

Scrutiny Board :	Economy, Skills, Transport and Environment Scrutiny Board
Report Title	Town Fund Programme
Date of Meeting	Wednesday, 18 March 2026
Report Author	Towns Fund Programme Manager Rina Rahim
Lead Officer	Executive Director - Place Alan Lunt
Wards Affected	West Bromwich Smethwick Rowley Regis
Identify exempt information and exemption category	N/A
Appendices (if any)	<ol style="list-style-type: none"> 1. Towns Fund Programme Financial Profiles 2. Towns Fund Project output progress 3. Towns Fund Project RAG ratings

1. Executive Summary

- 1.1 That the Economy, Skill, Transport and Environment Scrutiny Board endorse the progress of the Towns Fund Programme.

2. Recommendation

- 2.1 That the Board considers and comments upon the information presented and determines whether it wishes to make any recommendations to the Towns Fund Boards.
- 2.2 Due to the amalgamation of funds by Ministry of Housing, Communities and Local Government (MHCLG), it is recommended that a consolidated report covering the Towns Fund Programme, Levelling Up Haden Hill, Levelling Up Grove Lane, and the Tipton Capital Regeneration Programme be presented at future Scrutiny Board.

3. Background and Context

- 3.1 Following the Government's announcement identifying 101 towns to benefit from the Towns Fund, Heads of Terms were offered (one per town), allocating £25m to West Bromwich, £23.5m to Smethwick and £19m to Rowley Regis. This provided Sandwell with a total Towns Fund allocation of £67.5m, which was confirmed in a Grant Offer received on 20 August 2021.
- 3.2 Business Cases for 16 projects were subsequently submitted and approved by Government, securing the full £67.5m for Sandwell. Each town committed to delivering outputs defined by MHCLG, alongside additional locally agreed measures with the respective Towns Fund Boards.
- 3.3 All 16 projects entered the Delivery Phase, with completion scheduled by March 2026. To ensure effective governance and compliance with the approved business cases, a Towns Fund Assurance Framework was established.
- 3.4 To enable regular monitoring of progress, expenditure and risks, the Programme Management Office requires project leads for West Bromwich, Smethwick and Rowley Regis to submit quarterly Monitoring, Evaluation and Claim Returns, at a minimum.
- 3.5 Bi-annual progress, risk and output reports are also submitted to MHCLG. To date, all returns have been approved, enabling the release of grant funding across the three towns.
- 3.6 On 2 September 2025, MHCLG advised Sandwell Council that several funding streams would be consolidated into a single Local Regeneration Fund. This affects the Levelling Up Funds Haden Hill and Grove Lane, Tipton Capital Regeneration Fund, and the three Town Fund programmes. Key changes include the consolidation of outputs for reporting purposes, and an extension of both spend and delivery deadlines to March 2028.
- 3.7 Sandwell Council received a new Memorandum of Understanding (MoU) on 17 February 2026 which reflect these changes. The Cabinet report on 10 December 2025, sought delegated authority for the Director of Place, S151 and Governance Monitoring Office to accept of the MoU subject to review by Legal and Finance.

Project Updates

- 3.8 The Towns Fund Programme continues to be governed by Sandwell Council as the Accountable Body and the three Town Deal Boards, who meet on a quarterly basis to review project progress and approve financial returns to Government.
- 3.9 The project financial profiles are detailed in Appendix A with the outputs detailed in the Appendix B. Key project updates since the last Scrutiny Report include:

- 3.9.1 The construction of the Midland Met Learning Campus has now been completed, and a media event is scheduled to take place on 13 March 2026.
- 3.9.2 The Cradley Heath Skills Campus stakeholder launch was held on 2 March 2026 and included an initial tour of the building.
- 3.9.3 The Grove Lane Regeneration Project has been assigned an inquiry date in June 2026 as part of the Compulsory Purchase Order process.
- 3.9.4 A community event for the Rowley Regis Park Improvements Project took place on 8 March to highlight the works completed to date within the park and the Sons of Rest Building.

Appendix D includes project progress pictures across the three Towns.

- 3.10 Since the last report to Scrutiny, the financial spend to date is as follows:

Town	Spend as of 30 December 2025	Total Allocation
West Bromwich (£25m)	£24,955,440	24,992,600
Smethwick (£23.5m)	£17,622,511	23,482,800
Rowley Regis (£19m)	£17,540,994	19,000,000

- 3.11 Following the completion of the Blackheath Bus Interchange Project, an underspend of approximately £1m was identified. This was primarily due to the contingency budget not being required and some works being delivered under budget. At the most recent Rowley Regis Board meeting on 26 February 2026, Board members approved in principle the following projects to utilise the underspend:

- Haden Hill Park – Pathway works
- Haden Hill Park – Adventure playground
- Cornfield Park – Greenspace improvements
- Cradley Heath High Street – Improvement works
- Blackheath Town Centre – CCTV
- Wrights Lane – Pedestrian pathway

- 3.12 As these projects fall within the 30% delegated authority threshold, they do not require formal approval from MHCLG. However, all projects must demonstrate value for money using the Government's Business Case methodology. Full business cases will be presented to the Board for formal approval.

4. Consultation

- 4.1 As most of the projects are nearing completion of the construction phase, there is limited opportunity for projects to carry out community consultation. At the conclusion of the Towns Fund programme, both project-level and programme-level evaluations will be carried out, alongside a review of lessons learned from the delivery of the programme.
- 4.2 At the Scrutiny Board meeting in October 2025, a recommendation was made to the Towns Fund Board—particularly the Smethwick Partnership Board—to consider incorporating youth voice into engagement activity through a Youth Forum process. The Board welcomed this recommendation and is now working with a small group of young people to identify the most effective way to engage with young people on a regular basis and enable wider youth participation in shaping the programme. As the Youth Group has met only once so far, a further update can be provided to the Scrutiny Board.
- 4.3 The Smethwick Board is also awaiting a response from MHCLG regarding the Smethwick Regeneration Plan. Subject to this, it is anticipated that community workshops and further engagement activity will be undertaken to promote the programme.

5. Financial Implications

- 5.1 As the funding programmes have been amalgamated, there has been the opportunity to extend the delivery timescale to enable the delivery of complex projects. The Local Regeneration Fund provides greater flexibility of funding between programmes and projects which may assist where there are project funding pressures.

6. Legal and Governance Implications

- 6.1 A new Memorandum of Understanding has been received on 17 February and is currently under Finance and Legal review prior to acceptance by Sandwell Council as the Accountable Body.

7. Risks

- 7.1 The project delivery risks previously assessed as red have now been mitigated with details provided in Appendix 3. Throughout the next quarter, project reviews will be undertaken to understand whether any delays are expected.

8. Equality and Diversity Implications (including the public sector equality duty)

- 8.1 The revised Governance arrangements consist of three Town Deal Boards, with membership drawn from a range of organisations and sectors. The investment gained through the Towns Fund offers the opportunity for Towns to 'level up' and put in place building blocks for economic prosperity. Specific equality and diversity implications have been assessed for each project within the programme.

9. Other Relevant Implications

9.1 Health and Wellbeing

Projects within the Towns Fund Programme will deliver health and wellbeing benefits and are outlined as part of the Full Business Cases for each project.

9.2 Social Value is a priority within the Regeneration Programme and performance against Social Value outputs and outcomes will be monitored by the Regeneration Programme Board.

10. Background Documents

10.1 No background documents to note.

11. How does this deliver the Outcomes in the Council Plan?

11.1 Growing up in Sandwell

Projects within the Towns Fund areas will create new and improved facilities for young people including new education and learning spaces.

11.2 Living in Sandwell

Projects within the Towns Fund areas will deliver new housing, new education spaces, improvements to community assets, public realm and green spaces, improvements to transport links, and will support the creation of new jobs and learning opportunities.

11.3 Healthy in Sandwell

Projects within the Towns Fund areas will deliver new housing, new education spaces, improvements to community assets, public realm and green spaces, improvements to transport links which will have an impact and support a healthy Sandwell.

11.4. Thriving Economy in Sandwell

Projects within the Towns Fund areas will deliver new jobs and learning opportunities. Improvements to transport connections will improve residents' ability to access key transport hubs and hence their access to employment and education prospects, contributing to attracting and retaining businesses in Sandwell.

11.5 One Council One Team Approach

Working in partnership with the Towns Fund Boards and internal colleagues will support the delivery of the programme