

Meeting date: 9 March 2023

Report to: Full Cabinet

Report title: Update on Applications to Funding Bodies that Support the Council's Priorities

Report from: Director of Economy and Infrastructure

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Wards affected:

- All Wards | Bickenhill | Blythe | Castle Bromwich | Chelmsley Wood |
 Dorridge/Hockley Heath | Elmdon | Kingshurst/Fordbridge | Knowle |
 Lyndon | Meriden | Olton | Shirley East | Shirley South |
 Shirley West | Silhill | Smith's Wood | St Alphege

Public/private report: Public

Exempt by virtue of paragraph:

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1. **Executive Summary**
 - 1.1 To inform the Cabinet on progress of external funding applications on behalf of the Council.
 - 1.2 To agree the acceptance of specific external funding for projects A to D, as listed in Sections 1.3 to 1.6 below, to support the delivery of the Council's priorities, should these applications be successful.
 - 1.3 Project A: **Local Electric Vehicle Infrastructure** – a project led by West Midlands Combined Authority (WMCA) with a total value of £8.4m (£3.5m within Solihull), to deliver electric vehicle charging infrastructure, supporting solar powered PV canopies and battery storage at a range of WMCA and local authority owned locations across the West Midlands.

- 1.4 Project B: **Chelmsley Wood 15 Minute Neighbourhood** – an application for £300k has been submitted to Innovate UK's Fast Followers programme to develop and implement a detailed plan to establish a place-based approach to decarbonisation.
- 1.5 Project C: **Chelmsley Wood Town Centre North-West Quarter Redevelopment Phase 1** – the submission of an Outline Business Case (OBC) to the WMCA's Investment Programme to secure c. £600k of identified funding to support the next stage of scheme development.
- 1.6 Project D: **M42 & West Coast Main Line (WCML) Multi-Modal Transport Bridges** - the submission of a Strategic Outline Case to the WMCA to secure £5m of identified City Region Sustainable Transport Settlement (CRSTS) funding to develop an OBC identifying the preferred route and associated infrastructure to improve connectivity across the UK Central Hub area to HS2 Interchange Station. The work will include pre-construction works for a multi-modal bridge over the M42 and optioneering design work to support a multi-modal crossing over the WCML.
- 1.7 To note the development work being carried out in support of securing funds for the regeneration of Kingshurst Village Centre.

2 Decision(s) Recommended

- 2.1. That Cabinet notes the progress of new external funding applications on behalf of the Council summarised in Appendix 1.
- 2.2. That Cabinet agrees that, should funding applications be successful, it will delegate authority to the relevant Director to sign any contractual arrangements, in conjunction with the relevant Cabinet Member.

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3. Matters for Consideration

- 3.1. The Council has an ambitious agenda which cannot be entirely funded by the Council's own resources. The securing of external funding supports the delivery of the Council Plan.
- 3.1 Applications are being prepared or have been submitted to support five projects, details of which can be found in Appendix 1. Financial details are contained in Appendix 2.
- 3.2 Project A: **Local Electric Vehicle Infrastructure** – a project led by WMCA with a total value of £8.4m (£3.5m within Solihull), to deliver electric vehicle charging infrastructure, supporting solar powered PV canopies and battery storage at a range of WMCA and local authority owned locations across the West Midlands.
- 3.3 Project B: **Chelmsley Wood 15 Minute Neighbourhood** – an application for £300k has been submitted to Innovate UK's Fast Followers programme to develop and implement against a detailed local plan to establish a place-based approach to decarbonisation.
- 3.4 Project C: **Chelmsley Wood Town Centre North-West Quarter Redevelopment Phase 1** – the submission of an Outline Business Case (OBC) to the WMCA's Investment Programme to secure c.£600k of identified funding to support the next stage of scheme development.
- 3.5 Project D: **M42 & West Coast Main Line (WCML) Multi-Modal Transport Bridges** - the submission of a Strategic Outline Case to the WMCA to secure £5m of identified City Region Sustainable Transport Settlements (CRSTS) funding to develop an OBC identifying the preferred route and associated infrastructure to improve connectivity across the UK Central Hub area to HS2 Interchange Station. The work will include pre-construction works for a multi-modal bridge over the M42 and optioneering design work to support a multi-modal crossing over the WCML.
- 3.6 Project E: **Kingshurst Village Centre Regeneration** – the development of funding applications to WMCA's Housing Fund, Homes England, GBSLEP EZ Regional Investment Fund and the Department for Levelling Up Housing and Communities Brownfield Land Release Fund Round 2 to support redevelopment of the village centre.

4 What options have been considered and what is the evidence telling us about them?

- 4.1 The Cabinet could choose to approve all, some, or none of the listed funding applications. It is recommended that the Council agrees to delegate authority to proceed with Projects A to D as stated in Section 2.2.

5 Reasons for recommending preferred option

- 5.1 If successful, the listed funding applications detailed as Projects A to E in Appendix 1

would deliver significant benefits in line with the Council Plan as outlined in Section 6.

6 Implications and Considerations

6.1 State how the proposals in this report contribute to the priorities in the [Council Plan](#):

Priority:	Contribution:
<p>People and Communities:</p> <ol style="list-style-type: none"> 1. Improving outcomes for children and young people in Solihull. 2. Good quality, responsive, and dignified care and support for Adults in Solihull when they need it. 3. Take action to improve life chances and health outcomes in our most disadvantaged communities. 4. Enable communities to thrive. 	<p>Project A aims to build on the charging infrastructure needed to support the future demands and need for electric vehicle charging across all of our communities enabling our communities to thrive.</p> <p>Project B will help identify ways to improve the lives of adults, children and young people living within the 15-minute neighbourhood area of Chelmsley Wood through helping to combat recent cost-of-living rises, minimising fuel poverty, reducing transport poverty and combating health inequalities.</p> <p>Project C, the redevelopment of Chelmsley Wood town centre will provide an appealing asset to meet the needs of the community. It will create an inviting space that encourages people to dwell, socialise, eat, and drink in a safe and welcoming environment. Both during and once the development is completed it will offer new job opportunities, raising skills levels in the area.</p> <p>Project D aims to contribute to placemaking for new communities at the UK Central Hub. The new developments planned across the UK Central Hub are forecast to create and secure approximately 70,000 full time equivalent jobs, over 400,000 m² of commercial development and up to 5,000 new homes. Improved connectivity and accessibility to the local transport network and wider strategic connections, will not only improve network resilience, but also improve the attractiveness of the area, ensuring it is a desirable destination for communities to visit, live and work.</p>

Priority:	Contribution:
	<p>Project E, Kingshurst Village Centre, has the potential to act as a catalyst for wider public service reform focussed on an integrated service offer designed to tackle health inequalities. The project is in an area of relatively high deprivation. Its delivery will directly support disadvantaged communities and is aimed at helping to ensure the local community thrives. The inclusive growth outcomes framework has been developed to define the overarching outcomes for the project, as well as to provide a benchmark that elements of the development proposal can be assessed against.</p>
<p>Economy:</p> <ol style="list-style-type: none"> 5. Develop and promote the borough's economy, with a focus on revitalising our town and local centres. 6. Maximising the opportunities of UK Central and HS2. 7. Increase the supply of affordable and social housing that is environmentally sustainable. 	<p>Project A will support the development of the local economy through reducing barriers to electric car ownership, as well as enabling residents, businesses and visitors to the Borough to work, visit and enjoy the Borough using an electric vehicle in the knowledge that there are minimal barriers with regards to charging their vehicle.</p> <p>Project B will identify ways to improve the energy efficiency of buildings/homes within the 15-minute Neighbourhood area – an element of which are privately owned but a significant amount is social housing.</p> <p>Project C will help to support businesses on the site in retail, leisure, office-based workplaces, health and education. The development of these uses will diversify the offer in the town centre and, particularly with the food and drink offer, help create a night-time economy. It will also improve and support the existing retail offer and support and encourage business in difficult economic times.</p> <p>Project D will improve connectivity to HS2 and throughout the UK Central Hub and enable key development assets across the region to become a single well-connected "place" that facilitates economic growth and additional housing opportunities, maximising the opportunities of UK Central</p>

Priority:	Contribution:
	<p>and HS2. Once complete, this is predicted to increase the area's GDP by £6.2 billion per year.</p> <p>Project E, the redevelopment of Kingshurst Village Centre is an identified priority in the Council Plan. It has a direct impact on helping to revitalise north Solihull and one of its important local centres. The development proposals include the provision of new homes, community, health and retail units.</p>
<p>Environment:</p> <p>8. Enhance our natural environment, improve air quality and reduce net carbon emissions.</p>	<p>Project A is promoting the use of cleaner energy by bolstering the Borough's charging network through utilising solar PV and battery technology.</p> <p>Project B will focus on decarbonisation and support transition to net zero. It will identify ways to improve the local environment and improve air quality within the 15-minute neighbourhood area of Chelmsley Wood.</p> <p>Project C. A net zero strategy has been prepared which sets out targets for the new development and how these can be achieved. The development will support connectivity to surrounding areas to enable opportunities for walking and cycling giving key benefits to health and wellbeing. The development will also create a high-quality public realm with significant landscaping and tree planting.</p> <p>Project D, the multi-modal bridges, will prioritise the movement and accessibility of pedestrians, cyclists and public transport users to encourage modal shift and tackle the widespread issue of vehicle congestion and poor air quality.</p> <p>Project E enhances the links between Kingshurst park and the village centre with a high-quality landscaped corridor. It is intended that the new housing developments will be net zero.</p>

Priority:	Contribution:
9. Promote employee wellbeing	None

6.2 Consultation and Scrutiny:

6.2.1 Public consultation will be undertaken as part of any successful application process as appropriate.

6.3 Financial implications:

6.3.1 The proposals set out in this report are subject to approvals from the individual funders, and thus no expenditure will be committed until funding has been awarded and relevant funding agreements are in place. It is expected that, as the individual applications move towards the contracting stage, there will be questions on eligibility from the funding bodies which could affect the overall budget.

6.3.2 The Council, as the Accountable Body for these project bids, is ultimately responsible for ensuring that there are appropriate monitoring and financial systems in place to ensure propriety and regularity in the use of external grant funding. Failure to meet grant conditions could result in the withdrawal of grant and subsequent additional costs falling on the Council. Similarly, any expenditure incurred in excess of the awarded grant would have to be met from the Council's own budgets, if it cannot make good such shortfall from monies from other sources. As the Accountable Body, the Council submits claims to external funding bodies with this funding being paid directly to the Council.

6.3.3 The Council's stated match funding in individual submissions will be identified within existing budgets and does not represent an additional budget pressure. Match funding can include the use of 'in kind' contributions of existing staff as well as cash contributions from existing budgets and from other organisations. Any match funding identified from external partners will only be included in applications if it has followed the Council's Financial Regulations and has the appropriate level of authorisation.

6.3.4 Should there be staffing implications associated with the funding, then associated costs form part of the applications.

6.4 Legal implications:

6.4.1 If it is successful in securing grants after making full applications, the Council will enter a contractual relationship with the specific funding body.

6.4.2 Each project will report on progress, following the External Funding Regulations that form part of the Council's Financial Regulations.

6.4.3 Legal advice will continue to be sought, where appropriate, to ensure full compliance with the Subsidy Regime through the development of the Financial Case and in respect of all property acquisitions and land transactions.

6.5 Risk implications, including Risk Appetite:

6.5.1 The projects will follow the corporate risk management process. Generic project risks include failure to gain required property possessions, failure to achieve outputs, difficulty of recruitment, poor financial management etc. The projects have their own risk management assessments, including defined mitigation measures to reduce individual risks. These assessments are presented to the monthly UKC Growth and Development Project Board and UKC Programme Board for consideration.

6.5.2 Risks are minimised with strong project management systems. Each project is managed by an individual project management team and a central risk monitoring team with a single system of reporting project financial expenditure and outputs. For successful applications, delivery will be overseen the UKC Programme Team. Progress and risks will then be reported monthly and reviewed by the UKC Growth and Development Project Board, which is itself overseen by the UKC Programme Board.

6.5.3 The Council will monitor the financial spend and outputs of their respective projects before the associated claims are submitted to the respective grant giving Managing Authority. The monitoring process is supported by the Council's internal Audit Team.

6.6 Equality implications:

6.6.1 An equality analysis is required in relation to individual projects and programmes in which the funds will be invested as required. On Council led projects we use the Council's tool of Fair Treatment Assessment (FTA) to:

6.6.1.1 Help identify the likely impacts on certain protected groups and consider whether such impacts disproportionately affect any protected group.

6.6.1.2 Identify the actions we will take to address or militate against any negative impact identified from the assessments.

6.6.2 Linkages to our work with the West Midlands Combined Authority (WMCA), Greater Birmingham & Solihull Local Enterprise Partnership (GBSLEP) or the Birmingham & Solihull Integrated Care System (ICS):

6.6.3 WMCA is the lead in the application outlined as Project A, is a named partner on the application for Project B, and will be funding Projects C, D and E, if the business case submissions are approved.

6.6.4 GBSLEP will be funding Project E, if the application is successful.

6.6.5 ICS is a partner on Project E.

7 List of appendices referred to

7.1 Appendix 1 – Details of each project

7.2 Appendix 2 – Financial information

8 Background papers used to compile this report

8.1 None

9 List of Other Relevant Documents

3.1 None