

REPORT TITLE	Update on Liverpool City Region developments
REPORT OF	Rose Boylan, Policy & Strategy Manager

REPORT SUMMARY

This report sets out a brief overview of latest developments at the Liverpool City Region (LCR), including the outcome of the recent Governance review, and activity underway to implement the City Region devolution deal.

This matter affects all Wards within the Borough.

RECOMMENDATION/S

Committee is requested to note and comment on latest developments.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

Committee have requested regular updates and consideration of City Region developments.

2.0 OTHER OPTIONS CONSIDERED

2.1 N/a

3.0 LATEST DEVELOPMENTS

3.1. Combined Authority Governance Review

In December 2016, Wirral and the other City Region Local Authorities, and the LCR Combined Authority agreed the final legal and governance requirements to establish the Liverpool City Region Combined Authority (LCRCA) Mayoral Model with the devolved powers and functions agreed as part of the Devolution Deal in November 2015.

A review of the LCR CA constitution is underway, and a revised constitution will be circulated imminently to fully reflect the powers and functions contained within the LCR Order and other generic Orders applicable to the CA, together with how they will be implemented. Details and timescales for the Mayoral Elections are currently being finalised and will be circulated to members shortly.

3.2. Ongoing Delivery

Delivery and implementation continues to progress an extensive range of activity. Examples include:

(i) Business Rates Pilot

The LCR is working to pilot a local government finance system based on retention of 100% of Business Rates income. The objective of the pilot is to test the system being designed to enable 100% rates retention and to test the potential for additional responsibilities to be devolved to local government as part of that system. Details of retention and redistribution mechanisms are currently being negotiated with DCLG.

(ii) Single Investment Fund

The devolution deal secured a commitment to establish a Single Investment Fund (SIF) for the City Region. The SIF brings together local and national funds with those secured through devolution and over the next five years it will invest over £250 million in the City Region. The fund will help to deliver the City Region's targets for growth and secure long-term prosperity for residents and businesses.

The SIF will be invested, in particular, in projects that generate a return so that resources can be recycled to deliver more benefits for the City Region. The recently published Single Growth Strategy 'Building Our Future' provides the framework to guide investment decisions with a focus on business development, research and development, innovation, skills, infrastructure and homes ie 'Productivity, People, Place'.

Link to full document <https://www.liverpoollep.org/wp-content/uploads/2016/06/SGS-SUMMARY-final-low-res.pdf>

(iii) Skills

The CA has just launched the latest round of the Single Investment Fund to invite investment proposals under the single theme of Skills Capital. Meeting the skills needs of employers is a priority for economic growth and a compelling argument for skills capital investments. Skills are an enabler to drive productivity, increase competitiveness and stimulate the creation of new jobs. Delivering the right balance and mix of high quality provision (including access to specialist centres) with good building conditions, efficient estates and up to date machinery that can better respond to employer demands is essential to unlocking local potential and accelerating growth.

(iii) Transport

New Merseyrail trains by 2020: The Merseyrail network is set to get brand new trains after the Combined Authority agreed the £460m project in December 2016. The trains will be built and maintained by Swiss manufacturer, Stadler, subject to a final legal process and the signing of the contracts in the New Year. The CA reports that the new trains will be safer - in terms of the ease in which everyone can get on and off, and will also make Merseyrail one of the most accessible networks in the country. The trains will be able to carry 60% more passengers, will cut journey times by 10%, and will have the capabilities to eventually run beyond the current Merseyrail boundaries to places like Skelmersdale, Wrexham and Warrington.

The CA states that the trains, which will not result in any additional fare increases or council tax rises, will be publically owned by Merseytravel, meaning that they can be designed specifically to suit the network.

Bus Alliance: Partners including Merseytravel, Arriva and Stagecoach recently signed an agreement to improve bus services across the City Region, making the bus network more attractive, affordable and accessible, and supporting the regional economy. The 'Bus Alliance' brings the operators and partners together under a framework to deliver more than £25m worth of investment in bus services in year one of the five-year partnership.

The LCR is also calling on Government to push through the Buses Bill in Parliament. It follows the recent Transport Select Committee report which concluded that the Bus Services Bill, which is currently going through Parliament, provides a major opportunity to transform passengers' experiences of bus services. The Bill will automatically give Mayoral Combined Authorities powers that will allow for greater control and influence over their networks, with different options available on how to do this from full franchising to enhanced partnerships with operators. This power is a fundamental element of the Liverpool City Region's Devolution Deal with government.

4.0 FINANCIAL IMPLICATIONS

The Devolution arrangements propose the devolution of resources to City Region.

5.0 LEGAL IMPLICATIONS

Council agreed the LCR Order in December 2016. The Constitution of the Combined Authority now requires amendment to reflect the new governance arrangements and the powers and functions set out in the LCR Order. Amendments to the Combined Authority constitution need the unanimous agreement of the CA Constituent members.

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

At this time, no additional cost is expected to be incurred by LCR local authorities as a result of the new arrangements to deliver the devolution deal.

7.0 ENGAGEMENT/CONSULTATION

Wirral, along with City Region partners, has circulated information and raised awareness of the devolution developments, Governance Review and public consultation through a range of methods.

8.0 EQUALITY IMPLICATIONS

There are no direct equality implications associated with this report as it deals with the issue of devolution at a strategic level. Equality analysis will be carried out as part of the detailed implementation as appropriate.

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SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet	12 July 2013
Cabinet	8 August 2013
Cabinet and Council	19 September 2013
Cabinet and Council	10 March 2014
Council	19 November 2015
P&P Regeneration & Environment Committee	18 January 2016
P&P Regeneration & Environment Committee	2 March 2016
Business Overview & Scrutiny Committee	13 September 2016
Council	14 November 2016
Cabinet	8 December 2016
Council	6 December 2016