion	Extend the existing community centre in Friar Park to meet the demands from extended community (as a result of proposed development of Friar Park Urban Village) and enhance the skills delivery offer. Tackling the skills challenges in the Friar Park ward, current position of 32.6% residents with no qualifications compared to a national rate of 15%. Increasing higher level skills which are 11.1% at Level 4 and above than the national rate at 29.7% (Nomis 08.23)	£2m
Wednesbury Town Centre Improvements	Building on HAZ improvements to further enhance the public realm in Wednesbury Town Centre Following a masterplanning process, the project will enable long standing derelict sites to be improved.	£4.35m
Greenspaces Improvements	Enhancing 4 existing green spaces in Wednesbury to improve safety measures, quality scores, accessibility and provide additional activities.	£1.65m

4.14 The proposed interventions will enable:

- 630 new homes (157 affordable)
- Land acquisition for future housing delivery and regeneration opportunities
- New and upgraded CCTV and environmental cameras
- Nuisance bike inhibitors
- Improvements to 4 green spaces and 10ha new public open space for sport and recreational use
- An extended community centre offer in Friar Park
- Improved public realm

- 4.15 This will deliver on Levelling Up outcomes of:
 - Boosting productivity, pay, jobs and living standards through increasing skills and attainment levels and enabling new housing
 - Spreading opportunity and improving public services through tackling crime and ASB hotspots and increasing skills and attainment levels and enabling new housing delivery
 - Restoring a sense of community, local pride and belonging through improving perceptions of safety and the quality of built environment and green spaces
 - Empowering local leaders and communities through creating long term plans to revitalise Wednesbury Town Centre

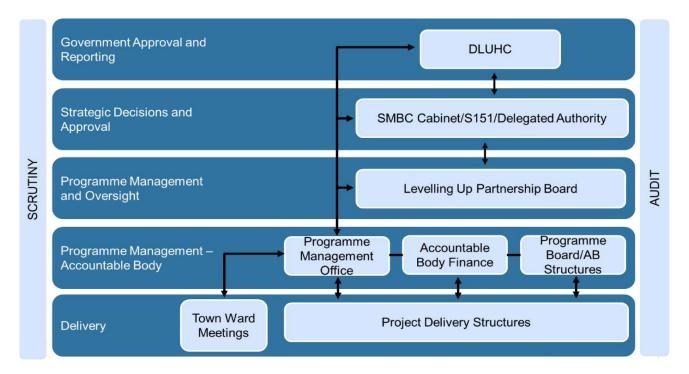
Financial Resources

- 4.18 Civil Servants have advised that the LUP capital allocation is predominantly for 2023-24 with up to £5m carry forward allowed to 2024-25. This presents a significant delivery risk for the council. At the start of the LUP development process, indication was given to the council that funding would be available to Sandwell to be spent in financial years 2023-2024 and 2024-2025, in line with the public announcement around Levelling Up Partnerships.
- 4.19 To manage this delivery risk, authorisation is expected to be given to the Council from DLUHC to manage the LUP grant flexibly within Sandwell's capital programme. This will enable LUP projects to be delivered over the two-year period.

Governance and Delivery Arrangements

- 4.20 Sandwell Council will be responsible for the delivery of the LUP Programme following Sandwell Council's standard arrangements for procurement, project delivery and delegations. All of the proposed interventions will be led by the Council in partnership with others.
- 4.21 The establishment of the LUP and delivery of its interventions is an ambitious programme within a short delivery period. As part of the revenue allocation from DLUHC, a Programme Manager will be appointed to oversee and manage the LUP Programme reporting to a new post of Assistant Director for Levelling Up.

- 4.22 Based on learning from the Towns Fund governance model, the proposal is for a Wednesbury Levelling Up Partnership Board to be created to bring partners together to oversee the programme and to:
 - develop a shared understanding of the Levelling up needs in Wednesbury and add to the evidence base (informing future plans for Wednesbury)
 - Input to and steer the development of LUP interventions
 - Act as critical-friend challenge through project delivery
 - Agree project change requests (within agreed limits); and
 - Review monitoring and evaluation of project impact
- 4.23 The governance model is set out as follows:



4.24 Proposed Terms of Reference for the board and membership (including voting rights / participatory roles) are included at appendix 3. Subject to Cabinet's approval for the Terms of Reference and membership, Elected Member appointments to the Levelling Up Partnership Board will be appointed by Full Council. Partner organisations will be invited to make appointments in line with their governance arrangements. Expressions of interest will be sought for other representatives and the Independent Chair.

5. Alternative Options

- 5.1 Alternative geographical areas could be put forward for the focus of Sandwell's LUP. The selection of Wednesbury Town is the result of joint exploration between DLUHC and Cabinet Members taking into account the indicators used to select Levelling Up Partnership areas, areas that may require cross government support to successfully deliver positive outcomes, major opportunities for capital spend to deliver against the levelling up missions, LUP funding criteria and local insight through the initial deep dive activity conducted by DLUHC Civil Servants. The geographical focus area of Wednesbury is acceptable to DLUHC and therefore presents the best chance of Sandwell securing the LUP investment to deliver the shortlisted projects and achieve the outcomes for the LUP.
- 5.2 Alternative interventions were put forward to DLUHC for consideration as part of the initial deep dive activity. These included proposals for an increase of SEND provision in Sandwell, exploration of alternative measures to divert nuisance bike activity and additional regeneration proposals that have viability barriers to proceeding. These schemes were discounted by DLUHC as part of the initial deep dive activity. The selected shortlist of projects present the best chance of Sandwell securing the LUP investment.
- 5.3 Alternative governance arrangements could be put in place for the Levelling Up Partnership. The proposed arrangements reflect learning from the Towns Fund Programme governance arrangements and propose adoption of a similar model of governance.

6 Implications

Resources:

The proposals within this report represent a funding opportunity of £20.35m.

Approval is sought to £20m capital and £350K revenue expenditure to deliver the Levelling Up Programme.

Capacity is required to oversee the LUP Programme and meet reporting requirements of DLUHC. A LUP Programme Manager, and Assistant Director for Levelling Up will being recruited to.

The Council will be the lead delivery organisation for all proposed interventions.

The capital allocation for LUP will allow a maximum carry forward of £5m into 2024-25. Based on the proposed interventions, the majority of spend is profiled to take place in 2024-2025.

Existing schemes in the Council's Capital Programme have been identified that can be funded from the LUP grant in 2023/24 and Council resources will then be used to deliver the remaining LUP projects in 2024/25.

Delivery of the projects will be managed through the Wednesbury Levelling Up Partnership Board and a specific project group will be established. Spend will also be monitored through the Council's Corporate Asset Management Board.

Legal and Governance:

The Council will be the lead delivery organisation for all proposed interventions.

Legal agreements/MoUs may be required to deliver specific projects and will follow standard council process e.g. for CPO.

The Levelling up Partnership will be managed as a programme. The development of a Wednesbury Levelling up Partnership Board is being proposed to oversee the programme and partnership.

Risk:

The LUP programme is an ambitious £20m programme.

There is a significant programme risk identified that if programme delivery can not be completed by 2024-25, there is a risk of grant clawback, reputational damage, and missed opportunities to deliver the benefits of the programme. Detailed project delivery plans are being prepared setting out key milestones. Any issues relating to the spend profile or delivery timeline will be escalated through LUP governance arrangements.

Risks and issues will be reported to DLUHC when financial / legal implications could lead to a breach of grant funding conditions / other agreements e.g. MoUs with Government.

A risk register will be maintained for the LUP programme. At project level, LUP projects will be required to identify, assess and control risks on an ongoing basis. Major (red) project risks will be reported to programme level.

Equality:

The proposed interventions are in development stage.

	Through the project development process, consideration will be given to the impact on and improvements that can be made for residents with protected characteristics. Equality Impact screenings and EqIAs will be conducted, as appropriate.
Health and Wellbeing:	The underpinning objective of the LUP is to 'level up' and reduce inequalities. The proposed interventions focus on tackling health inequalities in a multi-faceted way and compliment public health programmes
Social Value:	The proposed interventions will be delivered in accordance with the Council's Procurement and Contract Procedure Rules and will deliver social value in line with the council's requirements.
Climate Change:	The proposed interventions include a range of improvements to the quality of green spaces and public spaces in Wednesbury; making a contribution to biodiversity.
	Proposals will also enable the delivery of a significant number of new homes and a range of construction work. Options for energy efficiency measures and reducing carbon through the construction process will be considered as part of the detailed design phase and procurement.
Corporate Parenting:	The voice of the child will be incorporated within the LUP governance arrangements through the inclusion of young people's representative(s) on the LUP board. Where consultation is being undertaken as part of the LUP Programme, young people's views and opinions will be sought.
	The intervention focusing on the extension of the Friar Park Community Centre will include consideration of youth opportunities.

7. Appendices

- 1. Public Health Programmes of Work Contributing towards Levelling up.
- 2. Levelling Up Partnership Scope and Intervention Descriptions
- 3. Levelling Up Partnership Board Terms of Reference and Membership

8. Background Papers

Levelling Up Partnerships Methodology Note