

# Individual Executive Decision Notice

<b>Report title</b>	Homes England Capacity Grant Funding	
<b>Decision designation</b>	GREEN	
<b>Cabinet member with lead responsibility</b>	Councillor Stephen Simkins Leader of the Council	
<b>Wards affected</b>	St Peter's	
<b>Accountable Director</b>	Richard Lawrence- Director of City Development	
<b>Originating service</b>	City Development	
<b>Accountable employee</b>	Claire Prince	Regeneration Officer
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<b>Report to be/has been considered by</b>	Leaders Briefing	25 March 2024
	Cabinet Member Briefing- Resources	19 March 2024

## Summary

The purpose of the report is to seek agreement to accept and create a supplementary revenue budget for £74,844 of grant funding from Homes England for the purpose of further delivery of key Wolverhampton Investment Prospectus schemes as outlined in the report.

## Recommendation for decision:

That the Leader of the Council and Cabinet member for Resources, in consultation with the

Director of City Development and Director of Finance approves:

1. A supplementary revenue budget of £74,844 for the provision of growth and capacity services for 2023-2024.

## **1.0 Background**

- 1.1 The ongoing partnership approach between the City of Wolverhampton Council and Homes England aims to reinvigorate the City Centre, create a more diverse housing offer and mix of land uses, attracting new residents and businesses. Sites identified within the Wolverhampton Prospectus offer a strategic opportunity to link areas identified within the city's existing policy and regeneration framework.
- 1.1 The Council received feasibility funding of £72,195 from Homes England to support the development and preparation of Business Cases and project management support covering the sites within the 'Accelerated Sites Programme'.
- 1.2 Homes England have made available a second tranche of funding to support continued delivery of the Council's other strategic priority sites; City Centre West, St Georges and the Green Innovation Corridor (GIC) in 2023-2024.
- 1.3 Progress to date, partly as a result of Homes England support, has included:
  - a) City Centre West: Agreeing English Cities Fund (ECF) as the preferred developer for the scheme, progressing the Heads of Terms and Strategic brief for the site.
  - b) St Georges: Agreeing Capital & Centric to provide Development Management support to take the scheme to Outline Business Case, including the delivery of a Strategic Brief for the scheme.
  - c) Green Innovation Corridor (GIC): Review of programmes governance framework, progression of LUF3 grant funding application at pace, updating the vision and outputs for the programme in collaboration with key partners including the University of Wolverhampton.

## **2.0 Funding usage**

- 2.1 To access Homes England's funding the Council has agreed to enter into a Grant Funding Agreement (GFA). Homes England will defray funding upon receipt of a claim form confirming project expenditure in 2023-2024 and evidencing that agreed project milestones and outputs have been achieved.
- 2.2 It is anticipated that the Council will enter into the GFA in Q4 2023-2024.
- 2.3 The GFA states that funding is made available to the Council to provide resource, skills and capacity within the City Development Service to progress the priority projects, including but not limited to:
  - business case support and development;
  - funding bids and investment propositions;
  - strategy and policy development; and

- organisation, project and programme governance.

2.4 As such the Council has procured Consultancy Project Management Support to progress these workstreams for the aforementioned strategic priority sites up to 31 March 2024 at a cost of £74,844.

### **3.0 Evaluation of alternative options**

3.1 Alternative option- Not to accept or spend the Homes England Capacity Funding.

3.2 This approach is not recommended as the aforementioned schemes require dedicated Project Management resource which is not currently available within the City Development Service. If the funding was not accepted, the Council would either need to cease the progress of the schemes or find alternative sources of funding.

### **4.0 Reasons for decision**

4.1 The Council welcomes ongoing revenue capacity support from Homes England to allow for Project Management and Business Case development to be progressed across its Strategic sites.

4.2 It is recommended that a supplementary revenue budget is established to allow expenditure on Consultancy Project Management support prior to receipt of funding from Homes England.

4.3 Furthermore, the schemes directly contribute to the objectives of the Council Plan (Our City, Our Plan) and the Good Growth Strategy. Development of the aforementioned sites will represent significant investment in Wolverhampton's economy, will create jobs across both the supply chain and end uses and will deliver new residential units.

### **5.0 Financial implications**

5.1 This report seeks retrospective approval to set up supplementary revenue budgets for consultancy costs incurred to be fully funded through Homes England grant funding.

5.2 Approval is sought to create a supplementary revenue budget of £74,844 in 2023-2024 to cover the consultancy support costs for drafting of Business Cases covering the sites set out in section 2. This will be fully grant funded through the available grant.

5.3 It should be noted that there is a requirement, as part of the grant agreement, for the Council to provide Homes England with Monitoring and Progress Reports in accordance with their standard Terms and Conditions.

[LD/18032024/Z]

### **6.0 Legal implications**

6.1 In relation to the recommendations set out in the report, the Council must comply with the Financial Procedural Rules and the Contract Procedural Rules as set out in the Council's Constitution, which requires the Council to obtain the advice from the relevant Finance Business Partner prior to enter into the Grant Agreement and obtain the prior approval of the Section 151 Officer.

6.2 The Council's Legal Services will provide legal advice in relation to this transaction.

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## **7.0 Equalities implications**

7.1 As part of the Councils project management process, an equality analysis will be undertaken to identify the potential impact these new developments could have on certain protected groups and the actions that will be taken to address or mitigate against any negative impact identified in the assessment.

## **8.0 All other Implications**

8.1 All specific detailed implications of each of the named projects will be considered within future reporting on the specific projects.

## **9.0 Schedule of background papers**

9.1 Cabinet, 22 March 2023- Wolverhampton Investment Prospectus – First Phase Delivery Plan.

## **10.0 Appendices**

10.1 Appendix 1: Terms of Grant Award-Homes England & City Wolverhampton.