

**Meeting date:** 13 March 2023

**Report to:** Economic Development and Managed Growth Scrutiny Board

**Report title:** Briefing Note: The National Levelling Up Agenda and UK Central

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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
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**Public/private report:** Public

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**1. Executive Summary**

- 1.1 'Levelling Up' has been a central theme of Government in recent years. This was set out in last February's Levelling Up White Paper and reiterated in November's Autumn Statement.
- 1.2 The Council has a long history of Levelling Up – type activity, especially in North Solihull through the impact of the North Solihull Partnership, and has continued to prioritise Levelling Up, giving it prominence in the Council Plan and the new Draft Economic Strategy.
- 1.3 Although Solihull has not benefited specifically from the £4.8 billion Levelling Up Fund to date, other funding has been secured both from the Government and other sources.

**2. Decision(s) Recommended**

- 2.1 That members note the report for information.

## Report Title: The National Levelling Up Agenda and UK Central

### 3. Matters for Consideration

3.1 Levelling Up has been a policy priority for the Government over recent years. In March 2021, *Build Back Better* identified Levelling Up as the UK Government's "most important mission"

"There are parts of the country where people feel left behind, that they are not getting fair access to jobs, wages and skills opportunities, and that their local priorities are not being delivered on by government. Levelling up is about improving everyday life for people in those places. It is about ensuring people can be proud of their local community, rather than feeling as though they need to leave it in order to reach their potential"

HM Government, Build Back Better, 2021.

3.2 The growing emphasis on Levelling Up led to the Ministry for Housing, Local Government and Communities becoming the Department for Levelling Up, Housing and Communities in 2021 with a White Paper – *Levelling Up the United Kingdom* - following in February 2022, where Levelling Up was identified as the Government's 'defining issue'. The Government defines Levelling Up<sup>1</sup> as "creating opportunities for everyone across the UK by:

- Improving jobs, pay and living standards
- Making streets safer
- Protecting health and well-being
- Investing in high streets and town centres
- Improving local transport"

3.3 It also notes that "Levelling Up means different things in different areas" but stressing the close link between Levelling Up and the Levelling Up Fund, which was established through the 2020 Spending Review to "invest in local infrastructure that has a visible impact on people and their communities and will support economic recovery".

3.4 The portfolio of the Under Secretary of State for Levelling Up includes:

- Local growth funding design and simplification
- Local growth funding delivery – UK Shared Prosperity Fund, Levelling Up Fund, Community Ownership Fund etc
- High streets, towns, commercial property and regeneration (brownfield land)
- Devolution deals and county deals plus Mayoral Combined Authorities and pan-regional growth bodies.

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<sup>1</sup> <https://levellingup.campaign.gov.uk/what-is-levelling-up/>

## **UK Central**

3.5 Essentially, UK Central is:

- a broad strategy to unlock sustainable growth and regeneration in the borough
- a programme of strategic projects and interventions to deliver this growth
- a brand, used to promote the strategic advantages of the borough and attract private and public investment.

3.6 Of most relevance to this note is the programme of strategic projects. This contains a range of interventions, including upgrades to existing and planned junctions and movement corridors (e.g., Roundabout over the Trace (HS2 line), A45/Damson Parkway junction and A452 improvements), delivering major town centre improvements and accelerating site development (e.g. Kinghurst Village Centre, Solihull Town Centre and Chelmsley Wood North West Quarter), and future proofing this delivery, in terms of innovation in low carbon, autonomous vehicle and social value aspects of the programme.

3.7 Projects are delivered by the Council, the UK Central Urban Growth Company and partner organisations like National Highways. The programme links strongly to the arrival of HS2 but is much broader and not dependent on HS2.

## **Levelling Up funds**

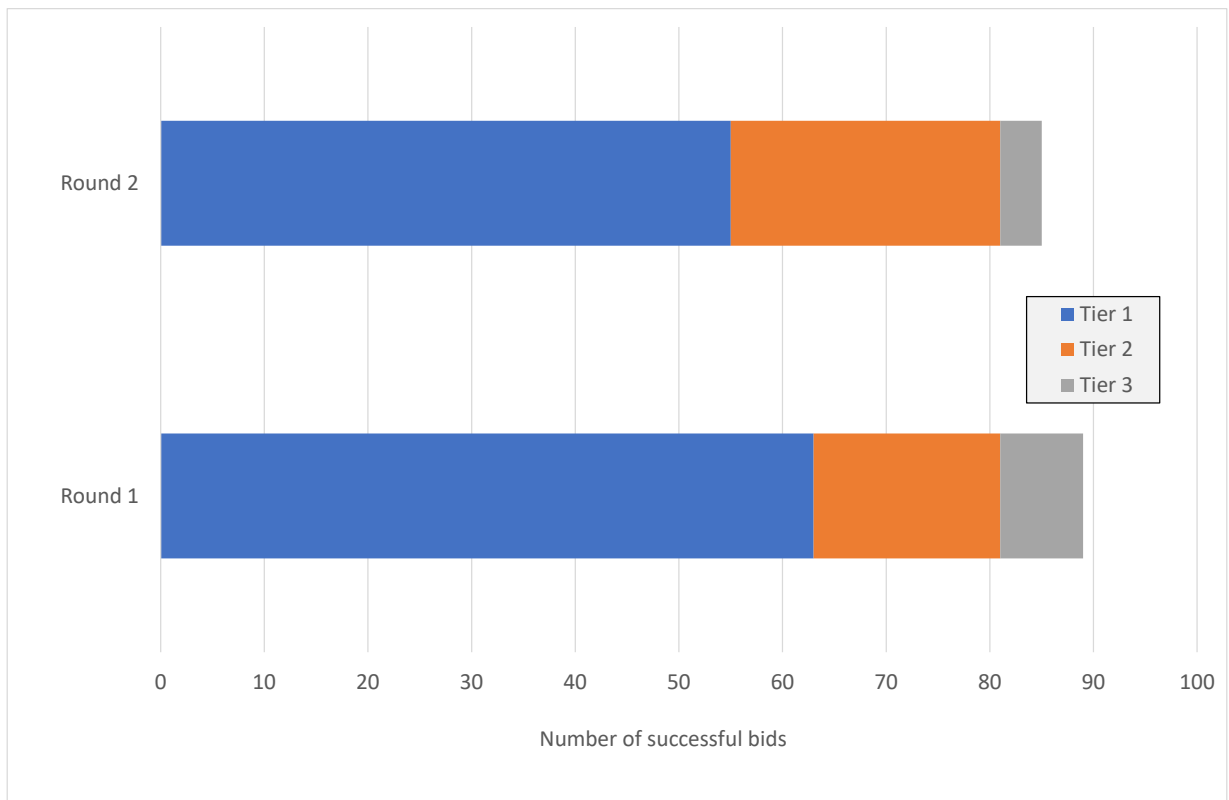
3.8 The £4.8 billion Levelling Up Fund has been open to all local areas in England with a stated focus of “growth and regeneration in places in need, those facing particular challenges, and areas that have received less government investment in recent years”.

3.9 It is stated that the fund is targeted towards places that are most in need of the type of investment the fund provides, as measured by an Index of Priority Places that considers: the need for economic recovery and growth; need for improved transport connectivity; and need for regeneration. The index uses borough level indicators including productivity, unemployment, low skills and commercial property rates.

3.10 Each local authority was assigned to one of three tiers, with Solihull being placed in Tier 3, the lowest priority for funding. Despite more than 10% of Solihull residents living in areas identified as high need, the local authority level analysis means this is masked by prosperity elsewhere in the borough.

3.11 While awards have been made to local authorities in Tier 3 over the two rounds, the awards have been heavily skewed to authorities in Tiers 1 and, to a lesser extent, Tier

2 as shown below.



- 3.12 The Council submitted bids to both rounds of the Levelling Up Fund. In the first round, bids were submitted for the regeneration of Kingshurst Village Centre and the A45/Damson Parkway junction. Neither were approved. In the second round, Kingshurst was resubmitted given that further major progress had been made in terms of the acquisition of outstanding property interests and the appointment of a main contractor. The A45/Damson parkway project was not resubmitted as it was now approved in principle through the City Region Sustainable Transport Settlement (CRSTS) announced last year. The second round bid for Kinghurst was again unsuccessful.
- 3.13 The Autumn Statement stressed that the Levelling Up Fund is not the only source of local grant funding to deliver Levelling Up. The UK Shared Prosperity Fund will deliver against this agenda.
- 3.14 The CRSTS was announced by the Government in August 2021. The CRSTS programme includes funding for several schemes within Solihull, both those that are being led and will be delivered by the Council, as well as those being progressed by others. A total of £98.63m of funding is identified for investment in Solihull, of which £79.16m relates to schemes being led by the Council. A revenue fund sits alongside

this to help fund project development.

3.15 In addition, Levelling Up has seen:

- Brownfield Land Release Funding being secured for Kingshurst Village Centre
- The creation of the Greater Birmingham and Solihull Institute of Technology

3.16 The Government's report *Levelling Up: Delivering for All Parts of the UK*<sup>2</sup> sets out that East Birmingham and North Solihull will see 20 hectares of unusable land remediated to catalyse regeneration through funding from the Levelling Up Fund. This site is located in East Birmingham.

### **Council Approach**

3.17 Some local authorities have developed specific Levelling Up strategies. In Solihull, the Council Plan sets out the Council's approach to inclusive growth, which "directly aligns with the government's levelling up agenda".

3.18 Similarly, Levelling Up is a key theme in the consultation draft of the borough-wide economic strategy, with its ambitions that people and communities across Solihull have access to good work and opportunities to develop their skills; and generate distinctive and economically vibrant places across our Borough, as well as prioritising the designation of North Solihull as a nationally recognised zone for investment and boosting Chelmsley Wood's position as an important town centre.

3.19 This work builds on the legacy of the North Solihull Partnership, which saw major investment in North Solihull to boost education, deliver regeneration and create high quality neighbourhoods and village centres.

3.20 The Council will provide continued support for UK Central and continue to develop a pipeline of investible propositions to deliver the economic strategy and target outcomes for inclusive growth, including health inequalities and the transition to net zero. This includes activities such as exploring new funding mechanisms and securing research and innovation investment into Arden Cross. Delivering UK Central's portfolio of sites, including the major opportunities in Solihull Town Centre, can deliver Levelling Up even in the absence of direct support from the Levelling Up Fund.

3.21 The Council will continue to explore funding opportunities and make bids wherever a

strong case can be made and the eligibility criteria allow.

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

4.1 The report is for information.

**5. Reasons for recommending preferred option**

5.1 The report is for information.

**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"> <li>1. Improving outcomes for children and young people in Solihull.</li> <li>2. Good quality, responsive, and dignified care and support for Adults in Solihull when they need it.</li> <li>3. Take action to improve life chances and health outcomes in our most disadvantaged communities.</li> <li>4. Enable communities to thrive.</li> </ol>	<p>Levelling Up is a key component of Council's approach to inclusive growth. Any Levelling Up funding attracted will directly contribute to these priorities.</p>
<p>Economy:</p> <ol style="list-style-type: none"> <li>5. Develop and promote the borough's economy, with a focus on revitalising our town and local centres.</li> <li>6. Maximising the opportunities of UK Central and HS2.</li> <li>7. Increase the supply of affordable and social housing that is environmentally sustainable.</li> </ol>	<p>Any funding secured through Levelling Up will directly contribute to revitalising towns and local centres.</p> <p>Although unlikely to attract Levelling Up Funds, Arden Cross will deliver Levelling Up at the regional level by enhancing West Midlands growth.</p>
<p>Environment:</p> <ol style="list-style-type: none"> <li>8. Enhance our natural environment, improve air quality and reduce net carbon emissions.</li> </ol>	<p>The built environment of North Solihull can be expected to be improved through Levelling Up activities, together with the biodiversity gains delivered through development.</p>
<ol style="list-style-type: none"> <li>9. Promote employee wellbeing</li> </ol>	<p>None</p>

## 6.2 Consultation and Scrutiny:

- Report is for information

## 6.3 Financial implications:

- Report is for information

## 6.4 Legal implications:

- Report is for information

## 6.5 Risk implications, including Risk Appetite:

- Report is for information

## 6.6 Equality implications:

- Report is for information, although any Levelling Up can be expected to address the inequalities across the Borough

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

- Levelling Up activities will be influenced by the WMCA's Plan for Growth and its role in delivering the UK Shared Prosperity Fund

## **7. List of appendices referred to**

7.1 None

## **8. Background papers used to compile this report**

8.1 None

## **9. List of Other Relevant Documents**

9.1 See footnotes