

18 January 2022

Town Deal

Ward(s): All

Portfolios: Regeneration

1. Aim

The Town Deal, initiated by Government and developed by a group of partners facilitated by Walsall Council, was announced in February 2019 and is now moving towards delivery. The aim of the fund is to develop local infrastructure and skills which will support growth of the local economy, increasing the town's opportunities and offer. The Town Deal Board, made up of local partners, is the body charged with overseeing this work.

2. Recommendations

Members are asked to consider the progress so far and provide challenge on the process and the interventions agreed.

3. Report detail – know

Background

- 3.1 In September 2019, the government launched the Towns Fund programme, inviting 100 towns to develop their £25million proposals for each place, identified by government.
- 3.2 This funding tranche is within the context of wider investment which will support Walsall Council to deliver on key elements of the Town Centre Masterplan, also to meet its regeneration priorities across the borough to create an environment in which the right homes, jobs and growth opportunities come forward. The Council is working with government and other partners to create funding packages which will deliver real change for the town.
- 3.3 The Council has been successful in securing the government's Future High Streets Fund as a significant contributor (£11.4m) to the Connected Gateway scheme which is at the heart of the town centre transformation and will deliver a landmark transport gateway to and from Walsall. Creating a connected, modern interchange on the high street with high quality rail concourse and good links to bus services, this will ensure a high quality experience at the heart of the high street with a more

diverse mix of uses. It will increase footfall and aim to reduce vacancy rates to improve the vibrancy of the high street, encouraging dwell time and spend.

- 3.4 We look forward to further announcements on the next phase of the government's Levelling Up Fund, which will also support capital projects – Walsall has been identified as a priority area and work is ongoing to ensure that projects have reached a sufficient stage of development to access this fund which is aimed at the more “shovel-ready” schemes. Walsall Council is working well with the West Midlands Combined Authority, Black Country Consortium and other partners to ensure that there is sufficient support for schemes to achieve investment readiness. With the Community Renewal Fund as revenue support for some of our skills and employment interventions which will help create a successful workforce for a repurposed town, this will create a rounded blend of funding that will help us to deliver on our core objectives for the residents of Walsall. In addition, Walsall has also been identified by Arts Council England as a Priority Place and we are already accessing advice and support to engage stakeholders and (develop related projects in the borough.
- 3.5 In January 2020, government asked Walsall Council to form a Town Deal Board in line with guidance given to 100 towns identified for the initiative, to take up the offer to submit applications for £25million for both Bloxwich and Walsall. To achieve this the Walsall Economic Board's membership was enhanced in accordance with that guidance, to act as the initial Town Deal Board for both areas.
- 3.6 In June 2020 government released further Towns Fund guidance covering a range of requirements; including the preparation of Town Investment Plans for each of the eligible towns and the roles, responsibilities and governance arrangements required for the Town Deal Board, confirmed in a Heads of Terms document. This set out a vision and strategy for the towns, together with what each party agreed to do to achieve this vision. This was the formation of the Town Deal, being an agreement in principle between government, the Lead Council and the Town Deal Board.
- 3.7 Government guidance included the following which set out the requirements of the Town Deal Board:
- Town Deal Boards are responsible for producing Town Investment Plans, including putting forward suitable projects, which align with the objectives of the Towns Fund, and for overseeing compliance with the Heads of Terms Agreement with government.
 - A Town Deal Board should operate in a transparent and objective way for the benefit of the town it represents. This should fit within and complement existing arrangements for governance, assurance, audit etc. in the local authority, and does not need to be wholly separate.
 - The Town Deal Board's membership should reflect the diversity of the town and surrounding area. The Towns Fund Prospectus stated that membership of Town Deal Boards should comprise:
 - A private sector chair
 - All tiers of local government for the geography of the town

- The MP(s) representing the town
 - The Local Enterprise Partnership
 - Local businesses and investors
 - Community/local voluntary community sector representatives
 - Other relevant local organisations, such as FE colleges or Clinical Commissioning Groups.
- All Town Deals will need to have an Accountable Body which will be a council through which funding will flow. Walsall Council will deliver this responsibility through the Programme Management service area, having a seat on the board in a secretariat capacity as a non- voting member, and be represented at all board meetings
 - Lead Councils will have a seat on the board as a voting member and will take responsibility for ensuring that all decisions made by the Town Deal Board are in accordance with good governance principles. These principles will be set into place and published on the council website, together with other information as required by government through its published guidance

3.8 Guidance also included the Town Deal Board roles and responsibilities as follows:

- The Town Deal Board will sign off each stage of a Town Investment Plan and Town Deal
 - Upholding the Seven Principles of Public Life (the Nolan Principles)
 - Developing and agreeing an evidence-based Town Investment Plan
 - Establishing a clear programme of interventions
 - Embedding arrangements in local plans (where appropriate) and undertaking Environmental Impact Assessments, and fulfilling duties on public authorities under the Equalities Act, in particular, and the public sector equality duty
 - Coordinating resources and engaging stakeholders
 - Ensuring communities' voices are involved in shaping design and decision making at each phase of development
 - Ensuring diversity in its engagement with local communities and businesses
 - Helping develop detailed business cases
 - Overseeing each step of agreeing a Town Deal, and overseeing compliance with the Heads of Terms Agreement with government

3.9 In September 2020, Cabinet approved the formation of the Town Deal Board in accordance with government guidance to represent both Bloxwich and Walsall areas, supported by an Advisory Board for each area. Each area would develop a Town Investment Plan setting out the strategic priorities, economic evidence and spending plans against the nominal allocation of £25m per area. The Town Investment Plans would act as bid documents to government, in order to secure as much of this allocation as possible.

Accelerated Towns Fund

3.10 In June 2020, the Prime Minister announced £5bn of Accelerated Town Funds capital funding to bring forward investment projects that supported jobs and

economic recovery, complementing the main programmes under development. As part of this announcement, £750,000 was offered to support both Bloxwich and Walsall Towns Fund areas.

- 3.11 The government encouraged projects that supported towns to respond to challenges, including;
- Improvement to or new parks and green spaces and sustainable transport links
 - Improvements to town centres including repurposing empty commercial properties
 - Demolition or site remediation where this will have an immediate benefit
- 3.12 Council officers, stakeholders, partners, appointed consultants and the Deputy Leader worked together to develop a list of projects that fulfil the requirements of the Towns Fund that were capable of spending the £1.5m before 31 March 2021. The projects were considered and approved by the current Town Deal Board on 11 August 2020, and the Council's Corporate Management Team on 13 August 2020.
- 3.13 Projects included public realm enhancements, parks and green spaces improvements, CCTV provision, transport links and control measures, in summary two local packages of measures that could be delivered within a shorter timeframe and contribute to improved experience and accessibility within the two Town Deal areas.
- 3.14 This was then, in line with government guidance, followed by the submission of a letter to the Ministry of Housing, Communities and Local Government (MHCLG) confirming the delivery plans for the £1.5million grant. This included confirmation from the Council's S151 officer that this spending was in line with the Towns Fund intervention framework as set out below. This also set the framework for the wider Town Deal investment. Cabinet authorised the formation of the Town Deal Board and the Accelerated Town Deal projects in September 2020.

Intervention Theme	Outputs	Target Outcomes
Local Transport	Increase in the number of bus services; new or upgraded cycle and walking routes; new or upgraded road infrastructure; pedestrianised streets	Improved affordability, convenience, reliability, and sustainability of travel options to and from places of work • Improved affordability, convenience, reliability, and sustainability of travel options to and from places of interest (especially shops and amenities) • Reduced congestion within the town • Enhanced high street and town centre experience that prioritises the health, safety and mobility of pedestrians

Digital Connectivity	Provision of full fibre infrastructure with local authority as anchor tenant	Increased utilisation of digital channels, by businesses, to access and/or supply goods and services • Increased ability for individuals to work remotely/flexibly • Encouraging further investment from network operators
Urban regeneration, planning and land use	Remediation and/or development of previously abandoned or dilapidated sites	• Enhanced townscape that is more attractive and more accessible to residents, businesses and visitors
Arts, culture and heritage	New or upgraded museums, theatres, community spaces, etc	Improved arts, cultural and heritage offer that is more visible and easier for residents/visitors to access
Skills Infrastructure	Increase in the capacity and accessibility to new or improved skills facilities	Increased share of young people and adults who have relevant skills for employment and entrepreneurship
Enterprise Infrastructure	Increase in the amount of high-quality and affordable commercial floorspace; increase in the number of shared workspaces or innovation facilities	Increased number of enterprises utilising high-quality, affordable and sustainable commercial spaces • Increased number of start-ups and/or scale-ups utilising business incubation, acceleration and co-working spaces

Town Investment Plans

- 3.15 Town Investment Plans were worked up by the Town Deal Board in consultation with stakeholders and consultants. These documents were evidence based and driven by the intervention framework as set out above, determined by government. Bloxwich and Walsall plans were submitted by Walsall Council on behalf of the Town Deal Board as per the prescribed deadline of February 2021.
- 3.16 The plans contained a list of projects that were deemed by the Town Deal Board to fit the need within the designated areas; the projects were led either by Walsall Council or by partners within the Town Deal Board membership. Government response to the submissions was received in June 2021 for Walsall and July 2021 for Bloxwich; each Town Investment Plan bid was successful in securing £21.3m, resulting in a £42.6m grant for the borough. Successful projects were as follows:

Walsall

Construction Skills Academy	Providing a range of construction skills training to ensure Walsall residents benefit from the investment in house building and construction in the town and the wider area. Supporting entry level construction skills training, creating apprenticeships and providing training in advanced methods of construction to support supply chain development. Relocating the existing activity at Hollemeadow Avenue in Bloxwich and building on the activity on the Green Lane Campus (close to Walsall Town Centre) and creating a new, improved facility which will provide lasting and sustainable impact on communities accessing training and employment.
Advanced Electric Vehicle Technology Centre	The provision of a new training facility that will meet the skills ambition of the West Midlands to become a centre for advanced vehicle technology. The facility will provide learning opportunities in the new and emerging electric vehicle market and will be delivered in partnership with Walsall College within their Wisemore Campus. This will create the skills to service a more sustainable town, region and nation which is shifting to lower carbon emitting electric vehicles which contribute toward to the Government's Clean Growth and Road to Zero strategy.
Town Centre Performing Arts Venue	The creation of a modern, multi-use entertainment and performance arena within Walsall Town Centre aligned to the ambitions of the Walsall Town Centre Masterplan. The multi-function 1,000 seat performing arts and cultural space will replace a poorly located out-of-centre existing venue. The new arena will be accessible to all communities and organisations across the borough, located on Walsall high street and adjacent to the transport hubs providing sustainable connectivity for all. This project will drive footfall and spending at the town core, thereby supporting the vitality of the town centre day and evening economy.
Active Travel and Connectivity	Delivering interventions which create active connections - including cycling and walking - between Walsall town centre, Bloxwich high street, and local employment sites such as Phoenix 10. This will involve a range of interventions to the road and canal infrastructure which improve the pedestrian experience and safety through improved footways, lighting, CCTV, signage following Secured by Design and accessibility principles.
Digital Skills Hub	Creating a new digital skills hub in Walsall town centre. Aimed at accelerating digital growth and a 'ready to go' employable workforce with the skills, knowledge and experience to succeed. This will further build on the Mercian Trust investments in the town centre. The project will provide ample upskilling and lifelong learning opportunities, accessible digital infrastructure and connectivity and will improve future career opportunities.

Creative Industries Enterprise Centre	Creation of a makerspace, creative incubator and skills development hub. Aimed at small enterprises and local residents and to be integrated within the wider ecosystem of support to our creative industries sector. Providing a high street presence, with the potential to create Walsall's version of the Digbeth Custard Factory or Bristol Engine Shed. This will build on the Mercian Trust investments in the St Matthew's area of Walsall.
Active Public Spaces	Developing an inviting, engaging and quality public space which better links the high street to the New Art Gallery and edge of town retail. Aligned to the ambitions of the Town Centre Masterplan this project will help to change the Walsall Experience through physical and visual links which draw people into the town and Waterfront. This high-quality space will put Walsall New Art Gallery at its heart and improve this critical space for town centre users and canal boaters. The project will deliver facilities which will encourage boaters to visit and extend their stays around the Canal Basin, creating a vibrant and active waterfront.
Community Capital	Grants programme, seeks submissions for funding from local Voluntary and Community Sector (VCS) and social enterprise organisations. All supported activities must be linked to supporting the economic development of local people or companies and meet town deal capital rules criteria. Examples include; the provision or improvement of learning venues that provide skills and employment support for local people, that drive economic growth.

Bloxwich

Active Travel and Connectivity	Physical interventions which create active connections - including cycling and walking - between Bloxwich high street, Walsall town centre and local employment sites. This will involve a range of interventions to the road and canal infrastructure which improve the pedestrian experience and safety through improved footways, lighting, CCTV, signage following Secured by Design and accessibility principles. The extent of the works will cover the station to the town centre, high street and canal towpaths.
Promotion of Construction Skills through Regeneration	Promoting long term local employment and construction skills training for Bloxwich residents through a fund that will deliver neighbourhood renewal. The fund will seek applications from local housing associations and developers to financially support the remediation of existing derelict brownfield sites, and the environmental upgrading of existing dwellings. To access the fund applicants will be asked to make commitments to providing local jobs for local people, the use of local supply chains and the delivery construction skills and training for local people by developers. Outcomes will

	include; improved quality of neighbourhood, reduced carbon emissions and costs, together with people trained and employed. Through this fund strong partnerships with new and existing skills centres/social enterprise projects will be built.
Community Capital	Grants programme, seeks submissions for funding from local Voluntary and Community Sector (VCS) and social enterprise organisations. All supported activities must be linked to supporting the economic development of local people or companies and meet town deal capital rules criteria. Examples include; the provision or improvement of learning venues that provide skills and employment support for local people, that drive economic growth.
Incubation Space and Digital Access Centre	This project will provide an incubation hub in Bloxwich High Street which can be accessed by a range of partners. The facility will provide incubation space for local start-ups and small businesses and allow access to digital connectivity for local residents who do not have home access to broadband. The facility will also include the provision of co-working rented spaces which allows the businesses to collaborate and provides an income stream for the facility.
Green Bloxwich	<p>Creating multi-use spaces which will incorporate new parks, sports arenas, allotment spaces for growing food and zones to attract and encourage wildlife. The spaces will include a social events and public space for festivals and presentations and events. It will provide children, young people and adults a space to dwell and socialise providing positive social and health benefits and assist in providing the residents with local access to the outdoors which supports with Covid-19 resilience.</p> <p>This project also includes the refurbishment of heritage buildings in King George's V Park to bring them into economic use such as the conversion to community café and skills training facility.</p> <p>As the project develops it will focus on designing out crime and anti social behaviour to create a space which attracts positive use.</p>

Next Steps – Business Case development and submission

- 3.17 The above projects, while nominally approved within the funding envelope, are now subject to further scrutiny at the next stage of development. Project leads are currently developing business cases as prescribed by HM Treasury Green Book, a standard method of investment appraisal. This is based on “the 5 cases”, these being Strategic, Economic, Financial, Commercial and Management. These will set out the case for change, the financial proposition, value for money, commercial and legal arrangements and delivery milestones, as well as full risk assessments. When the business cases have been developed they will be independently appraised for the Town Deal Board which will recommend them to the Executive Director of Resources and Transformation for approval in consultation with the

Deputy Leader of the Council. the Town Deal Board for approval. Should the Board approve the business cases then this transparent appraisal process will be shared with government to secure the funding for approved projects.

- 3.18 Government has set timescales for the next stage of approval and the Town Deal Board must have completed the appraisal process for submission to government by June 2022. This will release funding an enable projects to enter delivery phase for completion by March 2025.
- 3.19 In December 2021 Cabinet agreed to delegate authority of business case approval, on the recommendations resulting from the processes set out above, to the Executive Director for Economy, Environment and Communities in consultation with the Cabinet Member for Regeneration. It also authorised submission of these approvals to the Department for Levelling Up, Homes and Communities, which will trigger the release of the £42.6m funding. Cabinet also agreed the financial proposition as set out below in Section 4.

4. *Financial information*

- 4.1 The Town Investment Plans were submitted to Government in February 2021, each requesting £25m, a total of £50million for both towns. Subsequently government made £21.3m available for each town, a combined total of £42.6m. This was subject to agreeing and signing off the Head of Terms accompanying these offers, and the submission of Project Confirmation Tables for each project. These requirements were completed successfully, enabling both Bloxwich and Walsall programmes to move to the next stage, the completion of their individual Businesses Cases.
- 4.3. To accommodate the £42.6m offered a mixture of measures was agreed by both the Council and Town Deal Board, including; the withdrawal of one Walsall Project, proportionate allocation reductions, together with the council underwriting the balance of £4.229m. This being subject to projects considering cost reductions / value engineering, seeking out external funding and the completion and approval of their Business Cases to minimise the eventual underwriting required. These details are included within the Draft Revenue Budget and Draft Capital Programme 2022/23 – 2025/26 cabinet report approved on the 20 October 2021.
- 4.4. The following table sets out the financial details associated with both the Bloxwich and Walsall Town Deal programmes, including the Towns Fund offers for each at £21.3m including the details of the council underwriting and matching funding, together with funding provided by project stakeholders, with the combined totals now exceeding £65million

PROJECTS	Town Deal DLUHC grant award (£)	Council underwriting (£)	Town Deal + Council underwriting (£)	Council Match Funding	Total budgets administered by Walsall Council	External Funding Match	Total Funding Package
Construction Skills Academy	1,314,000	0	1,314,000	0	1,314,000	2,559,000	3,873,000
Advanced Electric Vehicle Technology Centre	909,000	0	909,000	0	909,000	2,063,000	2,972,000
Town Centre Performing Arts Venue	9,382,000	318,160	9,700,000	1,250,000	10,950,160	0	10,950,160
Active Travel and Connectivity	968,000	32,592	1,000,592	0	1,000,592	0	1,000,592
Digital Skills Hub	908,000	0	908,000	0	908,000	13,032,200	13,940,200
Creative Industries Enterprise Centre	1,783,000	0	1,783,000	0	1,783,000	62,000	1,845,000
Active Public Spaces	4,493,000	162,960	4,655,960	0	4,655,960	0	4,655,960
Community Capital	904,000	0	904,000	0	904,000	0	904,000
Programme Management	639,000	15,888	654,888	0	654,888	0	654,888
Walsall Totals	21,300,000	529,999	21,829,888	1,250,000	23,079,600	17,716,200	40,795,800
Active Travel and Connectivity	3,620,000	0	3,620,000	0	3,620,000	0	3,620,000
Construction Skills Through Regeneration	10,617,000	0	10,617,000	0	10,617,000	0	10,617,000
Community Capital	2,498,000	0	2,498,000	0	2,498,000	0	2,498,000
Incubation Space & Digital Access Centre	1,562,000	1,435,600	2,997,600	0	2,997,600	0	2,997,000
Green Bloxwich	2,364,000	2,153,400	4,517,400	0	4,517,400	0	4,517,400
Programme Management	639,000	111,000	750,000	0	750,000	0	750,000
Bloxwich Totals	21,300,000	3,700,000	25,000,000	0	25,000,000	0	25,000,000
TOWNS FUND TOTALS	42,600,000	4,229,600	46,829,600	1,250,000	46,829,600	17,716,200	65,795,800

- 4.5 On 6 December 2021, Cabinet approved a further contribution of £1,250,000 to replace lost match for the Town Centre Performing Arts Venue project, as a result of the withdrawal of the Town Centre Community Learning Campus; although reducing the programme shortfall by £3,000,000, also removed an opportunity to generate matching funding from potential revenues from the sale of an existing site.

5. *Reducing Inequalities*

- 5.1 There are no direct equalities impacts as a result of the decisions recommended in this report. For individual projects EQIAs will be carried out once the exact scope and nature of the schemes is sufficiently clear and these will go through due process as the projects move out of business case development.

6. **Decide**

- 6.1 The committee will decide and advise as to whether the information above is satisfactory and whether further information is required.

7. **Respond**

- 7.1 Town Deal programme will continue with the development, drafting and submission of the required (by government) business case documents, so that the Towns Fund resources can be unlocked. In doing so officers will incorporate any response or recommendation from this committee.

8. **Review**

- 8.1 The programme will continue to be reviewed by council officers and reported to the Town Deal board and internally as required. An update will be submitted to Cabinet in Spring 2022 along with requests for any further approvals as required

Background papers

None

Author

Philippa Venables

Director of Regeneration and Economy

☎ 07919 055349

✉ philippa.venables@walsall.gov.uk