



Towns Fund Board

25 November 2022

Levelling Up Agenda – Briefing Note and Update

Recommendations:

The Towns Fund board is recommended to:

- a) Discuss and agree proposed changes in relation to the Towns Fund Board scope, name and membership in light of current government policy.
- b) Commission new Terms of Reference and Local Assurance Framework for the next board meeting as required.

1.0 Purpose

- 1.1 The purpose of this report is to provide the key issues for consideration in how the Towns Fund Board continues to evolve, to ensure the City can best respond to government policy.
- 1.2 Should the Board agree any changes, then a new Terms of Reference will be produced for the next meeting, currently scheduled for January 2023.
- 1.3 Annually, the Towns Fund Board is required to formally review the Local Assurance Framework, and this will also be done alongside any changes to the Terms of Reference.

2.0 Background

- 2.1 The Towns Fund Board was set up in 2020 as a requirement of grant funding under the Towns Fund deal. The Board has overseen the successful submission of all Business Cases to government, ensured effective funding reallocation processes and is ensuring robust oversight of delivery across all projects.
- 2.2 Since the launch of the Levelling Up White Paper in February 2022, the Board has been actively reflecting on how it can best support the wider levelling up agenda for the City.
- 2.3 Despite some uncertainty on the future of government policy over recent months, the Autumn budget statement on 17 November 2022 indicates a continued commitment for aspects of levelling up – such as Levelling Up Fund Round 2 and a trailblazer devolution deal agreement with the West Midlands.
- 2.4 This paper formally sets out areas for the Board to consider, informing a new Terms of Reference and operating model, which would enable the forum to be a wider 'levelling up board' for the City.

3.0 Scope and Remit

- 3.1 Before the Levelling Up White Paper was launched in February 2022, the City of Wolverhampton Council has been successful in securing significant external funding, which aligns to the wider levelling up agenda.
- 3.2 This includes the Future High Streets Programme, which was launched in the 2018 budget and is a precursor to Towns Funding. Future High Street Fund (FHSF) aims to renew and reshape town centres and high streets in a way that drives growth, improves experience and ensures future sustainability by providing co-funding to support transformative and structural changes to overcome challenges in their area.
- 3.3 Wolverhampton secured a provisional FHSF grant award of £15.76 million. This grant award will allow the Council to implement and fully fund the programme of large-scale transformation and improvements to the public realm that will positively impact the City Centre West area. Delivery of Victoria Street and Civic Hall Public Realm Zones (Westside Links 1 and 3) will enhance activity, footfall, land values, and bring about significant wider economic, social and environmental benefits through improved resident, visitor and worker experience. In addition, this will enable the Council to deliver the Box Park scheme and a new public car park at Cleveland Street. This scheme will provide an anchor destination and car parking infrastructure support at the southern end of the public realm improvements, aiding Victoria Street's transition to more of a mixed-use, evening economy and an events destination.
- 3.4 The Levelling Up Fund (LUF), announced in October 2021 aims to tackle economic differences and drive prosperity as part of 'levelling up'. The Fund focuses on capital investment in local infrastructure that have a visible, tangible impact on people and places, and support economic recovery, prioritising bids that invest in regeneration and growth in places in need and areas of low productivity and connectivity.
- 3.5 Bids of up to £20 million can be submitted under LUF, either an individual project or package, which must be sponsored by the MP. Under round 1, the City secured £20 million towards the City Learning Quarter for Wolverhampton South West constituency.
- 3.6 Under LUF Round 2, in Summer 2022 the Council submitted two bids for the Green Innovation Corridor (Wolverhampton North East) and Bilston Health and Regeneration Hub (Wolverhampton South East). A decision is expected late 2022 following confirmation in the Autumn statement that this funding will continue.
- 3.7 A summary of the two LUF round 2 bids are as follows:
 - a. **Green Innovation Corridor:** will support growth of new green industries, turbocharging economic prosperity and closing the productivity gap. A key priority for levelling up the City, this bid will act as a catalyst delivering Phase 1, the Springfield Innovation Hub. The Hub will regenerate 1.21 hectares brownfield land producing 4,955 sqm new commercial workspace creating 330 high-quality jobs. It will be delivered in partnership with the private sector, maximising impact of LUF.

It will support new business starts, scale up, products and services aligning to the City's existing strengths in high value manufacturing, green technologies, and digital innovation

- b. **Bilston Health and Regeneration Programme:** links key public realm together to connect Bilston's public transport hub and Bilston Health and Wellbeing Hub which integrates NHS, Social Care, Wellbeing and Leisure services at the heart of the Bilston Community creating a campus that brings together in one place a range of health and well-being related services focusing journeys into the town centre.

- 3.8 For Future High Streets and Levelling Up funding, the Council acts as the Accountable Body. Unlike Towns Fund, there is no formal requirement for external oversight or governance.
- 3.9 However, given the opportunity to widen the scope of the existing board to include levelling up in the round, the board is asked to consider utilising the excellent forum and basis of the Towns Fund Board to include a wider briefing on Levelling Up and Future High Streets Fund programmes. Although it does not act as the final decision maker on funding streams outside of Towns Fund, considering wider projects will enable greater strategic join up and decision making on Towns Fund initiatives.
- 3.10 Should the Board agree to a wider remit, it is proposed the name of the Board is changed to reflect this – for example, Levelling Up Board or City Investment Board. The Board is asked to consider the future formal name of the Board.

4.0 Membership

- 4.1 There is particular acknowledgement to the time and dedication given by the current membership to the Board's work to date.
- 4.2 Given the potential changes to scope and remit of the Towns Fund Board, there is also the opportunity to review membership as part of the new terms of reference.
- 4.3 There are no proposals to change the arrangements for the Chair of the Towns Fund Board or current membership by key individuals and organisations, which includes key public, private, VCS partners and representatives, and our City Youth Council. However, some additions are proposed which are in line with the Board's previous feedback that membership should not be too large.
- 4.4 It is proposed that in order to make greater links to wider governance in the City, the Chair of the Economic Growth Board and Chair of City Business Champions are invited to join the Board.
- 4.5 Given the wider scope of 'levelling up' it is also proposed to invite a senior officer from the Department for Levelling Up, Housing and Communities.
- 4.6 It is also proposed to extend an invitation to the Chief Superintendent of West Midlands Police.